

City of Palo Alto

(ID # 6658)

Architectural Review Board ARB Staff Report

Report Type: New Business Meeting Date: 3/3/2016

Summary Title: 355 University Avenue [15PLN-00237]

Title: 355 University Avenue [15PLN-00237]: Request by Hayes Group Architects, on behalf of Palo Alto Masonic Temple Association, for Architectural Review, Historic Review, Sign Exception, and Seismic Rehabilitation Floor Area Bonus for new façades and signage on University Avenue and Florence Street, new ground floor parking accessed from the adjacent public alley, new second story with outdoor rooftop display area, and interior modifications. Environmental Assessment: Categorically exempt from the provisions of the California Environmental Quality Act (CEQA) per Guideline Section 15301 Existing Facilities, Section 15304 Minor Alterations to Land, and Section 15311 Accessory Structures. Zoning District: Downtown Commercial (CD-C(GF)(P)).

From: Rebecca Atkinson

Lead Department: Architectural Review Board

RECOMMENDATION

Staff recommends the Architectural Review Board (ARB) review the proposed project, receive any public testimony, and provide comments. This is the first formal hearing on the project, but no formal action is requested at this time.

EXECUTIVE SUMMARY

The applicant proposes the remodel and seismic rehabilitation of the existing approximately 10,210 square foot building at 355 University Avenue for the purposes of relocating the Design Within Reach to the subject property.

The project site is a parcel at the northeast corner of University Avenue and Florence Street. The project site currently hosts two partially interlocking buildings:

- 355 University Avenue building, which is currently vacant, and
- 353 University Avenue/461 Florence Street building, which is occupied by the Medallion Rug Gallery and the Palo Alto Masonic Temple Association.

The total existing amount of gross floor area on the parcel causes both of the aforementioned buildings to be considered legal nonconforming grandfathered facilities. Furthermore, a portion of the 353 University Avenue/461 Florence Street building extends beyond the current property line and over the existing 20-foot wide public alley.

The 355 University Avenue building is included on the Seismic Category II list, as it is a pre-1935 non-unreinforced masonry building and other required characteristics. The building qualifies for a seismic rehabilitation floor area bonus under Palo Alto Municipal Code (PAMC) Section 18.18.070(2) Seismic Rehabilitation Bonus. The applicant proposes to locate a portion of the bonus floor area as a new partial second story that would be set back from the University Avenue façade. The use of a seismic rehabilitation floor area bonus would not bring the parcel over the 3.0:1 FAR limit established for commercial properties in the Downtown Commercial zoning district.

As part of the seismic rehabilitation, the applicant proposes to remove the existing 355 University Avenue front stucco façade. A new glass façade would allow views into the store. The applicant also proposes to remove the existing roll-up doors and the vacant unpermitted space currently labeled as 451 Florence Street, the enclosure and occupancy of which was the subject of a code enforcement case in 2013. The applicant proposes to create a series of covered on-site diagonal parking spaces in this location off of the public alley for the exclusive use of Design Within Reach customers and employees. The applicant also proposes to either simply repaint the 461 Florence Street façade or repaint and add a supergraphic sign containing either one or a series of iconic product images. The supergraphic signs would require approval of a sign exception under PAMC Section 16.20.040 due to exceeding the maximum size for a wall sign.

The project did not pursue the Preliminary Architectural Review process and there are no prior ARB or public comments on the project. The project requires review by the Architectural Review Board (ARB) and Historic Resources Board (HRB) prior to action by the Director of Planning and Community Environment. The project is tentatively scheduled for review by the HRB in March 2016.

PROJECT SITE INFORMATION

Parcel

The project site is a 13,500 square foot parcel located on the northeast corner of University Avenue and Florence Street (Attachment A). The parcel was formerly 15,500 square feet, but the 20 foot wide public alley and easement that extends on the northwest side of the parcel was deeded to the City of Palo Alto in 1925. The Comprehensive Plan land use designation for the parcel is Community Commercial (CC). The parcel is zoned Downtown Commercial District and is within the Ground Floor Combining District and the Pedestrian Shopping Combining

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¹ According to the Building Department, 451 Florence Street is not an official address for this location, but is used in this staff report as a reference label for this portion of the property.

