



**City Council  
Special Meeting  
Monday, September 27, 2021  
5:00 PM  
Virtual Meeting**

## **Amended Agenda**

Amended items are listed in Red

**\*\*\*BY VIRTUAL TELECONFERENCE ONLY\*\*\***

**[CLICK HERE TO JOIN](#)   Zoom Meeting ID: 362 027 238   Phone:1(669)900-6833**

Pursuant to the provisions of California Governor's Executive Order N-29-20, issued on March 17, 2020, to prevent the spread of Covid-19, this meeting will be held by virtual teleconference only, with no physical location. The meeting will be broadcast on Cable TV Channel 26, live on YouTube at <https://www.youtube.com/c/cityofpaloalto>, and Midpen Media Center at <https://midpenmedia.org>. Members of the public who wish to participate by computer or phone can find the instructions at the end of this agenda.

### **PUBLIC COMMENT**

Members of the public may speak to agenda items; up to three minutes per speaker, to be determined by the presiding officer. All requests to speak will be taken until 5 minutes after the staff's presentation. Written public comments can be submitted in advance to [city.council@cityofpaloalto.org](mailto:city.council@cityofpaloalto.org) and will be provided to the Council and available for inspection on the City's website. Please clearly indicate which agenda item you are referencing in your email subject line.

### **TIME ESTIMATES**

Time estimates are provided as part of the Council's effort to manage its time at Council meetings. Listed times are estimates only and are subject to change at any time, including while the meeting is in progress. The Council reserves the right to use more or less time on any item, to change the order of items and/or to continue items to another meeting. Particular items may be heard before or after the time estimated on the agenda. This may occur in order to best manage the time at a meeting or to adapt to the participation of the public.

### **AMERICANS WITH DISABILITY ACT (ADA)**

Persons with disabilities who require auxiliary aids or services in using City facilities, services or programs or who would like information on the City's compliance with the Americans with Disabilities Act (ADA) of 1990, may contact (650) 329-2550 (Voice) 24 hours in advance

### **CALL TO ORDER**

### **CLOSED SESSION (5:00 - 6:00 PM)**

*Public Comments: Members of the public may speak to the Closed Session item(s); three minutes per speaker.*

1. ~~CONFERENCE WITH CITY ATTORNEY POTENTIAL LITIGATION Subject: Arbitration of Employee Discipline Matters Authority: Government Code Section 54956.9(d)(2) Two Potential Matters, as Defendant~~
2. CONFERENCE WITH LABOR NEGOTIATORS City Designated Representatives: City Manager and his Designees Pursuant to Merit System Rules and Regulations (Ed Shikada, Kiely Nose, Rumi Portillo, Sandra Blanch, Nicholas Raisch, Molly Stump, and Terence Howzell) Employee Organization: Service Employees International Union, (SEIU) Local 521, Utilities Management and Professional Association of Palo Alto (UMPAPA) Palo Alto Peace Officer's Association (PAPOA), Palo Alto Police Management Association (PMA), International Association of Fire Fighters (IAFF) local 1319, Palo Alto Fire Chiefs Association (FCA), ; Authority: Government Code Section 54957.6 (a)

#### STUDY SESSION (6:00 PM - 7:00 PM)

- [Public Comment](#) 3. Study Session on a Proposal by Eden Housing, in Coordination with the County of Santa Clara, to Redevelop 525 East Charleston with a Mixed-Use Project That Includes Approximately 2,700 Square Feet of Ground Floor Office for Non-Profit Use and 50 Units of 100 Percent Affordable Rental Housing, 50 percent of which will be for Residents with Special Needs.
- [Presentation](#)

#### AGENDA CHANGES, ADDITIONS AND DELETIONS

#### PUBLIC COMMENT (7:00 PM - 7:25 PM)

*Members of the public may speak to any item NOT on the agenda. Council reserves the right to limit the duration of Oral Communications period to 30 minutes.*

#### CONSENT CALENDAR (7:25 PM - 7:35 PM)

*Items will be voted on in one motion unless removed from the calendar by three Council Members.*

4. Approval of Minutes from September 13, 2021 City Council Meeting
5. Adoption of a Resolution Approving and Attesting to the Veracity of the City's 2020 Annual Power Source Disclosure and Power Content Label Reports
6. Approval of an Exemption to Competitive Solicitation per Palo Alto Municipal Code 2.30.360(j) for Cooperative Purchases, and Approval for the City Manager or Designee to Execute Purchase Order C22183161 with CarahSoft Technology Corporation, Utilizing a State of California Multiple Award Schedule Contract, to Procure DocuSign

[QA](#)

Services for a Three-Year Term with an Annual Amount of \$126,753, for a Total Not-To-Exceed Amount of \$380,258

7. Finance Committee Recommends Adoption of a Resolution Approving an Agreement for the Purchase and Sale of Verified Emission Reductions With the Integrative Organization of Oaxaca Indigenous and Agricultural Communities to Purchase 24,000 Tons CO<sub>2</sub>e for a Total Purchase Price of \$228,000
8. Approval of Construction Contract Number C22182320 with Golden Bay Construction, Inc. in the Amount of \$1,250,923, and Authorization for the City Manager to Negotiate and Execute Change Orders Up to a Not-to-Exceed Amount of \$125,093, for the Storm Drainage System Replacement and Rehabilitation Project, Capital Improvement Program Project SD-06101

[QA](#)

#### CITY MANAGER COMMENTS (7:35 PM - 7:55 PM)

#### ACTION ITEMS

*Include: Reports of Committees/Commissions, Ordinances and Resolutions, Public Hearings, Reports of Officials, Unfinished Business and Council Matters.*

*\*ITEMS HAVE BEEN REORDERED FOR TIME MANAGEMENT AND PUBLIC PARTICIPATION*

- [Public Comment](#) 10. Adopt a Resolution Declaring an Emergency Shelter Crisis, Adoption of a Resolution Authorizing the City Manager to Apply for California Project Homekey Funds in Conjunction with LifeMoves, and Related Direction to Staff Regarding an 88-132-unit Emergency Shelter Project at a Portion of the LATP site (1237 North San Antonio Road); Environmental Assessment: Exempt Pursuant to AB 140 and AB 2553; Alternatively, Exempt under CEQA Guidelines Section 15269 as an Action to Mitigate an Emergency (7:55 PM– 8:55 PM)  
*\*Supplemental Report Added to this Item*

[Presentation](#)

11. Discussion of Options and Direction Regarding Virtual, In-Person, or Hybrid Council and Board and Commission Meetings  
*\*Supplemental Report Added to this Item (8:55 PM– 9:30 PM)*

- [Public Comment](#) 9. Public Hearing: Adoption of Two Ordinances Implementing the Objective Standards Project, Including: 1) New Chapter 18.24, Objective Design Standards, to Replace Existing Context-Based Design Criteria; 2) Modifications to Affordable Housing (AH) and Workforce Housing (WH) Overlay Districts to Eliminate the Legislative Process; 3) Expansion of Affordable Housing (AH) and Housing Incentive Program (HIP) to PTOD-Eligible Properties; 4) Changes to Remove Inconsistencies and Redundancies, and Streamline Project Review

[Presentation](#)

Throughout Title 18 Chapters (9:30 PM – 11:30 PM)  
*\*At Places Memo Added to this Item*

## COUNCIL MEMBER QUESTIONS, COMMENTS, ANNOUNCEMENTS

*Members of the public may not speak to the item(s)*

## ADJOURNMENT

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## INFORMATION REPORTS

*Information reports are provided for informational purposes only to the Council and the public but are not listed for action during this meeting's agenda.*

## AMENDED AGENDA ITEMS

*Items that have been added/modified from the original publication of the agenda are listed below. Any corresponding materials are appended to the end of the initial packet. If full items have been added to the Agenda, they will be denoted with a number starting with AA, meaning Amended Agenda item.*

- ~~1. CONFERENCE WITH CITY ATTORNEY POTENTIAL LITIGATION Subject: Arbitration of Employee Discipline Matters Authority: Government Code Section 54956.9(d)(2) Two Potential Matters, as Defendant~~  
**Item Removed**
9. Public Hearing: Adoption of Two Ordinances Implementing the Objective Standards Project, Including: 1) New Chapter 18.24, Objective Design Standards, to Replace Existing Context-Based Design Criteria; 2) Modifications to Affordable Housing (AH) and Workforce Housing (WH) Overlay Districts to Eliminate the Legislative Process; 3) Expansion of Affordable Housing (AH) and Housing Incentive Program (HIP) to PTOD-Eligible Properties; 4) Changes to Remove Inconsistencies and Redundancies, and Streamline Project Review Throughout Title 18 Chapters  
*\*At Places Memo Added to this Item*
10. Supplemental Report: Adopt a Resolution Declaring an Emergency Shelter Crisis, Adoption of a Resolution Authorizing the City Manager to Apply for California Project Homekey Funds in Conjunction with LifeMoves, and Related Direction to Staff Regarding an 88-132-unit Emergency Shelter Project at a Portion of the LATP site (1237 North San Antonio Road); Environmental Assessment: Exempt Pursuant to AB 140 and AB 2553; Alternatively, Exempt under CEQA Guidelines Section 15269 as an Action to Mitigate an Emergency  
*\*Supplemental Report Added to this Item*



11. Discussion of Options and Direction Regarding Virtual, In-Person, or Hybrid Council and Board and Commission Meetings

*\*Supplemental Report Added to this Item*

#### OTHER INFORMATION

Standing Committee Meetings - None

Schedule of Meetings

Public Letters posted as of September 13, 2021

## **PUBLIC COMMENT INSTRUCTIONS**

Members of the Public may provide public comments to teleconference meetings via email, teleconference, or by phone.

- 1. Written public comments** may be submitted by email to [city.council@cityofpaloalto.org](mailto:city.council@cityofpaloalto.org).
- 2. Spoken public comments using a computer** will be accepted through the teleconference meeting. To address the Council, click on the link below to access a Zoom-based meeting. Please read the following instructions carefully.
  - A. You may download the Zoom client or connect to the meeting in-browser. If using your browser, make sure you are using a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer.
  - B. You may be asked to enter an email address and name. We request that you identify yourself by name as this will be visible online and will be used to notify you that it is your turn to speak.
  - C. When you wish to speak on an Agenda Item, click on "raise hand." The Clerk will activate and unmute speakers in turn. Speakers will be notified shortly before they are called to speak.
  - D. When called, please limit your remarks to the time limit allotted.
  - E. A timer will be shown on the computer to help keep track of your comments.
- 3. Spoken public comments using a smart phone** will be accepted through the teleconference meeting. To address the Council, download the Zoom application onto your phone from the Apple App Store or Google Play Store and enter the Meeting ID below. Please follow the instructions B-E above.
- 4. Spoken public comments using a phone** use the telephone number listed below. When you wish to speak on an agenda item hit \*9 on your phone so we know that you wish to speak. You will be asked to provide your first and last name before addressing the Council. You will be advised how long you have to speak. When called please limit your remarks to the agenda item and time limit allotted.

[CLICK HERE TO JOIN](#) **Meeting ID: 362 027 238    Phone:1(669)900-6833**



## City of Palo Alto City Council Staff Report

(ID # 12398)

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**Report Type: Study Session**

**Meeting Date: 9/27/2021**

**Summary Title: 525 E Charleston (Eden Housing)**

**Title: Study Session on a Proposal by Eden Housing, in Coordination with the County of Santa Clara, to Redevelop 525 East Charleston with a Mixed-Use Project That Includes Approximately 2,700 Square Feet of Ground Floor Office for Non-Profit Use and 50 Units of 100 Percent Affordable Rental Housing, 50 percent of which will be for Residents with Special Needs. (6:00 PM - 7:00 PM)**

**From: City Manager**

**Lead Department: Planning and Development Services**

### **Recommendation**

Staff recommends that Council conduct a study session and provide informal comments related to the intended design and process for a proposed housing project at 525 E Charleston Road.

### **Executive Summary**

This study session has been requested by Eden Housing and Santa Clara County as a courtesy to share with the Palo Alto City Council and community a conceptually designed 100% affordable housing project at the subject address. The project includes 50 deed restricted low- and very low-income units (30% and 60% of area median income), including 25 units reserved for special needs housing. A nonprofit space (for AbilityPath) of approximately 2,700 square feet will also provide community support services to developmentally and intellectually disabled residents living on site.

Due to a variety of State laws that require streamlined application reviews for certain qualifying housing projects, it is anticipated that there will be limited opportunity for formal community engagement on this project through the City's review processes. Though, as detailed below, the applicant has conducted several community meetings and this study session is intended to expand the community's awareness of the housing project.

The affordable project qualifies for a number of concessions, or changes to the base zoning standards, to accommodate the development in accordance with the State Density Bonus allowances. These concessions include modest increases to height, lot coverage, and floor area. Existing State law also exempts the project from any residential parking requirements, though the non-profit office space will be parked to City standards, and some additional parking spaces are proposed on the 0.78-acre site.

Similar to prescreening applications the Council has previously considered, no action is requested of the Council, though any questions about the project and general feedback is welcome. Project proponents have requested City support to help fund the project and staff has confirmed that \$2,000,000 could be allocated from the City's Affordable Housing fund, but that decision is not before the Council now.

The balance of this report and attachments provide more project details including information on relevant State laws and a conceptual analysis of the project to local development standards and application review processes.

## **Background**

The State of California and the County of Santa Clara have identified housing, particularly affordable housing, as one of its highest priorities. Consistent with these state and regional goals, one of Council's identified priorities for 2021 includes "housing for social and economic balance," which includes a focus on affordable and workforce housing, funding, and achievable plans. The proposed project addresses both lower income and special needs housing, consistent with this identified priority.

The applicant proposes to utilize existing state regulations to streamline the proposed project and to allow for increased development opportunities to support the proposed density. Relevant legislation that the applicant may utilize includes AB 2162, SB 35, AB 1763, and SB 330. Attachment D includes a summary of these bills.

## **Project Description**

A location map of the proposed site is included in Attachment A. The preliminary schematic drawings, included in Attachment E, are conceptual, as is appropriate at this stage of project consideration. As shown in these schematic drawings, Eden Housing, in coordination with the County, is proposing a single mixed-use structure, which would replace one existing approximately 4,000 sf non-profit office building. The 46,100 square foot (sf) proposed development would include approximately 2,700 sf of non-profit office space as well as 50 residential rental units (further described in Attachment B). The three uppermost levels would be exclusively residential, while the ground floor would be non-profit office and residential. The site includes a single parcel with a site area of 34,114 sf (0.78 acres). The non-profit office space

would continue to be occupied by AbilityPath, a local nonprofit that provides services to children and adults with intellectual and developmental disabilities. All the residential rental units (except for one manager's unit) would be restricted to be affordable to lower income households earning between 30% and 60% of Area Median Income (AMI). The project would meet the Health and Safety Code definition of "special needs housing", meaning that it would include dedicated units and supportive services to benefit the target populations of special needs housing. Fifty percent (50%) of the units would be dedicated for special needs housing and AbilityPath would provide supportive services for residents with special needs.

The proposed conceptual building is four stories with a height of 44 feet for a portion of the building on the west side and 49 feet for a portion of the building on the east side. The building includes at grade parking (20 spaces) on the eastern side of the property, adjacent Challenger School. The site currently has two curb cuts providing a separate entrance and exit; one of the curb cuts would be removed while the other would be widened to provide a single point of entry and exit on the eastern side of the property from East Charleston Road.

#### Location and Surrounding Uses

The subject property, zoned Public Facilities, is about 300 feet from the channelized Adobe Creek. Though it is not located within one-half mile of a major transit stop, as defined per the public resources code (21064.3), there is a bus stop along the project frontage on Charleston (VTA Route 21) which provides fixed-route bus service every 30 minutes. The nearest single-family residential neighborhoods are Greenmeadow (at 85 feet), and Charleston Terrace (at 330 feet). The land abutting the proposed parcel is zoned Public Facilities (PF). The site is surrounded on three sides (north, east, and west) by the Challenger School Campus. On the west side, this includes a bike path on the campus property leading from E Charleston Road to the campus. The path continues through to the Magical Bridge Playground (a playground specifically designed to be inclusive for those with intellectual and development disabilities), Mitchell Park, and the Mitchell Park Community Center and Library. On the opposite side of this bike path is an R-1 zoned parcel with a single-story church on the site. The Stevenson House senior independent living (Planned Community) is located on the other side of the church property, approximately 340 feet away from the subject property. Across East Charleston is the Charleston Shopping Center at the corner of Middlefield and East Charleston within the Commercial Neighborhood (CN) Zone District. At the corners of Nelson Drive and East Charleston are single-family residences within the R-1 zone. These properties and others along Nelson are part of the historic Greenmeadow Eichler tract.

#### **Discussion**

Staff will prepare a thorough analysis of the zoning and Comprehensive Plan compliance and obtain any necessary information to support the requested waivers, concessions, and incentives upon submittal of a formal application. However, staff has reviewed the conceptual

project in order to highlight key differences between the project and the existing zoning requirements and to determine the appropriate application process based on the project's eligibility for streamlining under state regulations.

#### Consistency with the Comprehensive Plan, Area Plans and Guidelines<sup>1</sup>

There are no specific plans or coordinated area plans that apply to the project site. The Comprehensive Plan land use designation for the project site is Major Institutions, Special Facilities (MISP), which allows "Institutional, academic, governmental and community service uses and lands that are either publicly owned or operated as non-profit organizations. Examples are hospitals and City facilities. Consistent with the Comprehensive Plan's encouragement of housing near transit centers, higher density multi-family housing may be allowed in specific locations." The conceptual project appears consistent with this Comprehensive Plan designation in that the land is publicly owned and intended to be leased to two non-profit entities to provide community services (Eden Housing to manage the affordable units and AbilityPath providing services for special needs housing).

#### Zoning Ordinance Consistency<sup>2</sup>

The Project site is zoned PF (Public Facilities). Consistent with the Comprehensive Plan land use designation for MISP, which applies to most PF zoned parcels within the City, the public facilities zone district permits, by-right, public/quasi-public uses. These include *"All facilities owned or leased, and operated or used, by the City of Palo Alto, the County of Santa Clara, the State of California, the government of the United States, the Palo Alto Unified School District, or any other governmental agency, or leased by any such agency to another party."* The project is on land owned by the County of Santa Clara that will be leased to Eden Housing and AbilityPath, non-profit organizations, for a use that qualifies under Health and Safety Code as special needs housing as well as supportive housing. Therefore, the use is a permitted use under the Zoning Code.

An analysis of the project's consistency with objective standards for the PF Zone district is included in Attachment C. As noted, the subject property abuts the PF zone district on three sides, and public right of way (Charleston Road) on the fourth side. The subject property is located within 150 feet of R-1 districts, but the R-1 zones are not abutting the site. Because the R-1 zone district does not abut the subject property, staff interprets the code to mean that the R-1 zone setbacks would not apply. This interpretation only affects the rear property line abutting Challenger School (10 feet versus 20 feet) because the project already complies with the PF zone setbacks on the side yard and the special setback on the front yard which are more restrictive than the standard R-1 setbacks. Because the property is within 150 feet of R-1 zones,

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<sup>1</sup> The Palo Alto Comprehensive Plan is available online:

<http://www.cityofpaloalto.org/gov/topics/projects/landuse/compplan.asp>

<sup>2</sup> The Palo Alto Zoning Code is available online: [http://www.amlegal.com/codes/client/palo-alto\\_ca](http://www.amlegal.com/codes/client/palo-alto_ca)

the height limit for portions of the site within 150 feet of those districts is still restricted to 35 feet. The applicant is proposing to utilize concessions, incentives, and/or waivers in accordance with the state density bonus and AB 1763 to exceed this height limit. Additionally, these density bonus tools would enable the development to exceed the maximum floor area and lot coverage requirements. The proposed parking spaces will comply with the requirements in accordance with AB 1763, which would require 11 parking spaces on the site (for the non-profit office use).

#### Requested Waivers, Concessions, Incentives under State Density Bonus

The project is a qualifying project in accordance with AB 1763 because it includes a housing development in which 100 percent of the total units, exclusive of manager's units, are for lower income households. In accordance with AB 1763 and PAMC Section 18.15.050(c)(iv), as a housing project providing 100 percent of the units, exclusive of manager's units, as affordable to lower income households, the project is eligible for four concessions and incentives. The applicant is requesting the following concessions, waivers, and by-right allowances under the state density bonus.

Requirement	Requested Concession, Waiver or Allowance
<b>Height:</b> 50 feet or 35 within 150 feet of a residential zone See	Waiver of 35 foot height limit that affects a portion of the subject property: The two flat rooflines' heights are 34' and 44'. The two sloped rooflines' heights (at midpoints) are 39' and 49' (relevant to the maximum height definition).
<b>Lot Coverage:</b> 30% maximum See 18.15.050(d)(vi)	Concession to allow for 9% increase in lot coverage for a total lot coverage of 39% of the subject property
<b>Floor Area Ratio (FAR):</b> 1:1 maximum	Waiver of FAR limitation for a proposed FAR of 1.35:1
<b>Parking:</b> Non-profit office use: 11 spaces	Government Code Section 65915(p)(4) allows for no residential parking: 20 parking spaces in total are proposed

#### *Height*

The objective standards under the PF zone district restrict height to a maximum of 35 feet within 150 feet of an R-1 zone district and otherwise allow for a maximum height of 50 feet. A portion of the project is located within 150 feet of parcels zoned R-1; therefore, part of the building would be subject to the 35 foot height requirements. The applicant requests a waiver from this height requirement to allow for a portion of the building within 150 feet of an R-1 zone to be 44 feet"

#### *Lot/Site Coverage*

The objective standards under the PF zoning restrict lot coverage to a maximum of 30% of the site. The applicant requests a concession to allow for increased lot coverage of 39%. In accordance with PAMC Section 18.15.050(d)(vi), the applicant may request "up to [a] fifty percent (50%) increase over the maximum site coverage requirement or up to the square



footage of the restricted affordable units, whichever is less.” Therefore, the requested concession is well within the concessions allowed under the code.

#### *Floor Area Ratio*

The applicant requests a waiver for a proposed FAR of 1:35:1 where a maximum FAR of 1:1 is allowed. This is an increase in approximately 12,000 sf of floor area.”

#### *Parking Ratio*

Government Code Section 65915(p)(4) states that if: “a development consists solely of rental units, exclusive of a manager’s unit or units, with an affordable housing cost to lower income families, as provided in Section 50052.5 of the Health and Safety Code, and the development is either a special needs housing development, as defined in Section 51312 of the Health and Safety Code, or a supportive housing development, as defined in Section 50675.14 of the Health and Safety Code, then, upon the request of the developer, a city, county, or city and county shall not impose any minimum vehicular parking requirement. A development that is a special needs housing development shall have either paratransit service or unobstructed access, within one-half mile, to fixed bus route service that operates at least eight times per day.” The project is a special needs housing development and the VTA Line 21 operates along the project frontage, providing bus services more than eight times per day. Therefore, the project applicant is not required to provide parking for the residential use. The applicant is proposing 20 parking spaces.

#### *Use of Waivers*

Waivers for development standard modifications, noted in PAMC Section 18.15.060, are different from concessions outlined in PAMC Section 18.15.050. A waiver of development standards may be requested when a development standard will have the effect of physically precluding construction at the densities or with the concessions or incentives permitted under the state density bonus law. Waivers are unlimited provided that certain findings can be met. Concessions and incentives are limited based on the percentage of restricted units and the income level at which they are restricted. Concessions or incentives must result in identifiable and actual cost reductions to provide affordable housing costs. Although the applicant has expressed an interest in utilizing waivers (PAMC 18.15.060, Waiver/Modification of Development Standards) for the proposed height and floor area, it is staff’s position that the project is not eligible for waivers. Staff interprets the waiver provision of state density bonus law to apply when necessary for the developer to utilize bonus density or a concession. This project does not require bonus density (there is no maximum density established for the PF zone) and the applicant has not claimed a waiver is necessary to utilize concessions and incentives.

However, this does not represent a significant hurdle for the project, as the applicant is eligible for three additional concessions or incentives that they are not currently proposing to utilize.

The applicant may select concessions or incentives as outlined in 18.15.050 of the municipal code or an off-menu concession, as outlined in 18.15.080(b)(ii). In accordance with PAMC Section 18.15.080 (b)(ii), as part of any formal application, the applicant would be required to provide an explanation as to the actual cost reduction achieved through the concession or incentive.

### Eligibility for Streamlining

It is the City's position that the project may be eligible for streamlining in accordance with Senate Bill 35. However, it is not clear that the applicant is eligible for streamlining in accordance with AB 2162 because multi-family uses are not identified as an allowed use within the zone district and they are not permitted under the objective standards of the Comprehensive Plan for this land use designation in areas that are not located near transit centers. The project is only consistent with the zoning and land use designation because the property would be owned by the County, a public agency, and leased to nonprofit organizations (Eden Housing and AbilityPath) to provide community services and needed affordable special needs housing. Therefore it is consistent with the governmental and community service uses and lands that are either publicly owned or operated as nonprofit organizations uses allowed under the Comprehensive Plan. However, either bill allows for streamlining of a housing project, including requiring ministerial review of the application. Under SB 35, the project is required to comply with requirements for tribal consultation prior to filing a formal application and would be required to pay prevailing wage for construction. Under AB 2162 the project would not be subject to these additional requirements. That said, it's the City's understanding that prevailing wage may be required for this project regardless, depending on the project funding.

### **Policy Implications**

There are no significant policy implications associated with this study session. This project qualifies under a variety of local and state laws for streamlined, ministerial review of a new 50-unit affordable housing project that includes special needs housing and rebuilt nonprofit office space to support this population. The location of this project in proximity to the Magical Bridge playground and access to regular bus service is also noteworthy. No action, however, is required of the Council at this time, though a future request to use some of the City's affordable housing funds is anticipated and described below. Through the study session, the Council may ask questions of the applicant and offer any informal, non-binding comments.

### **Resource Impact**

This study session and processing of a formal application, if filed, are services paid for by fees from the applicant. Based on preliminary conversations with the applicant and the County, details related to project funding are still being finalized though it is anticipated the City will receive a request for up to two million dollars (\$2,000,000) to help support this project. The

City's affordable housing fund balance can accommodate this future transfer, subject to Council approval. No action is requested at this time, however, if the Council has any comments regarding this possible funding solution, that feedback would be useful to the project team and City staff.

## **Timeline**

Following the study session, the applicant will consider Council's comments and determine how they want to proceed. There is no date set for a formal application; however, when received the City anticipates that it will be subject to streamlined application review. If Eden housing files an application in accordance with SB 35, the project would be processed as a ministerial application.

Prior to accepting an application for SB-35 approval, the applicant must submit a notice of intent to submit an SB-35 application which includes their architectural plans among other required information. the City must notify relevant California Native American tribes about the proposed development following the receipt of a notice of intent before a formal SB-35 application is filed. Once a formal application is filed, Planning staff must determine if a project is eligible for streamlining within 60 days of application submittal for projects of 150 or fewer units. Any design review or public oversight (which is required to be ministerial) must be completed in 90 days for 150 or fewer units measured from the date of the SB-35 application submittal. The City anticipates that during this 90-day period the Architectural Review Board would be engaged in a study session to provide informal feedback on the design.

## **Stakeholder Engagement**

Notice of this study session was published in the Daily Post on September 17, 2021 and mailed to owners and occupants of property within 600 feet of the subject property on September 14, 2021.

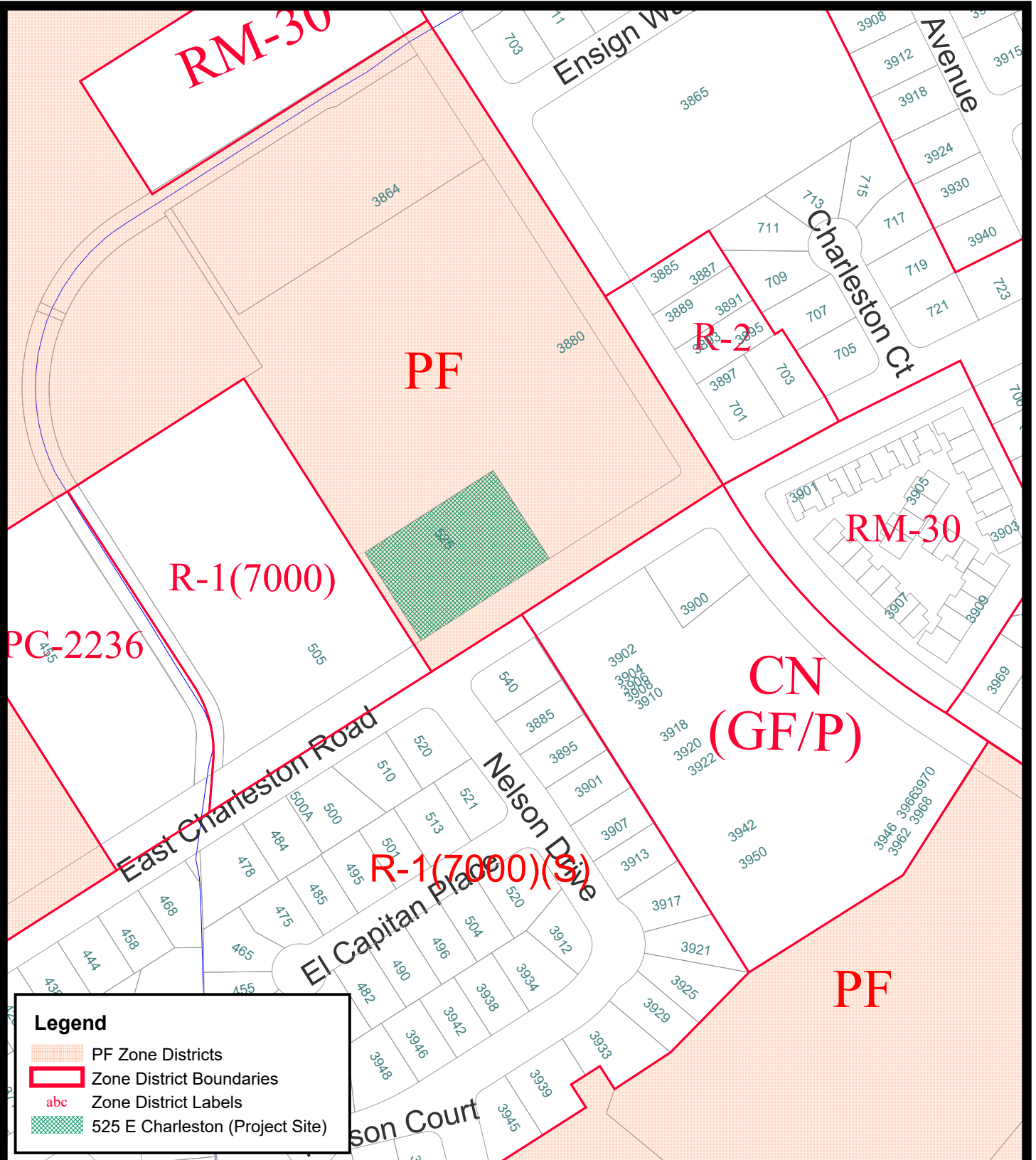
The applicant has hosted three community workshops to date. A summary of those three meetings and feedback received at those meetings is provided in the applicant's project description in Attachment B. In addition, as noted in the applicant's project description, the project team presented at a regularly scheduled meeting of the Greenmeadow Community Association Board and a series of one-on-one interviews with key members of the surrounding neighborhood and the intellectually and developmentally disabled (IDD) community.

## **Environmental Review**

This study session is not considered a project in accordance with the California Environmental Quality Action (CEQA). Moreover, the project if filed, as anticipated, as a qualifying affordable housing project eligible for streamlined, ministerial review, would be exempt from CEQA pursuant to CEQA Guidelines Section 15268.

**Attachments:**

**Attachment3.a:**      **Attachment A: Location Map(PDF)**  
**Attachment3.b:**      **Attachment B: Applicant's Project Description      (PDF)**  
**Attachment3.c:**      **Attachment C: Zoning Comparison Table      (DOCX)**  
**Attachment3.d:**      **Attachment E: Project Plans (DOCX)**  
**Attachment3.e:**      **Attachment D: Summary of Relevant State Legislation      (DOCX)**



The City of  
Palo Alto



## Attachment A: Project Location Area Map

This map is a product of the  
City of Palo Alto GIS



0' 200'

City of Palo Alto | 525 East Charleston Road

## **Mitchell Park Project**

Submitted by:

Eden Housing

22645 Grand St.

Hayward, CA 94541

August 2021



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# 1. Introduction

## A. Project Description

Located at 525 East Charleston Road near Mitchell Park in Palo Alto, the Mitchell Park Project (MPP) is a new mixed-use development that will contribute to the vibrant neighborhood around Mitchell Park with a new office space for public social services as well high-quality affordable housing for lower-income households, including special needs housing for the intellectually and developmentally disabled (IDD) community. In this excellent location, we propose to build a 2,700-square-foot office space and 50 rental apartments for individuals and households earning at or below 30% to 60% of the area median income, equivalent to an annual income of \$35,000 to \$70,000 for a one-person household.

In particular, the abundant amenities in the area surrounding the project site make it an ideal location for housing for members of the IDD community and will enable residents to lead independent lives. The 2015-2023 Palo Alto Housing Element states that “people with developmental disabilities often have difficulty finding affordable, accessible, and appropriate housing that is inclusive in the local community.” This site offers the opportunity to do precisely that as it is close to resources like AbilityPath’s Middlefield site, Mitchell Park Community Center, Magical Bridge playground, Ada’s Café, Vista Center for the Blind and Visually Impaired, Jackson Hearing Center, and South Palo Alto Food Closet. The project meets a great need for deeply affordable housing that is only expected to grow in coming years.



*Left: Mitchell Park Community Center, which includes a library and Ada’s Café, which employs adults with developmental disabilities. Right: Magical Bridge Playground*

Over the past decade, apartment rents have escalated at an unprecedented clip that threatens to price out certain segments of the population that are essential to a strong and diverse community, such as people with disabilities, lower-income workforce, and

seniors on fixed incomes. The Mitchell Park Project will keep vital services for the IDD community at the site while also providing new affordable homes that will help ensure that these vital members of the community are able to live and work in the City of Palo Alto.

The site currently includes a building that serves as office space for the nonprofit, AbilityPath. The Mitchell Park Project will replace this building with a single four-story building. The ground floor will include 2,700 square feet of office space to be leased to AbilityPath. The property will have 50 apartments, which include a mix of studio, one-bedroom, and two-bedroom units. One of the units will be set aside for a live-in property manager, which will help ensure that the property is well managed every day and night. Additionally, the ground level of the building will include a property management office for the full-time property manager, as well as an office for a resident services coordinator who will provide myriad services – such as wellness, career, education, and financial literacy programming – to help ensure our residents succeed.

The building will be designed with sustainability in mind, with solar panels on the roof, low-flow water fixtures, Energy Star appliances, and dedicated bike parking, and will be LEED or Green Point Rated certified. The property also includes amenities for its residents such as a computer learning center, community room, laundry facilities, and an outdoor courtyard with planters for growing fruits and vegetables.

## B. Project Team

- **Eden Housing, Inc.** (EHI) is a mission-driven affordable housing nonprofit organization. Eden leads the development team and is the primary entity responsible for coordinating with the City and managing the entire development process from design and approvals, through financing, and construction. Eden Housing has a long and successful track record building and operating affordable housing in the Bay Area.
- **County of Santa Clara Office of Supportive Housing** (OSH) is dedicated to increasing the supply of housing and supportive housing that is affordable and available to extremely low income and/or special needs households. OSH supports the County mission of promoting a healthy, safe, and prosperous community by ending and preventing homelessness. The County of Santa Clara is the property owner and selected Eden in a competitive process to develop affordable housing on this site.
- Under the Eden Housing umbrella, **Eden Housing Management, Inc.** (EHMI) will provide quality onsite management and maintenance for the property and **Eden Housing Resident Services, Inc.** (EHRSI) will provide supportive services to residents.

- Leading the design efforts is **OJK Architecture + Planning**. OJK is an award-winning, women-owned architecture firm that designs commercial, retail, and residential buildings, including both market-rate and affordable developments.

## C. Community Outreach

From our experience, we know that it is critical to involve stakeholders early in the process, to generate feedback and go through an iterative design process to ensure that our development is appropriate for its unique community context. Our goal is to create numerous opportunities for authentic public input and to keep the public informed on our process. To date, we have held two community workshops (the third is scheduled for August 30, 2021) and conducted other extensive community engagement described below.



*Overview of community engagement process for Mitchell Park Project.*

### Workshop #1

Workshop #1 took place virtually on June 30, 2021 and included a total of 48 non-project team participants representing nearby neighborhoods, the IDD community, and City of Palo Alto agencies. The goal of the first workshop was for the project team to learn from participants about their communities and general aesthetic preferences and gather participants' questions and concerns related to the project. Project team members used a combination of presentation slides, real-time Zoom polls, and the Miro virtual whiteboard tool to share project information and record written and verbal feedback from participants.

**Workshop #2**

Workshop #2 took place virtually on July 28, 2021 and included a total of 20 non-project team participants representing nearby neighborhoods, the IDD community, and City of Palo Alto agencies. The goal of the second workshop was for participants and project team members to co-create design solutions based off of design topics generated in the first workshop while considering the interaction between design solutions and their effects on the many stakeholders touched by the project. Project team members used a combination of presentation slides and the Miro virtual whiteboard tool to share project information and record written and verbal feedback from participants.

**Workshop #3**

Workshop #3 is scheduled to take place virtually on August 30, 2021. The goal of this third and final workshop will be for the project team to introduce participants to a design concept that incorporates design topics and preferences generated during the prior two workshops and gather initial feedback from the community on the design concept. Community members will have the opportunity to provide additional written feedback following the workshop.

**Other Community Engagement**

In addition to the three community workshops described above, the project team has conducted other community engagement activities as described below.

1. The project team has conducted a series of one-on-one interviews with key members of the surrounding neighborhood, the IDD community, and the City of Palo Alto. The goal of these interviews has been to gather input from neighbors and community members about the strengths of their community as well as any thoughts they may have about the project and its site. Interview questions focused on four key areas: (1) connection to the community; (2) knowledge and impressions of the project; (3) insights or suggestions for the community engagement plan; and (4) identification of additional resources or community members our team should connect with.
2. The project team presented at a regularly scheduled meeting of the Greenmeadow Community Association Board. A total of approximately 20-25 people attended the project team's presentation and participated in a Q&A session on July 14, 2021. Project team members fielded questions about the project's schedule, goals, and design.
3. The project team is also planning to conduct a focus group on unit interiors and building amenities with members of the IDD community.

As the project progresses, we will continue our community engagement process to share more information, answer more specific questions as they arise, and inform the public about what is occurring on the site as the project continues to move forward.

## 2. About Eden Housing

### A. Eden Housing Mission and History

*Eden Housing creates and sustains high-quality affordable housing communities that advance equity and opportunity for all.*

Eden Housing is one of the oldest and most experienced affordable housing nonprofit organizations in the state of California. Since our inception in 1968, Eden has developed, acquired, or rehabilitated more than 10,600 affordable units and currently provides homes to more than 22,000 lower-income residents. As a mission-driven nonprofit, we serve low- and moderate-income families, seniors, and people living with disabilities. Incomes of our residents typically range from 20% to 60% of the area median income.