District (CD-C (GF)(P)). The parcel is assessed within the University Avenue Area Parking Assessment District for 33,530 square feet of on-site gross floor area. The Palo Alto Masonic Temple Association contributed to the District for the required 134 parking spaces.

As mentioned earlier, the parcel currently hosts two partially interlocking buildings: the 355 University Avenue building and the 353 University Avenue/461 Florence Street building. The parcel was originally developed in the earlier 1900's as three structures covering the same general footprint as the two buildings that remain at this time:

- The original Masonic Temple building was erected in 1909-1910, but was destroyed in a fire in 1971. The existing three story 353 University Avenue building was erected in 1973. The Palo Alto Masonic Temple Association occupies the second and third story and the building has hosted multiple tenants on the ground floor, including a former bank tenant that installed a curb cut and ground level drive-through off of Florence Street for public access to a teller window.
- The reinforced concrete structure facing Florence Street that is internally connected at the second floor with the 353 University Avenue/461 Florence Street building was originally erected circa-1925 as an addition to the original Masonic Temple building. It contained the public alley throughway on the ground floor, as well as a ground floor storefront and a second story with balcony and windows. The storefront, windows, and other façade details were removed in 1972-1973 to accommodate the former bank tenant floorplan and drive-through.
- The 355 University Avenue building was erected circa-1930's in the Mediterranean Revival style. It had a two-store configuration, a central entrance flanked by plate-glass fenestration, a decorative Roman-brick base course, and wood casement windows with decorative shutters on the second story (Figure 1). Subsequent remodels circa-1960 removed many of the original features and only the stucco exterior wall cladding, tile roof and cornice band, and the cement plaster sills with bracket supports remain. Two of the four windows were infilled, but the original window openings remain. It is unknown when the existing interior mezzanine level was installed.

Figure 1 Photo of Original 355 University Avenue Building.



355 UNIVERSITY AVE., circa 1930 (previously 357 & 359 University) image source: http://archives.pahistory.org/cdm4/item_viewer.php?CISOROOT=/PAHA&CISOPTR=1615&CISOBOX=1&REC=14

Vicinity

The parcel is located within the University Avenue District and Florence Street sub-district, as described in the Downtown Urban Design Guidelines. The public alley between Florence Street and Waverley Street is identified in the Downtown Urban Design Guidelines as a "place alley" intended to be transformed into a gathering space for pedestrians over time in a manner that encourages pedestrian use with service functions made less apparent.

To the east is a remodeled single-story building occupied by Crepevine. To the north are the public alley and a remodeled two-story commercial building hosting multiple commercial tenants. To the west across Florence Street is a single story building hosting JOYA restaurant. To the south across University Avenue are two commercial buildings that host the Apple store and CVS Pharmacy. Buildings near the parcel that are listed as a historic resource in the City's inventory are shown in **Attachment B.**

PROJECT DESCRIPTION

Safety Codes

The project primarily involves bringing the existing 355 University Avenue building up to current safety codes in order to accommodate the Design Within Reach store relocation. The Chief Building Official has confirmed that the proposed seismic rehabilitation² conforms to the analysis standards in PAMC Chapter 16.42. The project includes first time ADA upgrades to the building, including installation of a compliant building entrances, elevator, ramps, and restrooms. The project includes new exterior landings and stairways to address emergency exiting requirements at the rear of 355 University Avenue and 353 University Avenue/461 Florence Street.

<u>Floorplan</u>

The proposed floorplan maintains the same amount of floor area as the existing basement. The ceiling height for the basement would be increased by approximately 4 feet in concert with raising the finished floor elevation of the majority of the first floor sales area to be level with existing grade at the rear of the building. The new partial second story contains indoor sales area space and an outdoor patio area.

Facades and Signage

The project would remove the existing 23-foot 3-inch high 355 University Avenue stucco front façade in favor of a new 22-foot 4-inch high recessed open glass façade featuring vertical windows with quartz-zinc metal mullions, a white metal recessed entryway, dark grey stone pavers, and a red metal Design Within Reach primary wall sign with white acrylic LED-illuminated letters. The clear glazing would contain infrared decals to provide bird safety. Immediate views into the store would reveal an immediately adjacent at-grade sales area to the left, stairways leading up and down at the center, a direct view on the right down into the basement sales area, and a dropped ceiling from which lighting merchandise would be displayed.

The applicant proposes to locate a portion of the seismic rehabilitation bonus floor area as a new partial second story that would reach 34-feet 2-inches high. The new second story would be set back between 20 and 30 feet from the 355 University Avenue front façade. It would have an open glass façade, and would open out to a new outdoor patio area.

² The seismic rehabilitation includes new reinforced concrete footings, removal of unsheathed wood stud infill walls, removal of the unsupported interior mezzanine, installation of a new second floor and new roof diaphragm with anchorage and cross-ties, provision of new concrete shear walls on the west side of the building, and removal of the existing internal chimney. The front façade would be removed because it has a concrete frame without out of plane bracing. In order to address the potential for seismic-related pounding from adjacent buildings, floor levels would be located at approximately the same location as adjacent buildings, moment frames would be provided so that the buildings would move with similar periods, elastic materials would be placed between buildings, and the new second story would be set back by approximately one foot from the adjacent 353 University Avenue building to provide a separation.

While not expected to be visible except from a distance, the east side elevation would be painted rock grey and would have zinc coping.

Views of the north rear elevation from the public alley would be limited due to the walls and height of the existing back portion of the 353 University Avenue/461 Florence building. The wall would be painted dove grey. The rear elevation would also have new grey powder coated emergency access stairway and security gate, as well as access to the new long-term bicycle storage room and refuse room that would be constructed under the existing 353 University Avenue/461 Florence building.

The project would remove the existing roll-up doors and unpermitted space currently labeled as 451 Florence Street. Portions of the existing wall on the south side of the public alley (See Sheet A-0.2.5 Photo 4) would be removed to reveal existing structural columns and allow for vehicle access to proposed covered on-site parking spaces. The parking spaces and public alley would be illuminated through light strips mounted to the underside of the existing building. The project proposes installation of a dove grey and dark grey supergraphic sign of one of the Design Within Reach iconic and signature chairs on the exterior portion of the second floor. The applicant-preferred installation is to mount a stretched fabric scrim supergraphic within a steel frame and to illuminate it with uplights. Additional options are proposed in the plan set on Sheet A-0.6. All of these first three options would require approval of a sign exception.

Site Improvements and Utilities

The existing open area under the University Avenue sidewalk would be demolished and filled, in concert with addressing the sidewalk grade transition at the primary entrance.

In order to create the new series of covered on-site parking spaces off of the public alley, the existing unpermitted space would be removed and this area and the alley would be repaved to drain properly. The existing driveway ramp that served the former bank teller drivethrough would be removed and would be replaced with a new curb and gutter.

Fire service would involve a new double check valve on the 461 Florence Street building wall. The domestic water service check valve would remain in the vault under University Avenue.

Auto Parking, Bicycle Parking, and Commercial Loading Spaces

One of the new on-site parking spaces would be ADA accessible and the remaining four parking spaces would be for the exclusive use of Design Within Reach customers and employees. One of these parking spaces would host an electric vehicle charging station. The removal of portions of the existing wall on the south side of the public alley would result in the elimination of the two existing commercial loading spaces in the public alley. The project includes creation of one long-term bicycle storage space, placement of one on-site short-term bicycle rack adjacent to the new parking spaces, and two additional short-term bicycle racks on the University Avenue and Florence Street sidewalks. One new on-street commercial

loading space on Florence Street would be added with the closure of the existing driveway. The existing red curb would also possibly be removed, pending final confirmation from the Fire Department. The existing two on-street public parking spaces would remain.