In Palo Alto, Eden Housing is pleased to own and operate 801 Alma in downtown Palo Alto, an affordable housing development providing 50 affordable homes for families.

Eden Housing is consistently named as one of the Top 50 affordable housing companies in the nation by Affordable Housing Finance Magazine, the leading national publication that ranks and reviews affordable housing.

#### Eden Housing's Activist Roots



Eden Housing was founded in May of 1968 by six community activists who were greatly concerned about the lack of non-discriminatory, affordable housing in Alameda County. These pioneers, working out of makeshift "headquarters" such as local coffee shops, were initiated into affordable housing development by rehabilitating six older homes in Oakland for first time homebuyer families. Their next project was a new construction 150-unit development for seniors, Josephine Lum Lodge in Hayward.

It is a development we still own today and renovated in 2010, including rehabilitation of the units, updates to the common spaces, and the addition of a new commercial kitchen.

## B. Eden Housing Management and Resident Services

Eden's work goes beyond building high-quality buildings, as we strive to create strong and safe communities for the residents who live in our housing and a permanently affordable, high-quality asset for the cities we partner with. Eden achieves these long-term goals through its property management and resident services programs.

Eden Housing Management, Inc. (EHMI) is a nonprofit Eden affiliate that has provided professional, quality management for Eden's properties since its establishment in 1984. EHMI currently manages 10,268 units of rental housing in 154 properties. EHMI is recognized as a leader in affordable housing management and maintains a vacancy rate of 1 percent.

Eden Housing Resident Services, Inc. (EHRSI) is a nonprofit Eden affiliate formed in 1995 and provides services at all of Eden's properties. Through EHRSI, Eden links well-built and carefully managed housing with resources that support residents in their daily lives. EHRSI's Resident Services staff work with residents one-on-one and in group settings and coordinates educational, financial literacy, wellness, and community-building activities.

Together, the integrated company brings a combined package of experience and expertise which covers the spectrum of activities involved in developing, owning, managing, and servicing a high-quality housing development. This combined effort assures that the quality design and construction of the project is preserved through the careful long-term maintenance of the property and ongoing care and service to residents.



## C. Eden Housing in Palo Alto

### 801 Alma

801 Alma Street, Palo Alto | Affordable Family Housing




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**YEAR COMPLETED:**

2013

**TOTAL DEVELOPMENT COST:**

\$27.9 million

**UNITS:**

50

**TARGETED INCOMES:**

30-50% of AMI

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Developed in partnership with Community Work Group, Inc., 801 Alma is a transit-oriented affordable housing development for families in downtown Palo Alto. The City of Palo Alto is a critical partner in the project, donating one of the parcels as well as providing an affordable housing loan as gap financing.

This development includes 50 units in a mix of one-, two-, and three-bedroom units. The development is three blocks from the Palo Alto Caltrain Station and the city's central University Avenue commercial district, providing residents easy access to a number of neighborhood amenities including commercial stores (grocery store, pharmacy, hardware store), services (financial, restaurants, cleaners), and a major medical clinic.

Residents are provided with free on-site supportive services including one-on-one support and access to group programs and trainings including afterschool programs, computer classes, financial literacy, art classes, parenting classes, and wellness and nutrition programs.

## 3. Project Details

### A. Site

The project site, 525 East Charleston Road, is owned by the County of Santa Clara and will be ground leased to Eden Housing. The site currently includes a building that serves as office space for the nonprofit service provider, AbilityPath. The site is located 0.1 mile from Mitchell Park and less than a half mile from the Mitchell Park Community Center and Library. Across the street is the Charleston Shopping Center, which includes a grocery store, cafes, and retail.

The Greenmeadow neighborhood is across Charleston Road from the site. Greenmeadow is a residential development of homes built by Joseph Eichler.



The project design seeks to encourage more walking, bicycling, and public transit as the primary means of travel. To this end, the project will include secure bike parking in the building to encourage bicycling. In addition, the VTA Route 21 bus line is within 0.1 mile and operates every 30-60 minutes (over 20 times a day).

## B. Design

In designing this building, Eden Housing's main goal was to ensure that the design is contextual to this location in Palo Alto and the building is a high-quality asset for the City for many years and decades to come. One of Eden Housing's top requirements for the building's design is that it look indistinguishable from – or better than – market-rate apartments. We chose to work with OJK, an award-winning architectural and planning firm whose mission is to create vibrant, healthy, and equitable housing at all scales.

The Mitchell Park Project is proposed to be a four-story building with a three-story frontage along Charleston Road. The ground floor will include a 2,700-square-foot office space to be leased to AbilityPath. The building will include 50 apartments, which will consist of a mix of studio, one-bedroom, and two-bedroom units. The building is shaped in an “L” configuration. Project amenities include a central courtyard space with seating areas and drought-tolerant planting as well as interior amenities such as a community room, computer learning center, on-site property management office, resident services coordinator office, and laundry room. Twenty spaces of surface parking are included on the ground level in a “shared parking” arrangement primarily for the office space's use during peak daytime hours and for residential use during off-peak hours.

The Mitchell Park Project takes design cues directly from the surrounding neighborhood. The L-shaped building shields a protected courtyard from Charleston Road and from the surface parking spaces. The courtyard is oriented toward the multi-use path that connects pedestrian and bike traffic to nearby Mitchell Park and its amenities, including the library and community center, Ada's Café, AbilityPath's Middlefield site, and Magical Bridge playground. The building aesthetics reflect the Eichler neighborhoods that surround the project, featuring low sloping roofs with exposed beams, celerestory windows, vertical siding, and clean, orthogonal and angular lines.

We note that the plans and designs submitted with this application include various revisions made based on input we received through the community engagement process. Contributions and suggestions from the community and neighbors are incorporated into several aspects of the building design. Along the Charleston façade, the building height is lowered to 3 stories, and angled walls have been introduced to orient views out of those apartments away from single-family homes across the street. Large trees planted in the 24-foot setback further screen views out of 2<sup>nd</sup> and 3<sup>rd</sup> floor units. The parking lot has a single ingress and egress point to minimize vehicular traffic crossing the bike path. A fence along the property line enhances resident safety and clearly delineates the multi-use path. A secure gate provides access from the multi-use path to an indoor

bike room so residents may use the safer bike crossing at Nelson Road to access the site, maintaining a safe separation from vehicle traffic.

The overall landscape design concept aims to accomplish the following: provide interesting and comfortable active- and passive-use outdoor spaces for the building residents; integrate stormwater management strategies as functioning and valuable components of the gardens; stylistically complement the proposed apartment building; and blend with the surrounding landscape typology as a visual amenity to the neighborhood.

Drawing on neighbors' input at community meetings, the perimeter of the site will be planted with evergreen trees to buffer the residential units from the busy Charleston Road, screen on-site parking, and provide physical and visual separation from the adjacent multi-use path. Addressing concerns of safety and security, pedestrian and vehicular traffic will be separated, and entry points to the communal outdoor space will be gated. The protected gardens will offer ample seating area as an outdoor extension of the community room, accommodate raised vegetable beds for gardening by residents, and include a meditative sensory garden with a labyrinth. Plant species will be primarily California natives, as well as combination of low-water use adapted plants that provide year-round interest.

In addition to incorporating feedback from the community, we are designing the project to be responsive to the City of Palo Alto's draft Objective Design Standards and the final Palo Alto Eichler Neighborhood Design Guidelines.

## C. Environmental Sustainability and Green Building

Environmental sustainability is a core design concept of the Mitchell Park Project. Green design is not only important for environmental stewardship but is also vital in keeping utility costs and operating costs low throughout the life of the building.

The development will be built to LEED or Green Point Rated standards, and the architecture, landscaping, construction techniques, and materials are designed and chosen with sustainability in mind. A sampling of features include: solar panels on the roof, low-flow water fixtures, Energy Star appliances, and durable high-quality materials that require less frequent replacement. The community gardens in the courtyard also present residents with the opportunity to grow their own fruits and vegetables, and the landscaping is drought-tolerant with a high-efficiency irrigation system.

As an infill development, the Mitchell Park Project inherently satisfies other core tenets of environmental sustainability. The site is located within walking/biking distance of public transit, services, and community amenities, which reduce car usage and greenhouse gas emissions. Providing dedicated and secure bike parking also encourages all residents, visitors, and office workers at the site to bike instead of drive.



## D. Residential - Affordability

The Mitchell Park Project will provide 50 rental apartments comprised of a mix of studios, one-bedroom apartments, and two-bedroom apartments.

Type	Size	How many
Studio apartment (including Junior 1- bedroom apartments)	400-440 s.f.	39
1-bedroom apartment	550 s.f.	6
2-bedroom apartment	880-920 s.f.	5 (including 1 manager's unit)
<b>TOTAL</b>		<b>50</b>

The apartments will be leased to lower-income households earning at or below 30% to 60% of the area median income (AMI). The tables below show the income limits of eligible households, based on household size, as determined by the California Tax Credit Allocation Committee (CTCAC). The 80% of AMI incomes according to California Housing and Community Development (CA HCD) are included for reference, as these figures are what the City of Palo Alto uses to define "low income."

CTCAC Income Limits			
	1-person household	2-person household	3-person household
<b>30% of AMI</b>	\$34,800	\$39,780	\$44,760
<b>40% of AMI</b>	\$46,400	\$53,040	\$59,680
<b>50% of AMI</b>	\$58,000	\$66,300	\$74,600
<b>60% of AMI</b>	\$69,600	\$79,560	\$89,520
<b>80% of AMI – HCD</b> (for reference only)	\$82,450	\$94,200	\$106,000

The project's monthly rents are determined by the California Tax Credit Allocation Committee (CTCAC) to ensure that the rents are affordable to the lower-income residents earning 30% to 60% of AMI. The following table shows the maximum gross rents (before utilities) charged to households. We note that if the project were to receive project-based rental assistance, the rents paid by residents would be even lower, as they would only need to pay 30% of their income.

Type	Monthly Rent
Studio apartment	\$870-1,740
1-bedroom apartment	\$932-1,864
2-bedroom apartment	\$1,119-2,238

## E. Population and Leasing Preferences

The Mitchell Park Project will provide a leasing preference for approximately 50% of the units to individuals with an intellectual or developmental disability. We are targeting 50% of the units with an IDD leasing preference based on consultations we've had with the IDD community and advocates. 50% strikes a balance between setting aside a large number of units and ensuring that the IDD individuals are living within an integrated community of people with all abilities. This will help the City and County meet their obligations to affirmatively further fair housing by increasing housing opportunities both for individuals with disabilities and also for other individuals in lower income households.

## 4. Zoning and Development Standards

### A. Comprehensive Plan and Zoning Code

The Comprehensive Plan designates the site as “Major Institution/Special Facilities,” and the zoning designation is PF (Public Facilities). Among other uses, the Major Institution/Special Facilities designation allows institutional, governmental and community service uses and lands that are either publicly owned or operated as nonprofit organizations. Likewise, the PF zone permits “Public/Quasi-Public Facility Uses” as a use by right, which applies to all facilities that are owned or leased by public entities and any facilities owned by a public entity and leased to another party. In addition, offices are permitted with a CUP in the PF zone.

The approximately 0.78-acre lot is currently developed with quasi-public offices from which AbilityPath provides services to children and adults with intellectual and developmental disabilities. As detailed above, the project envisions redeveloping the County-owned land to create new offices for AbilityPath. In addition, the supportive services office would be complemented by 50 units of affordable rental housing that would include 25 dedicated units and supportive services in connection with AbilityPath to benefit the target population of “special needs housing” as defined by the Health and Safety Code section 51312.

The project site would remain owned by the County. The County would control the leasing of the office component of the project to the nonprofit service provider, AbilityPath. It would also ground lease the project site to Eden Housing, a nonprofit organization that would use tax credit financing and public funds to develop special needs housing that would offer residential options to lessen the burdens of government by providing services and affordable housing for the target population, including those with special housing needs due to intellectual and developmental disabilities.

Because the property would be owned by the County, a public agency, and leased to nonprofit organizations to provide community services and needed affordable special needs housing, it is consistent with the governmental and community service uses and lands that are either publicly owned or operated as nonprofit organizations uses allowed under the Comprehensive Plan and the PF zoning. Moreover, the residential component of the project can be viewed as an ancillary use to the existing quasi-public offices that would be redeveloped as part of the project and therefore the project is an allowable use under the office designation. Both the office use and quasi-public use designations demonstrate the project’s conformance with the PF zoning designation.



## Eligibility for Streamlining

Because the project would be consistent with the Comprehensive Plan and the Zoning Code land use designations, it would be a use permitted by right under the Municipal Code. It could also qualify for streamlined, ministerial review and approval under either AB 2162 or SB 35.

AB 2162 is also known as the Supportive Housing Act, and it makes certain residential development projects a use by right in all zones where multifamily housing and mixed uses are permitted, including nonresidential zones permitting multifamily uses. The PF zone is primarily a nonresidential zone, but it permits mixed uses, and as noted above, the multifamily component of the project is consistent with the Comprehensive Plan and the Zoning designation. And although the project has an office component and integrated social services that make it consistent with the PF zoning designation, the project also meets the definition of a “residential development project” under the Housing Accountability Act, because at least two-thirds of the project’s square footage would be devoted to residential uses.

The Mitchell Park Project satisfies the requirements of AB 2162, as detailed here:

- 100% percent of the units are affordable to lower income households.
- At least 25% of the units are restricted to residents in supportive housing that meet the definition of “target population” as defined in Section 50675.14 of the Health and Safety Code (which includes persons with disabilities). Here, 50% of the units (25 units) will be restricted to residents with intellectual and developmental disabilities.
- A portion of the project is dedicated for onsite supportive services, and supportive services will be available to meet the needs of the target population.
- No subdivision is required.
- The project does not contain more than 50 units.
- Each unit contains a bathroom and kitchen.

In addition, the project is eligible for SB 35, which provides a streamlined, ministerial review process for projects that are consistent with objective planning standards, that include at least two-thirds of the project for residential uses, and that contain two or more units. As described above, the project would be consistent with the City’s applicable, objective planning standards and meets the definition of a residential development project, in addition to being a public/quasi-public use permitted by the Comprehensive Plan and zoning designations.

The Mitchell Park Project satisfies the requirements of SB 35, as detailed here:

- At least 50% of units are affordable to lower income households. Here, 100% of the units will be affordable to lower income households.
- The project will pay prevailing wages for the construction of the project.

- The project site meets environmental screening criteria (i.e. not in a coastal zone, farmland, wetland, fire zone, hazardous waste site, fault zone, flood zone, conservation area, habitat for protected species).
- The project does not require demolition of existing housing.

## B. Modifications under State Density Bonus Law

Further analysis on the development standards and the project's proposed attributes follows.

	<b>Zoning code</b>	<b>State Density Bonus</b>	<b>This project</b>
<b>Density</b>	No base density	Up to 80% increase permitted	64 units/acre
<b>Height</b>	50' or 35' if within 150' of a residential zone	Waiver of 35' limitation	The two flat rooflines' height are 34' and 44'. The two sloped rooflines' height (at midpoint) are 39' and 49'.
<b>Building setbacks</b>	Front: 24' Side – West: 0' Side – East: 0' Rear: 0'	--	Front: 24' Side – West: 0' Side – East: 0' Rear: 0'
<b>Lot coverage</b>	30% maximum	Incentive/concession to increase lot coverage	39%
<b>Floor Area Ratio (FAR)</b>	1.0 maximum	Waiver of FAR limitation	1.35
<b>Parking ratio</b>	Nonprofit Office Use: 11 spaces (2,659 sf office / 250 sf/stall) Residential use: 0 spaces (see explanation in "Density Bonus Law and AB 1763" section below)	Exempt from all parking standards under Gov. Code Sec. 65915(p)(4)	20 spaces

Since the residences will be 100% affordable for lower income households, the project qualifies for an 80% density bonus (although in this case, the underlying zoning does not have a density limit, so there is not a density bonus to apply), four incentives or concessions, and unlimited waivers under the State Density Bonus Law.

The project seeks one incentive or concession, with the remaining three unused at this time:

1. *Concession #1 – Lot Coverage:* A concession is requested for the City of Palo Alto's development standard of 30% maximum lot coverage. As stated in Section 18.15.050 of the Palo Alto Municipal Code, an applicant may request "Up to fifty percent (50%) increase over the maximum site coverage requirement or up to the square footage of the restricted affordable units, whichever is less." Our proposed lot coverage is 39%, a 30% increase over the maximum site coverage requirement.
2. *Concessions #2-4 - Unused*

Under the Density Bonus Law, the project also qualifies for unlimited waivers of development standards that would physically preclude the construction of the development. The attached exhibit illustrates how enforcement of the identified generally-applicable development standards would reduce the project's density.

The project seeks the following waivers:

1. *Building height* – the proposed building has 4 main rooflines at different parts of the building at the following heights. The two flat rooflines' height are 34' and 44'. The two sloped rooflines' height (at midpoint) are 39' and 49'. The existing zoning code allows 35' within 150' of a residential zone and 50' everywhere else. The project site is within approximately 100' to 200' of the residential zone across E. Charleston Rd. and nearby the Unitarian Universalist Church of Palo Alto which is zoned as residential.
2. *Floor area ratio* – the proposed building has an FAR of 1.35; 1.0 is allowed under the existing zoning code.

In addition, the project qualifies for an exemption from parking requirements under the Density Bonus Law as it includes special needs housing and is located near frequent bus service. More specifically, the project qualifies for a parking waiver because approximately half of the units will have a set-aside or leasing preference for individuals with special needs. Also, the project is located within a half mile of unobstructed access to fixed route bus service operating at least eight times per day (VTA Route 21). As such, the project is not required to provide any minimum amount of parking. The conceptual design currently includes 20 spaces of surface parking in a "shared parking" arrangement primarily for the office space's use during peak daytime hours and for residential use during off-peak hours.

The zoning and density bonus law aside, Eden Housing also believes this is an appropriate number of parking spaces for this site. The leasing will be restricted to the lower-income residents and individuals with developmental and intellectual disabilities, who tend to have lower rates of car ownership. Additionally, given the project's location near bus lines and within walking distance to grocery stores, restaurants, retail stores, banks, and the library, we are encouraging walking, bicycling, and public transit as the primary means of

travel. We also note that the availability of Uber, Lyft, Zipcar, and other car- and ride-sharing services are leading more households to live car-free.

## 5. Community Benefits of the Project

In this amenity-rich location, Mitchell Park Project is a high-quality development that will expand upon the existing nonprofit office use of the site by adding 50 units of much-needed affordable housing. Community benefits of this project include:

- Mitchell Park Project provides 50 units of affordable housing - a vital component of equitable and sustainable growth - and contributes to the diversity of housing available in the City.
- AbilityPath will continue to provide invaluable services to individuals with intellectual and developmental disabilities on the site.
- Approximately 50% of the units will house individuals with intellectual and developmental disabilities, ensuring that individuals of all abilities have the opportunity to call Palo Alto home.
- The development will be a green building with several sustainable energy and water features.
- The project's contextual and community-driven design improves the pedestrian environment and experience at this location.
- The 50 units contribute toward meeting the City's Regional Housing Needs Allocation in the very-low income and low-income categories.
- Resident services programming connects residents to community resources.
- High-quality property management by a local nonprofit ensures that the building remains a prominent asset for the City for years to come.

**ATTACHMENT B**  
**ZONING COMPARISON TABLE**  
 525 E Charleston, 21PLN-00249

**Table 1: COMPARISON WITH CHAPTER 18.208 (PF DISTRICT)**

Regulation	Required	Existing	Proposed
Minimum Site Area	Not Applicable	No Change (.78 acres [34,114 sf])	
Min. side yard setback (based on most restrictive abutting district-[PF] but no less than 10 feet) <sup>(2)</sup>	10 feet	Varies (No less than 10 feet, some areas 52 feet)	
Min. rear yard setback (based on most restrictive abutting district-[PF] but no less than 10 feet)	10 feet	10 feet	
Special Setback	24 feet (E Charleston)	24 feet	
Max. Site Coverage	30% (10,234)	<b>39% (13,253 sf)</b>	
Max. Total Floor Area Ratio	1:1 (34,114 sf)	<b>1:35:1 (46,100 sf)</b>	
Max. Building Height	35 ft when located within 150 ft of residential zone, 50 ft elsewhere	<b>44 feet tallest flat roof; 49'1" for tallest sloped roof</b>	
Daylight Plane for site lines abutting a residential district	Initial height of 10 feet then slope of 1:2	No requirement (most restrictive district abutting site is PF)	
Employee Showers	No requirement	No requirement	

.(2) The minimum front, side, and rear yards in the PF public facilities district shall be equal to the respective front, side, and rear yards required in the most restrictive abutting district; provided, that no yard adjoining a street shall be less than 20 feet and that no interior yard shall be less than 10 feet. See Section [18.28.060\(e\)](#) for exceptions to these development standards.

**Table 2: CONFORMANCE WITH CHAPTER 18.52 (Off-Street Parking and Loading)  
for Non-profit Office and Residential Uses\***

Type	Required	Proposed
Vehicle Parking	1/250 sf of gross floor area for a total of 11 parking spaces; residential (no spaces required per government code)	20 spaces
Bicycle Parking	1/2,500 sf (60% long term and 40% short term) equals 2 spaces for office; 1 long term space per unit; 1 short term guest per 10 units equals 55 spaces= 51 long term, 6 short term	<b>57 (50 long term; 7 short term)</b>

\* On-site employee amenity space is exempted from the parking requirements

## Attachment E

### **Project Plans**

Hardcopies of project plans are provided to Board members. During Shelter-in-Place, project plans are only available to the public online.

#### **Directions to review Project plans online:**

1. Go to: [bit.ly/PAppendingprojects](https://bit.ly/PAppendingprojects)
2. Scroll down to find “525 East Charleston Road” and click the address link
3. On this project specific webpage you will find a link to the project plans and other important information

#### **Direct Link to Project Webpage:**

<https://www.cityofpaloalto.org/News-Articles/Planning-and-Development-Services/525-E.-Charleston?transfer=309c506f-f827-46cf-adaf-a3e27a428436>



### **Attachment D: Summary of Relevant State Legislation**

**Senate Bill 35:** Adopted in September 2017, this bill allows for a streamlined, ministerial review process for qualifying projects. Qualifying projects include projects that are consistent with the objective zoning standards and objective design review standards in effect at the time the application is submitted (excluding any additional density or any other concessions, incentives, or waivers of development standards granted pursuant to the Density Bonus Law in Section 65915), that include at least two-thirds of the project for residential uses, and that contain two or more units. The project is also required to provide at least 50% of the units as affordable to lower income households, pay prevailing wages for the construction project, meet certain environmental screening criteria (i.e. not in a coastal zone, farmland, wetland, fire zone, flood zone, conservation area, hazardous waste site, etc.), and may not include demolition of existing housing.

**Assembly Bill 2162:** Adopted September 2018, this bill makes certain residential development projects a use by right in all zones where multi-family housing and mixed uses are permitted, including nonresidential zones permitting multifamily uses. AB 2162 requires that 100% of the units are affordable to lower income households, at least 25% of the units are restricted to residents in supportive housing that meet the definition of the “target population” as defined in Section 50675.14 of the Health and Safety Code (which includes persons with disabilities), a portion of the project is dedicated for onsite supportive services to meet the needs of the target population, no subdivision is required, the project does not contain more than 50 units and each unit contains a bathroom and kitchen.

**Assembly Bill 1763:** Adopted October 2019, this bill requires that a density bonus be provided to a developer who agrees to construct a housing development in which 100% of the total units, exclusive of manager’s units, are for lower income households. The bill also requires that a housing development that meets these criteria receive four incentives or concessions under the density bonus law and prohibits imposing a minimum parking requirement for the residential component of a development where rental units are being provided for special needs and the site meets specific criteria with respect to adjacent transit (as discussed further below).

**Senate Bill 330:** Among other requirements and allowances, some of which are not applicable to the proposal, SB 330 allows a qualifying project to freeze development standards based on the date that a complete pre-application is filed. Qualifying projects include a project in which at least two-thirds of the development is proposed as housing.



## City of Palo Alto City Council Staff Report

(ID # 13599)

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**Report Type:** Consent Calendar

**Meeting Date:** 9/27/2021

**Title:** Approval of Minutes from September 13, 2021 City Council Meeting

**From:** City Manager

**Lead Department:** City Clerk

### **Recommended Motion**

To approve the minutes for September 13, 2021 as presented.

**Attachments:**

- **Attachment4.a:** 20210913amCCs DRAFT



# DRAFT SUMMARY MINUTES

City Council  
Special Meeting  
September 13, 2021  
Virtual Only

The City Council of the City of Palo Alto met on this date in virtual teleconference at 5:00 P.M.

Participating Remotely: Burt, Cormack, DuBois, Filseth, Kou, Stone, Tanaka

Absent: None

## Study Session

1. City Council Discussion with the Independent Police Auditor.

### **NO ACTION TAKEN**

## Agenda Changes, Additions and Deletions

Mayor DuBois announced Agenda Item 6 has been removed from the agenda and will be heard at a later date.

## Oral Communications

Aram James

## Consent Calendar

No comments from the Council or the Public

**MOTION:** Vice Mayor Burt moved, seconded by Council Member Cormack to approve Agenda Item Numbers 2-4 and AA1.

**MOTION PASSED:** 7-0

2. Approval of Minutes from August 30, 2021 City Council Meeting.

# DRAFT SUMMARY MINUTES

3. Adoption of **Resolution 9985** Approving the City of Palo Alto's 2021 Electric Utility Physical Security Plan.
4. Policy & Services Recommend Approval of the Office of the City Auditor's Fiscal Year (FY) 2022 Task Orders.
- AA1. SECOND READING: Adoption of **Ordinance 5530** Amending Title 9, Public Peace, Morals and Safety, of the Municipal Code to Add Chapter 9.07 Requiring Safe Storage of Firearms in Palo Alto Residences to Prevent Improper Firearm Access; Adoption of a Resolution Amending the Administrative Penalty Schedule to Add Conforming Penalty (FIRST READING: August 30, 2021 PASSED: 6-0, DuBois absent)

The City Council took a break at 6:15 PM and reconvened the meeting at 6:30 PM.

## City Manager Comments

## Action Items

5. TEFRA HEARING: Regarding Conduit Financing for the Silicon Valley International School Project Located at 151 Laura Lane, Palo Alto, and Approving the Issuance of a Tax Exempt Loan by the California Municipal Finance Authority for the Purpose of Financing and Refinancing the Acquisition, Construction, Improvement, Equipping and Maintenance of Educational, Support and Administrative Facilities Owned and Operated Within the City by Silicon Valley International School.

Public Hearing opened at 6:36 P.M.

Public Hearing closed at 6:39 P.M.

**MOTION:** Council Member Cormack moved, seconded by Mayor DuBois to adopt **Resolution 9986** approving the issuance of the bonds by the California Municipal Finance Authority (CMFA) for the benefit of Silicon Valley International School.

**MOTION PASSED:** 7-0

# DRAFT SUMMARY MINUTES

6. ~~Request for City Council Interpretation of Palo Alto Municipal Code Section 18.70.070(b)(2)(E) and Related Direction to Staff Regarding Nonconforming Uses at the 340 Portage/3200 Park Site. Environmental Analysis: Not a Project, as Defined in Public Resources Code 21065.~~
7. Discuss and Provide Direction on a Request for Proposals (RFP) for an Economic Development Strategy Consultant and an Internal Staffing Plan to Support Economic Development Issues.

**MOTION** Council Member Filseth moved, seconded by Mayor DuBois to direct Staff to complete actions necessary for:

- A. An internal staffing plan to support a connection to the business community; and
- B. Issuance of a Request for Proposals (RFPs) for an economic development strategy consultant based on the identified scope for services, with a primary focus on retail.

**AMENDMENT:** Council Member Kou moved, seconded by Council Member Stone to add to Part A of the Motion, "Proceed with the recruitment of an Economic Development Coordinator/Manager for a permanent position and contract with a recruitment firm with an expedited timeline"

**AMENDMENT PASSED:** 5-2, Filseth, Tanaka no

**MOTION AS AMENDED:** Council Member Filseth moved, seconded by Mayor DuBois to direct Staff to complete actions necessary for:

- A. Proceeding with the recruitment of an Economic Development Coordinator/Manager for a permanent position and contract with a recruitment firm with an expedited timeline to support a connection to the business community; and
- B. Issuance of a Request for Proposals (RFPs) for an economic development strategy consultant based on the identified scope for services, with a primary focus on retail and hotel occupancy.

**MOTION AS AMENDED PASSED:** 5-2, Cormack, Filseth no

# DRAFT SUMMARY MINUTES

The City Council recessed at 5:58 PM and reconvened the meeting at 9:07 PM.

8. Staff recommend Council: (a) Adopt **Resolution 9987** Authorizing the City Manager to Close University Avenue and California Avenue and Some Intersecting Streets Until a Date the Council Determines and Provide Direction Regarding Associated Fees or Charges; (b) Provide Direction Regarding the Duration of the Temporary Parklet Program and Development of Associated Fees or Charges; (c) Receive Updates regarding the Permanent Parklet Program the Downtown and California Avenue Streetscape Designs.

**MOTION:** Vice Mayor Burt moved, seconded by Mayor DuBois to:

- A. Direct the City Manager to reopen University Avenue on October 15, 2021;
- B. Adopt a Resolution to continue with a partial closure on Ramona, extending until June 2022;
- C. Modify the parklet rules to accommodate additional parklets adjacent to restaurants where they are not interfering with retailers that oppose, and extend the Parklet Program until June 2022;
- D. Direct Staff to return with a set of marketing measures to promote downtown vibrancy; and
- E. Direct Staff to proceed with a Streetscape RFP including stakeholder input and that the consultants' recommendations would build off the learning experiences in the re-opening of the coming months.

**AMENDMENT:** Council Member Filseth moved, seconded by Council Member Cormack to remove Part D of the Motion.

**AMENDMENT PASSED:** 5-2, Burt, Stone no

# DRAFT SUMMARY MINUTES

**MOTION AS AMENDED:** Vice Mayor Burt moved, seconded by Mayor DuBois to:

- A. Direct the City Manager to reopen University Avenue on October 15, 2021;
- B. Adopt a Resolution to continue with a partial closure on Ramona, extending through June 2022;
- C. Modify the parklet rules to accommodate parklets adjacent to restaurants where they are not interfering with neighboring consumer businesses that oppose, and extend the Parklet Program until June 2022; and
- D. Direct Staff to proceed with a Streetscape RFP including stakeholder input and sales tax data analysis (to the extent that it can be utilized) that the consultant's recommendations would build off the learning experiences in the re-opening of the coming months.

**MOTION AS AMENDED PASSED:** 7-0

**AMENDMENT:** Council Member Cormack moved, seconded by Council Member Stone to modify Part A to restate the reopening date to November 8, 2021.

**AMENDMENT FAILED:** 3-4, Burt, DuBois, Kou, Tanaka no

**MOTION:** Vice Mayor Burt moved, seconded by Council Member Cormack to:

- A. Adopt a Resolution authorizing the closure of California Avenue through June 2022; and
- B. Direct Staff to return to the City Council for further discussion regarding additional elements on the California Ave street closure; and
- C. Direct Staff to return to the City Council for discussion on a permanent street closure for California Ave.



# DRAFT SUMMARY MINUTES

**MOTION PASSED:** 5-2, Filseth, Kou No

## Council Member Questions, Comments and Announcements

### Closed Session

#### ~~AA2. CONFERENCE WITH LABOR NEGOTIATORS~~

~~City Designated Representatives: City Manager and his Designees Pursuant to Merit System Rules and Regulations (Ed Shikada, Kiely Nose, Rumi Portillo, Sandra Blanch, Nicholas Raisch, Molly Stump, and Terence Howzell) Employee Organization: Service Employees International Union, (SEIU) Local 521, Utilities Management and Professional Association of Palo Alto (UMPAPA) Palo Alto Peace Officer's Association (PAPOA), Palo Alto Police Management Association (PMA), International Association of Fire Fighters (IAFF) local 1319, Palo Alto Fire Chiefs Association (FCA), ; Authority: Government Code Section 54957.6 (a).~~

**MOTION:** Council Member Filseth moved, seconded by Council Member Cormack to move Item AA2 to a later date uncertain.

**MOTION PASSED:** 7-0

Adjournment: The meeting was adjourned at 12:12 AM

ATTEST:

APPROVED:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

NOTE: Action minutes are prepared in accordance with Palo Alto Municipal Code (PAMC) 2.04.160(a) and (b). Summary minutes (sense) are prepared in accordance with PAMC Section 2.04.160(c). Beginning in January 2018, in accordance with [Ordinance No. 5423](#), the City Council found action minutes and the video/audio recordings of Council proceedings to be the official records of both Council and committee proceedings. These recordings are available on the City's website.



## City of Palo Alto City Council Staff Report

(ID # 13483)

**Report Type: Consent Calendar**

**Meeting Date: 9/27/2021**

**Council Priority: Climate/Sustainability and Climate Action Plan**

**Title: Adoption of a Resolution Approving and Attesting to the Veracity of the City's 2020 Annual Power Source Disclosure and Power Content Label Reports**

**From: City Manager**

**Lead Department: Utilities**

### Recommendation

Staff recommends that the City Council adopt a resolution ([Attachment A](#)) approving and attesting to the veracity of the City's two Power Source Disclosure reports for 2020 and the City's two Power Content Labels for 2020.

### Background

Senate Bill 1305 ([Link](#)) was approved in 1997 to ensure that all retail suppliers of electricity disclose to consumers the sources of energy used to provide the electric service in an accurate, reliable, and easy to understand manner. The SB 1305 Report is commonly referred to as the Power Source Disclosure (PSD) report. The City of Palo Alto is required to submit an annual PSD Report to the California Energy Commission (CEC) by June 1<sup>st</sup> of each year. The information contained in this reporting is used to prepare the annual Power Content Label (PCL), which is mailed to our customers and posted on the City's website by October 1<sup>st</sup> of each year at [www.cityofpaloalto.org/powercontentlabel](http://www.cityofpaloalto.org/powercontentlabel) and on the CEC's website at [energy.ca.gov/power-content-label](http://energy.ca.gov/power-content-label).

### Discussion

In 2017, the CEC updated the regulation<sup>1</sup> implementing SB 1305 making the changes retroactively effective in October 2016. (The regulation was subsequently modified in May 2020.<sup>2</sup>) The changes included a provision that requires utilities to engage a third-party certified

<sup>1</sup> "Power Source Disclosure Program Regulations," California Energy Commission, CEC-300-2017-048, October 2016. [http://docketpublic.energy.ca.gov/PublicDocuments/14-OIR-01/TN216978\\_20170412T103905\\_Power\\_Source\\_Disclosure\\_Program\\_Amended\\_Regulations.pdf](http://docketpublic.energy.ca.gov/PublicDocuments/14-OIR-01/TN216978_20170412T103905_Power_Source_Disclosure_Program_Amended_Regulations.pdf).

<sup>2</sup> "Modification of Regulations Governing the Power Source Disclosure Program," California Energy Commission, Docket Number: 20-PSDP-01, May 2020. <https://efiling.energy.ca.gov/GetDocument.aspx?tn=232986&DocumentContentId=65451>

public accountant to perform an audit to verify the specific purchases, resales, and self-consumption of energy by fuel type.<sup>3</sup> However, the regulation includes an exemption from the audit requirement for publicly owned electric utilities, if the governing board of the utility “submits to the Energy Commission an attestation of the veracity of each annual report and power content label for the previous year.”<sup>4</sup>

In Palo Alto’s case, this means that the PSD reports and PCLs for the City’s two retail electricity products (the “standard power mix” product and the voluntary PaloAltoGreen product, which is available to all commercial customers and allows them to pay a small premium in order to receive a power supply comprising only wind and solar generation) can both be approved by the City Council, as described above.

In 2020, CPAU’s hydroelectric generation was below long-term average levels, due to the drier than normal conditions the state experienced in 2019 and 2020. Also in 2020, with approval by the City Council ([Staff Report 11556](#)), CPAU staff began, via its REC Exchange Program, to take a regional approach to fulfilling its Carbon Neutral Electric Portfolio goals, selling renewable energy from the City’s long-term renewable contracts and using the most cost-efficient renewable energy from outside the state to fulfill carbon neutrality requirements. The earnings from this program can be used for purposes such as local decarbonization or rate reduction. Although the power sourced out-of-state remains renewable and carbon-neutral, the CEC categorizes such power as “unspecified power” on the PSD and PCL documents.

Under the City’s REC Exchange Program the City sold a total of 348,700 MWh of in-state renewable generation in 2020, and purchased a total of 325,186 MWh of out-of-state renewable generation, yielding \$2.94 million in net revenue. Per Council’s direction, for these 2020 earnings, at least one-third of this revenue will be invested locally in electrification efforts necessary to meet the City’s ambitious climate goals, while the remainder will be used to offset other supply purchase costs and avoid the need for rate increases as a way of helping the community manage the economic impacts of the pandemic.

As a result of these renewable energy sales—and the fact that the CEC’s regulations do not recognize out-of-state renewable generation as an “eligible renewable” energy source—the share of the City’s standard power mix that comes from eligible renewables sources was lower in 2020 (20.4%) than in 2019 (36.3%) or 2018 (65%). However, as noted earlier, the City’s power supply remained carbon neutral in 2020 in accordance with the Council-adopted Carbon Neutral Plan ([Staff Report 11556 Linked Document](#)).

Utilities Department staff submitted the City’s annual PSD reports for calendar year 2020 ([Linked Document](#)) to the CEC in May 2021, along with the associated staff attestation forms. The 2020 PCLs ([Linked Document](#)) will be mailed to each electric utility customer as a bill insert and posted on the City’s website in September 2021, in accordance with the regulation. The

<sup>3</sup> California Code of Regulations Title 20, Section 1394.2(a).

<sup>4</sup> California Code of Regulations Title 20, Section 1394.2(a)(2).

attached resolution (Attachment A) approves the annual PSD reports and PCLs for both the standard power mix and the PaloAltoGreen product and provides for Council's attestation to the veracity of these four documents as required for exemption from the third-party audit requirement.

Staff anticipates submitting the City's annual PSD report for calendar year 2021 to the CEC by June 2022 and providing the 2021 PCL to electric customers around September 2022.

### **Resource Impact**

Adoption of the attached resolution will not result in a financial impact to the City.

### **Policy Implications**

Adoption of the attached resolution will enable the City to comply with the CEC regulation implementing SB 1305 (California Code of Regulations, title 20, sections 1391 to 1394).

### **Environmental Review**

Adoption of the attached resolution is not subject to California Environmental Quality Act (CEQA) review as an administrative government activity that will not result in any direct or indirect physical change to the environment as a result (CEQA Guidelines section 15378(b)(5)).

### **Attachments:**

- **Attachment5.a:** Attachment A: Resolution

\*Yet to be Passed\*

Resolution No. \_\_\_\_

Resolution of the Council of the City of Palo Alto Approving  
and Attesting to the Veracity of the City's 2020 Power  
Source Disclosure and Power Content Label Reports

R E C I T A L S

A. The California Legislature adopted Senate Bill 1305 in 1997 to ensure that all retail suppliers of electricity, including the City of Palo Alto, disclose to consumers the sources of energy used to provide electric service in an accurate, reliable and easy to understand manner.

B. The SB 1305 Report is commonly referred to as the Power Source Disclosure (PSD) report, which shows the City's electric portfolio purchases for the prior calendar year, as well as the fuel mix for the City's retail electricity sales for the prior calendar year.