DISCUSSION

Comprehensive Plan Conformance

The project's conformance with the Comprehensive Plan policies will be outlined at a future meeting. Of special note is the project consistency with seismic Policy N-51/Program N-70 in the Comprehensive Plan's Natural Environment Element.

<u>Grandfathered Facilities and Development Standards</u>

The existing buildings do not exceed the height limit of 50 feet and there are no lot coverage limitations in effect for the Downtown Commercial zoning district. Parking requirements are met for the existing gross floor area on the parcel through participation in the parking assessment district. However, the existing buildings on the parcel are considered legal nonconforming grandfathered facilities because the existing total gross floor area on the parcel exceeds the maximum floor area ratio (FAR) of 1.0:1. Furthermore, some gross floor area extends beyond the current property line and over the existing 20-foot wide public alley.

According to PAMC Section 18.18.060(a) Table 2, the maximum floor area ratio (FAR) for parcels in the Downtown Commercial zoning district is 1.01:1, except that the FAR limit may be increased with the use of a seismic rehabilitation bonus up to a total site FAR of 3.0:1.

According to PAMC Section 18.18.070(a)(2), a Seismic Category II building that is undergoing seismic rehabilitation shall be allowed to increase its floor area by 2,500 square feet or 25% of the existing building, whichever is greater, without having this increase count toward the FAR and subject to the restrictions in PAMC Section 18.18.070(b). The bonus can be used on the site only once and the bonus area must be fully parked by either providing parking spaces onsite or through payment of in lieu parking fees under PAMC Section 18.18.090.

According to the recently updated PAMC Section 18.18.120(b)(2), grandfathered facilities shall be permitted to remodel, improve, or replace site improvements on the same site for continual use and occupancy, by the same use, provided such remodeling, improvement, or replacement complies with all of the following:

- A. shall not result in increased floor area;
- B. shall not relocate below grade floor area to above grade portions of the building;
- C. shall not result in an increase of the height, length, building envelope, building footprint, or any other increase in the size of the improvement;
- D. shall not increase the degree of noncompliance, except pursuant to the exceptions to the floor area ratio regulations set forth in Section 18.18.070;
- E. The Director may approve minor changes to the building's footprint, height, length, and the building envelope through Architectural Review of minor aesthetic architectural

improvements and to improve pedestrian-orientation provided there is no increase to the degree of any non-complying feature.

The applicant and staff are still in the process of confirming the existing and proposed gross floor area for the parcel and for the 355 University Avenue building according to the many relevant Municipal Code sections. Floor area calculations for the proposed project might also be influenced by forthcoming applicant responses to ARB and HRB feedback. Staff has confirmed that the use of a seismic rehabilitation floor area bonus would not bring the parcel over the 3.0:1 FAR limit established for commercial properties in the Downtown Commercial zoning district. The applicant requests that the Director:

- determine that the project increases the legal nonconforming grandfathered floor area for the parcel in a manner allowable by PAMC Section 18.18.120(b)(2)(A) according to PAMC Section 18.18.070(a)(2) and pursuant to the process outlined in PAMC Section 18.18.120(b)(2)(D) for seismic rehabilitation floor area bonuses,
- determine that the project is consistent with PAMC Section 18.18.120(b)(2)(E) by representing minor changes to the building footprint, height, length, and building envelope in a manner that improves pedestrian orientation and in a manner that does not increase the degree of any noncomplying feature.
- determine if there is any remainder in the seismic rehabilitation bonus floor area that could be transferred to another property at a later date.

Land Use Classification, Restrictions on Office Uses, and Ground Floor Combining District

Staff is still in the process of confirming the land use classification for Design Within Reach. The determination is likely to be retail with personal service as an accessory use, both of which are allowed in the Downtown Commercial zoning district and Ground Floor Combining District. Design Within Reach sells contemporary home and office furnishings and related accessories. Physical sales areas serve primarily as showroom space for merchandise that can be delivered directly to the customer once ordered.

Staff is determining the allowable use(s) for the outdoor patio area on the new partial second story. PAMC Section 18.18.060(h) requires that all permitted commercial activities to be conducted within a building unless the circumstance falls within a permissible exception, such as incidental sales and display of plant materials and garden supplies or an outdoor eating areas incidental to eating and drinking services.

Sign Ordinance

The project proposes two signs. The first is a red metal Design Within Reach primary wall sign with white acrylic LED-illuminated letters on the University Avenue front elevation. The sign area is 22.85 square feet and is compliant with the PAMC Section 16.20.130 regarding size, height, and location. The second sign is a dove grey and dark grey supergraphic sign on the 461 Florence Street elevation. All of the three proposed options extend across the entire second floor wall area for a sign area of 684.76 square feet and would require approval of a sign exception. According to PAMC Section 16.20.130 Table 3, the maximum size of wall sign shall be

limited to 203 square feet. The applicant has provided reasoning for approving a sign exception for ARB consideration (Attachment C).

Historic Preservation Analysis

The applicant submitted a draft historic resource evaluation and CEQA analysis report for the subject parcel and 355 University Avenue building (dated October 23, 2015 and received October 26, 2015). This report has not been finalized, as the HRB has not yet reviewed and discussed the report. This report contains the draft conclusion that the project does not have a direct impact on a historic resource because the 355 University Avenue building is not listed as historic in the City's inventory, nor does the building retain its original integrity due to building alterations over time. The report also contains the draft conclusion that the project would not have any direct or indirect impacts on two nearby listed historic buildings within the CEQA study area that was defined by the consultant.

As mentioned earlier, the project is tentatively scheduled for review by the HRB in March 2016. As usual, the staff report prepared by the City's Historic Planner will be released before the meeting. Staff will report the feedback received by the HRB to the ARB at the next formal ARB hearing on the project.

Downtown Urban Design Guide

Relative to the goals of the Downtown Urban Design Guidelines, the project does maintain the diversity of architecture and the tree-lined ambience, which is stated as important characteristics toward supporting the retail core of downtown. Staff is interested in ARB feedback about furthering project consistency with the character of the University Avenue District and the Florence Street subdistrict. The Downtown Urban Design Guidelines states:

- "University Avenue contains a general 25-50 foot wide pattern of storefronts, and similar sized structural bays at larger buildings. This pattern creates a pleasing rhythm and allows a variety of building facades within a single block face. Generally buildings are two, three or four stories with a few exceptions. Most buildings have no setback to the street and rise to a parapet wall without a distinct roof. The architectural style of the retail storefronts is mixed. Many corner stores front only to University Avenue while ignoring the side streets. This limits the opportunity to continue retail vitality onto the side streets. Landmarks within the district include the Palo Alto Office Center at 525 University, the Varsity Theater and the Stanford Theater..." (Page 26),
- "Two secondary districts overlap and are related to the University Avenue District, Florence Street and Kipling Street. These areas are singled out as secondary districts because they have their own distinct characteristics making them of special note. Efforts should be made to unify and complement each of the secondary districts through the use of appropriate building design, landscaping and public amenities. The existence of these districts provides a unique opportunity to establish interesting links between University Avenue retail and Lytton Avenue commercial area. Both districts contain significant historic architecture and development patterns, and the Palo Alto Historic

Resources Board is an important resource in consulting for future development of these areas..." (Page 28).

Staff is also interested in ARB feedback about furthering the alley design and operation. The Downtown Urban Design Guidelines highlights the system of alleys as part implementing an overall pedestrian way plan (Page 16). The public alley between Florence Street and Waverley Street is identified as a "place alley" intended to be transformed into a gathering space for pedestrians over time in a manner that encourages pedestrian use with service functions mostly not apparent (Page 16 & Page 25). The project already proposes to enclose the currently unenclosed dumpsters and proposes opening up the alley from a visual perspective by removing portions of the southern alley wall. Staff suggests that more could be done to transform the alley into a more pedestrian friendly environment, such as through creatively painting the northern alley wall and creative installation of the light strips.