C. The information contained in the PSD report is used to prepare the City's annual Power Content Label (PCL), which discloses the fuel mix of the City's retail electricity sales during the prior calendar year, as well as the fuel mix for the state as a whole, and which is mailed to the City's electric utility customers via a bill insert.

D. California Code of Regs., title 20, sections 1394.2(a)(2), updated by the California Energy Commission effective May 2020, allows the City Council to approve and attest to the veracity of each PSD report and PCL for the previous year, including the reports for Palo Alto's voluntary PaloAltoGreen product, which is provided to commercial customers who participate in the PaloAltoGreen program.

E. In May 2021, Utilities Department staff submitted the 2020 Annual PSD reports for both the City's standard carbon neutral portfolio and the PaloAltoGreen program, to the Energy Commission in accordance with the applicable regulations.

**The Council of the City of Palo Alto ("City") RESOLVES as follows:**

SECTION 1. The City Council approves the submission and attests to the veracity of the 2020 Annual Power Source Disclosure reports for the City's standard carbon neutral portfolio, and for the City's voluntary PaloAltoGreen program (attached as Exhibit A to this resolution) which staff submitted to the California Energy Commission in May 2021.

SECTION 2. The City Council approves and attests to the veracity of the 2020 Annual Power Content Label reports for the City's standard carbon neutral portfolio, and for the City's voluntary PaloAltoGreen program (attached as Exhibit B to this resolution) which staff will distribute to Utilities customers as an insert in their September Utilities bills.

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SECTION 3. The Council finds that the adoption of this resolution is not subject to California Environmental Quality Act (CEQA) review because it is an administrative government activity that will not result in any direct or indirect physical change to the environment (CEQA Guidelines section 15378(b)(5)).

INTRODUCED AND PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

APPROVED:

\_\_\_\_\_  
Assistant City Attorney

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Director of Utilities

\_\_\_\_\_  
Director of Administrative Services

## 2020 POWER SOURCE DISCLOSURE ANNUAL REPORT

### For the Year Ending December 31, 2020

Retail suppliers are required to use the posted template and are not allowed to make edits to this format. Please complete all requested information.

## GENERAL INSTRUCTIONS

RETAIL SUPPLIER NAME	
City of Palo Alto Utilities	
ELECTRICITY PORTFOLIO NAME	
Standard	
CONTACT INFORMATION	
NAME	James Stack
TITLE	Senior Resource Planner
MAILING ADDRESS	250 Hamilton Ave.
CITY, STATE, ZIP	Palo Alto, CA 94301
PHONE	(650) 329-2314
EMAIL	<a href="mailto:james.stack@cityofpaloalto.org">james.stack@cityofpaloalto.org</a>
WEBSITE URL FOR PCL POSTING	<a href="http://www.cityofpaloalto.org/powercontentlabel">www.cityofpaloalto.org/powercontentlabel</a>

Submit the Annual Report and signed Attestation in PDF format with the Excel version of the Annual Report to [PSDprogram@energy.ca.gov](mailto:PSDprogram@energy.ca.gov). Remember to complete the Retail Supplier Name, Electricity Portfolio Name, and contact information above, and submit separate reports and attestations for each additional portfolio if multiple were offered in the previous year.

**NOTE:** Information submitted in this report is not automatically held confidential. If your company wishes the information submitted to be considered confidential an authorized representative must submit an application for confidential designation (CEC-13), which can be found on the California Energy Commissions's website at <https://www.energy.ca.gov/about/divisions-and-offices/chief-counsels-office>.

If you have questions, contact Power Source Disclosure (PSD) staff at [PSDprogram@energy.ca.gov](mailto:PSDprogram@energy.ca.gov) or (916) 639-0573.



**2020 POWER SOURCE DISCLOSURE ANNUAL REPORT**  
**SCHEDULE 1: PROCUREMENTS AND RETAIL SALES**  
**For the Year Ending December 31, 2020**  
**City of Palo Alto Electric Utility**  
**Standard**

Instructions: Enter information about power procurements underlying this electricity portfolio for which your company is filing the Annual Report. Insert additional rows as needed. All fields in white should be filled out. **Fields in grey auto-populate as needed and should not be filled out.** For EIA IDs for unspecified power or specified system mixes from asset-controlling suppliers, enter "unspecified", "BPA," "Powerex," or "Tacoma" as applicable. For specified procurements of ACS power, use the ACS Procurement Calculator to calculate the resource breakdown comprising the ACS system mix. **Procurements of unspecified power must not be entered as line items below; unspecified power will be calculated automatically in cell N9.** Unbundled RECs must not be entered on Schedule 1; these products must be entered on Schedule 2. At the bottom portion of the schedule, provide the other electricity end-uses that are not retail sales including, but not limited to transmission and distribution losses or municipal street lighting. Amounts should be in megawatt-hours.

Retail Sales (MWh)	799,875
Net Specified Procurement (MWh)	443,069
Unspecified Power (MWh)	356,806
Procurement to be adjusted	-
Net Specified Natural Gas	-
Net Specified Coal & Other Fossil Fuels	-
Net Specified Nuclear, Large Hydro, Renewables, and ACS Power	443,069
GHG Emissions (excludes grandfathered emissions)	157,539
GHG Emissions Intensity (in MT CO <sub>2</sub> e/MWh)	0.1970

DIRECTLY DELIVERED RENEWABLES														
Facility Name	Fuel Type	State or Province	WREGIS ID	RPS ID	N/A	EIA ID	Gross MWh Procured	MWh Resold	Net MWh Procured	Adjusted Net MWh Procured	GHG Emissions Factor (in MT CO2e/MWh)	GHG Emissions (in MT CO2e)	N/A	
Ameresco Johnson Canyon - Ameresco Johnson	Biomass & biowa	CA	W3397	61353		58397	8,305		8,305	8,305	0.5579	4,633		
Ameresco Keller Canyon - Ameresco Keller Canyon	Biomass & biowa	CA	W2071	61298		56897	12,076		12,076	12,076	0.0027	33		
Ameresco Ox Mountain - Ameresco Ox Mountain	Biomass & biowa	CA	W2033	60022		56895	30,867		30,867	30,867	0.0027	83		
Ameresco San Joaquin - Ameresco San Joaquin	Biomass & biowa	CA	W3883	62433		58436	23,397		23,397	23,397	0.0026	61		
Ameresco Santa Cruz Energy - Santa Cruz	Biomass & biowa	CA	W2014	61297		56428	6,899		6,899	6,899	0.0023	16		
Lewiston Powerplant - Lewiston	Eligible hydro	CA	W 1108	61044		977	235		235	235	-	-		
Nimbus Powerplant - Nimbus Plant (2)	Eligible hydro	CA	W 1161	61045		444	7,100		7,100	7,100	-	-		
Spicer_1 Units - Spicer Meadow Project	Eligible hydro	CA	W 1260	61580		54554	2,989		2,989	2,989	-	-		
Stampede Powerplant - Stampede (2)	Eligible hydro	CA	W 1177	61046		7066	1,036		1,036	1,036	-	-		
275 Cambridge Ave. Parking Garage - 275 Cambridge Ave.	Solar	CA	W5649	63982		P228	412		412	412	-	-		
445 Bryant St. Parking Garage - 445 Bryant St. Parking Garage	Solar	CA	W5647	63610		P229	356		356	356	-	-		
475 Cambridge Ave. Parking Garage - 475 Cambridge Ave.	Solar	CA	W5650	63981		P230	456		456	456	-	-		
520 Webster St. Parking Garage - 520 Webster St. Parking Garage	Solar	CA	W5648	63611		P231	564		564	564	-	-		
Frontier Solar - Crow Creek Solar I	Solar	CA	W4962	62248		60039	16,449		16,449	16,449	-	-		
EE Kettleman Land - Centaurus - EE Kettleman Land	Solar	CA	W4695	62422		59633	11,090		11,090	11,090	-	-		
Elevation Solar C - Elevation Solar C	Solar	CA	W5298	63192		59964	12,249		12,249	12,249	-	-		
Hayworth Solar - Hayworth Solar	Solar	CA	W4719	62744		59009	8,360		8,360	8,360	-	-		
HP Inc. - Palo Alto HQ	Solar	CA	W7686	64036		62732	1,922		1,922	1,922	-	-		
Unitarian Universalist Church of Palo Alto - UUCPA	Solar	CA	W7382	63983		P232	204		204	204	-	-		
Western Antelope Blue Sky Ranch B - Western Antelope Blue Sky Ranch B	Solar	CA	W5300	61518		59961	18,248		18,248	18,248	-	-		
FIRMED-AND-SHAPED IMPORTS														
Facility Name	Fuel Type	State or Province	WREGIS ID	RPS ID	EIA ID of REC Source	EIA ID of Substitute Power	Gross MWh Procured	MWh Resold	Net MWh Procured	Adjusted Net MWh Procured	GHG Emissions Factor (in MT CO2e/MWh)	GHG Emissions (in MT CO2e)	Eligible for Grandfathered Emissions?	
									-	-	#N/A			
									-	-	#N/A			
									-	-	#N/A			
									-	-	#N/A			
									-	-	#N/A			
SPECIFIED NON-RENEWABLE PROCUREMENTS														
Facility Name	Fuel Type	State or Province	N/A	N/A	N/A	EIA ID	Gross MWh Procured	MWh Resold	Net MWh Procured	Adjusted Net MWh Procured	GHG Emissions Factor (in MT CO2e/MWh)	GHG Emissions (in MT CO2e)	N/A	
Collierville	Large hydro	CA				54555	72,415		72,415	72,415	-	-		
WAPA - Folsom	Large hydro	CA				441	17,269		17,269	17,269	-	-		
WAPA - Gianelli	Large hydro	CA				448	5,448		5,448	5,448	-	-		
WAPA - Judge F Carr	Large hydro	CA				442	22,606		22,606	22,606	-	-		
WAPA - Keswick	Large hydro	CA				443	16,166		16,166	16,166	-	-		
WAPA - New Melones	Large hydro	CA				6158	22,172		22,172	22,172	-	-		
WAPA - O'Neill	Large hydro	CA				446	189		189	189	-	-		
WAPA - Shasta	Large hydro	CA				445	82,529		82,529	82,529	-	-		
WAPA - Spring Creek	Large hydro	CA				450	19,477		19,477	19,477	-	-		
WAPA - Trinity	Large hydro	CA				451	21,586		21,586	21,586	-	-		
PROCUREMENTS FROM ASSET-CONTROLLING SUPPLIERS														

Facility Name	Fuel Type	N/A	N/A	N/A	N/A	EIA ID	Gross MWh Procured	MWh Resold	Net MWh Procured	Adjusted Net MWh Procured	GHG Emissions Factor (in MT CO <sub>2</sub> e/MWh)	GHG Emissions (in MT CO <sub>2</sub> e)	N/A
										-	#N/A		
										-	#N/A		
										-	#N/A		
										-	#N/A		
END USES OTHER THAN RETAIL SALES	MWh												



**2020 POWER SOURCE DISCLOSURE ANNUAL REPORT**  
**SCHEDULE 3: POWER CONTENT LABEL DATA**  
**For the Year Ending December 31, 2020**  
**City of Palo Alto Electric Utility**  
**Standard**

Instructions: No data input is needed on this schedule. Retail suppliers should use these auto-populated calculations to fill out their Power Content Labels.

	Adjusted Net Procured (MWh)	Percent of Total Retail Sales
<b>Renewable Procurements</b>	163,214	20.4%
Biomass & Biowaste	81,544	10.2%
Geothermal	-	0.0%
Eligible Hydroelectric	11,360	1.4%
Solar	70,310	8.8%
Wind	-	0.0%
Coal	-	0.0%
Large Hydroelectric	279,855	35.0%
Natural gas	-	0.0%
Nuclear	-	0.0%
Other	-	0.0%
Unspecified Power	356,806	44.6%
<b>Total</b>	<b>799,875</b>	<b>100.0%</b>

<b>Total Retail Sales (MWh)</b>	<b>799,875</b>
---------------------------------	----------------

<b>GHG Emissions Intensity (converted to lbs CO<sub>2</sub>e/MWh)</b>	<b>434</b>
---	------------

<b>Percentage of Retail Sales Covered by Retired Unbundled RECs</b>	<b>40.7%</b>
---	--------------

**POWER SOURCE DISCLOSURE ANNUAL REPORT  
ATTESTATION FORM  
for the year ending December 31, 2020  
CITY OF PALO ALTO UTILITIES  
STANDARD PRODUCT**

I, James Stack, Senior Resource Planner, declare under penalty of perjury, that the statements contained in this report including Schedules 1, 2, and 3 are true and correct and that I, as an authorized agent of City of Palo Alto Utilities, have authority to submit this report on the company's behalf. I further declare that the megawatt-hours claimed as specified purchases as shown in these Schedules were, to the best of my knowledge, sold once and only once to retail customers.

Name: James Stack

Representing (Retail Supplier): City of Palo Alto Utilities

Signature: \_\_\_\_\_



Dated: June 16, 2021

Executed at: Palo Alto, CA

## 2020 POWER SOURCE DISCLOSURE ANNUAL REPORT

### For the Year Ending December 31, 2020

Retail suppliers are required to use the posted template and are not allowed to make edits to this format. Please complete all requested information.

## GENERAL INSTRUCTIONS

RETAIL SUPPLIER NAME	
City of Palo Alto Utilities	
ELECTRICITY PORTFOLIO NAME	
PaloAltoGreen	
CONTACT INFORMATION	
NAME	James Stack
TITLE	Senior Resource Planner
MAILING ADDRESS	250 Hamilton Ave.
CITY, STATE, ZIP	Palo Alto, CA 94301
PHONE	(650) 329-2314
EMAIL	<a href="mailto:james.stack@cityofpaloalto.org">james.stack@cityofpaloalto.org</a>
WEBSITE URL FOR PCL POSTING	<a href="http://www.cityofpaloalto.org/powercontentlabel">www.cityofpaloalto.org/powercontentlabel</a>

Submit the Annual Report and signed Attestation in PDF format with the Excel version of the Annual Report to [PSDprogram@energy.ca.gov](mailto:PSDprogram@energy.ca.gov). Remember to complete the Retail Supplier Name, Electricity Portfolio Name, and contact information above, and submit separate reports and attestations for each additional portfolio if multiple were offered in the previous year.

**NOTE:** Information submitted in this report is not automatically held confidential. If your company wishes the information submitted to be considered confidential an authorized representative must submit an application for confidential designation (CEC-13), which can be found on the California Energy Commissions's website at <https://www.energy.ca.gov/about/divisions-and-offices/chief-counsels-office>.

If you have questions, contact Power Source Disclosure (PSD) staff at [PSDprogram@energy.ca.gov](mailto:PSDprogram@energy.ca.gov) or (916) 639-0573.

**2020 POWER SOURCE DISCLOSURE ANNUAL REPORT**  
**SCHEDULE 1: PROCUREMENTS AND RETAIL SALES**  
For the Year Ending December 31, 2020  
City of Palo Alto Electric Utility  
PaloAltoGreen

Instructions: Enter information about power procurements underlying this electricity portfolio for which your company is filing the Annual Report. Insert additional rows as needed. All fields in white should be filled out. **Fields in grey auto-populate as needed and should not be filled out.** For EIA IDs for unspecified power or specified system mixes from asset-controlling suppliers, enter "unspecified", "BPA," "Powerex," or "Tacoma" as applicable. For specified procurements of ACS power, use the ACS Procurement Calculator to calculate the resource breakdown comprising the ACS system mix. **Procurements of unspecified power must not be entered as line items below; unspecified power will be calculated automatically in cell N9.** Unbundled RECs must not be entered on Schedule 1; these products must be entered on Schedule 2. At the bottom portion of the schedule, provide the other electricity end-uses that are not retail sales including, but not limited to transmission and distribution losses or municipal street lighting. Amounts should be in megawatt-hours.

Retail Sales (MWh)	25,594
Net Specified Procurement (MWh)	25,594
Unspecified Power (MWh)	-
Procurement to be adjusted	-
Net Specified Natural Gas	-
Net Specified Coal & Other Fossil Fuels	-
Net Specified Nuclear, Large Hydro, Renewables, and ACS Power	25,594
GHG Emissions (excludes grandfathered emissions)	0
GHG Emissions Intensity (in MT CO <sub>2</sub> e/MWh)	0.0000

DIRECTLY DELIVERED RENEWABLES														
Facility Name	Fuel Type	State or Province	WREGIS ID	RPS ID	N/A	EIA ID	Gross MWh Procured	MWh Resold	Net MWh Procured	Adjusted Net MWh Procured	GHG Emissions Factor (in MT CO2e/MWh)	GHG Emissions (in MT CO2e)	N/A	
Western Antelope Blue Sky Ranch B - Western Ar	Solar	CA	W5300	61518		59961	4,414		4,414	4,414	-	-		
High Winds - High Winds, LLC	Wind	CA	W229	60726		56075	5,109		5,109	5,109	-	-		
Shiloh I Wind Project - Shiloh I Wind Project LLC	Wind	CA	W231	60488		56362	16,071		16,071	16,071	-	-		
FIRMED-AND-SHAPED IMPORTS														
Facility Name	Fuel Type	State or Province	WREGIS ID	RPS ID	EIA ID of REC Source	EIA ID of Substitute Power	Gross MWh Procured	MWh Resold	Net MWh Procured	Adjusted Net MWh Procured	GHG Emissions Factor (in MT CO2e/MWh)	GHG Emissions (in MT CO2e)	Eligible for Grandfathered Emissions?	
									-	-	#N/A			
									-	-	#N/A			
									-	-	#N/A			
									-	-	#N/A			
									-	-	#N/A			
SPECIFIED NON-RENEWABLE PROCUREMENTS														
Facility Name	Fuel Type	State or Province	N/A	N/A	N/A	EIA ID	Gross MWh Procured	MWh Resold	Net MWh Procured	Adjusted Net MWh Procured	GHG Emissions Factor (in MT CO2e/MWh)	GHG Emissions (in MT CO2e)	N/A	
									-	-	#N/A			
									-	-	#N/A			
									-	-	#N/A			
									-	-	#N/A			
									-	-	#N/A			
									-	-	#N/A			
									-	-	#N/A			
									-	-	#N/A			
									-	-	#N/A			
PROCUREMENTS FROM ASSET-CONTROLLING SUPPLIERS														
Facility Name	Fuel Type	N/A	N/A	N/A	N/A	EIA ID	Gross MWh Procured	MWh Resold	Net MWh Procured	Adjusted Net MWh Procured	GHG Emissions Factor (in MT CO2e/MWh)	GHG Emissions (in MT CO2e)	N/A	
END USES OTHER THAN RETAIL SALES	MWh													



**2020 POWER SOURCE DISCLOSURE ANNUAL REPORT**  
**SCHEDULE 3: POWER CONTENT LABEL DATA**  
**For the Year Ending December 31, 2020**  
**City of Palo Alto Electric Utility**  
**PaloAltoGreen**

Instructions: No data input is needed on this schedule. Retail suppliers should use these auto-populated calculations to fill out their Power Content Labels.

	Adjusted Net Procured (MWh)	Percent of Total Retail Sales
<b>Renewable Procurements</b>	25,594	100.0%
Biomass & Biowaste	-	0.0%
Geothermal	-	0.0%
Eligible Hydroelectric	-	0.0%
Solar	4,414	17.2%
Wind	21,180	82.8%
Coal	-	0.0%
Large Hydroelectric	-	0.0%
Natural gas	-	0.0%
Nuclear	-	0.0%
Other	-	0.0%
Unspecified Power	-	0.0%
<b>Total</b>	<b>25,594</b>	<b>100.0%</b>

<b>Total Retail Sales (MWh)</b>	<b>25,594</b>
---------------------------------	---------------

<b>GHG Emissions Intensity (converted to lbs CO<sub>2</sub>e/MWh)</b>	<b>-</b>
---	----------

<b>Percentage of Retail Sales Covered by Retired Unbundled RECs</b>	<b>0.0%</b>
---	-------------

**POWER SOURCE DISCLOSURE ANNUAL REPORT  
ATTESTATION FORM  
for the year ending December 31, 2020  
CITY OF PALO ALTO UTILITIES  
PALOALTOGREEN**

I, James Stack, Senior Resource Planner, declare under penalty of perjury, that the statements contained in this report including Schedules 1, 2, and 3 are true and correct and that I, as an authorized agent of City of Palo Alto Utilities, have authority to submit this report on the company's behalf. I further declare that the megawatt-hours claimed as specified purchases as shown in these Schedules were, to the best of my knowledge, sold once and only once to retail customers.

Name: James Stack

Representing (Retail Supplier): City of Palo Alto Utilities

Signature: \_\_\_\_\_



Dated: May 29, 2021

Executed at: Palo Alto, CA

# WHERE DOES OUR ELECTRICITY COME FROM?



**LARGE  
HYDROELECTRIC**  
**35.0%**



**BIOMASS  
AND BIOWASTE**  
**10.2%**



**SOLAR**  
**8.8%**



**ELIGIBLE  
HYDROELECTRIC**  
**1.4%**



**UNSPECIFIED  
POWER**  
**44.6%**



## 100% CARBON-NEUTRAL ELECTRICITY SINCE 2013

Like a nutrition facts label that shows the ingredients in food, the Power Content Label shows the sources of electricity purchased by City of Palo Alto Utilities to power local homes and businesses.

Carbon-neutral electricity comes from a variety of sources, including renewable resources like solar, wind and small hydroelectric plants. Large hydroelectric sources are also carbon-free, but the state of California doesn't consider them renewable.

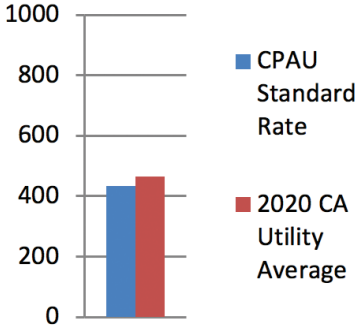
Since 2016 the City of Palo Alto Utilities has had long-term contracts with California-based renewable energy providers to provide 100% Carbon Neutral power to the community. In 2020, as the value of in-state renewable energy rose, CPAU began taking a regional approach to purchasing power, selling its high priced in-state renewable energy and buying the most cost-efficient renewable energy from outside the state. This program generates earnings (\$2.9M in 2020) which are being split between pandemic rate relief and investments in local decarbonization efforts necessary to meet our ambitious climate goals. Although the power sourced out-of-state remains carbon-neutral, it's not recognized as renewable by the state and instead is labeled as "unspecified." But CPAU retains its long-term contracts, and when this in-state / out-of-state energy exchange program ends, the Power Content Label will look like it did in 2019: 100% renewable and carbon-neutral sources.

**Palo Alto is reducing greenhouse gas emissions to 80% below 1990 levels by 2030**

### POWER SOURCES IN 2020

CPAU power sources include five solar PV projects, two wind projects, five landfill gas-fired projects, the Calaveras hydroelectric project, and the Western Area Power Administration (Western) contract, which is sourced from Central Valley Project hydroelectric facilities. All of these resources are located in California. Power supply percentages vary annually based on the available output from our contracted generators. In 2020, CPAU's hydroelectric generation was somewhat lower than long-term average levels due to relatively dry weather conditions, so CPAU needed to purchase additional renewable generation from other utilities in the western US.

**Find more details at**  
**cityofpaloalto.org/PowerContentLabel and cityofpaloalto.org/CarbonNeutral**

2020 POWER CONTENT LABEL				
City of Palo Alto Utilities				
cityofpaloalto.org/PowerContentLabel				
Greenhouse Gas Emissions Intensity (lbs CO <sub>2</sub> e/MWh)		Energy Resources	CPAU Standard Rate	2020 CA Power Mix
CPAU Standard Rate	2020 CA Utility Average	<b>Eligible Renewable</b> <sup>1</sup> Biomass & Biowaste Geothermal Eligible Hydroelectric Solar Wind  <b>Coal</b> <b>Large Hydroelectric</b> <b>Natural Gas</b> <b>Nuclear</b> <b>Other</b> <b>Unspecified Power</b> <sup>2</sup> <b>TOTAL</b>	<b>20.4%</b>	<b>33.1%</b>
<b>434</b>	<b>466</b>		10.2%	2.5%
			0.0%	4.9%
			1.4%	1.4%
			8.8%	13.2%
			0.0%	11.1%
			<b>0.0%</b>	<b>2.7%</b>
			<b>35.0%</b>	<b>12.2%</b>
			<b>0.0%</b>	<b>37.1%</b>
			<b>0.0%</b>	<b>9.3%</b>
<b>0.0%</b>	<b>0.2%</b>			
<b>Percentage of Retail Sales Covered by Retired Unbundled RECs</b> <sup>3</sup> :		<b>44.6%</b>	<b>5.4%</b>	
		<b>100.0%</b>	<b>100.0%</b>	
		<b>41%</b>		
<sup>1</sup> The eligible renewable percentage above does not reflect RPS compliance, which is determined using a different methodology.				
<sup>2</sup> Unspecified power is electricity that has been purchased through open market transactions and is not traceable to a specific generation source.				
<sup>3</sup> Renewable energy credits (RECs) are tracking instruments issued for renewable generation. Unbundled renewable energy credits (RECs) represent renewable generation that was not delivered to serve retail sales. Unbundled RECs are not reflected in the power mix or GHG emissions intensities above.				
For specific information about this electricity portfolio, contact:		<b>City of Palo Alto Utilities</b> <b>(650) 329-2161</b>		
For general information about the Power Content Label, visit:		<a href="http://www.energy.ca.gov/pcl/">http://www.energy.ca.gov/pcl/</a>		
For additional questions, please contact the California Energy Commission at:		Toll-free in California: 844-454-2906 Outside California: 916-653-0237		



# WHERE DOES OUR ELECTRICITY COME FROM?



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**35.0%**



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AND BIOWASTE**  
**10.2%**



**SOLAR**  
**8.8%**



**ELIGIBLE  
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**UNSPECIFIED  
POWER**  
**44.6%**

## 100% CARBON-NEUTRAL ELECTRICITY SINCE 2013

Like a nutrition facts label that shows the ingredients in food, the Power Content Label shows the sources of electricity purchased by City of Palo Alto Utilities to power local homes and businesses.

Carbon-neutral electricity comes from a variety of sources, including renewable resources like solar, wind and small hydroelectric plants. Large hydroelectric sources are also carbon-free, but the state of California doesn't consider them renewable.

Since 2016 the City of Palo Alto Utilities has had long-term contracts with California-based renewable energy providers to provide 100% Carbon Neutral power to the community. In 2020, as the value of in-state renewable energy rose, CPAU began taking a regional approach to purchasing power, selling its high priced in-state renewable energy and buying the most cost-efficient renewable energy from outside the state. This program generates earnings (\$2.9M in 2020) which are being split between pandemic rate relief and investments in local decarbonization efforts necessary to meet our ambitious climate goals. Although the power sourced out-of-state remains carbon-neutral, it's not recognized as renewable by the state and instead is labeled as "unspecified." But CPAU retains its long-term contracts, and when this in-state / out-of-state energy exchange program ends, the Power Content Label will look like it did in 2019: 100% renewable and carbon-neutral sources.

**Palo Alto is reducing greenhouse gas emissions to 80% below 1990 levels by 2030**

**POWER SOURCES IN 2020** CPAU power sources include five solar PV projects, two wind projects, five landfill gas-fired projects, the Calaveras hydroelectric project, and the Western Area Power Administration (Western) contract, which is sourced from Central Valley Project hydroelectric facilities. All of these resources are located in California. Power supply percentages vary annually based on the available output from our contracted generators. In 2020, CPAU's hydroelectric generation was somewhat lower than long-term average levels due to relatively dry weather conditions, so CPAU needed to purchase additional renewable generation from other utilities in the western US.



### PaloAltoGreen's<sup>a</sup> Prospective<sup>b</sup> Product Content Label for 2021 Consists of 100% Wind Energy<sup>c</sup>

<sup>a</sup> PaloAltoGreen is a voluntary renewable energy program from City of Palo Alto Utilities that matches up to 100% of your estimated monthly electricity usage with Green-e® certified Renewable Energy Credits (RECs) from new renewable energy resources, specifically from generation facilities that first began commercial operation in the last 15 years.

<sup>b</sup> Prospective Product Content Label: These figures reflect the renewables that we have contracted to provide. Actual figures may vary according to resource availability. We will annually report to you before October 1st of next year in the form of a Historical Product Content Label the actual resource mix of the electricity you purchased.

<sup>c</sup> Sourced from wind energy RECs located in the western U.S. (CA, OR, WA, ID, NV, UT, AZ, MT, WY, CO, or NM) or Canada (BC or AB).

### PaloAltoGreen<sup>TM</sup> Energy Green-e<sup>®</sup> CERTIFIED

PaloAltoGreen is Green-e® Energy certified and meets the environmental and consumer-protection standards set forth by the nonprofit Center for Resource Solutions.

For more information on Green-e® Certified Energy, call 1-888-63-GREEN or visit [green-e.org](http://green-e.org)

PaloAltoGreen 2020 Historical Product Content Label (reflected in the "Palo Alto Green" column of the table on page 2): These figures reflect the power delivered to PaloAltoGreen's customers in 2020. Solar energy and wind energy sourced from California facilities.

Find more details at [cityofpaloalto.org/PowerContentLabel](http://cityofpaloalto.org/PowerContentLabel) and [cityofpaloalto.org/CarbonNeutral](http://cityofpaloalto.org/CarbonNeutral)



CITY OF  
**PALO ALTO**  
UTILITIES

Individuals with disabilities who require accommodations to access City facilities, services or programs, or who would like information on the City's compliance with the Americans with Disabilities Act (ADA) of 1990, may contact the City's ADA Coordinator at (650) 329-2368 (voice) or email [ada@cityofpaloalto.org](mailto:ada@cityofpaloalto.org)

09/21 ♻️ Printed on 100% post-consumer recycled paper, bleached with no chlorine

2020 POWER CONTENT LABEL				
City of Palo Alto Utilities				
cityofpaloalto.org/PowerContentLabel				
Greenhouse Gas Emissions Intensity (lbs CO <sub>2</sub> e/MWh)		Energy Resources	Palo Alto Green	CPAU Standard Rate
Palo Alto Green	CPAU Standard Rate	<div>Eligible Renewable<sup>1</sup> Biomass &amp; Biowaste Geothermal Eligible Hydroelectric Solar Wind  Coal Large Hydroelectric Natural Gas Nuclear Other Unspecified Power<sup>2</sup> TOTAL</div>	100.0%	20.4%
0	434		0.0%	33.1%
<div><div>2020 CA Utility Average</div><div>466</div></div> <div><div><div></div><div>Palo Alto Green</div></div><div><div></div><div>CPAU Standard Rate</div></div><div><div></div><div>2020 CA Utility Average</div></div></div>			0.0%	2.5%
			0.0%	4.9%
			0.0%	1.4%
			17.2%	13.2%
			82.8%	11.1%
			0.0%	2.7%
			0.0%	12.2%
			0.0%	37.1%
			0.0%	9.3%
			0.0%	0.2%
			0.0%	5.4%
			100.0%	100.0%
Percentage of Retail Sales Covered by Retired Unbundled RECs <sup>3</sup> :			0%	41%
<div><div><sup>1</sup>The eligible renewable percentage above does not reflect RPS compliance, which is determined using a different methodology.</div><div><sup>2</sup>Unspecified power is electricity that has been purchased through open market transactions and is not traceable to a specific generation source.</div><div><sup>3</sup>Renewable energy credits (RECs) are tracking instruments issued for renewable generation. Unbundled renewable energy credits (RECs) represent renewable generation that was not delivered to serve retail sales. Unbundled RECs are not reflected in the power mix or GHG emissions intensities above.</div></div>				
For specific information about this electricity portfolio, contact:			City of Palo Alto Utilities (650) 329-2161	
For general information about the Power Content Label, visit:			<a href="http://www.energy.ca.gov/pcl/">http://www.energy.ca.gov/pcl/</a>	
For additional questions, please contact the California Energy Commission at:			Toll-free in California: 844-454-2906 Outside California: 916-653-0237	



## City of Palo Alto City Council Staff Report

(ID # 13482)

**Report Type:** Consent Calendar

**Meeting Date:** 9/27/2021

**Title:** Approval of an Exemption to Competitive Solicitation per Palo Alto Municipal Code 2.30.360(j) for Cooperative Purchases, and Approval for the City Manager or Designee to Execute Purchase Order C22183161 with CarahSoft Technology Corporation, Utilizing a State of California Multiple Award Schedule Contract, to Procure DocuSign Services for a Three-Year Term with an Annual Amount of \$126,753, for a Total Not-To-Exceed Amount of \$380,258

**From:** City Manager

**Lead Department:** IT Department

### Recommendation

Staff recommends that City Council approve and authorize the City Manager or designee to:

1. Approve an exemption from competitive solicitation as authorized by PAMC 2.30.360(j) for purchases with other public agencies or cooperative purchasing agencies. This purchase utilizes the state's California Multiple Award Schedules (CMAS) program under [CMAS Contract 3-12-70-2247E](#) ([CMAS Contract Extension](#)); and
2. Execute Purchase Order C22183161 with Carahsoft Technology Corporation, utilizing the above-noted CMAS contract, to procure DocuSign services for a three-year term (August 23, 2021 – August 22, 2024) with an annual amount of \$126,753 and a total not-to-exceed amount of \$380,258 (Attachment A).

### Background

The City has been using DocuSign for electronic signature of documents since 2015. Since that time, Staff has also converted paper forms to Power Forms which allows for the electronic submission of documents instead of using paper. This provides for a workflow and electronic submission of the form. The Information Technology (IT) Department, Human Resources, Public Works and the Utilities department have all converted some of their paper forms over to Power Forms using DocuSign.

### Discussion

Since the COVID-19 pandemic started, DocuSign has been critical in ensuring continuity

of services and daily business, allowing for electronic delivery of signatures for every day uses. Pre-pandemic, staff was utilizing less than 14,000 envelopes (documents) annually. Currently, that envelope count has increased to over 20,000 envelopes annually, an over 40% increase in usage. Normally, the current term end date is at the end of July each year. Since the City was on track to go over the envelope allowance of 14,000 before the end of July, DocuSign allowed the City to early renew so that the City did not have to pay overage fees, and a purchase order for 8,000 envelopes was issued in May to provide sufficient capacity through Council approval of a new contract. Overage fees are almost \$10 per envelope sent over the allowance.

Given continued heavy use, however, the new term start date will be August 23<sup>rd</sup> in order to avoid exceeding the envelope allowance. With this agreement, the City will have a 25,000-envelope allowance each term year. In order to potentially avoid exceeding the new 25,000 envelope allowance annually, the Information Technology Department will work with departments to provide guidelines for the use of DocuSign and provide alternative methods when a document does not need to be signed.

DocuSign has been an integral part for continuation of services during the pandemic. The invoice approval process, several payroll forms, all contracts, human resources forms, utility forms and most City departments have utilized DocuSign for day-to-day business. Currently, the City has over 400 active users of the DocuSign platform. On average, most of all envelopes being sent are completed within one hour. Roughly, 1,700 envelopes are completed on average each month.

DocuSign is an industry leader in electronic signatures. DocuSign provides real-time status visibility of envelopes, 99.99% platform availability with no maintenance downtime for eSignature, and meets the strictest of data security standards. The DocuSign account team has been an invaluable resource providing training, materials, account review and general support.

During this three-year term, Staff will perform an analysis of DocuSign and other electronic signature platforms to compare functionality, integration, and cost in order to improve workflows and efficiency. This work will be completed in order to make a competitive determination prior to expiration of this contract in Fiscal Year 2024. Due to the rate of documents requiring electronic signatures during the pandemic and remote work, Staff was not able to perform the comparative analysis between other electronic signature vendors before the existing term expired on August 23, 2021.

By utilizing the State's CMAS contract with Carahsoft, the City can obtain a roughly 50% discount off list price and can utilize terms and conditions already negotiated with the state. (Applicable terms and conditions can be found by referring to the California Multiple Award Schedule attached to this report.) Carahsoft will keep the annual rate the same for all three years of the agreement, without any annual increase. For these reasons, staff is recommending use of this CMAS contract pursuant to the exemption to



competitive solicitation as permitted by PAMC section 2.30.360(j) for purchases through other public agencies or purchasing cooperatives such as CMAS. The City's past purchases for DocuSign services have utilized the same CMAS contract per PAMC 2.30.360(j). If not approved, a significant impact to the workforce daily operations will occur as there is not a current alternative in place, the organization would return to wet signatures for authorizations impeding cycle time significantly.

### **Resource Impact**

The annual cost of the previous contract was \$83,849 for 14,000 envelopes. Increasing the envelope count to 25,000 annually, the cost increases by approximately \$43,000 to \$126,753 annually. Fees for the first year of this contract are available in the fiscal year (FY) 2022 Adopted Operating Budget of the Information Technology fund. For FY 2023 and 2024, the funding is subject to City Council approval of the annual appropriation of funds through the budgeting process.

### **Stakeholder Engagement**

Staff has been able to adapt quickly to remote processes with the help of DocuSign and DocuSign's features. In Fiscal Year 2022, IT will be further engaging the workforce through the executive leadership team and DocuSign to continually review functionality, benefits, and enhancements ensuring the organization is maximizing awareness and benefits of this tool for daily business.

### **Environmental Review**

Approval of this agreement does not constitute a project under the California Environmental Quality Act (CEQA); therefore, an environmental assessment is not required.

#### **Attachments:**

- **Attachment6.a:** Attachment A: Carahsoft Technology Corporation - DocuSign Contract, C22183161



# City of Palo Alto

Purchasing and Contract Administration  
P.O.Box 10250  
Palo Alto CA 94303  
Tel:(650)329-2271 Fax:(650)329-2468

6.a

## Council Approve Order

### Vendor Address

CARASOFT TECHNOLOGY CORP.  
11493 SUNSET HILLS ROADS SUITE 100  
RESTON VA 20190  
Tel: 1-888-662-2724 Fax: 703-871-8505

#### Ship To:

Information Technology Services  
City of Palo Alto  
250 Hamilton Ave., 2nd Floor  
Palo Alto CA 94301

#### Bill To:

Information Technology Services  
City of Palo Alto  
250 Hamilton Ave., 2nd Floor  
Palo Alto CA 94301

P.O. NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES, SHIPPING PAPERS AND CORRESPONDENCE PERTAINING TO THIS ORDER

PO Number	C22183161
Date	09/07/2021
Vendor No.	106008
Payment Terms	Payment Due 30 days
FOB Point	Services Only
Ship via	Services as required by City
Term	08/23/2021 - 08/22/2024
Buyer/Phone	Cecilia Magana / 650-329-2391
Email	Cecilia.Magana@CityofPaloAlto.org

DELIVERIES ACCEPTED ONLY BETWEEN 7:00 AM & 3:00 PM UNLESS OTHER ARRANGEMENTS ARE INDICATED HEREIN

Page 1 of 4

Item	Material/Description	Quantity	UM	Net Price	Net Amount
0010	<p><i>This City of Palo Alto Purchase Order (PO) with Carahsoft Technology Corp is issued for the purchase of DocuSign Enterprise Pro and for DocuSign Enterprise Premier Support in accordance with CMAS Number 3-12-70-2247E. TERM: August 23, 2021-August 22, 2024</i></p> <p>DocuSign - Year 1</p> <p>PART NO. APT-0393 Quote Price: \$4.1558, Qty: 25000 DocuSign Enterprise Pro for Gov - Env Year 1 DocuSign, Inc. - APT-0393 Start Date: 08/23/2021 End Date: 08/22/2022</p>	103,895	USD	1.00	103,895.00
0020	<p>DocuSign - Year 1 Support</p> <p>PART NO. 4987-120-43 Quote Price: \$0.9143, Qty:25,000</p>	22,858	USD	1.00	22,857.50

Interim Chief Procurement Officer

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SPECIFICATIONS - Any specification and /or drawings referred to and/or attached hereto are expressly made a part of this Purchase Order.  
DELIVERY - Please notify the City promptly if delivery cannot be made on or before the date specified. If partial shipment is authorized, so indicate on all documents. Complete packing lists must accompany each shipment.  
INVOICE - A separate invoice is required for each order. Send to address indicated above.

Packet Pg. 70



# City of Palo Alto

Purchasing and Contract Administration  
P.O.Box 10250  
Palo Alto CA 94303  
Tel:(650)329-2271 Fax:(650)329-2468

6.a

## Council Approve Order

### Vendor Address

CARASOFT TECHNOLOGY CORP.  
11493 SUNSET HILLS ROADS SUITE 100  
RESTON VA 20190  
Tel: 1-888-662-2724 Fax: 703-871-8505

### Ship To:

Information Technology Services  
City of Palo Alto  
250 Hamilton Ave., 2nd Floor  
Palo Alto CA 94301

### Bill To:

Information Technology Services  
City of Palo Alto  
250 Hamilton Ave., 2nd Floor  
Palo Alto CA 94301

P.O. NUMBER MUST APPEAR ON ALL INVOICES, PACKAGES, SHIPPING PAPERS AND CORRESPONDENCE PERTAINING TO THIS ORDER

**PO Number** C22183161  
**Date** 09/07/2021  
**Vendor No.** 106008  
**Payment Terms** Payment Due 30 days  
**FOB Point** Services Only  
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**Term** 08/23/2021 - 08/22/2024  
**Buyer/Phone** Cecilia Magana / 650-329-2391  
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Page 2 of 4

Item	Material/Description	Quantity	UM	Net Price	Net Amount
0030	<p>Enterprise Premier Support 22% of Recurring Fees (22% of List Price per \$100 of List License Fees) DocuSign, Inc. - APT-0148 Start Date: 08/23/2021 End Date: 08/22/2022</p> <p>DocuSign - Year 2</p> <p>PART NO. APT-0393 Quote Price: \$4.1558, Qty: 25000 DocuSign Enterprise Pro for Gov - Env Year 2 DocuSign, Inc. - APT-0393 Start Date: 08/23/2022 End Date: 08/22/2023</p>	103,895	USD	1.00	103,895.00
0040	<p>DocuSign - Year 2 Support</p> <p>PART NO. 4987-120-43 Quote Price: \$0.9143, Qty: 25,000 Enterprise Premier Support 22% of Recurring Fees (22% of List Price per \$100 of List License Fees) DocuSign, Inc. - APT-0148 Start Date: 08/23/2022 End Date: 08/22/2023</p>	22,858	USD	1.00	22,857.50

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Packet Pg. 71



# City of Palo Alto

Purchasing and Contract Administration  
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Palo Alto CA 94303  
Tel:(650)329-2271 Fax:(650)329-2468

6.a

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RESTON VA 20190  
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250 Hamilton Ave., 2nd Floor  
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Page 3 of 4

Item	Material/Description	Quantity	UM	Net Price	Net Amount
0050	DocuSign - Year 3  PART NO. APT-0393 Quote Price: \$4.1558, Qty: 25000 DocuSign Enterprise Pro for Gov - Env Year 3 DocuSign, Inc. - APT-0393 Start Date: 08/23/2023 End Date: 08/22/2024	103,895	USD	1.00	103,895.00
0060	DocuSign - Year 3 Support  PART NO. 4987-120-43 Quote Price: \$0.9143, Qty: 25,000 Enterprise Premier Support 22% of Recurring Fees (22% of List Price per \$100 of List License Fees) DocuSign, Inc. - APT-0148 Start Date: 08/23/2023 End Date: 08/22/2024  All Products Purchased under this agreement are available via Electronic Distribution only. No tangible media or documentation will be available or shipped under this agreement. Access to the products purchased under this agreement is in no way dependent upon any tangible media that may have been received prior to, or separately from, this agreement. To support the California sales and use tax	22,858	USD	1.00	22,857.50

Interim Chief Procurement Officer

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Packet Pg. 72



# City of Palo Alto

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Page 4 of 4

Item	Material/Description	Quantity	UM	Net Price	Net Amount
	<p><i>exempt status of electronically downloaded software allowed under California regulation 1502 (F) (1) (D), vendor invoices for all purchases made under this agreement must accurately state that software distribution is solely via electronic download and that no tangible media or documentation will be shipped to or received by our agency.</i></p> <p><i>City's Project Manager: Darren.Numoto@CityofPaloAlto.org</i></p>			Sub-Total	380,257.50

**Total 380,257.50**

*Caras*

Interim Chief Procurement Officer

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Packet Pg. 73

## PURCHASE ORDER TERMS AND CONDITIONS

**AGREEMENT.** THIS AGREEMENT CONSISTS OF THE FOLLOWING AGREEMENT DOCUMENTS: (i) THE CITY'S P.O., (ii) THESE P.O. TERMS AND CONDITIONS, AND (iii) ANY EXHIBITS REFERENCED IN AND ATTACHED TO THE CITY'S P.O. IN THE EVENT OF AN INCONSISTENCY BETWEEN OR AMONG THE PROVISIONS OF THIS AGREEMENT, THE AGREEMENT DOCUMENTS SHALL HAVE THE ORDER OF PRECEDENCE AS SET FORTH IN THE PRECEDING SENTENCE.

**GOVERNING LAW.** THIS AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA WITHOUT REGARD TO CONFLICT OF LAW PROVISIONS. VENUE FOR ANY DISPUTE SHALL BE IN SANTA CLARA COUNTY, CALIFORNIA. THE PARTIES SHALL COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN THE PERFORMANCE OF THIS AGREEMENT.

**INDEPENDENT CONTRACTOR.** THE PARTIES UNDERSTAND AND AGREE THAT IN PERFORMING THIS AGREEMENT, **CONTRACTOR** AND ANY PERSON EMPLOYED OR CONTRACTED WITH BY **CONTRACTOR** TO FURNISH LABOR AND/OR MATERIALS UNDER THIS AGREEMENT, SHALL ACT AS AND BE AN INDEPENDENT CONTRACTOR AND NOT AN AGENT OR EMPLOYEE OF **CITY**. IN ACCEPTING THIS AGREEMENT, **CONTRACTOR** AFFIRMS THAT NO ONE WHO HAS OR WILL HAVE ANY FINANCIAL INTEREST UNDER THIS AGREEMENT IS AN OFFICER OR EMPLOYEE OF **CITY**.

**INSURANCE.** **CONTRACTOR** AGREES TO PROVIDE THE INSURANCE SPECIFIED IN THE "INSURANCE REQUIREMENTS" FORM ISSUED HERewith. IN THE EVENT **CONTRACTOR** IS UNABLE TO SECURE A POLICY ENDORSEMENT NAMING THE CITY OF PALO ALTO AS AN ADDITIONAL INSURED UNDER ANY COMPREHENSIVE GENERAL LIABILITY OR COMPREHENSIVE AUTOMOBILE POLICY OR POLICIES, **CONTRACTOR** SHALL AT A MINIMUM, AND ONLY WITH THE WRITTEN APPROVAL OF **CITY'S RISK MANAGER** OR DESIGNEE, CAUSE EACH SUCH INSURANCE POLICY OBTAINED BY IT TO CONTAIN AN ENDORSEMENT PROVIDING THAT THE INSURER WAIVES ALL RIGHT OF RECOVERY BY WAY OF SUBROGATION AGAINST **CITY**, ITS OFFICERS, AGENTS, AND EMPLOYEES IN CONNECTION WITH ANY DAMAGE, CLAIM, LIABILITY PERSONAL INJURY, OR WRONGFUL DEATH COVERED BY ANY SUCH POLICY. **CONTRACTOR** SHALL PROVIDE THIRTY (30) DAYS WRITTEN NOTICE TO **CITY** BEFORE ANY CANCELLATION OR CHANGE IN THE REQUIRED COVERAGE, SCOPE OR AMOUNT OF ANY SUCH POLICY/POLICIES/ENDORSEMENT(S).

**CONTRACTOR** SHALL PROVIDE CERTIFICATES OF SUCH POLICIES OR OTHER EVIDENCE OF COVERAGE SATISFACTORY TO **CITY'S RISK MANAGER**, TO **CITY** AT THE COMMENCEMENT OF THIS AGREEMENT, AND ON RENEWAL OF THE POLICY, OR POLICIES, NOT LATER THAN TWENTY (20) DAYS BEFORE EXPIRATION OF THE TERMS OF ANY SUCH POLICY.

**TERMINATION.** THIS AGREEMENT MAY BE TERMINATED BY **CITY** UPON TEN (10) DAYS WRITTEN NOTICE TO **CONTRACTOR**. MONIES THEN OWING BASED UPON WORK SATISFACTORILY ACCOMPLISHED SHALL BE PAID TO **CONTRACTOR**.

**CHANGES.** THIS AGREEMENT SHALL NOT BE ASSIGNED OR TRANSFERRED WITHOUT THE WRITTEN CONSENT OF THE **CITY**. NO CHANGES OR VARIATIONS TO THIS AGREEMENT OF ANY KIND ARE AUTHORIZED WITHOUT THE WRITTEN CONSENT OF THE CITY'S PURCHASING MANAGER.

**AUDITS.** **CONTRACTOR** AGREES TO PERMIT **CITY** TO AUDIT, AT ANY REASONABLE TIME DURING THE TERM OF THIS AGREEMENT AND FOR THREE (3) YEARS THEREAFTER, **CONTRACTOR'S** RECORDS PERTAINING TO MATTERS COVERED BY THIS AGREEMENT. **CONTRACTOR** FURTHER AGREES TO MAINTAIN SUCH RECORDS FOR AT LEAST THREE (3) YEARS AFTER THE TERM OF THIS AGREEMENT.

**NO IMPLIED WAIVER.** NO PAYMENT, PARTIAL PAYMENT, ACCEPTANCE, OR PARTIAL ACCEPTANCE BY **CITY** SHALL OPERATE AS A WAIVER ON THE PART OF **CITY** OF ANY OF ITS RIGHTS UNDER THIS AGREEMENT.

**CITY'S PROPERTY.** TITLE TO **CITY'S** PROPERTY FURNISHED TO **CONTRACTOR** SHALL REMAIN IN THE **CITY**. **CONTRACTOR** SHALL NOT ALTER OR USE PROPERTY FOR ANY PURPOSE, OTHER THAN THAT SPECIFIED BY **CITY**, OR FOR ANY OTHER PARTY WITHOUT THE PRIOR WRITTEN CONSENT OF **CITY**. **CONTRACTOR** SHALL STORE, PROTECT, PRESERVE, REPAIR AND MAINTAIN SUCH PROPERTY IN ACCORDANCE WITH SOUND PROFESSIONAL PRACTICE, AT **CONTRACTOR'S** EXPENSE.

**NON-DISCRIMINATION.** **CONTRACTOR** SHALL NOT DISCRIMINATE IN EMPLOYMENT OF ANY PERSON BASED ON RACE, SKIN COLOR, GENDER, GENDER IDENTITY, AGE, RELIGION, DISABILITY, NATIONAL ORIGIN, ANCESTRY, SEXUAL ORIENTATION, PREGNANCY, GENETIC INFORMATION OR CONDITION, HOUSING STATUS, MARITAL OR FAMILIAL STATUS, WEIGHT OR HEIGHT OF SUCH PERSON.

**WARRANTY.** **CONTRACTOR** EXPRESSLY WARRANTS THAT ALL MATERIALS AND SERVICES COVERED BY THIS AGREEMENT SHALL CONFORM TO THE SPECIFICATIONS, REQUIREMENTS, INSTRUCTIONS, OR OTHER DESCRIPTIONS UPON WHICH THIS AGREEMENT IS BASED, SHALL BE FIT AND SUFFICIENT FOR THE PURPOSE INTENDED, OF GOOD MATERIAL AND WORKMANSHIP AND FREE FROM DEFECT AND THAT MATERIALS AND SERVICE OF **CONTRACTOR'S** DESIGN WILL BE FREE FROM DEFECT IN DESIGN, INSPECTION, TEST, ACCEPTANCE, PAYMENT OR USE OF THE GOODS FURNISHED HEREUNDER SHALL NOT AFFECT THE **CONTRACTOR'S** OBLIGATION UNDER THIS WARRANTY, AND SUCH WARRANTIES SHALL SURVIVE INSPECTION, TEST ACCEPTANCE AND USE. **CONTRACTOR** AGREES TO REPLACE, RESTORE, OR CORRECT DEFECTS OF ANY MATERIALS OR SERVICES NOT CONFORMING TO THE FOREGOING WARRANTY PROMPTLY, WITHOUT EXPENSE TO **CITY**, WHEN NOTIFIED OF SUCH NONCONFORMITY BY **CITY**. IN THE EVENT OF FAILURE BY **CONTRACTOR** TO CORRECT DEFECTS IN OR REPLACE NONCONFORMING GOOD OR SERVICES PROMPTLY. **CITY**, AFTER REASONABLE NOTICE TO **CONTRACTOR**, MAY MAKE SUCH CORRECTIONS OR REPLACE SUCH MATERIALS OR SERVICES AND CHARGE **CONTRACTOR** FOR THE COST INCURRED BY THE CITY THEREBY.

**WORKERS' COMPENSATION.** **CONTRACTOR**, BY ACCEPTING THIS AGREEMENT, CERTIFIES THAT IT IS AWARE OF THE PROVISIONS OF THE CALIFORNIA LABOR CODE WHICH REQUIRE EVERY EMPLOYER TO BE INSURED AGAINST LIABILITY FOR WORKERS' COMPENSATION OR TO UNDERTAKE SELF-INSURANCE IN ACCORDANCE WITH THAT CODE, AND CERTIFIES THAT IT WILL COMPLY WITH SUCH PROVISIONS BEFORE COMMENCING THE PERFORMANCE OF THE WORK OF THIS AGREEMENT.

### PRICE TERMS.

(a) **EXTRA CHARGES, INVOICES AND PAYMENT.** NO EXTRA CHARGES OF ANY KIND WILL BE ALLOWED UNLESS SPECIFICALLY AGREED TO IN WRITING BY **CITY**; ALL STATE AND FEDERAL EXCISE, SALES, AND USE TAXES SHALL BE STATED SEPARATELY ON THE INVOICES.

(b) **TRANSPORTATION CHARGES.** ANY TRANSPORTATION CHARGES WITH RESPECT TO WHICH **CONTRACTOR** IS ENTITLED TO RECEIVE REIMBURSEMENT SHALL BE ADDED TO **CONTRACTOR'S** INVOICE AS A SEPARATE ITEM, WITH THE RECEIPTED FREIGHT BILL ATTACHED THERETO.

(c) **CONTRACTOR WARRANTS** THAT THE PRICES FOR MATERIALS OR SERVICES SOLD TO **CITY** UNDER THIS AGREEMENT ARE NOT LESS FAVORABLE THAN THOSE CURRENTLY EXTENDED TO ANY OTHER CUSTOMERS OF THE SAME OR LIKE ARTICLES OR SERVICES IN EQUAL OR LESS QUANTITIES. IN EVENT **CONTRACTOR** REDUCES ITS PRICE FOR SUCH MATERIALS OR SERVICES DURING THE TERM OF THIS AGREEMENT, **CONTRACTOR** AGREES TO REDUCE THE PRICES OR RATES HEREOF CORRESPONDINGLY.

**SCHEDULES OR DELIVERY.** TIME IS OF THE ESSENCE OF THIS AGREEMENT. **CONTRACTOR** AGREES TO COMPLY WITH THE SPECIFIC SCHEDULE PROVIDED BY THE CITY OR AGREED UPON HEREIN WITHOUT DELAY AND WITHOUT ANTICIPATING **CITY'S** REQUIREMENTS. **CONTRACTOR** ALSO AGREES NOT TO MAKE MATERIAL COMMITMENTS OR SCHEDULING ARRANGEMENTS IN EXCESS OF THE REQUIRED AMOUNT OR IN ADVANCE OF THE TIME NECESSARY TO MEET THE SCHEDULE(S) OF THIS AGREEMENT, IF ANY.

**PALO ALTO MINIMUM WAGE ORDINANCE.** **CONTRACTOR** SHALL COMPLY WITH ALL REQUIREMENTS OF THE PALO ALTO MUNICIPAL CODE CHAPTER 4.62 (CITYWIDE MINIMUM WAGE), AS AMENDED FROM TIME TO TIME. IN PARTICULAR, FOR ANY EMPLOYEE OTHERWISE ENTITLED TO THE STATE MINIMUM WAGE, WHO PERFORMS AT LEAST TWO (2) HOURS OF WORK IN A CALENDAR WEEK WITHIN THE GEOGRAPHIC BOUNDARIES OF THE **CITY**, **CONTRACTOR** SHALL PAY SUCH EMPLOYEES NO LESS THAN THE MINIMUM WAGE SET FORTH IN PALO ALTO MUNICIPAL CODE SECTION 4.62.030 FOR EACH HOUR WORKED WITHIN THE GEOGRAPHIC BOUNDARIES OF THE **CITY**. IN ADDITION, **CONTRACTOR** SHALL POST NOTICES REGARDING THE PALO ALTO MINIMUM WAGE ORDINANCE IN ACCORDANCE WITH PALO ALTO MUNICIPAL CODE SECTION 4.62.060.

## PURCHASE ORDER TERMS AND CONDITIONS

**TRANSPORTATION, PACKAGING & LABELING.** ALL MATERIALS OR SERVICES ARE TO BE PROVIDED (a) F.O.B. PALO ALTO UNLESS OTHERWISE SPECIFIED; (b) WITH A PACKING LIST ENCLOSED IN CARTONS, WHICH INDICATE THE AGREEMENT NUMBER, EXACT QUANTITY AND DESCRIPTIONS, CONCERNING ANY MATERIAL SHIPMENTS; (c) AND COMPLY WITH CURRENT PACKAGING AND LABELING REQUIREMENTS PRESCRIBED BY D.O.T.

**ENVIRONMENTALLY PREFERRED PURCHASING REQUIREMENTS.** Contractor agrees to comply with the City's Environmentally Preferred Purchasing Requirements.

**(1) Hazardous Waste:**

Contractor shall take-back all spent or otherwise discarded hazardous products sold to the City by the Contractor if the spent or discarded products are classified as hazardous or universal wastes by State or Federal regulations. Contractor shall provide convenient collection and recycling services (or disposal services if recycling technology is unavailable) for all universal wastes, which originate from the Vendor. Hazardous waste manifests or bills of lading must be provided to City staff upon request. Recycling and reuse of hazardous wastes must occur within the United States. Universal waste lists and information are available [www.dtsc.ca.gov/HazardousWaste/UniversalWaste/](http://www.dtsc.ca.gov/HazardousWaste/UniversalWaste/). A hazardous waste list is available at <http://www.calrecycle.ca.gov/LEA/Training/wasteclass/yeah.htm>. Additional information can be obtained by contacting the City of Palo Alto Hazardous Waste Department at (650) 496-6980.

**(2) Zero Waste and Pollution Prevention:**

Per Palo Alto City Council policy, the City is targeting to achieve Zero Waste by 2021. The City must also meet Municipal Regional Stormwater Permit requirements requiring no visible impact from litter via stormdrains by 2022. To that end the vendor, manufacturer and or contractor must individually or collaboratively comply with the waste reduction, reuse and recycling requirements of the City's Zero Waste and Pollution Prevention Programs. Seller acknowledges and agrees that if Seller fails to fully and satisfactorily comply with these requirements, the City will suffer, as a result of Seller's failure, substantial damages which are both extremely difficult and impracticable to ascertain. Therefore, the Seller agrees that in addition to all other damages to which the City may be entitled, in the event Seller fails to comply with the below requirements Seller shall pay City as liquidated damages the amounts specified below. The liquidated damage amount is not a penalty but considered to be a reasonable estimate of the amount of damages City will suffer as a result of such non-compliance.

- Sellers shall adhere to the standard that all printed materials provided to the City that are generated from a personal computer and printer including, proposals, quotes, invoices, reports, and public education materials shall be double-sided, printed on a minimum of 30% post-consumer content paper or greater unless otherwise approved by the City's Environmental Services Division (650) 329-2117. Materials printed by a professional printing company shall be a minimum of 30% post-consumer material or greater and printed with vegetable-based inks. Liquidated damages of \$30 per document will be assessed by City for failure to adhere to this requirement;
- All paper packaging must be Forest Stewardship Council (FSC) Certified.
- All primary, secondary and shipping (tertiary) packaging be minimized to the maximum extent feasible while protecting the product being shipped;
- All primary, secondary and shipping packaging shall be recyclable in the City's recycling program. A complete list of items accepted for recycling are found at [www.zerowastepaloalto.org](http://www.zerowastepaloalto.org) or by calling (650) 496-5910. If any portion is received that does not meet this requirement, liquidated damages of \$235 or a minimum of \$50 if the combined product and shipping cost is \$235 or less will be assessed by City for failure to adhere to this requirement.
- Expanded foam plastics (e.g., foam or cushion blocks, trays, packing "peanuts"), such as but not limited to polystyrene (aka Styrofoam™), polypropylene, or polyurethane shall not be used as primary, secondary or tertiary/shipping packaging with the following exceptions:
  - Primary packaging made from these materials may be used if the vendor, manufacturer, contractor individually or collaboratively does one of the following:
    - takes the material back at the City's convenience and at no cost to the City, or

- pays the City of Palo Alto's disposal costs via payment of liquidated damages of \$235, or a minimum of \$50 if the combined product and shipping cost is \$235 or less;
- Bioplastics that meet ASTM D6400 standards for compostability may be accepted with approval from the City's Environmental Services Division subject to local municipal compost facility requirements;
- if approved by the City's Environmental Services Division, a packaging requirement may be waived if no other viable packaging alternative exists;

**(3) Energy and Water Efficiency:**

Contractor shall provide products with an ENERGY STAR, Water Sense or State of California standard rating, whichever is more efficient, when ratings exist for those products. A life cycle cost analysis shall be provided to the City upon request and shall at minimum include: first cost, operating costs, maintenance costs, and disposal costs.

Contacts for additional information about City of Palo Alto Hazardous Waste, Zero Waste and Utilities programs:

**Hazardous Waste Program (Public Works)**

(650) 496-6980

**Zero Waste Program (Public Works)**

(650) 496-5910

**Watershed Protection**

(650) 329-2117

**Energy Efficiency**

(650) 496-2244

**(4) Liquidated Damages:**

Contractor agrees that failure to comply with the City's Environmentally Preferred Purchasing Requirements will result in Liquidated Damages, according to the table marked Liquidated Damages on page 3 of these P.O. Terms and Conditions.

**NONCOMPLIANCE WITH ENVIRONMENTALLY PREFERRED PURCHASING REQUIREMENTS, LIQUIDATED DAMAGES:**

The following table lists the events that constitute breaches of the Agreement's standard of performance warranting the imposition of liquidated damages; the acceptable performance level, and the amount of liquidated damages for failure to meet the contractually required standards of performance.

<b>Event of Non-Performance</b>	<b>Acceptable Performance Level (Allowed events per Fiscal Year)</b>	<b>Liquidated Damages Amount</b>
<b>Recycled Paper Use</b>		
Failure to use 50% recycled content paper	1	\$30 per each document
<b>Recyclable Packaging Materials</b>	1	\$235 or a minimum of \$50 if the combined product and shipping cost is \$250 or less will be incurred if this is not adhered to.
Failure of Contractor to Use secondary and shipping packaging that is recyclable in the City's recycling program.		
<b>Expanded Foam Plastics</b>		
Unapproved use of expanded foam plastics for secondary or shipping packaging	0	\$235 or a minimum of \$50 if the combined product and shipping cost is \$235 or less
<b>Pallet Use</b>		
Failure of Contractor to take-back and reuse pallets, recycling only broken pallets, at no additional cost to the City.	1	\$262 or a minimum of \$50 if the combined product and shipping cost is \$2 or less





## City of Palo Alto City Council Staff Report

(ID # 13448)

**Report Type: Consent Calendar**

**Meeting Date: 9/27/2021**

**Title: Finance Committee Recommends Adoption of a Resolution Approving an Agreement for the Purchase and Sale of Verified Emission Reductions With the Integrative Organization of Oaxaca Indigenous and Agricultural Communities to Purchase 24,000 Tons CO<sub>2</sub>e for a Total Purchase Price of \$228,000**

**From: City Manager**

**Lead Department: Utilities**

### **Recommendation**

The Finance Committee, Utilities Advisory Commission (UAC), and Staff recommend the City Council (Council):

1. Adopt the attached resolution ([Attachment A](#)) approving an agreement for the purchase and sale of Verified Emission Reductions (VER Agreement) with the Integrative Organización of Oaxaca Indigenous and Agricultural Communities (ICICO), to purchase 24,000 tons CO<sub>2</sub>e at \$9.50 per ton CO<sub>2</sub>e for a total purchase price of \$228,000; and
2. Delegate to the City Manager, or their designee, the authority to execute on behalf of the City the VER Agreement and confirmation (Attachment B) with ICICO.

### **Executive Summary**

To implement the Council-approved Carbon Neutral Natural Gas Plan ([Resolution 9930](#)), the City must purchase an annual quantity of carbon offsets (a.k.a. VERs) equal to the greenhouse gas emissions caused by natural gas use by City gas utility customers. The maximum Council-approved price for VERs is \$19 per ton CO<sub>2</sub>e. In August 2017 Council adopted a Standard Form VER Master Agreement ([Resolution 9703](#)) to enable those transactions.

In December 2017 the City approved a purchase of 17,000 carbon offsets for \$8.00 from ICICO, a non-governmental organization ([Resolution 9725](#)). At that time the City had only completed one purchase for carbon offsets prior to this purchase, and \$8.00 per carbon offset was a small premium to the City's first purchase. The protocols for the Mexican VERs are very similar to those required in the Carbon Neutral Natural Gas Plan, and the agreement was substantively the same as the City's Standard Form VER Agreement with minor changes to accommodate the international transaction. The revenue from the transaction afforded numerous co-benefits for the community near Oaxaca including salaries for the people who maintain the forest and supplies for local schools. Bob Wenzlau, Palo Alto's Neighbor's

Abroad Representative, attended a thank you celebration and was able to witness the positive impact of the transaction firsthand.

The proposed transaction is another one-time purchase, this time for 24,000 tons CO<sub>2</sub>e at \$9.50 per ton CO<sub>2</sub>e, for a total price of \$228,000. The proposed quantity is about 15% of the City's annual carbon offset needs. The price of \$9.50 per ton represents a premium to the City's last purchase in July at \$7.97 per ton; the net bill increase for an average residential customer is estimated to be about \$1/year. It should be noted that staff expects higher average offset costs in the future based on price projections provided by brokers. The agreement is the same as the one approved for the 2017 transaction with non-substantive edits.

On July 7, 2021, the UAC unanimously voted to recommend the agreement, indicating the city should continue to support its sister city in this type of transaction despite the small financial impact to the City. On September 7, 2021 the Finance Committee unanimously voted to recommend the agreement.

### **Background**

In December 2020, Council adopted [Resolution 9930](#) maintaining the Carbon Neutral Natural Gas Plan to achieve carbon neutrality for the gas supply portfolio using high-quality carbon offsets with a cost cap of no greater than a \$19 per ton CO<sub>2</sub>e. Forestry projects are one of 6 project types approved for use by the City's program.

Implementation of the Carbon Neutral Gas Plan required executing contracts to enable the City to purchase carbon offsets. In August 2017 Council adopted a Standard Form VER Master Agreement (Master Agreement) ([Resolution 9703](#)). Five Master Agreements have been approved ([Resolution 9704, 9787, 9793, 9798](#)) to enable transactions. Under those agreements, the City has purchased 575,000 carbon offsets at an average price of \$6.40 per ton CO<sub>2</sub>e. Approximately 60% of these offsets have been U.S. forestry projects at an average price of \$6.56 per ton CO<sub>2</sub>e. In addition, the City previously purchased 17,000 carbon offsets for \$8.00 from ICICO in December 2017.

### **Discussion**

Through Neighbors Abroad of Palo Alto, the City learned of a carbon offset program implemented by ICICO, an NGO established in 2012 with the objective to commercialize ecosystem services on behalf of 12 indigenous and agricultural communities near Oaxaca, Mexico, one of Palo Alto's sister cities. ICICO implements projects located in High Biological Value Zones which contain flora and fauna listed in the Mexican Endangered Species List and the International Union for Conservation of Nature Red List of Threatened Species. The environmental projects have made residents more aware of the health benefits of a well-maintained ecosystem and have provided opportunities for all community members to become involved, including women and youth. Revenue from the sale of carbon offsets has

funded fire protection, tree care, freshwater spring recharge, and transportation and equipment for local schools.

The City completed its first transaction with ICICO for 17,000 carbon offsets in October 2017. Since this transaction, ICICO continues to develop additional forestry offset projects and communicates project updates to Neighbors Abroad of Palo Alto and City staff. In February 2021, ICICO informed the City they expect to generate 43,000 carbon offsets and wish to sell 24,000 to Palo Alto for a negotiated price of \$9.50 per ton CO<sub>2</sub>e. In the last request for proposals for carbon offsets, the City received proposals for forestry offsets ranging in price from \$7.70 to \$11.30 per ton CO<sub>2</sub>e. Assuming future prices will be higher than historical, staff still expects this proposed transaction to cost approximately \$35,000 more than offsets available in the U.S. This estimated incremental cost less than one dollar more per year for an average residential customer.

Like the 2017 transaction, the carbon offsets contemplated in the proposed agreement are from a forestry project in San Juan Lachao, Oaxaca and comply with a Mexican Forestry Protocol developed by the Climate Action Reserve (CAR), a carbon offset registry used by CARB. The City's Carbon Neutral Gas Plan includes U.S Forestry as one of 6 approved project types. While the proposed Oaxaca transaction does not meet all of the elements of the Carbon Neutral Gas Plan because the project is outside the U.S., the U.S. Forestry protocol and the Mexican protocol are similar; the differences are outlined in the Climate Action Reserve ([Linked Document](#)). Council approval also included a preference (with no specified premium) for local projects.

ICICO has 24,000 offsets available for purchase, about 15% of Palo Alto's annual need, that have already been generated and certified by CAR. The proposed agreement is substantively the same as the Council-approved Standard Form VER Master Agreement and the 2017 agreement with ICICO. Minor modifications were made to the Master Agreement to accommodate the international transaction.

City of Palo Alto Municipal Code Section 2.30.340 (c) requires that commodity contracts include the following: (1) governing law shall be the laws of the state of California; (2) choice of venue shall be the county of Santa Clara; and (3) a counterparty shall obtain and maintain during the term of the contract the minimum credit rating established as of the date of award of contract of not less than a BBB- credit rating established by Standard & Poor's and a Baa3 credit rating established by Moody's Investors Services. The proposed agreement, like the Standard Form VER Master Agreement, includes the first 2 provisions. Since this agreement is for spot purchases (a purchase for immediate or near-term delivery) and there is no credit risk associated with the transactions, the third provision regarding credit worthiness is not included. [Resolution 9703](#) waived the investment grade credit requirement for VER agreement counterparties.

The City's energy Risk Management Counterparty Contractual Guidelines require master agreement counterparties to provide audited financial statements of the counterparty or its parent and a contract termination provision that does not provide a defaulting party with any termination payment or settlement amount for any product. Since, like the Standard Form VER Master Agreement, this agreement is for a spot purchase and there is no credit risk associated with this transaction, these two provisions are not included.

### **Timeline, Resource Impact, Policy Implications**

Funding for purchase of carbon offsets was included in the FY 2022 gas utility supply budget. Approval of the recommendation will not impact rates in the FY 2022 budget. The Finance Committee discussed use of the City Council reserves appropriated in FY 2022 to fund the approximately \$35,000 higher cost compared to offsets in the U.S., however ultimately decided based on the authorities and the magnitude, it was approved to move forward as recommended.

### **Policy Implications**

Adoption of the proposed resolution conforms to the Council-approved Energy Risk Management Policy and the Palo Alto Municipal Code. Further, the recommendation is consistent with the objectives of the Council-approved Carbon Neutral Gas Plan, and consistent with the Gas Utility Long-term Plan and the Utilities Strategic Plan objective to manage supply cost by negotiating supply contracts to minimize financial risk.

### **Stakeholder Engagement**

This purchase agreement was recommended by the Finance Committee and the Utility Advisory Commission (UAC). On July 7, 2021 UAC unanimously voted to recommend that Council approve the agreement, indicating the City should continue to support its sister city in this type of transaction despite the small financial impact to the City. On September 7, the Finance Committee voted 3-0 to recommend that Council approve the agreement.

### **Environmental Review**

Council's adoption of the attached resolution approving the VER Agreement with ICICO is not subject to California Environmental Quality Act (CEQA) review as an administrative governmental activity that will not result in any direct or indirect physical change to the environment; in the alternative, Council's approval of the VER Agreement is categorically exempt from CEQA review under CEQA Guidelines sections 15307 and 15308, as an action taken for the protection of natural resources and the environment.

### **Attachments:**

- **Attachment7.a:** Attachment A: Resolution
- **Attachment7.b:** Attachment B: VER Agreement

\*NOT YET APPROVED\*

Resolution No. \_\_\_\_\_

Resolution of the Council of the City of Palo Alto Approving an Agreement for the Purchase and Sale of Verified Emission Reductions With the Integrative Organization of Oaxaca Indigenous and Agricultural Communities to Purchase 24,000 Tons CO<sub>2</sub>e for a Total Purchase Price of \$228,000

#### RECITALS

A. On December 5, 2016, the Council adopted Resolution 9649 approving a Carbon Neutral Natural Gas Plan to achieve a carbon neutral gas portfolio by fiscal year 2018 with no greater than a 10¢/therm rate impact.

B. On December 7, 2020, the Council adopted Resolution 9930, approving an updated Carbon Neutral Gas Plan to maintain a carbon neutral gas portfolio with rate impacts of individual transactions limited to under \$19 per ton CO<sub>2</sub>e, consistent with the Council-approved maximum rate impact of 10¢/therm.

C. In accordance with the Carbon Neutral Plan, the quantity of offsets purchased to meet the City's Carbon Neutral Plan objectives will be matched to carbon emissions associated with the City's natural gas sales volume.

D. With Resolution 9703 approved August 21, 2017, Council approved the standard form Verified Emissions Reduction Master Agreement.

E. Oaxaca, Mexico is a sister city of the City of Palo Alto.

F. The integrative organization of Oaxaca Indigenous and Agricultural Communities (ICICO) sells environmental offsets from a forestry project in Oaxaca (the Oaxaca Project).

G. The carbon offsets generated by ICICO's Oaxaca Project comply with a Mexican Forestry Protocol developed by the Climate Action Reserve, a carbon offset registry used by CARB, and are substantially similar in type and protocol to those contemplated by the City's Carbon Neutral Gas Plan.

H. The proposed Verified Emission Reduction Agreement to be entered into with ICICO to purchase \$228,000 of carbon offsets generated by the Oaxaca Project is substantively similar to the City's Standard Form VER Agreement, with minor changes to reflect the international transaction.

NOW, THEREFORE, the Council of the City of Palo Alto RESOLVES as follows:

SECTION 1. The Council hereby approves the Verified Emission Reduction Agreement (VER Agreement) with the ICICO to purchase 24,000 tons of CO<sub>2</sub>e at \$9.50 per ton from the Oaxaca Project, for a total purchase price of \$228,000; and

SECTION 2. The Council finds that execution of the Oaxaca Project VER Agreement meets the objective of the City's Carbon Neutral Gas Plan, mitigating GHG emissions from natural gas used in the City of Palo Alto, since the offsets purchased will comply with the Mexican Forestry Protocol approved by the Climate Action Reserve, and are substantially similar to the CARB-approved protocols included in the Carbon Neutral Plan; and

SECTION 3. The Council hereby delegates to the City Manager, or his designee, the authority to execute the Oaxaca Project VER Agreement, and confirmation letter, and any documents necessary to administer the Oaxaca Project VER Agreement that are consistent with the Palo Alto Municipal Code and City Council-approved policies and plans; and

SECTION 4. Adoption of this Resolution approving the Oaxaca Project VER Agreement with ICICO is not subject to California Environmental Quality Act review as an administrative governmental activity that will not result in any direct or indirect physical change in the environment as a result (CEQA Guidelines section 15378(b)(5)). In the alternative, Council's approval of the Oaxaca Project VER Agreement with ICICO is categorically exempt from CEQA review under CEQA Guidelines sections 15307 and 15308, as an action taken for the protection of natural resources and the environment.

INTRODUCED AND PASSED:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

APPROVED:

\_\_\_\_\_  
Assistant City Attorney

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Director of Administrative Services

\_\_\_\_\_  
Director of Utilities

## AGREEMENT FOR THE PURCHASE AND SALE OF VERIFIED EMISSION REDUCTIONS

This Agreement for the Purchase and Sale of Verified Emission Reductions (the “**Agreement**”) is made as of this 20 day of September 2021 (“**Effective Date**”), by and between the City of Palo Alto, California, a chartered California municipal corporation with its primary business address at 250 Hamilton Avenue, Palo Alto California 94301 (“**City**” or “**Buyer**”) and Integrator of Campesino and Indigenous Communities of Oaxaca (ICICO AC), a Non-Governmental Organization formed in Oaxaca State, Mexico, with its primary business address at Eucaliptos 307 A, Colonia Reforma, Oaxaca de Juárez, Oaxaca, Postal Code 68050 (“**Seller**”). This Agreement, together with any and all Confirmation Letters and other schedules and exhibits related to Verified Emissions Reductions (as defined herein) shall be referred to as the “**Agreement**”.

### RECITALS:

- A. The Parties wish to buy and sell Verified Emission Reductions on the terms set forth in this Agreement;
- B. Buyer wishes to enter into this Agreement with Seller to facilitate Verified Emission Reductions purchases to manage various customer programs administered by the Buyer; and
- C. Seller has access to Verified Emission Reductions and wishes to enter into this Agreement with Buyer to participate in the Verified Emissions Reductions purchases that the City may undertake from time to time.

NOW, THEREFORE, in consideration of the recitals and the covenants, terms and conditions of this Agreement, the Parties agree:

### AGREEMENT

1. **Term and Termination.** The term of this Agreement shall commence on the Effective Date, as set forth above, and shall remain in effect until terminated by either Party upon thirty (30) days’ prior written notice, subject to the provisions of Section 24, except that any such termination shall not be effective until all payments, deliveries and other obligations of the Parties under this Agreement, and any Confirmation Letters executed thereunder, have been completed.

2. **Definitions.** As used in this Agreement, the following terms have the respective meanings set forth below, unless the context otherwise clearly indicates. Other capitalized terms are defined elsewhere in this Agreement.