Pedestrian Shopping Combining District

The project is required to meet the intent of the Pedestrian Shopping Combining District, which requires:

- display windows, or retail display areas;
- pedestrian arcades, recessed entryways, or covered recessed areas designed for pedestrian use with an area not less than the length of the adjoining frontage times 1.5 feet; and
- landscaping or architectural design features intended to preclude blank walls or building faces.

The project conforms to the Pedestrian Shopping Combining District requirements on the University Avenue front elevation.

Staff would appreciate feedback on the design of the 461 Florence Street elevation, the proposed series of covered on-site parking spaces, and the public alley given the Pedestrian Shopping Combining District requirements and the aforementioned identification of the public alley as a "place alley" in the Downtown Urban Design Guidelines. Staff supports the proposed on-site bicycle rack placement. Staff would also suggest the inclusion of on-site bench or a planting area. The existing second story blank wall, if not utilized for signage, could also be an opportunity site for a mural or a visual queue identifying the alley as a "place alley."

Architectural Review Findings

Staff is interested in ARB feedback about the project consistency with the Architectural Review Findings, particularly:

- Finding (4) In areas considered by the board as having a unified design character or historical character, the design is compatible with such character,
- Finding (6) The design is compatible with approved improvements both on and off the site; and,

• Finding (10) - Access to the property and circulation thereon are safe and convenient for pedestrians, cyclists and vehicles.

Context-Based Findings

Staff is interested in ARB feedback about the project consistency with the Context-Based Design Criteria outlined in PAMC Section 18.18.110, especially in regard to the design of the University Avenue façade relative to maintaining visual unity of the street. On the Florence Street elevation, staff is interested in how best to address the views to the proposed on-site parking and the existing second story blank wall relative to maintaining visual unity of the street and promoting a pedestrian-oriented design.

Department Comments

Public Art

The project is subject to the public art requirement. The project plans do not incorporate public art and the applicant has applied to provide the public art in-lieu fee.

Transportation and Public Works

Transportation and Public Works are evaluating project compliance with parking space design and loading space design and signage requirements, as well as ensuring proper alley design and operation.

Building, Fire, and Utilities

Building and Fire are finalizing their determination regarding any need for separation of the onsite parking spaces from the building above, as well as the location of fire service facilities relative to the exterior access to the existing elevator equipment at 461 Florence Street.

Planning

In addition to the items mentioned in the discussion section above, Planning has requested more information regarding if a new interior or exterior transformer would be necessary for the proposed EV charging station or if the service voltage for the parcel is changed.

ENVIRONMENTAL REVIEW

Environmental review is required for this project under the California Environmental Quality Act (CEQA). Upon the review of the project information, including a noise study, historic resource report, seismic report, and comments provided by reviewing Departments, staff believes the project with qualify for a Categorical Exemption.