“**Applicable Law**” means all legally binding constitutions, treaties, statutes, laws, ordinances, rules, regulations, orders, interpretations, permits, judgments, decrees, injunctions,

writs and orders of any Governmental Authority or arbitrator that apply to the Verified Emission Reductions or any one or both of the Parties or the terms hereof.

**“ARB”** means the California Environmental Protection Agency Air Resources Board, or any successor agency thereto.

**“Bankrupt”** means with respect to any entity, such entity (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under any bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to pay its debts as they fall due.

**“Business Day”** means any day, except a Saturday, Sunday, or any day observed as a legal holiday by the City. A Business Day shall open at 8:00 a.m. and close at 5:00 p.m. Pacific Standard Time or Pacific Daylight Time, as applicable.

**“Confidential Information”** is defined in Section 12.

**“Confirmation Letter” or “Confirm”** means a written confirmation materially in the form of Exhibit A attached hereto. The Confirmation Letter constitutes part of, and is subject to, the terms and provisions of this Agreement.

**“Contract VERs”** means the VERs specified in the Confirmation Letter and relating to the GHG Reductions generated by the Project during the Vintage Year(s).

**“Delivery”** has the meaning specified in Section 3(b).

**“Delivery Deadline”** means three (3) Business Days after the Transaction Date specified in an applicable Confirm.

**“Effective Date”** has the meaning given to such term in the opening paragraph of this Agreement.

**“Force Majeure”** is defined in Section 21.

**“Governmental Authority”** means any national, federal, provincial, state, municipal, county, regional or local government, administrative, judicial or regulatory entity operating under any Applicable Law and includes any department, commission, bureau, board, administrative agency or regulatory body of any government.

**“GHGs”** means one or more of the six greenhouse gases listed in Annex A to the Kyoto Protocol of the UNFCCC, as amended from time to time.

**“GHG Reduction”** means the removal, limitation, reduction, avoidance, sequestration or mitigation of anthropogenic GHG emissions.

**“Party” or “Parties”** means Buyer and Seller, individually or collectively, as applicable.



**“Project”** means an emission reduction project that is located in the United States or Mexico, an “Offset Project” as defined by ARB, and a Project Type approved by ARB, as identified in the applicable Confirmation Letter.

**“Project Documentation”** means documents, data or other information, whether in written or electronic form, produced by Seller or to which Seller has access relating to the Project or the Contract VERs.

**“Project Type”** means a Mexico Forest Protocol Project approved and registered by the Climate Action Reserve.

**“Registry”** means the Climate Action Reserve or any successor registry thereto.

**“Transaction”** means a written agreement between the Parties in the form of an applicable Confirmation Letter to undertake one or more Deliveries of Contract VERs, subject to the terms of this Agreement.

**“Transaction Date”** means the date the Parties enter into a Transaction as specified on the applicable Confirm.

**“Unit Price”** means the price in U.S. Dollars for Contract VERs set forth in the applicable Confirmation Letter.

**“VER Payment”** means an amount equal to the product of the Unit Price multiplied by the number of Contract VERs Delivered to Buyer in accordance with this Agreement.

**“Verification”, “Verify” and “Verified”** means the determination by a Verification Provider that an emissions reduction meets the requirements of the Registry as evidenced by a Verification Report and unique serial number.

**“Verified Emission Reduction” or “VER”** means one (1) metric tonne of CO<sub>2</sub> Equivalent (CO<sub>2</sub>e) of Verified GHG Reductions generated by the Project.

**“Verification Provider”** means an independent verification provider accredited by a Registry (or such other verification provider proposed by Seller and accepted by Buyer in its sole discretion).

**“Verification Report”** means any written report required by a Registry and prepared by a Verification Provider reviewing and verifying that, in accordance with Project Documentation, Registry Protocols and requirements in effect at the date of its production, the Contract VERs have occurred during the Vintage Year and are eligible for registration in the Registry.

**“Vintage Year”** means, in respect of a Contract VER, the calendar year in which the emissions reductions and removals represented thereby occurred as specified in the applicable Confirmation Letter.

### **3. Purchase and Sale of Verification Emission Reductions.**

- a. Purchase and Sale. Subject to the terms and conditions of this Agreement, Seller

agrees to Deliver to Buyer the Contract VERs on the terms specified in an executed Confirmation Letter, a form of which is attached hereto as Exhibit A. Buyer agrees to purchase all such Contract VERs to the extent they are Delivered on or before the specified Delivery Date for such Contract VERs.

- b. Delivery. Seller shall deliver the Contract VERs to Buyer by the Delivery Deadline. Seller will effect delivery by retiring the Contract VERS on behalf of Buyer in Seller's Registry account identified in the Confirmation Letter, along with the notation "***on behalf of the City of Palo Alto***" or similar expression. The Contract VERs will be deemed to be delivered upon Buyer's receipt of an electronic confirmation from such Registry that the relevant retirement has been completed ("**Delivery**", and variations of such term shall have their corresponding meanings.) Title to the Contract VERs will pass from Seller to Buyer upon Delivery.
- c. Project Documentation.
  - i. Verification Reports. Upon the written request of Buyer, Seller shall deliver to Buyer copies of any Verification Report(s) for the Contract VERs within ten (10) Business Days of such request.
  - ii. Other Project Documentation. Upon the reasonable written request of Buyer, Seller shall provide to Buyer copies of Project Documentation (to the extent that such Project Documentation is made available to Seller) within ten (10) Business Days of such request. All project documentation shall be provided in Spanish except for (a) the certificate of retirement for the purchased VERs in the name of the City of Palo Alto, and (b) the Verification Report, each of which shall be provided in English.

#### 4. Price and Payment.

- i. Price. Buyer agrees to buy the applicable Contract VERs from Seller at the Unit Price specified in the applicable Confirm for each Contract VER Delivered to Buyer. Seller agrees to pay all Registry fees associated with the issuance and Delivery of the Contract VERs to Buyer. The Parties agree that all prices and fees under this Agreement shall be in U.S. Dollars, and that Seller shall be responsible for any fees associated with conversion into U.S. Dollars.
- ii. Billing and Terms of Payment.
  - a. Buyer will remit the VER Payment to Seller net thirty (30) days after the date Buyer receives a properly prepared and accurate invoice sent to Buyer's address for Contract VERs that have been Delivered. Buyer has no obligation to make payment for any Contract VERs that have not been Delivered in accordance with Section 3(b).

- b. An invoice that is properly prepared shall include at a minimum:
  - i. Seller's complete name and address where payment is to be remitted;
  - ii. Buyer's complete name and address where bill is to be sent;
  - iii. The Unit Price;
  - iv. The VER Payment;
  - v. Invoice date;
  - vi. Terms of payment, including any applicable discount calculations; and
  - vii. Tax amount/rate information, if applicable.
- c. Payment may be made by wire transfer. Payment by check shall be considered made when received by Seller.

Wiring instructions:

Bank Name: BANCO MERCANTIL DEL NORTE S.A.  
 (BANORTE)  
 Bank SWIFT: MENOMXMT  
 Account Name: INTEGRADORA DE COMUNIDADES  
 INDIGENAS Y CAMPESINAS DE OAXACA  
 Account Number: 0335990740

iii. Taxes and Fees.

- a. Seller will pay all taxes and fees arising prior to Delivery.
- b. Seller will pay all mandatory taxes and fees arising out of the transactions contemplated by this Agreement levied by a government or other competent public taxing authority on the transfer of the Contract VERs to Buyer, including any sales tax (if applicable).
- c. Each Party will pay for its own income, property or ad valorem taxes.

5. Events of Default.

A Party is in default hereunder if that Party does any of the following (each an "Event of Default"):

- a. the failure of any Party to make any payment when due if such failure is not remedied within thirty (30) days after receipt of written notice of such failure, provided that if the Buyer, in good faith, disputes all or any portion

of the payment, the Buyer shall pay only that portion of the payment that it does not dispute;

- b. in the case of Seller, if by the applicable Delivery Deadline, Seller fails to Deliver to Buyer any Contract VERs specified on an executed Confirmation Letter and that failure is not remedied within five (5) Business Days of Buyer giving notice of that failure, and such failure is not due to Force Majeure or Buyer's failure to accept such Contract VERs following proper Delivery;
- c. any representation or warranty provided by either Party herein that shall prove to have been false or misleading in any material respect when made or repeated;
- d. the failure by a Party to perform any covenant or agreement set forth in this Agreement and applicable Confirmation Letters and incorporated exhibits (other than its obligations to make any payment or obligations which are otherwise specifically covered as a separate Event of Default), and such failure is not cured within fifteen (15) Business Days after written notice thereof to the affected Party;
- e. the Party becomes Bankrupt; or
- f. the failure by either Party to comply with any of its material obligations under this Agreement and that failure is not remedied within thirty (30) days of the other Party giving notice of that failure.

## 6. **Remedies for Default.**

In the event of an Event of Default by either Party, the non-defaulting Party may terminate this Agreement and all of the applicable Confirmation Letters immediately upon written notice to the defaulting Party. Upon a valid termination under this provision, Seller (if the non-defaulting Party) will have no further obligation to Deliver additional Contract VERs to Buyer, and Buyer (if the non-defaulting Party) will have no further obligation to purchase additional Contract VERs under this Agreement, including with respect to any applicable Confirmation Letters that have been entered between the Parties but not yet Delivered. Termination of the Agreement under this provision will not limit in any way any remedies available to the Parties under this Agreement.

## 7. **Representations.**

- a. **Representations by Both Parties.** Each Party represents and warrants to the other Party that:
  - i. it is a legal entity, duly formed and validly existing and in good standing under the laws of the state of its formation;

- ii. it has the power and authority to enter into and perform its obligations under this Agreement;
  - iii. by entering into this Agreement, it will not breach the material terms of any contract with a third party;
  - iv. it is not relying upon any representations of the other Party other than those expressly set out in this Agreement;
  - v. it has entered into this Agreement after a full opportunity to review its terms and conditions, has a full understanding of those terms and conditions and or their risks, and is capable of assuming those risks; and
  - vi. this Agreement constitutes a legal, valid and binding obligation on it enforceable in accordance with its terms by appropriate legal remedy.
- b. **Seller's Representations to Buyer**. Seller hereby represents and warrants to Buyer that:
- i. it has not sold, transferred, assigned, licensed, disposed of or encumbered (nor become legally obligated to do the same) any right, title or interest in the Contract VERs covered by an applicable Confirm to any person other than Buyer and other than as contemplated in this Agreement;
  - ii. Seller conveys the Contract VERs to Buyer free and clear of any liens, encumbrances, claims, security interests, or title defects;
  - iii. it has the right to transfer the Contract VERs covered by an applicable Confirm to Buyer;
  - iv. it has good title to each Contract VER and it obtained and possessed, or will obtain and possess at the time of transfer, the Contract VERs lawfully;
  - v. any Project-related data provided to Buyer is true and correct to the best of Seller's knowledge, information and belief;
  - vi. each Project agreed to under applicable Confirmation Letters to this Agreement is in substantial compliance with all applicable material laws and regulations, including permit requirements for the operation of such a Project;
  - vii. no authorization, consent, notice to or registration or filing with any governmental authority is required for the execution, delivery and performance by Seller;
  - viii. none of the execution, delivery and performance by Seller conflicts with or will results in a breach or violation of any contract or instrument to which such Seller is a party of is bound;
  - ix. there are no proceedings by or before any governmental authority, now

pending or (to the knowledge of Seller) threatened, that if adversely determined could have a material adverse effect on Seller's ability to perform Seller's obligations hereunder;

- x. the Contract VERs covered by an applicable Confirmation Letter have not been used by Seller or any third party to meet any international, federal, state or local requirement, renewable energy procurement, renewable portfolio standard or other mandate;
- xi. Seller will not offer, sell, transfer, dispose, encumber or otherwise deal in the GHG Reductions associated with the applicable Contract VERs other than as provided herein;
- xii. the Contract VERs are, and will be at the time of Delivery, validly issued and in force in accordance with the protocols of the Registry specified in the applicable Confirmation Letter;
- xiii. the Contract VERs are, and will be immediately prior to Delivery, duly registered to Seller in the Registry specified in the applicable Confirmation Letter;
- xiv. neither the Seller, nor any of its associated or parent organizations or affiliates or its customers, has claimed (or will claim) directly or indirectly, including on any voluntary or mandatory greenhouse gas registry program (including EPA Climate Leaders), any of the Contract VERs to be Delivered under this Agreement or any associated GHG Reductions, carbon reductions, offsets, or benefits as part of its own carbon inventory, footprint, or other carbon statement or declaration as anything other than sold to Buyer. Any such reporting of emissions or emissions reductions shall include as Seller's emissions an amount equal to the VER Quantity and Vintages of the Contract VERs sold hereunder, and indicate their sale to Buyer;
- xv. the Contract VERs have been Verified by the Verification Provider in a Verification Report for the Vintage Year(s);
- xvi. no document or information supplied by Seller in connection with this Agreement contains any untrue statement or omits to state a material fact necessary in order to make such document not misleading; and
- xvii. Delivery shall occur within the United States, and there are no federal, state or local fees, taxes, levies or assessments related to the importation of Contract VERs into the United States.

## **8. Obligations and Liabilities.**

- a. This Agreement sets out the full extent of the Parties' obligations and liabilities

arising out of or in connection with this Agreement, and there are no conditions, warranties, representations or terms, express or implied, that are binding on the Parties except as specifically stated in this Agreement. Any condition, warranty, representation or other term which might otherwise be implied into or incorporated in this Agreement, whether by statute, common law or otherwise, is hereby expressly excluded.

- b. Save as expressly provided otherwise in this Agreement, neither Party will be liable under or in connection with this Agreement for any loss of income, loss or profits or loss of contracts, or for any consequential, incidental, punitive, exemplary, or indirect losses or damages in tort (including negligence), contract, or otherwise pursuant to this Section 8, except for any claims indemnified pursuant to Section 9.

## 9. **Indemnification**

- a. **Indemnification of Buyer:** To the fullest extent permitted by Applicable Law, Seller agrees to protect, defend, hold harmless and indemnify Buyer, its City Council, commissioners, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and reasonable attorney's fees in providing a defense to any claim arising therefrom, for which Buyer shall become liable arising from Seller's acts, errors, or omissions with respect to or in any way pursuant to this Agreement and subsequent transactions and related Confirmation Letters, except for claims, liabilities and damages caused by the Buyer's sole negligence or willful misconduct.
- b. **Indemnification of Seller:** To the fullest extent permitted by Applicable Law, Buyer agrees to protect, defend, hold harmless and indemnify Seller, its board of directors, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and reasonable attorney's fees in providing a defense to any claim arising therefrom, for which Seller shall become liable arising from Buyer's negligent, reckless or wrongful acts, errors, or omissions with respect to or in any way connected with the maintenance, assistance and services performed by Buyer pursuant to this Agreement and subsequent and related Confirmation Letters, except for claims, liabilities and damages caused by the Seller's comparative negligence or willful misconduct.

## 10. **Relationship of the Parties.**

The relationship of the Parties under this Agreement is that of independent contractors. The Parties specifically state their intention that this Agreement is not intended to create a partnership or any other co-owned enterprise unless specifically agreed to by the Parties in a separate written instrument. Except as specifically provided herein, each Party shall continue to have the right to contract independent of the other Party with individuals and entities. Each Party shall be responsible for its own operating expenses and personnel expenses.

**11. Notices.**

All notices required or permitted to be given hereunder in writing shall, unless expressly provided otherwise, be in writing, properly addressed, postage pre-paid and delivered by hand, facsimile, certified or registered mail, courier or electronic messaging system to the appropriate address as either Party may designate from time to time by providing notice thereof to the other Party.

If to Buyer:

250 Hamilton Ave.  
Palo Alto, CA 94301  
Attention: City Clerk  
Phone: 650-329-2571  
Fax: 650-328-3631

If to Seller:

Eucaliptos 307-A\_\_\_\_\_  
Colonia Reforma\_\_\_\_\_  
Oaxaca de Juárez, Oaxaca  
C.P 68050 \_\_\_\_\_  
TEL/FAX 9515743391

With a copy to:

250 Hamilton Ave.  
Palo Alto, CA 94301  
Attention: Director of Utilities  
Phone: 650-329-2277  
Fax: 650-329-2154

Notices delivered by facsimile or by an electronic messaging system shall require confirmation through a reply facsimile or electronic message.

**12. Confidential Information.**

- a. **"Confidential Information"** shall mean and include information consisting of documents and materials of a disclosing Party and/or any other technical, financial or business information of or about a disclosing Party which is not



available to the general public, as well as all information derived from such information, which is furnished or made available to the other Party and is clearly labeled, marked or otherwise identified as “confidential” or “proprietary information.”

- b. The disclosing Party is the Party to whom the Confidential Information originally belongs and who shall, after appropriate notice from the receiving Party, bear the burden of pursuing any legal remedies to retain the confidential status of the Confidential Information, as set forth in Section 12(e), below.
- c. Confidential Information disclosed by either Party to the other shall be held by the receiving Party in confidence, and shall not be:
  - i. used by the recipient to the detriment of the disclosing Party; or
  - ii. made available for third parties to use.
- d. Each Party will direct its employees, contractors, consultants and representatives who have access to any Confidential Information to comply with all the terms of this Section. Information received by the receiving Party shall not be Confidential Information if:
  - i. it is or becomes available to the public through no wrongful act of the receiving Party;
  - ii. it is already in the possession of the receiving Party and not subject to any confidentiality agreement between the Parties;
  - iii. it is received from a third party without restriction for the benefit of the disclosing Party and without breach of this Agreement;
  - iv. it is independently developed by the receiving Party; or
  - v. it is disclosed pursuant to a requirement of law or a duly empowered government agency or a court of competent jurisdiction after due notice and an adequate opportunity to intervene is given to the disclosing Party, unless such notice is prohibited.
- e. Seller acknowledges that City is a public agency and is subject to the requirements of the California Public Records Act Cal. Gov. Code section 6250 et seq. Seller may submit Confidential Information to the City pursuant to Section 12(a), above and the City will maintain such identified documents as confidential to the fullest extent allowed by law. However, upon request or demand from any third person or entity not a party to this Agreement (“**Requestor**”) for production, inspection and/or copying of information designated by a disclosing Party as Confidential Information, the receiving Party

shall notify the disclosing Party that such request has been made in accordance with Section 12 of this Agreement. Upon receipt of this notice, the disclosing Party shall be solely responsible for taking whatever legal steps may be necessary to protect the information deemed by it to be Confidential Information and to prevent release of information to the Requestor by the receiving Party. If within ten (10) days after receiving the foregoing notice from the receiving Party, the disclosing Party takes no such action, the receiving Party shall be permitted to comply with the Requestor's demand and is not required to defend against it.

- f. Upon termination or expiration of this Agreement, the receiving Party shall, at the disclosing Party's direction, either return or destroy all of the disclosing Party's Confidential Information and so certify in writing. The obligations of this provision will survive for one (1) year after any termination or expiration of this Agreement.

**13. Publicity and Disclosure.**

Seller shall not use the name, tradename, trademarks, service marks of or owned by Buyer, or logos of Buyer, or share Confidential Information in any publicity releases, news releases, annual reports, product packaging, signage, stationery, print literature, advertising, websites or other media without securing the prior written approval of Buyer. Seller shall not, without the prior written consent of Buyer, represent, directly or indirectly, that any product or service offered by Seller has been approved or endorsed by Buyer. Seller agrees that Buyer may make oral and written reports and other communications regarding this Agreement and subsequent Contract VER Transactions to the Palo Alto City Manager, City Council and other public officials as required by law, which reports and communications will be public reports and communications.

**14. Nondiscrimination.**

As set forth in Palo Alto Municipal Code section 2.30.510, Seller agrees that in the performance of this Agreement, it shall not discriminate in the employment of any person because of the race, skin color, gender, age, religion, disability, national origin, ancestry, sexual orientation, housing status, marital status, familial status, weight or height of such person. Seller acknowledges that it has read and understands the provisions of Chapter 2.30 of the Palo Alto Municipal Code relating to Nondiscrimination Requirements and the penalties for violation thereof, and agrees to meet all requirements of Chapter 2.30 pertaining to nondiscrimination in employment, including completing the form furnished by Buyer and set forth in Exhibit B.

**15. Choice of Law.**

The laws of the State of California shall be applied and be controlling for all purposes

and all matters relating to this Agreement. In the event that an action is brought, the Parties agree that trial of such action will be vested exclusively in the United States District Court for the Northern District of California in the County of Santa Clara, State of California.

**16. Entire Agreement.**

This Agreement constitutes the entire agreement between the Parties relating to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, whether oral or written, of the Parties.

**17. Amendments.**

Except to the extent herein provided, no amendment, supplement, modification, termination or waiver of this Agreement shall be enforceable unless executed in writing by the Party to be bound thereby.

**18. Assignment.**

This Agreement is binding on any successors and assigns of the Parties. Neither Party may otherwise transfer or assign this Agreement, in whole or in part, without the other Party's written consent. Such consent shall not be unreasonably withheld, conditioned or delayed.

**19. Non-Waiver; No third Party Beneficiaries.**

No waiver by any Party of any of its rights with respect to the other Party or with respect to this Agreement or any matter or default arising in connection with this Agreement, shall be construed as a waiver of any other right, matter or default. Any waiver shall be in writing signed by the waiving Party. No payment, partial payment, acceptance or partial acceptance by Buyer will operate as a waiver on the part of the Buyer of any of its rights under the Agreement. This Agreement and subsequent Confirmation Letters are made and entered into for the sole benefit of the Parties, and their permitted successors and assigns, and no other Person shall be a direct or indirect legal beneficiary of, have any rights under, or have any direct or indirect cause of action or claim in connection with this Agreement.

**20. Severability.**

In the event that any provision of the Agreement is found to be void or unenforceable, such findings shall not be construed to render any other provision of the Agreement

either void or unenforceable, and all other provisions shall remain in full force and effect unless the provisions which are void or unenforceable shall substantially affect the rights or obligations granted to or undertaken by either Party.

**21. Force Majeure.**

Neither Seller shall be liable in any respect for failure to Deliver the Contract VERs to Buyer, nor Buyer shall be liable in any respect for failure to accept the Contract VERs from Seller, if such performance is hindered or prevented, directly or indirectly, by an event beyond the reasonable control of either Party, including, without limitation, war, public emergency or calamity, fire, earthquake, Acts of God, strikes, labor disturbance or actions, civil disturbances or riots, litigation brought by third parties against the Parties, or any act of a superior Governmental Authority or court order. Force Majeure may not be based on (i) Seller's ability to sell the Contract VERs to another at a price greater than the Unit Price specified in the Confirmation Letter, (ii) Buyer's inability economically to use the Contract VERs, or (iii) Buyer's ability to purchase Contract VERs at a price less than the Unit Price specified in the Confirmation Letter.

**22. Exhibits.**

The exhibits attached hereto are incorporated into this Agreement by reference. The exhibits may only be revised upon mutual written agreement between the Parties unless otherwise specified in the exhibits.

**23. Compliance with the Law.**

Each Party will comply with all lawful federal, state and local law, ordinances, resolutions, rate schedules, rules and regulations that may affect its rights and obligations under the Agreement.

**24. Fiscal Provisions.**

The Transactions under this Agreement are subject to the fiscal provisions of the Charter of the City of Palo Alto and the Palo Alto Municipal Code. The Agreement and all related Confirmation Letters and Agreements will terminate without penalty (i) at the end of any fiscal year in the event that funds are not appropriated for the following fiscal year, or (ii) at any time within a fiscal year in the event that funds are only appropriated for a portion of the fiscal years and funds for the City's obligations are no longer made available. This provision will take precedence in the event of a conflict with any other term or condition of the Agreement or a Confirm.

**25. Interpretation.**

In this Agreement, unless the context requires another meaning, a reference:

- a. to any document (including this Agreement) is to that document as varied, amended, novated, ratified or replaced from time to time;
- b. to any Party includes that Party's executors, administrators, successors and permitted assigns, including any person taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;
- c. to the singular includes the plural and vice versa, and to a gender includes all genders;
- d. to the Sections are inserted for convenience of reference only and do not affect the interpretation of this Agreement;
- e. to a Confirmation Letter is to the active Confirmation Letter; and
- f. if there is any conflict between the provisions of an applicable Confirmation Letter and any other provisions of this Agreement, if it has been signed by both Parties, the terms of that Confirmation Letter will prevail.

**IN WITNESS WHEREOF**, each of the Parties hereto acknowledge that they have read the terms and conditions contained herein, understand and agree to the same and agree to be bound thereby and have caused this Agreement to be executed in duplicate originals by its duly authorized representative on the respective dates entered below.

**CITY OF PALO ALTO  
("BUYER")**

\_\_\_\_\_  
City Manager

APPROVED AS TO FORM:

\_\_\_\_\_

**Integrator of Campesino and Indigenous  
Communities of Oaxaca (ICICO AC)  
("SELLER")**

By: \_\_\_\_\_

Name: C. Netzar Arreortúa Martínez

Title: Administration Council President

Assistant City Attorney

APPROVED:

Taxpayer Identification No. ICI120626GB3

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Director of Administrative  
Services

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Director of Utilities

**EXHIBIT A**

**VERIFIED EMISSION REDUCTIONS CONFIRMATION LETTER**

**PRO FORMA**

The following describes a Transaction between Buyer and Seller for the sale, purchase and delivery of Contract VERs pursuant to the terms and conditions of the Verified Emission Reductions Purchase and Sale Agreement (“**Agreement**”) between the City of Palo Alto and Integrator of indigenous and peasant communities of Oaxaca (ICICO AC) dated September 20<sup>th</sup>, 2021.

Initially capitalized terms used and not otherwise defined herein are defined in the Agreement.

**Basic Commercial Terms:**

Transaction Date:	
Seller:	Integrator of indigenous and peasant communities of Oaxaca (ICICO AC)
Buyer:	City of Palo Alto
Product:	VERs
Registry:	Climate Action Reserve
Project Name and Registry ID:	CAR 1399; CAR 1411; CAR 1443
Project Location:	La Trinidad, Ixtlán (CAR1399); Santiago Xiacuí (CAR1411); San Miguel Maninaltepec (CAR1443)
Vintage Year(s):	2019, 2020
Quantity of Contract VERs:	24,000
Unit Price (\$/VER):	\$9.50
VER Payment (\$):	\$228,000

This Confirmation Letter is executed pursuant to and in accordance with the Agreement, and constitutes part of and is subject to the terms and provisions of the Agreement.

The Parties agree to the Transaction set forth herein.

City of Palo Alto (“Buyer”)		Integrator of indigenous and peasant communities of Oaxaca (ICICO AC) (“Seller”)	
Signature		Signature	

Name		Name	C. Netzar Arreortúa Martínez
Title		Title	Administration Council President
Date		Date	



**EXHIBIT B****CERTIFICATION OF NONDISCRIMINATION**

As suppliers of goods or services to the City of Palo Alto, the firm and individuals listed below certify that they do not and will not during the course of this Agreement discriminate in the employment of any person because of the race, skin color, gender, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, pregnancy, genetic information or condition, housing status, marital status, familial status, weight or height of such person and that they are in compliance with all Federal, State and local directives and executive orders regarding nondiscrimination in employment.

**THE INFORMATION HEREIN IS CERTIFIED CORRECT BY SIGNATURE(S) BELOW.**

Authorized Signature: \_\_\_\_\_

Date: \_\_\_\_\_



## City of Palo Alto City Council Staff Report

(ID # 12366)

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**Report Type: Consent Calendar**

**Meeting Date: 9/27/2021**

**Title: Approval of Construction Contract Number C22182320 with Golden Bay Construction, Inc. in the Amount of \$1,250,923, and Authorization for the City Manager to Negotiate and Execute Change Orders Up to a Not-to-Exceed Amount of \$125,093, for the Storm Drainage System Replacement and Rehabilitation Project, Capital Improvement Program Project SD-06101**

**From: City Manager**

**Lead Department: Public Works**

### **Recommendation**

Staff recommends that Council:

1. Approve, and authorize the City Manager or designee to execute a construction contract with Golden Bay Construction, Inc. ([Contract No. C22182320](#)) in the amount of \$1,250,923 for the Storm Drainage System Replacement and Rehabilitation Project SD-06101; and
2. Authorize the City Manager or designee to negotiate and execute one or more change orders to the above construction contract with Golden Bay Construction, Inc. for related, additional and unforeseen work that may develop during the project, the total value of which shall not exceed \$125,093.

### **Background**

Older storm drainpipes and structures are usually made of concrete or metal. These materials can deteriorate over time due to age, tree root intrusion, excess weight imposed on a brittle structure during construction activities or will rust and rot out, creating large holes within the sides of the pipes. Deteriorated pipes are then replaced or repaired as part of the recurring Storm Drainage System Replacement and Rehabilitation Project (SD-06101).

Based on the condition of the pipe, if there are no holes or significant cracking, the storm drainpipe can be cured-in-place pipe (CIPP) lined. In the cases where the pipes have disintegrated and are cracked or catch basins have collapsed, a full replacement will be needed. Pipe replacement in the streets may require additional work such as striping, sidewalk, curb and gutter, and curb ramp due to the location of the work.

The purpose of this rehabilitation project is to preserve, if not improve, the integrity of the storm drain system. In some instances, there are existing 10-inch diameter pipes that will be

upsized to a 12-inch diameter pipe so that they can be properly cleaned. Pipes smaller than 12 inches in diameter cannot be cleaned properly due to the size limits of the available equipment. Rehabilitating and repairing the storm drain system reduces flooding risks by making sure that the storm system is properly maintained and functioning.

This project has been coordinated with Public Works Street Maintenance and Utilities Department. Street cut fees in the amount of \$30,000 will be transferred to the General Fund.

### Discussion

Public Works identifies and tracks the locations of storm drain pipe sections requiring rehabilitation. The last citywide rehabilitation project was completed in 2009. The work under this contract, which will occur at a number of locations throughout the City, includes the replacement of 1,817 linear feet of broken pipe and 2,443 linear feet of pipe to be CIPP lined. The project will also remove and replace 21 catch basins, and four storm drain manholes. Concrete work includes removal and replacement of curb ramps, curb and gutter, and sidewalk.

On July 30, 2021, an Invitation for Bids (IFB) for the Storm Drainage System Replacement and Rehabilitation Project was posted to the City's online bid solicitation web portal, Planet Bids. The bidding period was 25 days, ending on August 24, 2021. Bids were received from five qualified contractors on August 24, 2021, as listed in the attached Bid Summary (Attachment A).

### Summary of Bid Process

Bid Name / Number	Storm Drainage System Replacement and Rehabilitation Project IFB No. 182320
Proposed Length of Project	270 Calendar Days
Number of Bid Packages Downloaded by Prime Contractors	31
Total Days to Respond to Bid	25 Calendar Days
Pre-Bid Meeting?	No
Number of Bids Received	5
Base Bid Price Range	\$1,250,923 - \$1,772,174

The apparent low bidder was selected based upon the base bid with no consideration to the add alternate. The Base Bid prices ranged from \$1,250,923 to \$1,772,174, representing 15% below to 20% above the engineer's estimate, respectively. Staff does not recommend awarding the Bid Alternate.

Staff has reviewed all bids submitted and recommends that the Base Bid totaling \$1,250,923 submitted by Golden Bay Construction, Inc. be accepted and that Golden Bay Construction, Inc. be declared the lowest responsible bidder. The contingency amount of \$125,093, which equals 10 percent of the total contract, is requested for related, additional, but unforeseen work which may develop during the project.

Staff reviewed other similar projects performed by the lowest responsible bidder, Golden Bay Construction, Inc., including projects performed for the City and did not find any significant issues with their previous work. Staff also checked with the Contractor's State License Board and confirmed that the contractor has an active license on file.

This contract is on the City's construction contract template, which permits the City to terminate without cause/for convenience by providing written notice to the contractor. In the event the City finds itself facing a challenging budget situation, and it is determined that City resources need to be refocused elsewhere, the City can terminate for convenience. Other options include termination due to non-appropriation of funds or amending the contract to reduce the cost, for example, by reducing the scope of work.

### **Resource Impact**

Funding for this project is available in the Fiscal Year 2022 Storm Water Management Fund Capital Budget for the Storm Drainage System Replacement and Rehabilitation Project (SD-06101).

### **Policy Implications**

The project meets the Water Resources Goal N-4 and Policy N-4.14 on improving storm drainage performance by constructing new system improvements where necessary. This project is consistent with the City's Storm Drain Master Plan and its goal to manage urban runoff and protect public health and safety. The recommendations do not represent any changes to existing City policies.

### **Stakeholder Engagement**

Staff has presented to the Storm Water Management Oversight Committee on the progress of the Storm Drainage System Replacement and Rehabilitation Project. Once the construction contract is awarded, staff will continue to notify and update the Storm Water Management Oversight Committee during construction. Additional public outreach will be completed during construction.

### **Environmental Review**

This project is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) under Section 15301 (d) (repair, maintenance and/or minor alteration of existing facilities and 15302 (c) (replacement of existing structures) of the CEQA Guidelines and no further environmental review is necessary.

### **Attachments:**

- **Attachment8.a:** Attachment A: Bid Summary

STORM DRAINAGE SYSTEM REPLACEMENT AND REHABILITATION PRJOECT (SD-06101)  
IFB 182320

IFB Post Date: 7/30/2021  
IFB Due Date: 8/24/2021

BID FORM SUMMARY				LOWEST BIDDER											
BID #	DESCRIPTION	QTY	UNIT	Engineer's Estimate		Golden Bay Construction		Devaney Engineering, Inc.		Con-Quest Contractors, Inc.		KJ Woods Construction		EPS Inc dba Express Plumbing	
				UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL
1	MOBILIZATION	1	LS	\$ 50,000.00	\$ 50,000.00	\$ 30,000.00	\$ 30,000.00	\$ 40,000.00	\$ 40,000.00	\$ 148,000.00	\$ 148,000.00	\$ 70,000.00	\$ 70,000.00	\$ 82,000.00	\$ 82,000.00
2	PUBLIC NOTIFICATION AND POSTING	1	LS	\$ 5,000.00	\$ 5,000.00	\$ 1,800.00	\$ 1,800.00	\$ 2,000.00	\$ 2,000.00	\$ 5,000.00	\$ 5,000.00	\$ 6,500.00	\$ 6,500.00	\$ 10,000.00	\$ 10,000.00
3	TRAFFIC CONTROL	1	LS	\$ 80,000.00	\$ 80,000.00	\$ 28,806.00	\$ 28,806.00	\$ 25,000.00	\$ 25,000.00	\$ 40,000.00	\$ 40,000.00	\$ 30,000.00	\$ 30,000.00	\$ 20,000.00	\$ 20,000.00
4	SHEETING, SHORING AND BRACING	1	LS	\$ 80,000.00	\$ 80,000.00	\$ 360.00	\$ 360.00	\$ 25,000.00	\$ 25,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
5	INERT SOLIDS RECYCLING WITH FABRIC	1	LF	\$ 8,000.00	\$ 8,000.00	\$ 450.00	\$ 450.00	\$ 5,000.00	\$ 5,000.00	\$ 1,000.00	\$ 1,000.00	\$ 9,205.00	\$ 9,205.00	\$ 20,000.00	\$ 20,000.00
6	STRIPING	1	LF	\$ 5,000.00	\$ 5,000.00	\$ 4,500.00	\$ 4,500.00	\$ 12,000.00	\$ 12,000.00	\$ 7,000.00	\$ 7,000.00	\$ 8,000.00	\$ 8,000.00	\$ 20,000.00	\$ 20,000.00
7	REMOVE EXISTING 10-INCH PIPE AND INSTALL 10-INCH HDPE PIPE	10	LF	\$ 250.00	\$ 2,500.00	\$ 338.00	\$ 3,380.00	\$ 1,000.00	\$ 10,000.00	\$ 340.00	\$ 3,400.00	\$ 480.00	\$ 4,800.00	\$ 500.00	\$ 5,000.00
8	REMOVE EXISTING 10-INCH PIPE AND INSTALL 12-INCH HDPE PIPE	416	EA	\$ 300.00	\$ 124,800.00	\$ 320.00	\$ 133,120.00	\$ 300.00	\$ 124,800.00	\$ 340.00	\$ 141,440.00	\$ 500.00	\$ 208,000.00	\$ 380.00	\$ 158,080.00
9	REMOVE EXISTING 12-INCH PIPE AND INSTALL 12-INCH HDPE PIPE	520	EA	\$ 300.00	\$ 156,000.00	\$ 320.00	\$ 166,400.00	\$ 320.00	\$ 166,400.00	\$ 340.00	\$ 176,800.00	\$ 500.00	\$ 260,000.00	\$ 380.00	\$ 197,600.00
10	REMOVE EXISTING 12-INCH PIPE AND INSTALL 12-INCH HDPE PIPE ON 4"AC OVER 6"PCC	72	EA	\$ 300.00	\$ 21,600.00	\$ 369.00	\$ 26,568.00	\$ 325.00	\$ 23,400.00	\$ 500.00	\$ 36,000.00	\$ 550.00	\$ 39,600.00	\$ 1,000.00	\$ 72,000.00
11	REMOVE EXISTING 15-INCH PIPE AND INSTALL 15-INCH HDPE PIPE	291	LF	\$ 350.00	\$ 101,850.00	\$ 320.00	\$ 93,120.00	\$ 360.00	\$ 104,760.00	\$ 420.00	\$ 122,220.00	\$ 550.00	\$ 160,050.00	\$ 390.00	\$ 113,490.00
12	REMOVE EXISTING 13-INCH BY 22-INCH PIPE AND INSTALL 12-INCH HDPE PIPE	522	EA	\$ 600.00	\$ 313,200.00	\$ 257.00	\$ 134,154.00	\$ 300.00	\$ 156,600.00	\$ 180.00	\$ 93,960.00	\$ 475.00	\$ 247,950.00	\$ 520.00	\$ 271,440.00
13	REMOVE AND REPLACE EXISTING CATCH BASIN	21	LS	\$ 5,000.00	\$ 105,000.00	\$ 5,055.00	\$ 106,155.00	\$ 8,000.00	\$ 168,000.00	\$ 7,500.00	\$ 157,500.00	\$ 6,000.00	\$ 126,000.00	\$ 8,200.00	\$ 172,200.00
14	INSTALL STANDARD STORM DRAIN MANHOLE	1	LF	\$ 10,000.00	\$ 10,000.00	\$ 8,100.00	\$ 8,100.00	\$ 11,000.00	\$ 11,000.00	\$ 12,500.00	\$ 12,500.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
15	INSTALL 60-INCH STORM DRAIN MANHOLE.	1	SF	\$ 20,000.00	\$ 20,000.00	\$ 10,800.00	\$ 10,800.00	\$ 14,000.00	\$ 14,000.00	\$ 14,500.00	\$ 14,500.00	\$ 14,000.00	\$ 14,000.00	\$ 25,000.00	\$ 25,000.00
16	INSTALL STORM DRAIN MANHOLE JUNCTION BOX	2	SF	\$ 25,000.00	\$ 50,000.00	\$ 16,650.00	\$ 33,300.00	\$ 35,000.00	\$ 70,000.00	\$ 25,000.00	\$ 50,000.00	\$ 30,000.00	\$ 60,000.00	\$ 13,800.00	\$ 27,600.00
17	INSTALL CIPP LINER IN EXISTING 10-INCH PIPE.	205	EA	\$ 70.00	\$ 14,350.00	\$ 215.00	\$ 44,075.00	\$ 100.00	\$ 20,500.00	\$ 195.00	\$ 39,975.00	\$ 110.00	\$ 22,550.00	\$ 243.00	\$ 49,815.00
18	INSTALL CIPP LINER IN EXISTING 12-INCH PIPE.	309	EA	\$ 80.00	\$ 24,720.00	\$ 148.00	\$ 45,732.00	\$ 100.00	\$ 30,900.00	\$ 134.00	\$ 41,406.00	\$ 115.00	\$ 35,535.00	\$ 167.00	\$ 51,603.00
19	INSTALL CIPP LINER IN EXISTING 15-INCH PIPE.	41	EA	\$ 90.00	\$ 3,690.00	\$ 305.00	\$ 12,505.00	\$ 145.00	\$ 5,945.00	\$ 277.00	\$ 11,357.00	\$ 160.00	\$ 6,560.00	\$ 346.00	\$ 14,186.00
20	INSTALL CIPP LINER IN EXISTING 13-INCH BY 22-INCH ELLIPTICAL PIPE	615	EA	\$ 100.00	\$ 61,500.00	\$ 120.00	\$ 73,800.00	\$ 75.00	\$ 46,125.00	\$ 109.00	\$ 67,035.00	\$ 80.00	\$ 49,200.00	\$ 136.00	\$ 83,640.00
21	INSTALL CIPP LINER IN EXISTING 30-INCH PIPE.	1273	EA	\$ 150.00	\$ 190,950.00	\$ 179.00	\$ 227,867.00	\$ 140.00	\$ 178,220.00	\$ 163.00	\$ 207,499.00	\$ 155.00	\$ 197,315.00	\$ 203.00	\$ 258,419.00
22	VIDEO INSPECTION OF NEW STORM DRAIN PIPELINE	1817	EA	\$ 4.00	\$ 7,268.00	\$ 3.00	\$ 5,451.00	\$ 3.00	\$ 5,451.00	\$ 2.50	\$ 4,542.50	\$ 5.00	\$ 9,085.00	\$ 3.00	\$ 5,451.00
23	REMOVE AND REPLACE CURB RAMP.	5	EA	\$ 5,000.00	\$ 25,000.00	\$ 6,300.00	\$ 31,500.00	\$ 15,000.00	\$ 75,000.00	\$ 5,000.00	\$ 25,000.00	\$ 7,000.00	\$ 35,000.00	\$ 7,500.00	\$ 37,500.00
24	REMOVE AND REPLACE TYPE A CURB AND GUTTER.	105	EA	\$ 50.00	\$ 5,250.00	\$ 138.00	\$ 14,490.00	\$ 75.00	\$ 7,875.00	\$ 130.00	\$ 13,650.00	\$ 60.00	\$ 6,300.00	\$ 200.00	\$ 21,000.00
25	REMOVE AND REPLACE CONCRETE SIDEWALK.	690	EA	\$ 17.00	\$ 11,730.00	\$ 21.00	\$ 14,490.00	\$ 25.00	\$ 17,250.00	\$ 33.00	\$ 22,770.00	\$ 15.00	\$ 10,350.00	\$ 35.00	\$ 24,150.00
Base Bid Total:				\$ 1,477,408.00		\$ 1,250,923.00		\$ 1,345,226.00		\$ 1,462,554.50		\$ 1,648,000.00		\$ 1,772,174.00	
10% Contingency:				\$ 147,741.00		\$ 125,093.00		\$ 134,523.00		\$ 146,256.00		\$ 164,800.00		\$ 177,218.00	
Total Base Bid:				\$ 1,625,149.00		\$ 1,376,016.00		\$ 1,479,749.00		\$ 1,608,810.50		\$ 1,812,800.00		\$ 1,949,392.00	
Over Engineer's Estimate:				-15%		-9%		-1%		12%		20%			

BID ALTERNATE - NOT ADVANCING				LOWEST BIDDER											
BID #	DESCRIPTION	QTY	UNIT	Engineer's Estimate		Golden Bay Construction		Devaney Engineering, Inc.		Con-Quest Contractors, Inc.		KJ Woods Construction		EPS Inc dba Express Plumbing	
				UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL	UNIT PRICE	BID TOTAL
Alt1	REMOVE EXISTING 4-INCH PIPE AND INSTALL 12-INCH HDPE PIPE.	23	LF	\$ 250.00	\$ 5,750.00	\$ 338.00	\$ 7,774.00	\$ 500.00	\$ 11,500.00	\$ 400.00	\$ 9,200.00	\$ 900.00	\$ 20,700.00	\$ 900.00	\$ 20,700.00
Alt2	REMOVE AND REPLACE EXISTING CATCH BASIN	1	EA	\$ 5,000.00	\$ 5,000.00	\$ 7,115.00	\$ 7,115.00	\$ 10,000.00	\$ 10,000.00	\$ 6,000.00	\$ 6,000.00	\$ 10,000.00	\$ 10,000.00	\$ 8,100.00	\$ 8,100.00
Alt3	MOBILIZATION	1	LS	\$ 3,000.00	\$ 3,000.00	\$ 6,000.00	\$ 6,000.00	\$ 5,000.00	\$ 5,000.00	\$ 1,500.00	\$ 1,500.00	\$ 4,000.00	\$ 4,000.00	\$ 1,600.00	\$ 1,600.00
Alt4	TRAFFIC CONTROL	1	LS	\$ 5,000.00	\$ 5,000.00	\$ 1,200.00	\$ 1,200.00	\$ 2,000.00	\$ 2,000.00	\$ 2,500.00	\$ 2,500.00	\$ 2,000.00	\$ 2,000.00	\$ 500.00	\$ 500.00
Alt5	SHEETING, SHORING AND BRACING	1	LS	\$ 5,000.00	\$ 5,000.00	\$ 300.00	\$ 300.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 2,000.00	\$ 2,000.00	\$ 500.00	\$ 500.00
Alt6	VIDEO INSPECTION OF NEW STORM DRAIN PIPELINE	23	LF	\$ 4.00	\$ 92.00	\$ 3.00	\$ 69.00	\$ 50.00	\$ 1,150.00	\$ 2.50	\$ 57.50	\$ 5.00	\$ 115.00	\$ 25.00	\$ 575.00
Alt7	WATER MAIN BACKFILL	1	EA	\$ 10,000.00	\$ 10,000.00	\$ 7,500.00	\$ 7,500.00	\$ 4,000.00	\$ 4,000.00	\$ 5,500.00	\$ 5,500.00	\$ 10,000.00	\$ 10,000.00	\$ 2,500.00	\$ 2,500.00
Bid Alternate Total:				\$ 33,842.00		\$ 29,958.00		\$ 35,150.00		\$ 26,257.50		\$ 48,815.00		\$ 34,475.00	
10% Contingency:				\$ 3,385.00		\$ 2,996.00		\$ 3,515.00		\$ 2,626.00		\$ 4,882.00		\$ 3,448.00	
Total Bid Alternate:				\$ 37,227.00		\$ 32,954.00		\$ 38,665.00		\$ 28,883.50		\$ 53,697.00		\$ 37,923.00	
Over Engineer's Estimate:				-11%		4%		-22%		44%		2%			

TOTALS SUMMARY FOR WORK TO PROCEED				LOWEST BIDDER											
Total Summary Description				Engineer's Estimate		Golden Bay Construction		Devaney Engineering, Inc.		Con-Quest Contractors, Inc.		KJ Woods Construction		EPS Inc dba Express Plumbing	
Total Base Bid				\$ 1,477,408.00		\$ 1,250,923.00		\$ 1,345,226.00		\$ 1,462,554.50		\$ 1,648,000.00		\$ 1,772,174.00	
Total 10% Contingency				\$ 147,741.00		\$ 125,093.00		\$ 134,523.00		\$ 146,256.00		\$ 164,800.00		\$ 177,218.00	
Total Contract Amount				\$ 1,625,149.00		\$ 1,376,016.00		\$ 1,479,749.00		\$ 1,608,810.50		\$ 1,812,800.00		\$ 1,949,392.00	

Over Engineer's Estimate: -15% -9% -1% 12% 20%



## City of Palo Alto City Council Staff Report

(ID # 12180)

**Report Type:**

**Meeting Date: 9/27/2021**

**Summary Title: Council Review of Objective Standards**

**Title: Public Hearing: Adoption of Two Ordinances Implementing the Objective Standards Project, Including: 1) New Chapter 18.24, Objective Design Standards, to Replace Existing Context-Based Design Criteria; 2) Modifications to Affordable Housing (AH) and Workforce Housing (WH) Overlay Districts to Eliminate the Legislative Process; 3) Expansion of Affordable Housing (AH) and Housing Incentive Program (HIP) to PTOD-Eligible Properties; 4) Changes to Remove Inconsistencies and Redundancies, and Streamline Project Review Throughout Title 18 Chapters (7:55 PM - 9:45 PM)**

**From: City Manager**

**Lead Department: Planning and Development Services**

### **Recommendation:**

Staff recommends that Council consider the proposed objective design standards (Attachment A) and Code changes (Attachment B), take public comment, and provide feedback and recommend changes to the proposed policy and ordinance(s).

Staff will return to Council at a future hearing, having incorporated modifications, as directed by Council. Ultimately, these documents would modify Title 18 (Zoning) of the Palo Alto Municipal Code (PAMC).

### **Executive Summary:**

Since the 2018 Housing Work Plan, the City has had an interest in converting many subjective housing development criteria into objective standards. While subjective criteria provide more design flexibility and give local jurisdictions more design control, this approach can add to the cost of a development, increase application processing time and risk to the developer because the process can be a less predictable. The State legislature has long declared housing as a

Statewide interest and has made several significant changes to State housing laws in recent years to streamline housing approvals by eliminating the use of subjective criteria.

This ordinance attempts to translate many of the City's subjective criteria found throughout the code in the form of performance standards, context-based design criteria and application findings into clear, objective standards. This effort, guided by the Architectural Review Board and Planning and Transportation Commission, preserves the City's interests to advance good building design that is contextually appropriate in a streamlined application process that is consistent with State law.

This ordinance amends many different code sections of the municipal code and represents a notable change in the City's approach toward land use regulation for housing and mixed use developments. Accordingly, staff recommends the City Council conduct the hearing over two meetings, enabling staff to return with Council directed refinements before acting on the attached ordinances.

This report contains two main discussion topics related to the objective design standards and various other supporting amendments as summarized below:

1. Objective Design Standards: Objective design standards in Attachment A represent the transformation of existing subjective, context-based design criteria into a new Chapter 18.24 in Title 18. The standards encompass site design and building design topics and include graphics to illustrate key standards. The standards were reviewed and refined over a series of 13 meetings with the Architectural Review Board (ARB) and an ARB Ad Hoc Committee and reviewed over three (3) hearings with the Planning & Transportation Commission (PTC). The process culminated in a recommendation for adoption at the ARB's April 1, 2021 meeting and by the PTC at their June 9, 2021 meeting.
2. Other Code Updates to Support Objective Standards: Additionally, City staff recommend changes to other sections of Title 18. These changes would develop objective standards, remove inconsistencies and redundancies, eliminate sections replaced by the new Chapter 18.24, and streamline project review. Explanatory comments were included in the margins of the attachments to the PTC staff reports and are summarized in this report. Changes include both minor and substantive edits to the following code sections:
  - 18.04: Definitions
  - 18.08: Designation and Establishment of Districts
  - 18.13: Multiple Family Residential (RM-20, RM-30 and RM-40) Districts

- 18.16: Neighborhood, Community, and Service Commercial (CN, CC, and CS) Districts
- 18.18: Downtown Commercial (CD) District
- 18.20: Office, Research, and Manufacturing (MOR, ROLM, RP and GM) Districts
- 18.23: Performance Criteria for Multiple Family Commercial, Manufacturing and Planned Community Districts
- 18.30(J): Affordable Housing (AH) Overlay District
- 18.30(K): Workforce Housing (WH) Overlay District
- 18.34: Pedestrian and Transit Oriented Development (PTOD) Combining District
- 18.40: General Standards and Exceptions
- 18.42: Standards for Special Uses
- 18.52: Parking and Loading Requirements
- 18.54: Parking Facility Design Standards
- 18.76: Permits and Approvals
- 18.77: Processing of Permits and Approvals

Of particular note are changes to remove the requirement for a zoning map amendment to access relaxed development standards for affordable and market rate housing projects. Specifically, proposed changes to the AH and WH Overlay Districts, and the expansion of the Housing Incentive Program as an alternative to the PTOD overlay, would reduce PTC and City Council's involvement in these projects.

The attached ordinances do not include any proposed changes to clarify the wording of transitional height standards. The previously proposed text modifications generated significant comment on building heights during the PTC meeting and community meeting.

## **Background:**

### SB2 Funding and Project Purpose

This project, development of objective standards, is funded by Senate Bill 2 (SB2). SB2 provides local governments with grants and technical assistance to prepare plans and process improvements that:

- streamline housing approvals;
- facilitate housing affordability; and/or
- accelerate housing production.

The City of Palo Alto developed a grant proposal to streamline housing approvals through process improvements, namely the development of objective standards. The project is to amend Title 18 to clarify standards and guidelines for staff, decision-makers, and applicants.



### Relationship to State Housing Laws

Several State housing laws rely upon objective standards and emphasize the need for this SB2 project. The following paragraphs summarize the laws, which, when layered together, create the policy context within which Palo Alto must develop its objective standards. A more complete description of each State law is provided in Attachment C.

### ***Housing Accountability Act***

The Housing Accountability Act (HAA) (Government Code Section 65589.5) applies to "housing development projects" which are defined as:

- multifamily housing projects
- mixed-use developments (with at least two-thirds residential square footage), or
- transitional or supportive housing

The HAA states that a city cannot deny a project, reduce its density, or otherwise make a project infeasible, when the project complies with existing objective standards. There is a narrow exception when the City makes findings—based on a preponderance of evidence—that specific adverse health or safety impacts exist and there is no feasible method to mitigate or avoid impacts.

### ***SB35 Project Streamlining***

Under SB35 (Government Code Section 65913.4), projects meeting certain physical and affordability criteria are eligible for a streamlined review process. Under SB35, the review process would be limited to 90 days for projects containing 150 or fewer housing units and 180 days for larger projects. An SB35 project is not subject to discretionary review and therefore, is not subject to review under the California Environmental Quality Act (CEQA). Currently, in Palo Alto, an SB35 project must include at least 50% of the units as affordable to low-income households. To date, no applicants have applied for review under this program.

### ***SB330 Permit Review***

Effective January 1, 2020, SB330 made several changes to existing State housing law, including the Housing Accountability Act and Permit Streamlining Act. Most notably, this bill prohibits jurisdictions from imposing subjective design standards established after January 1, 2020 and from lessening the intensity of housing. It also provides a streamlined path for "housing development projects," limiting review of such projects to five (5) meetings. In Palo Alto, to date, SB330 formal applications have been submitted for two projects: 200 Portage (21PLN-00108) and 2850 West Bayshore (21PLN-00177).

### ***Summary***

State law relies more and more on projects' compliance with objective standards to streamline housing project approvals. Currently, the City has objective standards in the form of

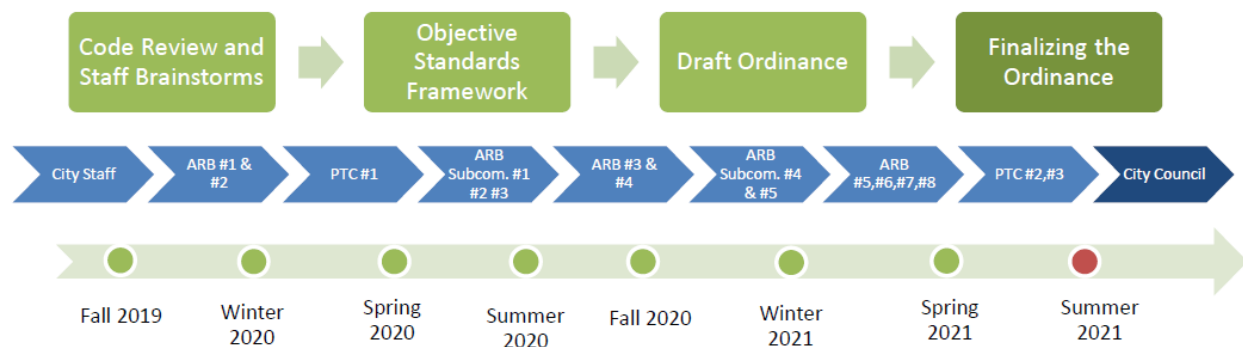
development standards (e.g., height, setback, floor area ratio), but few objective design standards. This project aims to strengthen the City's objective standards to identify the City's design and development priorities and ensure applicants' compliance with these priorities on housing development projects, for which subjective architectural review findings cannot be a basis for denial. Furthermore, this project helps the City to comply with State legislation that allows projects meeting objective standards to undergo a streamlined approval process.

The City's proposed new review process will only apply to multi-family projects with three or more units (not including ADUs). The review process for single-family homes (with or without ADUs) and two-family (duplexes) uses would remain the same.

### Summary of Public Hearings

This section summarizes meetings with the ARB and PTC. Chart 1 illustrates the project timeline. Additionally, records from previous meetings described below can be found on the project webpage: [bit.ly/ObjectiveStandards](http://bit.ly/ObjectiveStandards)

**Chart 1: Project Timeline**



### ***ARB Study Sessions & Hearings (8 Meetings), ARB Ad Hoc Committee (5 Meetings)***

In December 2019 and February 2020, staff and consultants provided an overview of the project to the ARB. Staff presented a description of key issues and discussed options and recommendations for how to implement the project goals and requirements of State law with respect to objective standards.

The ARB formed an Ad Hoc Committee to workshop the draft standards, reviewing and providing written comments on preliminary versions of the standards. The committee met with staff and consultants over a series of four video meetings to discuss and provide feedback on the format, organization, intent statements, graphics, and specific language of the draft standards.

The full ARB met in October and November 2020, and February 18 and March 18, 2021 to review and refine the draft objective design standards. The ARB contributed general and

specific feedback to the format and structure of the ordinance; refined the applicability to different types of residential versus commercial projects; debated design details, menu of options' ideas, and specific measurements for individual design topics; and weighed in on graphics. Several board members expressed concerns about the implications that State law is having on the City's architectural review process, standards, and guidelines, including space for creativity and discretion by architects and reviewers.

At its April 1, 2021, meeting, the ARB voted to recommend City Council approval of the objective design standards in Attachment A in a 4-1 vote. The ARB also voted to have the Ad Hoc Committee continue to work with City staff and consultants on revisions to graphics, which have now been completed and are included in Attachment A.

Additionally, the ARB discussed two aspects of height transition requirements between lower and higher density zoning districts during a study session on April 15<sup>th</sup>. First, the proposed text modifications recommended by City staff (and later the PTC, see below). Second, a more holistic discussion of height transitions, focused on the best ways to regulate height and massing across districts in order to mitigate potential impacts while maintaining architectural quality and development feasibility. This issue is discussed further in the height transitions section below. However, potential amendments to height transition standards are no longer included in the draft ordinances.

### ***PTC Study Sessions and Hearings (3 Meetings)***

Staff and consultants met with the PTC in May 2020 to provide an overview of the project, key issues, policy options, and the ARB's recommendations. The PTC held another study session on March 10, 2021, to review the draft objective design standards, including the ARB's recommendations, and proposed changes to other sections of Title 18. At its June 9, 2021 meeting, the PTC made a motion to recommend that the City Council adopt the objective design standards on a 4-1-1 vote. The PTC unanimously supported the objective design standards (new Chapter 18.24). However, several Commissioners had concerns about the issue of height transitions between lower and higher density districts. This issue is discussed further in the height transitions section below, though not included in the draft ordinance.

## **Discussion**

This section is divided into two parts:

1. Objective Design Standards: The transformation of existing context-based design criteria into objective standards.
2. Other Updates to Title 18 to Strengthen Objective Standards: Related changes to development standards, performance standards, application processing, and legislative

actions/overlays to strengthen objective standards, remove redundancies, clarify intent, and streamline review.

# **1. Objective Design Standards: Transformation of Existing Context-Based Design Criteria into a New Chapter, 18.24: Objective Design Standards**

Attachment A contains the draft objective design standards the ARB has recommended, and related graphics. It represents the transformation of Context-Based Design Criteria into a stand-alone set of objective standards which would be codified as Chapter 18.24. With approval of this ordinance, the Context-Based Design Criteria would be removed from the four chapters of the Code where they are repeated (Chapters 18.13, 18.16, 18.18, and 18.34). The Architectural Review (AR) approval findings would remain in Title 18.76. The ARB would continue to use these AR findings to evaluate projects that are undergoing discretionary review (e.g., 100% commercial projects, projects that do not comply with the Housing Accountability Act and/or do not comply with all of the Objective Design Standards). The remainder of this section describes the structure, contents, and applicability of the objective design standards.

## **Applicability**

The subject ordinance principally addresses multi-family housing and residential mixed-use projects and districts. Ground-floor commercial guidelines and standards are addressed insofar as retail and other commercial uses are required as part of a mixed-use residential project. Notably, this ordinance does not apply to the South of Forest Area coordinated area plan, which will require a separate effort to change subjective criteria to objective standards.

As shown in Table, 1, the objective design standards would apply to zoning districts where the existing Context-Based Design Criteria currently apply. Within these districts, the objective standards would apply to “housing development projects” as defined in the Housing Accountability Act. Discretionary residential and non-residential projects would only be subject to the subjective “intent statements” (see details below). Additionally, objective standards would apply to housing development projects in other zoning districts—not currently subject to the Context-Based Design Criteria—that allow multifamily housing (e.g., ROLM, PF). This provides an opportunity for streamlining and clear standards wherever multifamily housing is permitted.

<b>Table 1: Applicability, Comparison of Existing and Proposed Design Regulations</b>		
<b><i>Uses</i></b>	<b><i>Context-Based Design Criteria (Existing)</i></b>	<b><i>Objective Design Standards (Proposed)</i></b>
All Uses	18.13: RM-20, RM-30, RM-40 18.16: CN, CC, CC(2), CS 18.18: CD-C, CD-S, CD-N 18.34: PTOD combining district	18.13: RM-20, RM-30, RM-40 18.16: CN, CC, CC(2), CS 18.18: CD-C, CD-S, CD-N 18.34: PTOD combining district

Housing Development Projects Only	18.20: N/A 18.28: N/A	18.20: MOR, ROLM, ROLM(E), RP, RP(5) 18.28: PF
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### Design Standards Ordinance Structure & Contents

Table 2 identifies the topics included in the new Chapter 18.24. These topics can generally be categorized into three areas:

1. Administration: Describes the purpose and applicability of the design standards, including the relevant zoning districts, and defines terms that are specific to the chapter.
2. Site Design: Identifies standards related to the interface between the building and public realm, including sidewalks, driveways, access, entries, and building orientation.
3. Building Design: Identifies standards related to the building itself, including bulk/massing, facades, entries, on-site open space, and materials.

Table 2: Design Standards Organization, by Topic	
Category	Topic
Administration	18.24.010: Purpose and Applicability
Site Design	18.24.020: Public Realm/Sidewalk Character
	18.24.030: Site Access
	18.24.040: Building Orientation and Setbacks
Building Design	18.24.050: Building Massing
	18.24.060: Façade Design
	18.24.070: Residential Entries
	18.24.080: Open Space
	18.24.090: Materials
	18.24.100: Sustainability and Green Building

Each of the design topics above is then broken into two sections:

1. **Intent statements** represent overarching guidelines for each topic. They are subjective and often include verbatim language from the Context-Based Design Criteria and ARB findings.
2. **Objective design standards** are ratios, measurements, percentages, or otherwise clear criteria. Some standards are written as a menu of options, providing choices for how they may be met.

The design standards aim to strike a balance between prescriptiveness and flexibility. They are intended to lead to buildings that implement good design principles and that exhibit an acceptable level of articulation and detail. However, because these standards are objective,

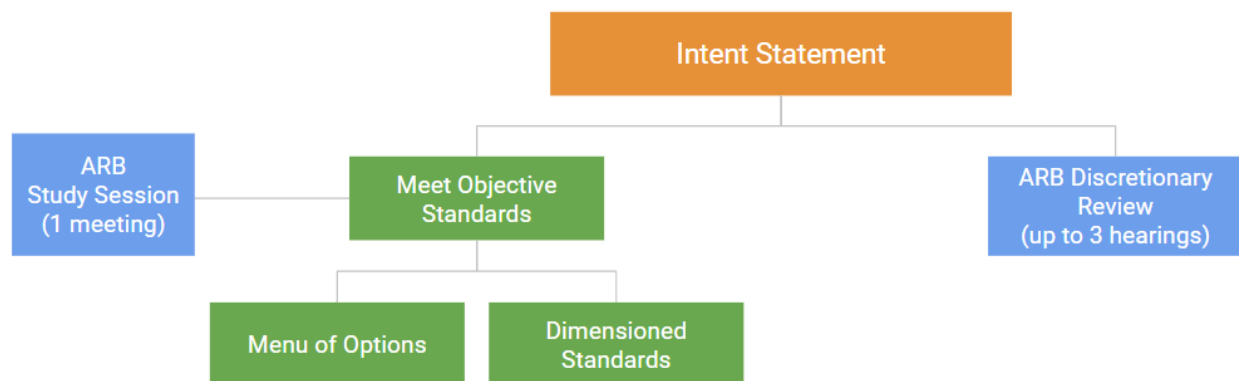
they cannot anticipate all different types of buildings and design choices. Therefore, the draft ordinance includes an alternate path for compliance, as described below.

### Review Process

The new Chapter 18.24 and Revisions to Chapters 18.76 and 18.77 identify two paths which are illustrated in Chart 2 and detailed below:

1. A new review process for housing development projects that propose to meet all objective standards, and
2. The standard compliance path for projects that want or need to pursue discretionary review.

**Chart 2: Two Paths of Compliance: Objective and Discretionary**



In the new objective standards process, City staff would review housing development projects for compliance with objective standards, just as they do today for all projects. The ARB would review such projects during one study session to provide advisory design comments. Members of the public would also have an opportunity to review and provide comments on the project during this study session. Current AR findings would not be used. Rather, this proposed review path acknowledges that State Law applies a different threshold for review and approval of Housing Accountability Act projects (i.e., denial is based on State law thresholds as opposed to the City's findings).

If a proposed project does not meet one or more objective standards—for whatever reason—the applicant may instead choose to meet the intent statements of the new Chapter 18.24. In choosing this path, the applicant would be choosing to undergo discretionary review. In that case, the process would be the same as ARB's role today and staff would review the project against the AR findings and intent statements, along with other relevant Code Sections.

Notably, if an applicant chooses the discretionary path, the project is no longer meeting objective standards and therefore would not be covered by the Housing Accountability Act.

## **2. Other Code Updates to Support Objective Standards**

In addition to design standards, the draft ordinance proposes other updates to Title 18 to strengthen objective standards and streamline housing approvals, consistent with the goals of SB2 funding. Key changes are categorized and summarized below and detailed in Attachment B. Table 5 further summarizes changes by zoning district.

### **Development Standards**

Within each zoning district that allows multi-family housing, City staff recommend modifications. These changes would transform subjective development standards and district regulations into objective standards, remove redundancies, and clarify standards that have been historically confusing to staff, applicants, and decision-makers. Proposed changes do not have a substantive effect on the buildable area and do not address height transition standards.

### **Performance Standards**

Performance criteria in Chapter 18.23 were originally conceived to address potential colocation impacts when non-residential uses were located within 150 feet of residential districts. However, this code section has been revised over time and has been interpreted to apply to all types of projects, regardless of adjacency. To remove ambiguity, clarify applicability, and streamline requirements, City staff propose to eliminate the catch-all 18.23 Performance Standards chapter and move those standards into more relevant code locations, as summarized in Table 3.

Additionally, City staff propose to bring these up to date with current zero waste and stormwater management practices, and to strengthen objective standards for lighting and screening.

<b>Table 3: Dispersing Performance Standards into Relevant Chapters</b>		
<i>Topic</i>	<i>Existing Location</i>	<i>Proposed Location</i>
Refuse Disposal Areas	18.23.020 Refuse Disposal Areas	18.40 (General Standard and Exceptions)
Lighting	18.23.030 Lighting	18.40 (General Standard and Exceptions)
Late Night Uses & Activities	18.23.040 Late Night Uses and Activities	18.42 (Standards for Special Uses)
Visual, Screening and Landscaping	18.23.050 Visual, Screening and Landscaping	18.40 (General Standard and Exceptions)
Noise and Vibration	18.23.060 Noise and Vibration	18.42 (Standards for Special Uses)
Parking	18.23.070 Parking	18.54 (Parking Facility Design Standards)
Vehicular, Pedestrian, and Bicycle Site Access	18.23.080 Vehicular, Pedestrian, and Bicycle Site Access	18.54 (Parking Facility Design Standards)
Air Quality	18.23.090 Air Quality	18.42 (Standards for Special Uses)
Hazardous Materials	18.23.100 Hazardous Materials	18.42 (Standards for Special Uses)

### Legislative Actions

Title 18 offers flexible development standards to facilitate multi-family residential and affordable housing projects but requires legislative action in order for projects to access these standards. The legislative action adds time, expense, and uncertainty to the development process. Specifically, the Workforce Housing (WH), Affordable Housing (AH), and Pedestrian Transit Oriented Development (PTOD) combining overlays require action by the PTC and City Council prior to architectural review of development proposed for a specific site. These overlays have been used infrequently:

- The AH overlay has been used once since its inception in 2018.<sup>1</sup>
- The WH overlay has been used once since its inception in 2018.<sup>2</sup>
- The PTOD overlay has been used twice since its inception in 2006, resulting in 12 units, and has not been used since 2012.<sup>3</sup>

In contrast, the Housing Incentive Program (HIP) process allows more density/FAR without rezoning. Housing achievable under these overlays represent the very types of uses—housing affordable to low- and moderate-income households, and housing near transit—the City has expressed a desire to facilitate in the Housing Work Plan and other policy documents. The HIP has been requested twice since its inception in 2018 and resulted in over 100 units.<sup>4</sup>

The draft ordinance in Attachment B would modify the overlay districts from legislative actions to objective criteria. This would result in the following changes to each of the relevant combining districts:

- AH Overlay: Allow projects that meet existing affordability thresholds to automatically qualify for flexible development standards (see existing standards in Table 4). Architectural Review by the ARB would continue to be required.
- WH Overlay: Allow projects that meet existing affordability thresholds to automatically qualify for flexible development standards (see existing standards in Table 4). Architectural Review by the ARB would continue to be required. Use of the WH overlay may be rare since its applicability is limited to combine with sites in the Public Facilities (PF) district that are located within 1/2-mile of fixed rail transit.
- PTOD Overlay and HIP

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<sup>1</sup> 3703-3709 El Camino Real (Wilton Ct.): 65 low-income units.

<sup>2</sup> 2755 El Camino Real (Windy Hill): 57 moderate income units.

<sup>3</sup> 420 Cambridge Avenue: 4 units; 2650 Birch Avenue: 8 units, including 1 BMR unit.

<sup>4</sup> 788 San Antonio Road (102 units, including 16 BMR) and 3585 El Camino Real (3 units, including 0.45 BMR in-lieu fee)



- (1) Retain the PTOD overlay district in Title 18, as written (in the event there are property owners who may be considering taking advantage of it) until such time as the City is ready to consider its revision or removal.
- (2) Expand the HIP to apply to the remaining sites within the PTOD overlay area (namely CC, RM-30, and RM-40 zoned sites shown in Attachment D) to allow for a more streamlined review path for housing projects within this transit-oriented district. Apply the HIP only to sites north of Page Mill Road (i.e., exclude sites within the North Ventura Coordinated Plan Area, to allow that in-progress plan to determine the relevant standards). Allow projects that meet existing affordability thresholds to automatically qualify for flexible development standards by right (see existing HIP standards for the CC(2) district in Table 4).

<b>Table 4: Existing Standards for Overlay Districts</b>				
<b>Standard</b>	<b>Affordable Housing (AH)</b>	<b>Workforce Housing (WH)</b>	<b>Cal Ave. CC (2) HIP Standards</b>	
Affordability Threshold	Rental project, with 100% of units for households with incomes up to 120% of AMI	Rental project, with at least 20% of units for households earning 120-150% of AMI	Typical 15% Inclusionary requirement	100% affordable units up to 120% of AMI, with average income up to 60% of AMI
Maximum FAR	2.4	2.0	2.0	Up to 2.4
Residential	2.0	2.0	2.0	2.0
Non-Residential	0.4	n/a	0.35	0.4
Maximum Height	50	50	37	Up to 50
Usable Open Space	50 sf/unit	75 sf/unit	150 sf/unit	50 sf/unit
Parking	0.75 space/unit	Greater of 1 space/unit or bed	1 sp/1 bd unit 2 sp/2 bd unit	Min of 0.75 space/unit with waiver approved by Director
Applicable Zones/Locations	CD, CN, CS, and CC	PF within ½-mile of fixed rail transit	PF, RM-30, and RM-40	

Notably, based on the affordability criteria in the existing Zoning Ordinance, streamlining the overlay districts may generate more moderate-income units. Deeper levels of affordability would continue to be generated through the City's 15% inclusionary housing requirement (either on-site or with a payment in-lieu). The City Council has expressed a desire for deeper levels of affordability in the Housing Work Plan. The issue of affordability levels, including the use of these overlays, should be further analyzed during the Housing Element update process.

#### Streamlined Process

Attachment B also creates a new, streamlined review process for housing development projects that meet all existing objective standards, including the new objective design standards proposed in Attachment A. Under State law, such projects cannot be denied or reduced in density based on their failure to comply with subjective design review standards such as the City's current Architectural Review findings. Accordingly, staff have proposed to exempt such projects from the typical Architectural Review process and instead institute a streamlined process in which the ARB would provide design guidance at a single meeting (study session) rather than evaluating the project against each of the findings. In place of Architectural Review findings, a housing development project would require basic findings that the project complies with all applicable objective standards and will not create a specific, adverse, impact, as defined in State law.

This alternative process sets expectations for the ARB and community that better align with State law. At the same time, it offers members of the community an opportunity to still provide feedback on proposed projects. Staff believe appropriate design feedback and public comment can be achieved in a single meeting through this new process.

Alternatively, the City could retain the existing Architectural Review process in name, but in practice, the ARB's role and discretion would still be significantly limited. Because the City would not be able to deny a project that didn't meet the AR findings, at most, the City could condition approval on changes in design. Depending on the type of housing project proposed, the City may be constrained in its ability to impose any conditions.

### Summary

Table 5 summarizes key changes to zoning districts and other code sections, as described in this report and redlined/annotated in Attachment B.

<b>Table 5: Summary of Proposed Zoning Changes, by Chapter</b>		
<b>Ch. #</b>	<b>Chapter Title</b>	<b>Summary of Proposed Changes</b>
18.04	Definitions	<ul style="list-style-type: none"> <li>• Multiple-family Residential: a single- or two-family property is not a multiple-family use</li> <li>• Clarify distinction between usable open space and open space coverage</li> </ul>
18.13	Multiple Family Residential (RM-20, RM-30 and RM-40) Districts	<ul style="list-style-type: none"> <li>• Replace discretionary setbacks with objective setback standard</li> <li>• Relocate open space design standards to new 18.24 Design Standards; include cross-reference</li> <li>• Replace Context-Based Design Criteria with new 18.24 Design Standards; include cross-reference</li> <li>• Expand the Housing Incentive Program to RM-30 and RM-40 sites in the PTOD area</li> </ul>

**Table 5: Summary of Proposed Zoning Changes, by Chapter**

<b>Ch. #</b>	<b>Chapter Title</b>	<b>Summary of Proposed Changes</b>
18.16	Neighborhood, Community, and Service Commercial (CN, CC, and CS) Districts	<ul style="list-style-type: none"> <li>Relocate open space design standards to new 18.24 Design Standards; include cross-reference</li> <li>Consolidate recycling storage standards with 18.23.020: Refuse Disposal Areas and move to new section in 18.40: General Standards</li> <li>Replace Context-Based Design Criteria with new 18.24 Design Standards; include cross-reference</li> <li>Expand the Housing Incentive Program to CC sites in the PTOD area</li> </ul>
18.18	Downtown Commercial (CD) District	<ul style="list-style-type: none"> <li>Relocate open space design standards to new 18.24 Design Standards; include cross-reference</li> <li>Consolidate recycling storage standards with 18.23.020: Refuse Disposal Areas and move to new section in 18.40: General Standards</li> <li>Replace Context-Based Design Criteria with new 18.24 Design Standards; include cross-reference</li> <li>Remove redundant parking and loading section; keep parking standards in 18.52</li> </ul>
18.20	Office, Research, and Manufacturing (MOR, ROLM, RP and GM) Districts	<ul style="list-style-type: none"> <li>Consolidate recycling storage standards with 18.23.020: Refuse Disposal Areas and move to new section in 18.40: General Standards</li> <li>Apply objective design standards to multifamily and residential mixed use projects in the MOR, ROLM, and RP districts</li> </ul>
18.23	Performance Criteria for Multiple Family Commercial, Manufacturing and Planned Community Districts	<ul style="list-style-type: none"> <li>Strengthen objective standards</li> <li>Apply performance criteria to all projects, regardless of use or adjacency to residential</li> <li>Relocate standards, as shown in Table 3</li> </ul>
18.28	Special Purpose (PF, OS, and AC) Districts	<ul style="list-style-type: none"> <li>Apply objective design standards to multifamily and residential mixed use projects in the PF district</li> </ul>
18.30(J)	Affordable Housing (AH) Overlay District	<ul style="list-style-type: none"> <li>Revise combining district into by-right overlay for projects consistent with objective standards</li> <li>Architectural review by the ARB, but no legislative approval by the PTC or Council</li> </ul>
18.30(K)	Workforce Housing (WH) Overlay District	<ul style="list-style-type: none"> <li>Revise combining district into by-right overlay for projects consistent with objective standards</li> <li>Architectural review by the ARB, but not legislative approval by the PTC or Council</li> </ul>

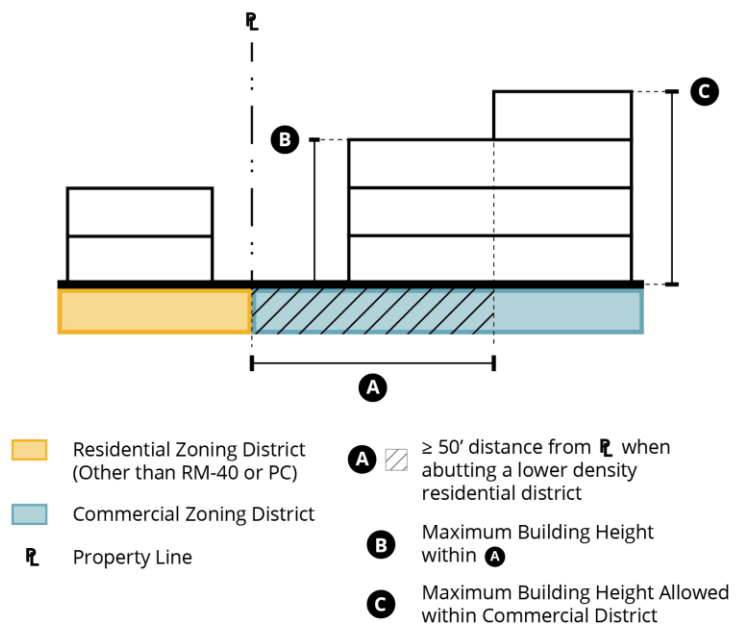
**Table 5: Summary of Proposed Zoning Changes, by Chapter**

<b>Ch. #</b>	<b>Chapter Title</b>	<b>Summary of Proposed Changes</b>
18.34	Pedestrian and Transit Oriented Development (PTOD) Combining District	<ul style="list-style-type: none"> <li>Allow remaining sites north of Page Mill to be eligible for the HIP</li> <li>Replace Context-Based Design Criteria with new 18.24 Design Standards; include cross-reference</li> </ul>
18.40	General Standards and Exceptions	<ul style="list-style-type: none"> <li>Relocate 18.23 performance standards to this chapter</li> </ul>
18.52	Parking and Loading Requirements	<ul style="list-style-type: none"> <li>Remove inconsistencies and redundancies</li> <li>Add objective standard for off-site parking distance</li> </ul>
18.54	Parking Facility Design Standards	<ul style="list-style-type: none"> <li>Strengthen objective standards for parking and loading in site planning to avoid conflicts and push parking to rear of sites</li> <li>Allow mechanical parking lifts by right (instead of by approval of the City Council or Planning Director) to streamline review and acknowledge their prevalence</li> <li>Remove inconsistencies and redundancies</li> </ul>
18.76	Permits and Approvals	<ul style="list-style-type: none"> <li>Clarify that housing development projects are exempt from the architectural review process</li> </ul>
18.77	Processing of Permits and Approvals	<ul style="list-style-type: none"> <li>Create a new process for housing development projects: one study session with the ARB (and any other required board/commission, such as Public Art Commission or Historic Resources Board)</li> </ul>

### Topic Not Addressed in the Draft Ordinance

**Height Transitions.** The development standards in many zone districts include a transitional height standard that provides a reduced maximum height for properties that are near a lower density residential zone. Staff initially identified a few issues with these standards:

- (1) Each district expresses the requirement in a slightly different way.
- (2) Some of the language is confusing, especially in the CN, CC, CC (2), and CS districts.