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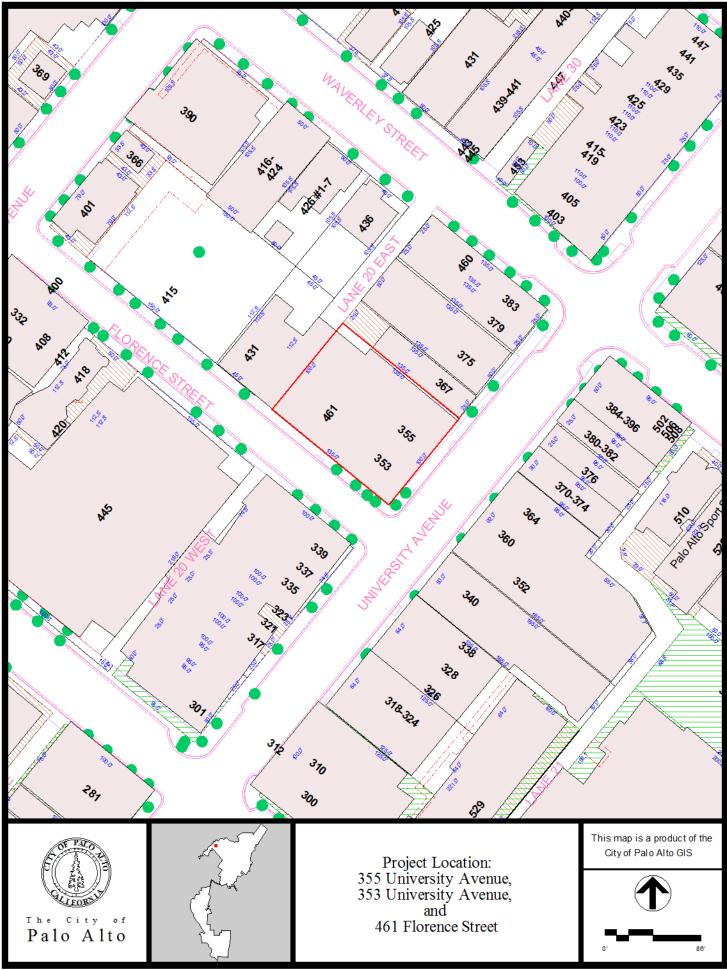
Terrence Murphey, The Hayes Group Architects, tmurphey@thehayesgroup.com

Attachments:

Attachment A: Project Location (PDF)
Attachment B: Project Vicinity (PDF)

Attachment C: Applicant Statement Sign Exception (PDF)

• Attachment D: Project Plans (DOCX)





Attachment C



February 16, 2016

Rebecca Atkinson, Planner City of Palo Alto Department Of Community Development 250 Hamilton, 5th floor Palo Alto, CA 94301

Re: 15PLN-00237 - 355 University Avenue, Design Within Reach

Dear Rebecca.

I am writing to clarify the super-graphic options submitted with our ARB application. We have submitted three options plus a fourth that is a painted, blank wall. Three of the options can be considered a "sign" as defined by PAMC 16.20.010(14). As a sign, they exceed the size permitted by the ordinance and an exception is needed for the three super-graphic options. The fourth option is not a sign and requires no exception application. Although Design Within Reach prefers one of the super-graphic options, if this slows down the approval of the project, the fourth option, the painted wall, is preferred. If the super-graphic options can be considered without delaying the project approval, Design Within Reach would like to proceed with one of the three options. In response to your request for findings for the exception to the sign ordinance, I offer the following in accordance with PAMC 16.20.040:

Finding No.

1. There are exceptional or extraordinary circumstances or conditions applicable to the property involved that do not apply generally to property in the same district.

The subject retail frontage faces University Avenue and the leased space wraps around and behind the Masonic Lodge creating a presence on Florence St. behind a large blank wall of the lodge. This is a unique condition in the downtown. Parking for the retail space is entered from Florence St. creating the need for a sign. The proposed sign exceeds the size limit as a way to stimulate the blank building elevation where there are no windows and where the super-graphic will enhance the pedestrian experience. Note that the upper floors are for the lodge and applicant has no ability to provide windows.

2. The granting of the application is necessary for the preservation and enjoyment of a substantial property right of the applicant and to prevent unreasonable property loss or unnecessary hardships.

The city has asked the applicant to consider ways to break down the scale of the blank wall on Florence St. As a way to break down the scale and enliven the building elevation, since the applicant has no control over the space behind the blank wall and cannot change the structure, a super-graphic is being utilized.

3. The granting of the application will not be detrimental or injurious to property or improvements in the vicinity and will not be detrimental to the public health, safety, general welfare or convenience.

As the sign exception applies only to paint on an otherwise blank wall utilizing abstract representations of furniture in muted tones this will not be detrimental or injurious to other properties or improvements nor to the public health and welfare and will enhance safety and convenience for shoppers.

We look forward to a favorable review of our application.

Sincerely.

Ken Hayes, President

Celans

Attachment D: Project Plans

Project plans can be found on the City's website at the following location:

http://www.cityofpaloalto.org/civicax/filebank/documents/48004