This makes the regulations difficult for City staff and decision-makers to implement and creates a problem for property owners and developers who are considering whether to make significant investments in Palo Alto.

As a result, earlier drafts of Attachment B included staff proposals to clarify the text of this development standard. These clarifications were meant to be non-substantive, although they did align the text in the CN, CC, CC(2), and CS districts with staff's application of the code, requiring reduced height within 50 feet of a lower density residential district. Because the proposed changes generated significant concern at the April 2021 PTC hearing and a subsequent community webinar, however, staff has elected to remove any proposed changes and retain the existing language in the ordinance before the City Council.

Given the public interest in this topic, staff proposes to maintain the status quo and revisit the issue as a substantive policy discussion in the near future. The Housing Element update process presents an opportunity for such a discussion. The Housing Element Update looks at the entire city, asking where housing may be located and the standards of that housing (height, bulk, etc.). The Housing Element Update serves as a more appropriate venue to consider any changes to height transition standards.

## **Stakeholder Engagement**

As with all citywide projects, the eight (8) ARB hearings and the three (3) PTC hearings were noticed in the Daily Post. On January 22<sup>nd</sup>, March 23<sup>rd</sup>, May 10<sup>th</sup>, July 22<sup>nd</sup>, and September 15<sup>th</sup>, 2021, staff sent an email to a wide range of architect and consultants that have worked with the City in the recent past on development projects to solicit comments on the draft objective standards; six out of 30 stakeholders provided feedback. These comments are summarized below and included in their entirety in Attachment E.

1. Elaine Uang provided detailed comments, including recommendations to provide more flexibility for different sized lots and lot configurations, and different locations.
2. Ken Hayes provided a link to a journal entry he prepared regarding how municipalities regulate and apply design standards.
3. Rick Gosalvez, SV@Home, asked to be added to our project mailing list
4. Heather Young expressed concern that the objective standards do not account for context and site conditions, that dimensional requirements would not work in certain instances, and that the resulting designs may not be desirable.
5. Elaine Breeze, SummerHill, questioned the applicability of the proposed standards to lower density housing types, specifically townhomes, and expressed a desire for alternative compliance, if standards cannot be met.

Chris Wuthmann (from Stanford University Real Estate) addressed the ARB on February 18<sup>th</sup> the PTC on March 10<sup>th</sup> regarding the objective standards, with the following comments:

- (1) the relationship of the standards to subdivisions (to enable the creation of new contextual references),
- (2) recognizing the differences in costs and needs between rental and for-sale products,
- (3) a need to create an option within alternative compliance for demonstrable cost saving elements, including prefabricated and modular construction, as a legitimate consideration where the affordability of a project exceeds inclusionary requirements, and
- (4) recognition that new ways of living (post Covid) create a need for adapting building and site plan standards to create necessary areas for safe workspaces in outdoor environments and drop offs located outside of the public rights of way.

In addition to stakeholder comments, several members of the public addressed the PTC at its June 9, 2021 hearing. Public comments focused on concerns about modifications to the height transition language across several of district regulations' chapters. Specifically, community members expressed concern that reductions in height are not required when commercial districts are adjacent to RM-40 districts. They were concerned about privacy, light, and air impacts. As described in the analysis above, height transitions are not currently required for projects adjacent to RM-40 zoned sites. Therefore, modifications in the draft ordinance did not make changes that would impact the RM-40 district.

On July 19, 2021, staff held a webinar to discuss the topic of height transitions. Approximately 27 residents attended the online discussion. Through this discussion and correspondence received, it became clear the issue needs a more robust platform, such as the Housing Element Update. As noted, the ordinance for Council review no longer contains any text amendments related to height transitions.

## Environmental Review

The ordinance revisions represent implementation of adopted plans and policy. Therefore, the revisions are exempt under CEQA and covered by the CEQA documents prepared for the Comprehensive Plan. The project aims to facilitate implementation of State law. The project does not propose to increase development beyond what was analyzed in the Comprehensive Plan.

### Attachments:

**Attachment9.a:        Attachment A: Ordinance Adding Ch. 18.24 of Title 18 of PAMC to Adopt Building Design Intent Statements and Objective Design Standards        (PDF)**

**Attachment9.b:        Attachment B: Ordinance Amending Title 18 (Zoning) to Implement Objective Standards, Streamline Processing of Housing Development Applications, and Otherwise Clarify Zoning Code        (PDF)**

**Attachment9.c:**           **Attachment C: Summary of Relevant State Housing Laws (DOCX)**  
**Attachment9.d:**           **Attachment D: Location Map of PTOD, NVCAP and associated HIP Areas**  
                                  **(PDF)**  
**Attachment9.e:**           **Attachment E: Public Comments       (PDF)**

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Ordinance No. \_\_\_\_\_  
Ordinance of the Council of the City of Palo Alto Adding Chapter 18.24 of Title 18  
(Zoning) of the Palo Alto Municipal Code to Adopt Building Design Intent  
Statements and Objective Standards

The Council of the City of Palo Alto does ORDAIN as follows:

**SECTION 2.** Chapter 18.24 (Objective Design Standards) of Title 18 (Zoning) of the Palo Alto Municipal Code is added as follows:

**Sections:**

- 18.24.010 Purpose and Applicability**
- 18.24.020 Public Realm/Sidewalk Character**
- 18.24.030 Site Access**
- 18.24.040 Building Orientation and Setbacks**
- 18.24.050 Building Massing**
- 18.24.060 Façade Design**
- 18.24.070 Residential Entries**
- 18.24.080 Open Space**
- 18.24.090 Materials**
- 18.24.100 Sustainability and Green Building Design**

**18.24.010 Purpose and Applicability**

(a) Purpose.

The purpose of this Chapter is to provide guidance for good design in the form of “intent statements” for all project types and to provide objective design standards for multifamily and residential mixed-use development projects that qualify as Housing Development Projects under the Housing Accountability Act. Diagrams are provided for illustrative purposes only and are not intended to convey required architectural style. Rather, the objective design standards aim to accommodate a variety of styles, construction types (e.g., wood frame, modular) and housing types including townhomes, apartments, condos, and mixed-use buildings.

(b) Applicability of Regulations

Within the following zones and combining districts, the intent statements apply to all project types (including non-residential projects), new construction, and renovations in the zoning districts identified below. Additionally, objective design standards apply to new multifamily housing with three or more units (see definition in 18.04.030), supportive and transitional housing, and residential mixed-use projects with at least two-thirds residential square footage:

- (1) Chapter 18.13: RM-20, RM-30, RM-40
- (2) Chapter 18.16: CN, CC, CC(2), CS
- (3) Chapter 18.18: CD-C, CD-S, CD-N
- (4) Chapter 18.20: MOR, ROLM, ROLM(E), RP, RP(5), GM – residential and residential mixed-use only; regulations do not apply to non-residential projects



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(5) Chapter 18.28: PF – residential and residential mixed-use only; regulations do not apply to non-residential projects

(6) Chapter 18.34: PTOD combining district

**(c) Process and Alternative Compliance**

Each section of this chapter includes an intent statement that gives guidance for all applicable projects, regardless of use.

- (1) Housing development projects are required to comply with objective standards; however, applicants may choose to forgo one or more objective standards, in which case the housing development project will be evaluated to the spirit of the relevant intent statements and be subject to architectural review as set forth in Sections 18.76.020 and 18.77.070.
- (2) Non-Housing development projects and non-residential projects shall adhere to the spirit of the intent statements and be subject to architectural review as set forth in Section 18.76.020 and 18.77.070.

**(d) Definitions**

In addition to definitions provided in Chapter 18.04, the following definitions are specific to this Chapter.

- (1) “Primary Building Frontage” means the front lot line or frontage along the public right-of-way. In the case of a through-lot, the primary building frontage could be on either public right-of-way.
- (2) “Primary Building Entry” means the entrance leading to a lobby and accessed from the primary building frontage.
- (3) “Pedestrian Walkway” means a sidewalk or path that is publicly-accessible and connects from a public right-of-way to another public right-of-way or publicly accessible open space.
- (4) “Façade Modulation” means a change in building plane, either a recess or a projection, that changes the shape of the exterior massing of the building.

**18.24.020 Public Realm/Sidewalk Character**

**(a) Intent Statement**

To create an attractive and safe public realm and sidewalk space for pedestrians and cyclists through the implementation of design, landscaping, and infrastructure. Publicly accessible spaces and sidewalks should:

- (1) Design the transition between the public and private realm through the coordination of amenities and materials, such as accent paving, tree wells, lighting and street furniture (e.g., benches, bicycle racks, trash receptacles, news racks).
- (2) Complement or match accent paving to existing designs in the Downtown and California Avenue business district.
- (3) Provide sidewalk widths that accommodate landscaping, street trees, furniture, and pedestrian amenities; create a pleasant, desirable place to walk; provide shade; and enable comfortable pedestrian passage.
- (4) Provide amenities, such as parking and repair equipment, for micromobility, such as bicycles and scooters.

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(b) Objective Standards

(1) Sidewalk Widths

(A) Public sidewalks abutting a development parcel in any commercial mixed-use district (CN, CS, CC, CC(2), CD-C, CD-S, CD-N, PTOD) shall have a minimum sidewalk width (curb to back of walk) of at least 10 feet. This standard may be met with a combination of pedestrian clear path and landscape and furniture strip (see Figure 1), as long as the pedestrian clear path is no less than 8 feet. If the existing public sidewalk does not meet the minimum standard, a publicly accessible extension of the sidewalk, with corresponding public access easement, shall be provided. Notwithstanding the total dimensions required herein, the following streets/locations shall have a minimum sidewalk width as noted:

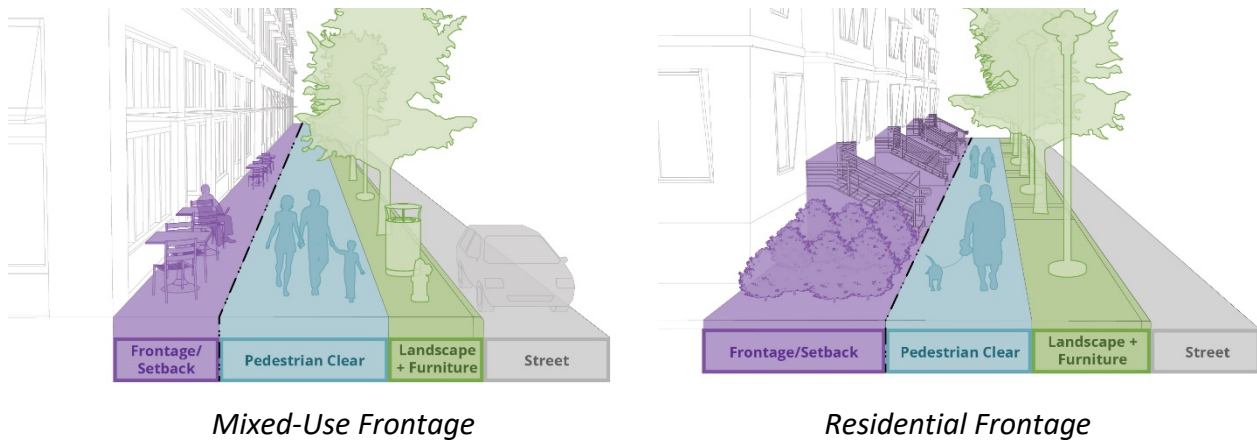
(i) El Camino Real: 12 ft

(ii) San Antonio Road, from Middlefield Road to East Charleston Road: 12 ft

(B) Publicly accessible sidewalks or walkways connecting through a development parcel (e.g., on a through lot) shall have a minimum six-foot width.

(C) Pedestrian walkways that are designed to provide access to bicycles shall have a minimum width of eight feet, with two feet of clear space on either side.

**Figure 1: Illustrative Sidewalk Section and Description of Zones**



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Frontage		Sidewalk		Street
Building Setback	Frontage Area	Pedestrian Clear Zone	Landscape/Furniture Zone	Vehicles/Bike Lanes
<i>Mixed-Use</i> <ul style="list-style-type: none"><li>• Sidewalk Dining</li><li>• Outdoor Displays</li><li>• Public Art</li><li>• Seating</li><li>• Trees/Planting</li></ul>		<ul style="list-style-type: none"><li>• Sidewalk</li></ul>	<ul style="list-style-type: none"><li>• Street Trees/Planting</li><li>• Street Lighting</li><li>• Seating</li><li>• Bike Parking</li><li>• Public Art</li><li>• Outdoor Dining</li><li>• Bus Shelters</li><li>• Utilities (e.g., hydrants)</li></ul>	<ul style="list-style-type: none"><li>• Street Parking</li><li>• Bike Lanes</li><li>• Drop-off Zones</li><li>• Parklets</li><li>• Bus Stops</li></ul>
<i>Residential</i> <ul style="list-style-type: none"><li>• Stoops</li><li>• Porches</li><li>• Front Yards</li><li>• Trees/Planting</li></ul>				

## (2) Street Trees

Sidewalks shall include at least one street tree, within six feet of the sidewalk, for every 30 feet of linear feet of sidewalk length. Rights of way under control of the County of Santa Clara or State of California, supersede this requirement if they have conflicting regulations.

## (3) Accent Paving

On University and California Avenues, new construction projects shall install accent paving along the project frontage(s) (e.g., at intersections, sidewalks and/or other publicly-accessible areas), as indicated in the table below.

Street Segment	Paving Material
University Avenue from Alma Street to Webster Street	Brick at corners Brick trim at mid-block
California Avenue from El Camino Real to Park Boulevard	Decorative Glass

## (4) Mobility Infrastructure

(A) Micromobility infrastructure, such as locations to lock bicycles and scooters, shall be located within 30 feet of the primary building entry and/or a path leading to the primary building entry. This standard may be satisfied by existing infrastructure already located within 50 feet of the project site and located in the public right-of-way.

(B) Primary building entries shall provide at least one seating area or bench within 30 feet of building entry and/or path leading to building entry. This standard may be satisfied by existing seating area or benches located in public right-of-way within 50 feet of the building entry. On arterials—except Downtown—seating areas or benches shall not be located between the sidewalk and curb. Arterial roadways are identified in Map T-5 of the Comprehensive Plan and do not include residential arterials.

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**18.24.030 Site Access****(a) Intent Statement**

To provide facilities and accommodations for pedestrians, vehicles, cyclists, and transit users to safely and efficiently access and circulate both within individual sites and in the site's surrounding context. Site access should include the following elements:

- (1) Site circulation and access that presents a clear hierarchy and connectivity pattern both within a project and to adjacent sidewalks and transit stops. This hierarchy should prioritize pedestrians, bikes, vehicles, and utility/loading access in the order listed. This hierarchy may provide separate access for vehicles and other modes, or demonstrate how all modes are accommodated in shared access points.
- (2) Connections to side streets, open spaces, mews, alleys, and paseos
- (3) Vehicle, loading and service access that is integrated into building and landscape design and located to prevent conflicts with pedestrians and cyclists, while also provided convenient access to building entries.

**(b) Objective Standards****(1) Through-Lot Connections.**

Through lots located more than 300 feet from an intersecting street or pedestrian walkway shall provide a publicly accessible sidewalk or pedestrian walkway connecting the two streets.

**(2) Building Entries.**

Entries to Primary Building Entries shall be located from a public right-of-way or, if not possible, a publicly accessible Pedestrian Walkway.

**(3) Vehicle Access.**

(A) Vehicle access shall be located on alleys or side streets where available.

(B) Except for driveway access, off-street parking, off-street vehicle loading, and vehicular circulation areas are prohibited between the building and the primary building frontage.

**(4) Loading Docks and Service Areas.**

Loading and service areas shall be integrated into building and landscape design and located to minimize impact on the pedestrian experience as follows:

(A) Loading docks and service areas shall be located on facades other than the primary building frontage: on alleys, from parking areas, and/or at the rear or side of building if building includes these frontages. When only primary building frontage is available, loading docks and service areas shall be recessed a minimum five feet from the primary façade and shall be screened in accordance with Chapter 18.23.050.

(B) Loading dock and service areas located within setback areas shall be screened in accordance with Chapter 18.23.050 and separated from pedestrian access to the primary building entry to avoid impeding pedestrian movement and safety.

**18.24.040 Building Orientation and Setbacks****(a) Intent Statement**

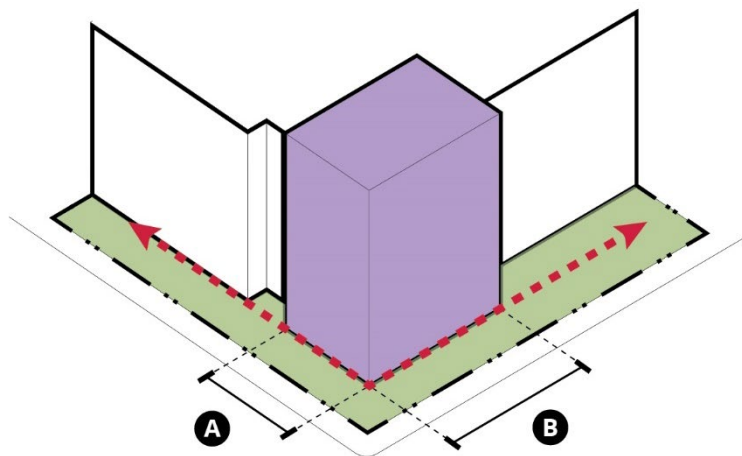
To create a coherent and active interface between private development and the public realm that contributes to the sense of place and structure of the neighborhood and enhances the

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public's experience. Site design that responds to the orientation of adjacent uses and creates opportunities for landscaping and usable open space. Buildings and site design should meet the following criteria:

- (1) Buildings that create a street frontage that are compatible with nearby buildings and land uses.
  - (2) Placement and orientation of doorways, windows, stoops, and landscape elements to create a direct relationship with the street.
  - (3) Ground floor residential units that have direct entry and presence on the street, and maintain privacy.
  - (4) Transitional spaces and buffer areas between buildings, parcels, and sites through building setbacks that distinguish private and public spaces.
  - (5) Buildings that provide side and rear setbacks and/or upper story step backs to create a compatible relationship with adjacent lower density residential development.
  - (6) Landscaped or usable areas that contain a balance between landscape and hardscape.
  - (7) Optimized building orientation for thermal comfort, shading, daylighting, and natural ventilation and other forms of passive design.
- (b) Objective Standards
- (1) Treatment of Corner Buildings (less than 40 feet)  
 Corner buildings less than 40 feet in height and end units of townhouses or other attached housing products that face the street shall include the following features on their secondary building frontage:
    - (A) A height to width ratio greater than 1.2:1
    - (B) A minimum of 15 percent fenestration area.
    - (C) At least one facade modulation with a minimum depth of 18 inches and a minimum width of two feet. Examples: Wrap around front porch, bay window.
  - (2) Treatment of Corner Buildings (40 feet and higher)  
 Corner buildings 40 feet or taller in height shall include at least one of the following special features:
    - (A) Street wall shall be located at the minimum front yard setback or build-to line for a minimum aggregated length of 40 feet in length on both facades meeting at the corner and shall include one or more of the following building features:

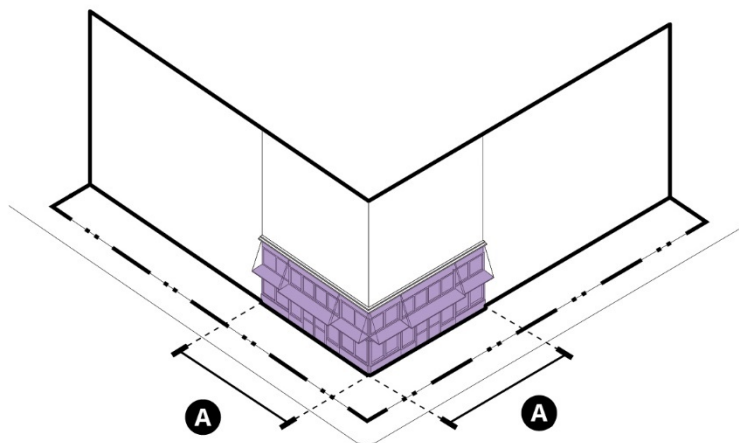
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- A** Length 1 of corner element      Front yard setback area  
**B** Length 2 of corner element      Build to line

where: **A** + **B** = aggregate length

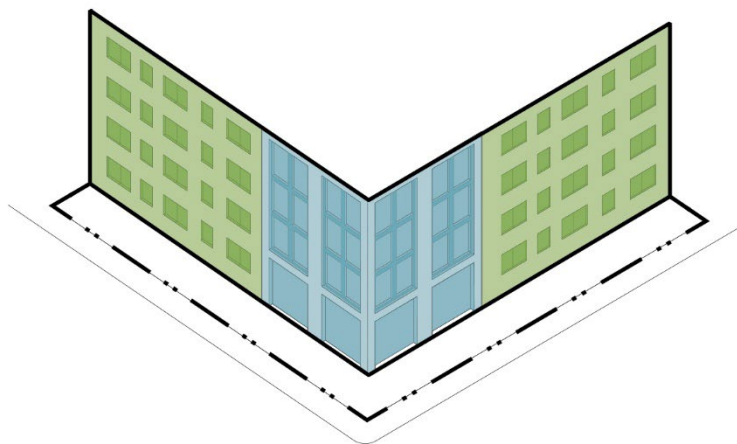
- (i) An entry to ground floor retail or primary building entrance located within 25 feet of the corner of the building



- Corner entry to ground floor retail or primary building entrance  
**A** 25' maximum distance from corner

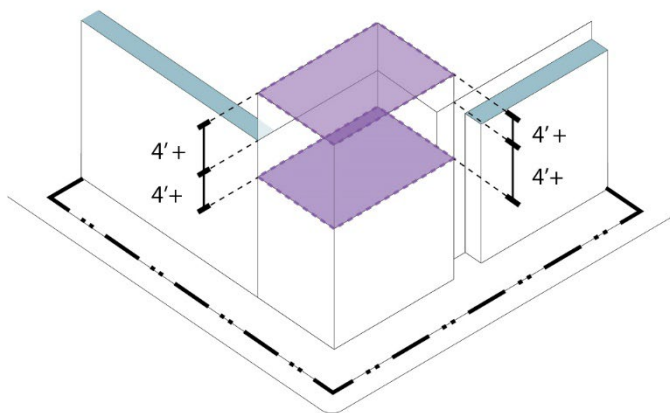
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- (ii) A different material application and/or fenestration pattern from the rest of the façade.



- Corner element material or fenestration pattern
- Remaining facade building material or fenestration pattern

- (iii) A change in height of at least 4 feet greater or less than the height of the abutting primary façade.

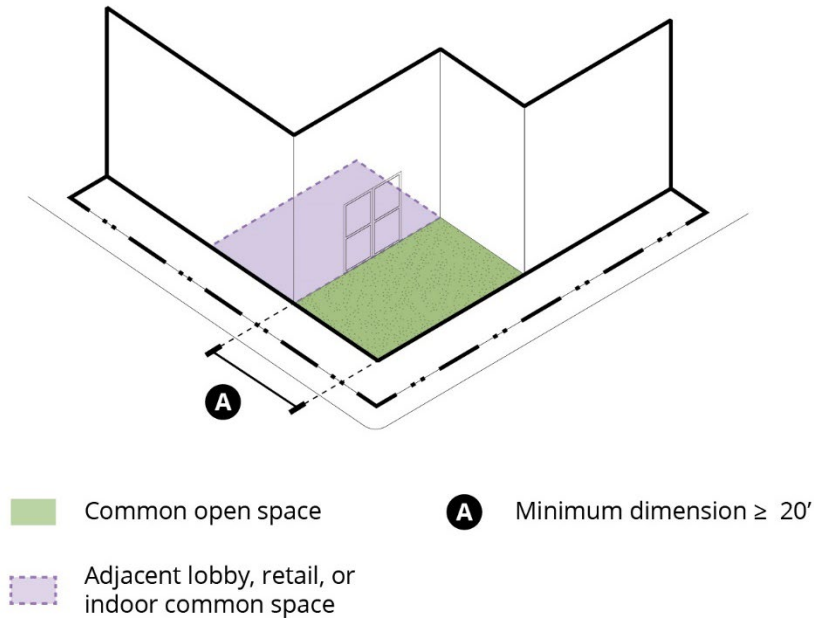


- Corner element height  $\leq 4'$  **or**  $\geq 4'$  than abutting height
- Building height of abutting facade

- (B) An open space with a minimum dimension of 20 feet and minimum area of 450 square feet. The open space shall be at least one of the following:
- (i) A publicly accessible open space/plaza
  - (ii) A space used for outdoor seating for public dining

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- (iii) A residential Common Open Space adjacent to a common interior space and less than two feet above adjacent sidewalk grade. Fences and railing shall be a minimum 50% transparent.



### (3) Primary Building Entry

The primary building entry shall meet at least one of the following standards:

- (A) Face a public right-of-way.
- (B) Face a publicly accessible pedestrian walkway.
- (C) Be visible from a public right-of-way through a forecourt or front porch that meets the following standards:
  - (i) For residential buildings with fewer than seven units, building entry forecourts or front porches shall be a minimum area of 36 square feet and minimum dimension of six feet.
  - (ii) For commercial buildings or residential buildings with seven or more units, building entry forecourts or front porches shall be a minimum of 100 square feet and a minimum width of 8 feet.

### (4) Ground Floor Residential Units

- (A) The finished floor of ground floor residential units, when adjacent to a public right-of-way, shall be within the minimum and maximum heights according to setback distance from back of walk identified in Figure 2. On sites with a cross slope greater than 2% along a building facade, the average height of the finished floor and back of walk shall be used. In flood zones, the minimum floor height shall be defined by the Federal Emergency Management Agency (FEMA) flood zone elevation.
- (B) Ground floor units with a setback greater than 15 feet shall have at minimum an average of one tree per 40 linear feet of façade located in the building set back.



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- (C) Ground floor residential entries shall be setback a minimum of 10 feet from the back of sidewalk.
- (D) Where no minimum building set back is required, all residential units shall be set back a minimum 5 feet from back of walk.
- (E) A minimum of 80% of the ground floor residential units that face a public right-of-way or publicly accessible path, or open space shall have a unit entry with direct access to the sidewalk, path, or open space. (Senior units or other deed-restricted units for special populations are exempt)

**Figure 2a: Finished Floor heights for ground floor residential units, calculation.**

$$\text{Formula: } y = \left(-\frac{4}{15}\right)(x) + \frac{16}{3}$$

where  $y$  = ground floor finished floor height, in feet

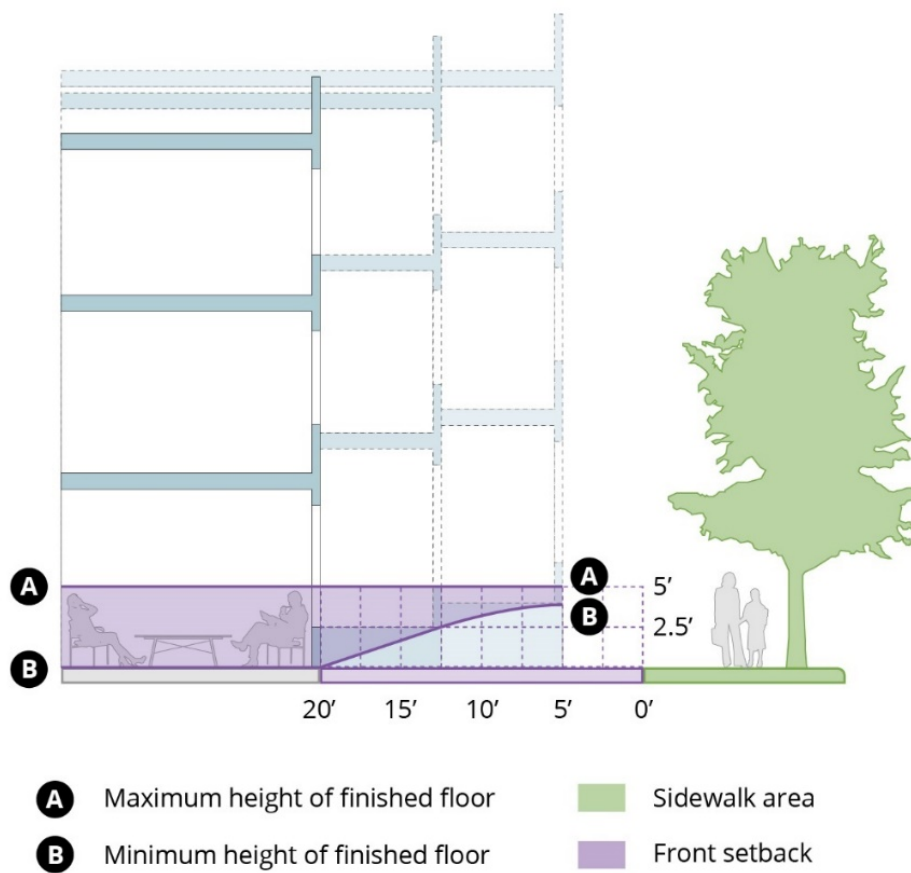
and  $x$  = setback distance from back of walk, in feet

Setback Length	Ground Floor Finished Floor Height (minimum)
5 ft*	4 ft
7.5 ft	3 ft 4 in
10 ft	2 ft 8 in
12.5 ft	2 ft
15 ft	1 ft 4 in
17.5 ft	8 in
20 ft	0 ft (grade)

*\*Per 18.24.040.(b)(4)(D), ground-floor residential units shall be set back a minimum 5 feet from back of walk.*

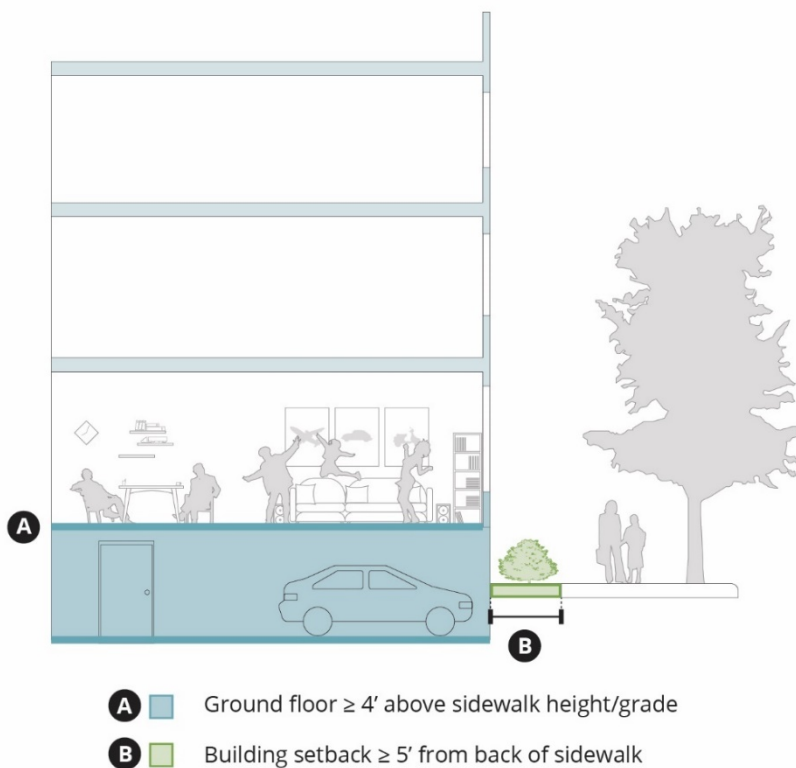
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**Figure 2b: Finished Floor range for ground floor residential units.**

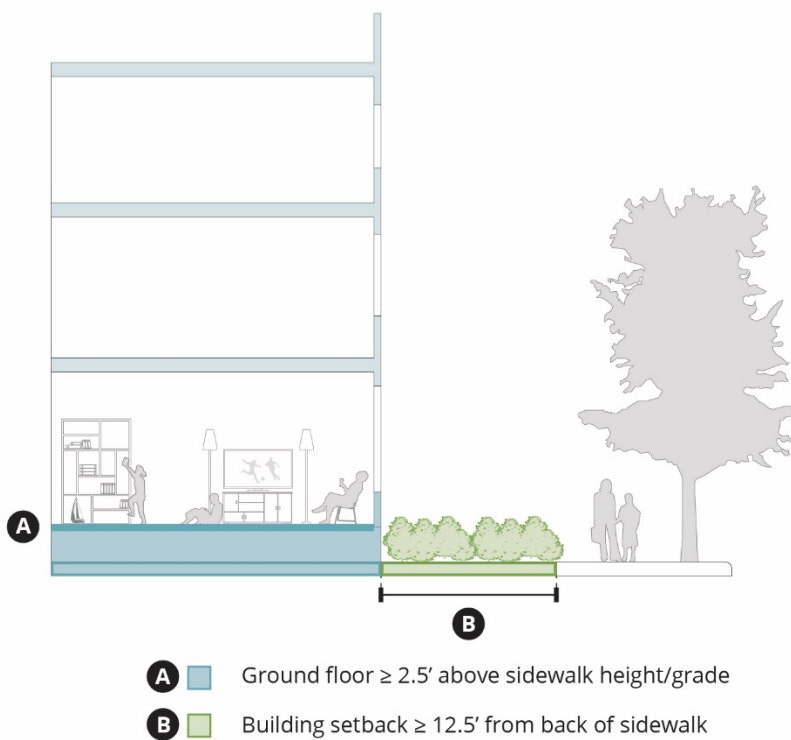


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*Example 1: Finished floor height greater than 4 feet above sidewalk grade with minimum 5 feet setback.*

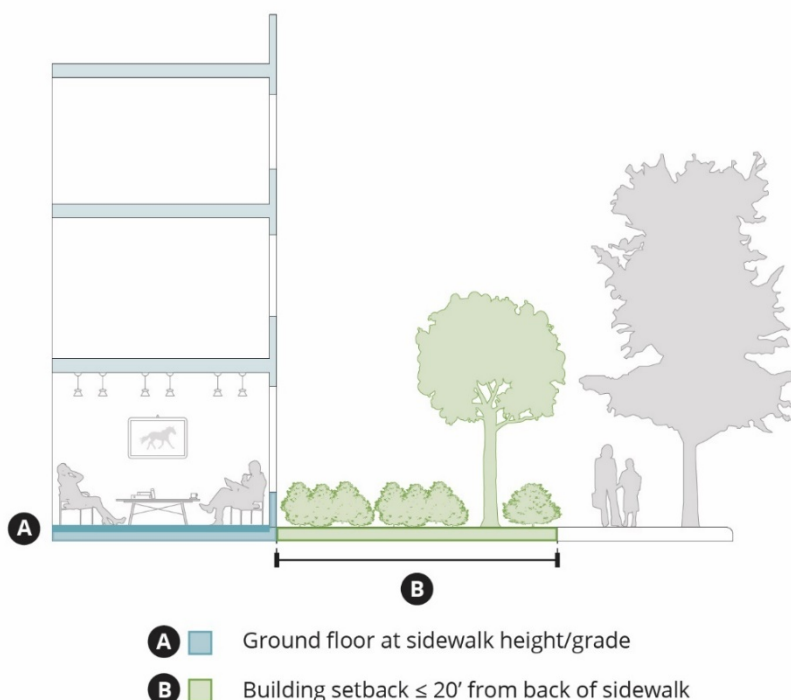


*Example 2: Finished floor height in the middle of the range.*



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*Example 3: Finished floor height at sidewalk grade.*



(5) Front Yard Setback Character

Required setbacks shall provide a hardscape and/or landscaped area to create a transition between public and private space. The following standards apply, based on intended use and exclusive of areas devoted to outdoor seating, front porches, door swing of building entries, and publicly accessible open space:

- (A) Ground-floor retail or retail-like uses shall have a minimum of 10% of the required setback as landscaped area or planters.
- (B) Ground-floor residential uses shall have a minimum of 60% landscaped area in the required setback area.

### 18.24.050 Building Massing

(a) Intent Statement

To create buildings that are compatible with and enhance the surrounding area through the consideration of building scale, massing, and bulk. Massing should create a human-scale environment that is of high aesthetic quality and accommodates a variety of uses and design features. Building massing should include elements that:

- (1) Break down large building facades and massing to create a human-scaled building that enhances the context of the site
- (2) Are consistent in scale, mass and character to adjacent land uses and land use designations
- (3) Reinforce the definition and importance of the street

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(4) Provide rooflines and massing that emphasize and accentuate significant elements of the building such as entries, bays, and balconies, and shading elements where appropriate.

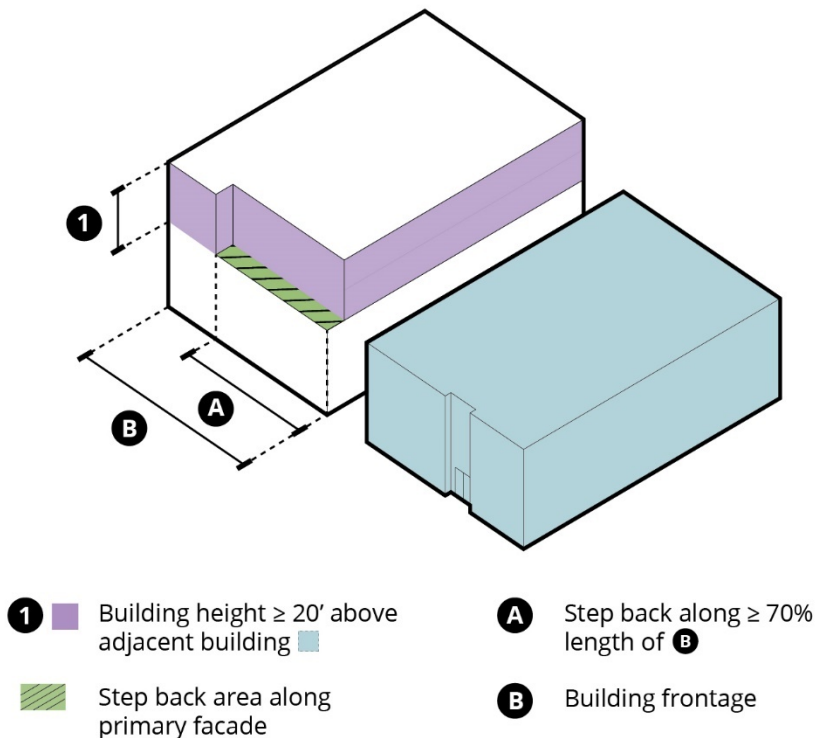
(5) Provide harmonious transitions between adjacent properties

(b) Objective Standards

(1) Upper Floor Step Backs

(A) When the height of the subject building is more than 20 feet above the average height (i.e., average of low and high roof elevations) of an adjacent building, an upper floor step back shall start within 2 vertical feet of the height of the adjacent building. The step back shall be a minimum depth of 6 feet along the primary building frontage, and the step shall occur for a minimum of 70% of the façade length.

(B) Notwithstanding, subsection (a), when adjacent to a single-story building, the upper floor step back shall occur between 33 and 37 feet in height.



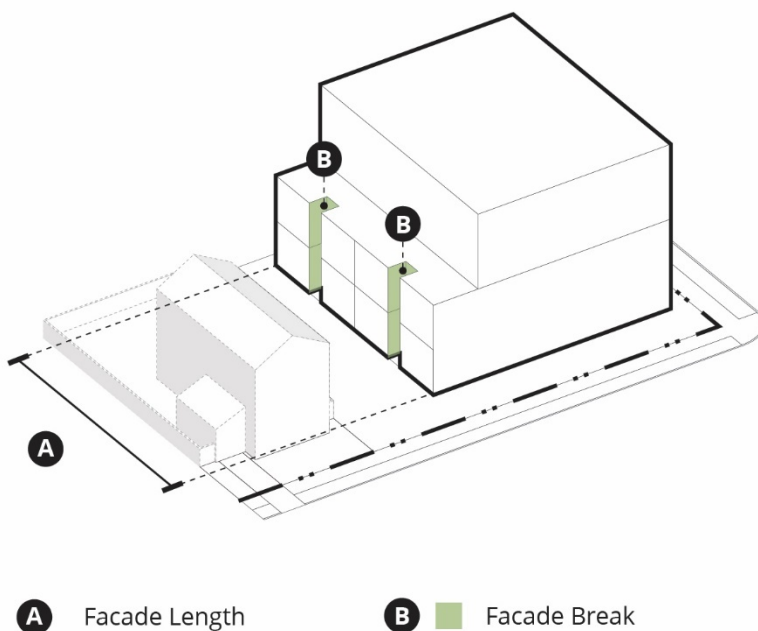
(2) Transition to Lower Density Building Types

When a building abuts a side and/or rear property line with a RE, RMD, R-1, or R-2 zoned parcel or a village residential or existing single-family residential use, the building shall break down the abutting façade by meeting all of the following standards:

(A) A landscape screen that includes a row of trees with a minimum 1 tree per 25 linear feet and continuous shrubbery planting. This screening plant material shall be a minimum 72 inches (6 feet) in height when planted. Required trees shall be minimum 24" box size.

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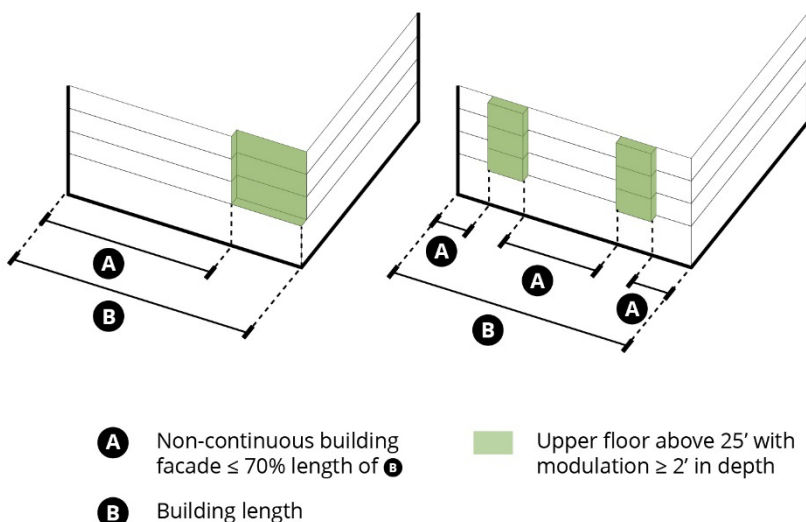
- (B) A minimum façade break of four feet in width, two feet in depth, and 32 square feet of area for every 36 to 40 feet of façade length.



- (C) Within 40 feet of an abutting structure, no more than 15% of the confronting façade area shall be windows or other glazing. Additional windows are allowed in order to maintain light, if they are fixed and fully obscured.

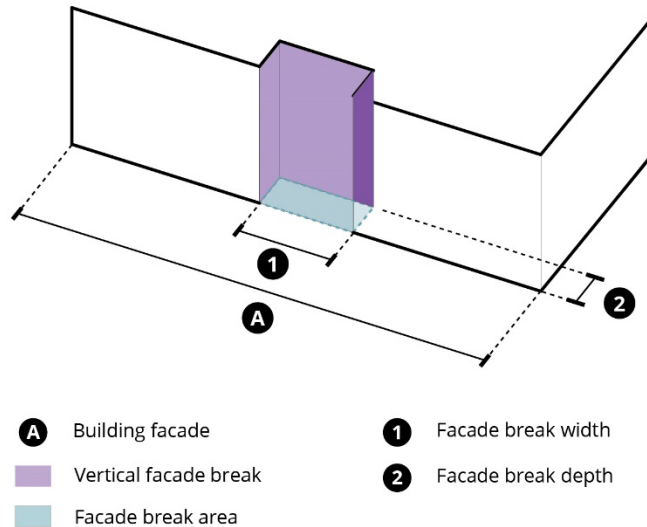
(3) Maximum Façade Length.

For portions of a building facade facing a public street, right-of-way, or publicly accessible path, any building greater than 25 feet in height and 70 feet in length shall not have a continuous façade plane greater than 70% of the façade length without an upper floor modulation, which can include bay windows. Upper floor façade modulations shall be a minimum 2 feet in depth, which can be a recess or a projection.



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- (A) Buildings 250 feet in length or greater, which face a public street, right-of-way, or publicly accessible path, shall have at least one vertical façade break with a minimum area greater than 400 square feet and a width greater than or equal to two times the depth.
- (B) Buildings 150 to 250 feet in length, which face a public street, right-of-way, or publicly accessible path, shall have at least one vertical façade break with a minimum area greater than 64 square feet and a minimum width of 8 feet and minimum depth of 4 feet.



(4) Special Conditions - Railroad Frontages

All parcels with lot lines abutting railroad rights-of-way shall meet the following standards on the railroad-abutting facade:

- (A) A minimum facade break of at least 10 feet in width and six feet in depth for every 60 feet of façade length.
- (B) For portion of a building 20 feet or greater in height, a maximum continuous façade length shall not exceed 60 feet.

### 18.24.060 Façade Design

(a) Intent Statement

To create cohesive and well-crafted building facades with human-scaled details that incorporate textures, colors, and other details that are compatible with and enhance the surrounding area. Facades should include the following elements:

- (1) Human-scaled detail, articulation, and craftsmanship
- (2) Quality of construction, craftsmanship, and design to create long lasting buildings
- (3) Expression of a human-scaled façade rhythm and pattern that reflects the building's use
- (4) Fenestration that enhances the architectural character of the building
- (5) Defined building entry that is proportional to the building and number of people served
- (6) Articulation of the building shall break down the scale of the building via building modulation, façade articulation, and variation of fenestration and material patterns.

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(b) Application

- (1) All facades shall meet all the required design standards and guidelines to ensure the same level of care and integrity throughout the building design.
- (2) Façade sidewalls located along a zero-lot line where, at time of approval are not visible from a right-of-way, are exempt.
- (3) Façade sidewalls located along a zero-lot line, where at time of approval are visible from a right-of-way, shall continue color, material, and pattern of the main façade.

(c) Objective Standards

(1) Base/Middle/Top

- (A) Buildings three stories or taller and on lots wider than 50 feet shall be designed to differentiate a defined base or ground floor, a middle or body, and a top, cornice, or parapet cap. Each of these elements shall be distinguished from one another for a minimum of 80% of the façade length through use of two or more of the following four techniques:

(i) *Variation in building modulation (minimum of one, if option selected)*

- a. Horizontal shifts. Changes in floor plates that protrude and/or recess with a minimum dimension of two feet from the primary facade.



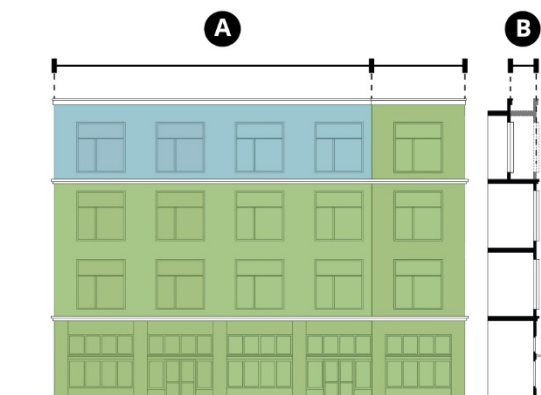
*Variation from Top to Middle*

- A** Horizontal shift from primary facade
- Primary Facade
- Recessed Facade

- b. Upper floor step backs. A horizontal step back of upper-floor façades with a minimum five-foot step back from the primary façade for a minimum of 80% of the length of the façade.



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**A** Step backs along  $\geq 80\%$  of facade length

**B** Upper floor step backed

Recessed Facade

- c. Ground floor step back. A horizontal shift of the ground floor facade with a minimum depth of two feet for a minimum 80% of the length of the façade. Ground floor step backs shall not exceed the maximum setback requirements, where stated.



*Variation from Bottom to Middle*

**A** Building Step Back

Primary Facade

**B** Horizontal shift from primary facade

Recessed Facade

(ii) *Variation in facade articulation (minimum of one, if option selected)*

- a. *Variation in horizontal and/or vertical recesses or projections such as a pattern of recessed grouping of windows, recessed panels, bay windows or similar strategies as approved by the Director of Planning and Development*

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Services. The recess or projection shall be a minimum four inches in depth.



*Variation from Top to Middle + Middle to Bottom*

- A** Horizontal projection
- B** Vertical projection
- C** Horizontal recess

- b. *Variation in horizontal and/or vertical projections such as shading and weather protection devices, decorative architectural details, or similar*




*Variation in Horizontal and Vertical Projections*

- Shading Type 1
- Shading Type 2
- Shading Type 3

- c. Datum lines that continue the length of the building, such as parapets or cornices, with a minimum four inches in height or a minimum two inches in depth and include a change in material;

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




 Datum lines along the entire length of the building **and** with a change in material

(iii) *Variation in at least two of the following: fenestration size, proportions, pattern, and depth or projection.*



*Variation in Fenetration Pattern*




 Pattern A size and proportion  
 Pattern B size and proportion  
 Pattern C size and proportion

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- (iv) *Variation in two of the following: façade material, material size, texture and pattern, or color.*



*Variation in two of the following on the primary facade*

-  Top material composition
-  Middle material composition
-  Base material composition

## (2) Façade Composition

Building facades shall use a variety of strategies including building modulation, fenestration, and façade articulation to create visual interest and express a variety of scales through a variety of strategies. All facades shall include a minimum of two of the following façade articulation strategies to create visual interest:

- (i) Vertical and horizontal recesses such as a pattern of recessed grouping of windows, recessed panels, or similar strategies as approved by the Director of Planning and Development Services. The recess shall be a minimum four inches in depth.
- (ii) Vertical and horizontal projections such as shading and weather protection devices, decorative architectural details, or similar strategies as approved by the Director of Planning and Development Services. Projections shall be a minimum four inches in depth.
- (iii) Datum lines that continue the length of the building, such as cornices, with a minimum four inches in depth, or a minimum two inches in depth and include a change in material;
- (iv) Balconies, habitable projections, or Juliet balconies (every 20 to 40 feet) with a minimum four inches in depth;
- (v) Screening devices such as lattices, louvers, shading devices, perforated metal screens, or similar strategies as approved by the Director of Planning and Development Services; or
- (vi) Use of fine-grained building materials, such as brick or wood shingles, not to exceed eight inches in either height or width.

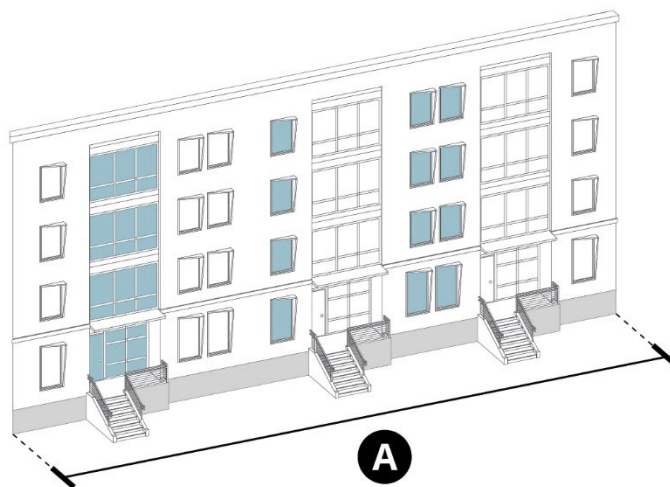
## (3) Compatible Rhythm and Pattern

- (A) Buildings shall express a vertical rhythm and pattern that reflects the size and scale of a housing unit and/or individual rooms and spaces. This may be achieved with building modulation to create vertically oriented facades (height greater than the width of the façade), façade articulation and fenestration repetitive vertically

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oriented patterns. Depending on the length of the façade, the following standards apply:

- (i) For continuous façades less than 100 feet in length, the façade shall have vertically oriented patterns of vertical recesses or projections, façade articulation, and/or fenestration.



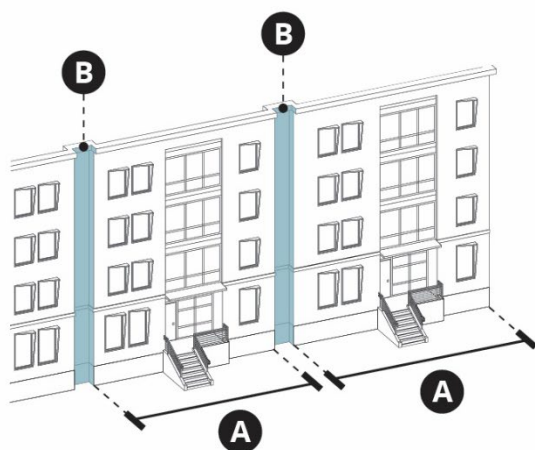
**A**

Facade length  $\leq 100'$



Vertically oriented patterns

- (ii) For continuous façades 100 feet or greater in length, the façade shall include either:
  - a. A vertical recess or change in façade plane with a minimum 2 feet deep vertical shift modulation for a minimum 4 feet in width to establish a vertical rhythm or a unit between 20 to 50 feet in width; or



**A**

Vertical rhythm

**B**

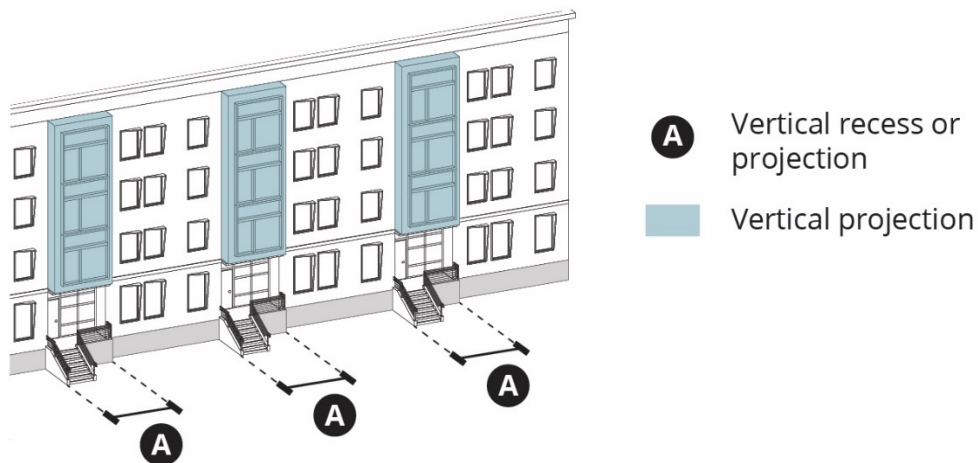
Vertical shift modulation



Vertically oriented patterns

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- b. A vertical recess or projection with a minimum depth of 2 feet that establishes the vertical rhythm housing units or individual rooms between 10 to 16 feet in width.

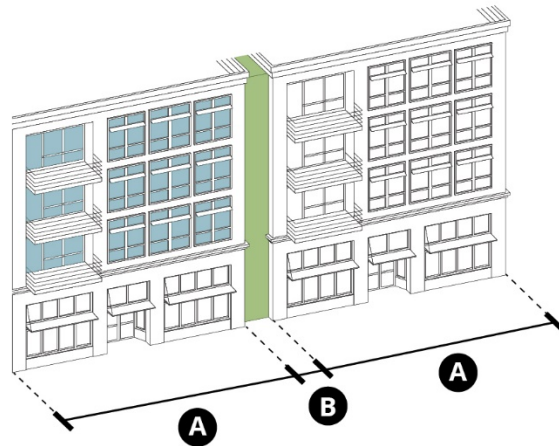


- (B) Residential mixed-use buildings shall express a vertical rhythm and pattern by meeting at least one of the following standards:
- (i) Vertical Patterns and Modulation: Facades shall use vertical patterns of building modulation, façade articulation, and fenestration.



- (ii) Horizontal Patterns and Modulation: Facades that use horizontal articulation and fenestration patterns shall use a vertical massing strategy with a minimum four feet wide and two feet deep vertical shift in modulation at least once every 50 feet of façade length.

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- A** Facade with horizontal articulation and fenestration pattern  $\leq 50'$  ■ Horizontal articulation and fenestration pattern
- B** ■ Vertical shift in modulation  $\geq 4'$

(C) Storefront uses shall express a vertical rhythm not to exceed 30 to 50 feet in width.

(4) Emphasize Building Elements and Massing

(A) Building Entries Within Façade Design

- (i) Primary building entries shall be scaled proportionally to the number of people served (amount of floor-area or number of units accessed). Building entries inclusive of doorway and facade plane shall meet the following minimum dimensions:
- Individual residential entries: five feet in width
  - Shared residential entry, such as mixed-use buildings: 8 feet in width
  - Commercial building entry: 20 feet in width
  - Storefront entry: six feet in width
- (ii) Primary building entries (not inclusive of individual residential entries) shall include a façade modulation that includes at least one of the following:
- A recess or projection from the primary façade plane with a minimum depth of two feet.

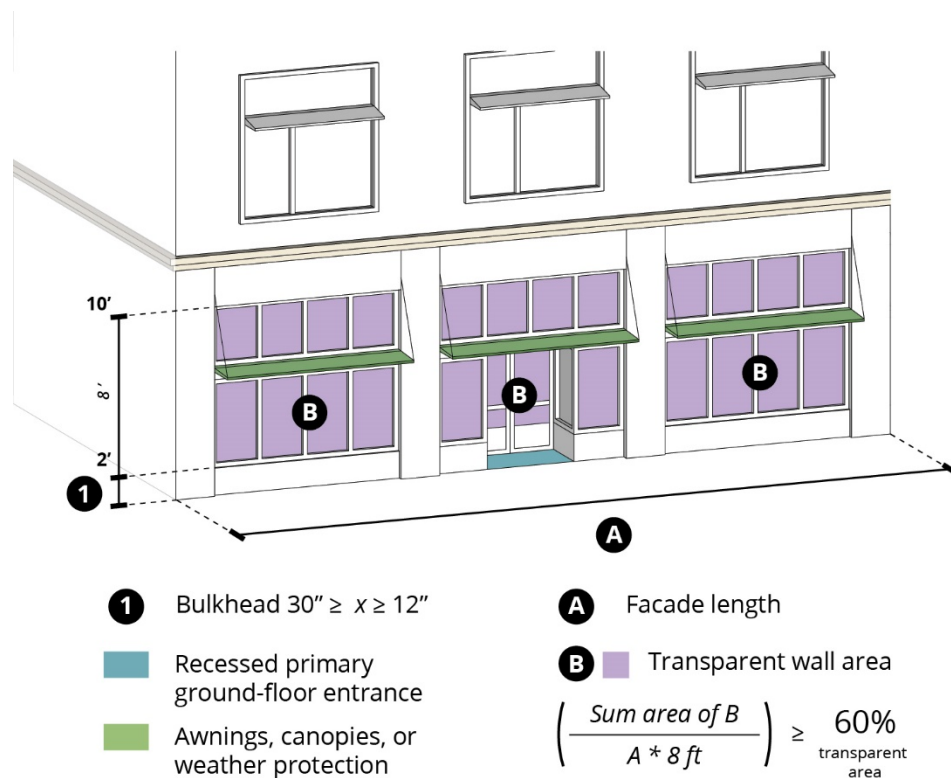
(B) Primary entries shall include weather protection that is a minimum 4 feet wide and 4 feet deep by recessing the entry, providing an awning or using a combination of these methods.

(5) Storefront/Retail Ground Floors

- (A) Ground floor height shall be a minimum 14 feet floor-to-floor or shall maintain a 2<sup>nd</sup> floor datum line of an abutting building-
- (B) Transparency shall include a minimum 60 percent transparent glazing between 2 and 10 feet in height from sidewalk, providing unobstructed views into the commercial space.

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- (C) Bulkheads and solid base walls: If provided, shall measure between 12 and 30 inches from finished grade
- (D) Primary entries shall include weather protection that is a minimum 6 feet wide and 4 feet deep by recessing the entry, providing an awning or using a combination of these methods.
- (E) Awnings, canopies and weather protection:
  - (i) When transom windows are above display windows, awnings, canopies and similar, weather protection elements shall be installed between transom and display windows. These elements should allow for light to enter the storefront through the transom windows and allow the weather protection feature to shade the display window.
  - (ii) Awnings may be fixed or retractable.



(6) Other Non-residential Ground Floors

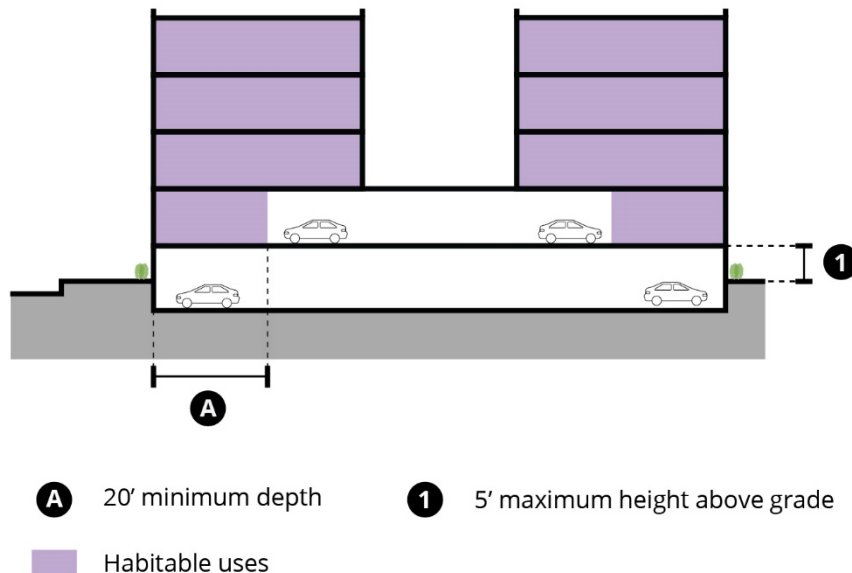
- (A) Ground floor height shall be a minimum 14 feet floor-to-floor or shall match the 2<sup>nd</sup> floor datum line of an abutting building.
- (B) Transparency shall include a minimum 50 percent transparent glazing between 4 and 10 feet in height from sidewalk or terrace grade.
- (C) Primary entries shall include weather protection that is a minimum 6 feet wide and 4 feet deep by recessing the entry, providing an awning or using a combination of these methods.



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(7) Parking/Loading/Utilities

- (A) Entry Size: No more than 25% of the site frontage facing a street should be devoted to garage openings, carports, surface parking, loading entries, or utilities access (on sites with less than 100 feet of frontage, no more than 25 feet)
- (B) Above grade structured parking levels facing a public right-of-way or publicly accessible open space/path, with the exception of vehicular alleys, shall be lined with commercial or habitable uses with a minimum depth of 20 feet.
- (C) Partially sub-grade parking shall not have an exposed façade that exceeds five feet in height above abutting grade at back of sidewalk.
- (D) Partially sub-grade parking shall be screened with continuous landscaping and shrubbery with minimum height of 3 feet and be within 10 feet of the sub-grade parking.



### 18.24.070 Residential Entries

(a) Intent Statement

Private entries into ground floor residential units shall be designed to provide:

- (1) human-scaled detailing
- (2) enhanced pedestrian experience
- (3) transition between public and private space
- (4) spaces for residents to gather and spend time outdoors
- (5) resident privacy

(b) Objective Standards

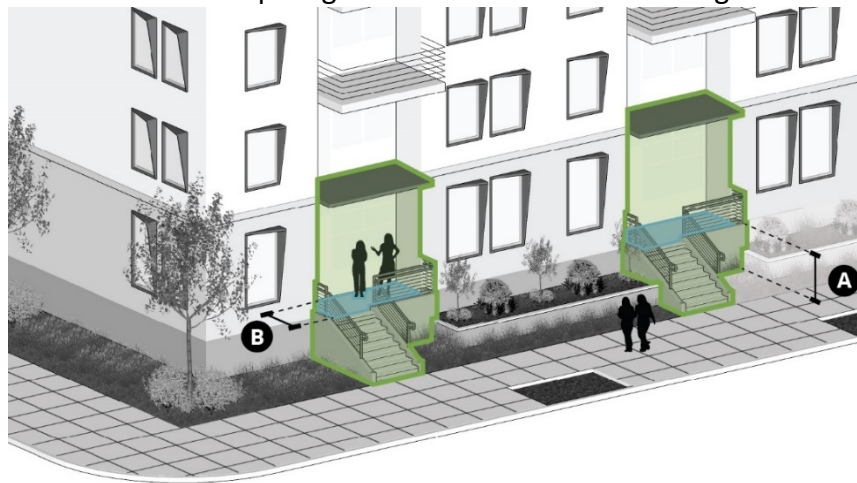
- (1) Ground Floor Unit Entries: Where ground floor residential unit entries are required, one or more of the following entry types shall be provided:

(A) Stoop:

- (i) Stoops shall provide entry access for a maximum of two units; and
- (ii) Stoop heights shall be within 1 step of finished floor height of adjacent unit; and

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- (iii) Stoop entry landings shall be a minimum 5 feet in depth; and
- (iv) The maximum stoop height from the back of sidewalk grade shall be 5 feet.



Ground floor residential entry  
Entry landing

**A** 5' maximum height above sidewalk grade  
**B** 5' minimum depth

**(B) Porch:**

- (i) Porches shall provide entry access for a maximum of one unit; and
- (ii) Porch heights shall be within 1 step of finished floor height of adjacent unit; and
- (iii) Porches shall be large enough so a 6-foot by 6-foot square can fit inside of a porch for each unit; and
- (iv) The maximum porch floor height from the back of sidewalk grade shall be 5 feet.



**(C) Patio Entry**

- (i) Patio entries may serve up to two units; and
- (ii) Patios shall be large enough so a 5-foot by 5-foot square can fit inside of the patio for each unit; and

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- (iii) The Patio shall include at least one of the following features to define the transition between public and private space:
- A row of shrubs not exceeding 42 inches in height located between the sidewalk and the patio that assists with defining the edge between public and private space. Shrubs shall be at least one gallon in size and be planted a maximum of three feet on center; or
  - A fence not to exceed 36 inches in height located between the sidewalk and the patio that assists with defining the edge between public and private space, with a gate or fence opening to provide access to the pedestrian route between the pedestrian way and the front door; or
  - A metal, wood or stone wall not to exceed 36 inches in height located between the sidewalk and the patio that assists with defining the edge between public and private space with a gate or wall opening to provide access to the pedestrian route between the pedestrian way and the front door. A minimum 18-inch landscape strip shall be located between the wall and the abutting pedestrian way and entirely landscaped with ground cover, shrubs or other landscape living plant material.



(D) Terrace:

- A Terrace may serve multiple unit entries; and
- The maximum Terrace height shall be 30 inches above the grade of the back of the adjacent sidewalk or accessway; and
- Walls, fences and hedges on Terraces shall be a maximum of 42 inches tall and have a minimum transparency of 40 percent.

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(E) Frontage Court:

- (i) A Frontage Court may serve multiple unit entries; and
- (ii) The minimum Frontage Court width along a primary frontage shall be 25 feet; and
- (iii) The maximum Frontage Court width along a primary frontage shall be 50 percent of the facade length or 80 feet, whichever is less; and
- (iv) The minimum Frontage Court depth shall be 25 feet; and
- (v) The maximum Frontage Court depth shall be 50 feet or a ratio not to exceed 2:1 depth to width.



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**18.24.080 Open Space****(a) Intent**

To ensure that residents and visitors have access to usable open space and common facilities that provide recreational opportunities, promote a healthy environment, and enhance the experience of living in Palo Alto. Common and private open spaces should include the following characteristics:

- (1) Be integrated into the site access and building circulation strategy
- (2) Be generous in dimension to provide usable space
- (3) Provide landscape elements that will support the health of the plants and enhance the character of place
- (4) Promote public health
- (5) Be located to provide easy access to private and common building areas, protected from the activities of commercial areas, and balance privacy and noise impacts to neighboring uses
- (6) Promote sustainable practices and opportunities for green infrastructure
- (7) Promote community safety through eyes on the street

**(b) Objective Standards****(1) Private Open Space**

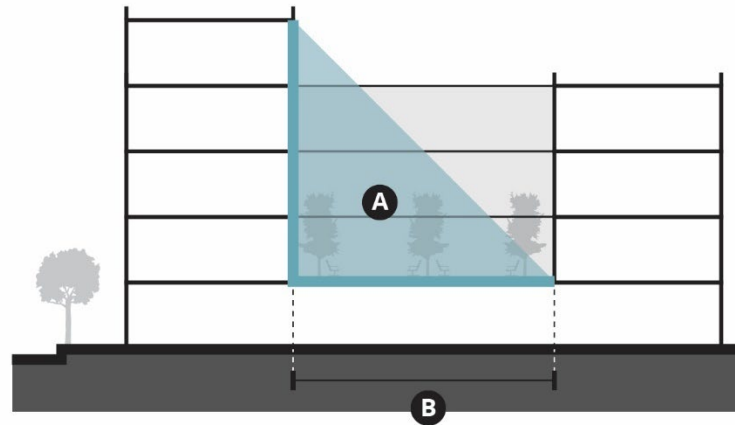
If Private Open Spaces is provided, it shall meet the following standards:

- (A) Floor area shall include a clear space with a minimum dimension of a circle with a six-foot diameter.
- (B) Minimum clear height dimension of 8'-6" feet
- (C) Be accessed directly from a residential unit
- (D) Balconies shall not be located within the daylight plane
- (E) Notwithstanding subsection (a), ground floor patios shall meet the following minimum requirements:
  - (i) RM-20 and RM-30 districts: Minimum 100 square feet of area, the least dimension of which is eight feet for at least 75% of the area
  - (ii) RM-40 districts: Minimum 80 square feet of area, the least dimension of which is six feet for at least 75% of the area
  - (iii) Street facing private open space on the ground floor shall meet the finished floor height for ground floor residential standards in section 18.24.040(b)(4)

**(2) If Common Open Space is provided, it shall meet the following standards:**

- (A) Minimum size of 200 square feet
- (B) Area shall include a space with a minimum dimension of a circle with a 10-foot diameter.
- (C) A minimum of 60% of the area shall be open to the sky and free of permanent weather protection or encroachments. Trellises and similar open-air features are permitted.
- (D) Notwithstanding subsection (1), courtyards enclosed on four sides shall have a minimum dimension of 40 feet and have a minimum courtyard width to building height ratio of 1:1.25

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**A** Minimum courtyard width to building height ratio of 1:1.25

**B** 40' minimum dimension

- (E) Include places to sit
- (F) A minimum 20% of landscaping
- (G) Soil Depth: Planting in above grade courtyards shall have a minimum soil depth of 12 inches for ground cover, 20 inches for shrubs, and 36 inches for trees.
- (H) Rooftop Open Space:
  - (i) In order to qualify as usable open space, a rooftop garden shall meet the requirements set forth in Section 18.40.230.
  - (ii) Rooftop open spaces may fulfill usable open space requirements in the following districts:
    - a. CD-C sites that do not abut a single- or two-family residential use or zoning district, rooftop gardens may qualify as usable open space and may count as up to 75% of the required usable open space for the residential component of a project.
    - a. For CN and CS sites on El Camino Real and CC(2) sites that do not abut a single- or two-family residential use or zoning district, rooftop gardens may qualify as usable open space and may count as up to 60% of the required usable open space for the residential component of a project.

### 18.24.090 Materials

#### (a) Intent Statement

To promote the use of high quality, durable, sustainable, and attractive materials that exhibit a sense of permanence and contribute to the aesthetic quality of the development and to the urban design fabric of the community.

#### (b) Objective Standards

##### (1) Façade Materials.

Primary, secondary, and accent materials are allowed or prohibited as in the Residential and Residential Mixed-use Material List, which may be updated from time to time by the Director of Planning with a recommendation by the ARB.



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List provided for informational purposes; will be posted to City's website and not codified by ordinance.

### Residential and Residential Mixed-use Material List

<i>Material</i>	<i>Maximum Usage % of façade area</i>
Brick (full dimensional)	100%
Stone/masonry	100%
Stucco/Cement Plaster	100%
Glass (transparent, spandrel)	100%
Finished wood, wood veneer, engineered wood, and wood siding	100%
Factory or naturally finished flat, profiled, fluted, or ribbed metal panels	100%
Fiber reinforced cement siding and panels	100%
Terracotta	100%
Concrete (poured in place or precast)	35%
Concrete blocks with integral color (ground, polished, or glazed finishes)	35%
Concrete blocks with integral color (split face finish)	35%
Ceramic tile	35%
Standing seam metal	35%
Three Dimensional Glass	5%
Corrugated metal	5%
Vegetated wall panels or trellises	5%
Vinyl siding	Not Permitted
T-111 Plywood	Not Permitted
Exterior Insulation Finishing System (EIFS)	Not Permitted
Plastic or vinyl fencing	Not Permitted
Chain link fencing	Not Permitted

\*NOT YET APPROVED\*

**18.24.100 Sustainability and Green Building Design****(a) Intent Statement**

To incorporate sustainability, green building, and environmental considerations into the project design and construction. Green building design aims for compatibility with the local environment: to protect, respect and benefit from it. In general, sustainable buildings are energy efficient, water conserving, durable and nontoxic, with high-quality spaces and high recycled content materials. The following considerations should be included in site and building design:

- (1) Optimize building orientation for thermal comfort, shading, daylighting, and natural ventilation, including operable windows
- (2) Design landscaping to create comfortable micro-climates and reduce heat island effects
- (3) Design landscaping with native species
- (4) Maximize onsite stormwater management through landscaping and permeable pavement
- (5) Use sustainable building materials
- (6) Design lighting, plumbing and equipment for efficient energy use
- (7) Create healthy indoor environments
- (8) Use creativity and innovation to build more sustainable environments. One example is establishing gardens with edible fruits, vegetables or other plants to satisfy a portion of project open space requirements

**(b) Objective Standards**

See Chapter 16.14: California Green Building Standards additional requirements for green building and sustainable design. Notwithstanding Section 18.24.010(c), these regulations may not be modified through alternative compliance.

**SECTION 3.** If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the Ordinance would be subsequently declared invalid or unconstitutional.

**SECTION 4.** The Council finds that this Ordinance represents the implementation of adopted plans and policy. Therefore, the Ordinance are exempt under the California Environmental Quality Act (CEQA) and/or covered by the CEQA documents prepared for the City of Palo Alto Comprehensive Plan 2030. The project aims to facilitate implementation of State law. The project does not propose to increase development beyond what was analyzed in the Comprehensive Plan.



\*NOT YET APPROVED\*

**SECTION 5.** This Ordinance shall be effective on the thirty-first date after the date of its adoption.

PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

APPROVED:

\_\_\_\_\_  
Assistant City Attorney

\_\_\_\_\_  
Director of Planning and  
Development Services

Ordinance No. \_\_\_\_

Ordinance of the Council of the City of Palo Alto Amending Various Chapters of Title 18 (Zoning) to Implement Objective Standards, Streamline Processing of Housing Development Applications, and Otherwise Clarify the Zoning Code.

The Council of the City of Palo Alto ORDAINS as follows:

**SECTION 1.** Subdivisions (a)(102) and (a)(142) of Section 18.04.030 (Definitions) of Chapter 18.04 (Definitions) of Title 18 (Zoning) are amended and a new Subdivision (a)(75.5) is added as follows:

**18.04.030 Definitions**

(a) Throughout this title the following words and phrases shall have the meanings ascribed in this section.

[. . .]

(102) “Multiple-family (residential) use” means the use of a site for three or more dwelling units, which may be in the same building or in separate buildings on the same site. A single-family or two-family use with one or more Accessory Dwelling Units shall not be considered a multiple-family use.

[. . .]

(75.5) “Landscape/Open Space Coverage” means permanently maintained open space that includes all Usable Open Space (see subsection 142), landscape, and other uncovered areas, but excluding parking facilities, driveways, utility or service areas, or areas with mechanical equipment.

[. . .]

(142) “Usable open space” means outdoor or unenclosed area on the ground, or on a roof, balcony, deck, porch, patio or terrace, designed and accessible for outdoor living, recreation, or pedestrian access, ~~or landscaping~~, but excluding parking facilities, driveways, utility or service areas, or areas with mechanical equipment. Usable open space includes common open spaces, such as courtyards and park spaces, and/or private open spaces, such as balconies and patios, depending on the requirements of the zoning district.


Usable open space may be covered if at least 50% open on the sides. Usable open space shall be sited and designed to accommodate all groups including children, seniors, and other adults, different activities including active and passive recreation and uses, and should be located

convenient to the intended users (e.g., residents, employees, or public). Any usable open space that is not landscaped shall be developed to encourage outdoor recreational use and shall include elements such as decks, seating, decorative paved areas and walkways which do not serve as an entrance walkway. Usable open space shall be screened from utility or service areas, and areas with mechanical equipment. Parking, driveways and required parking lot landscaping shall not be counted as usable open space.

**SECTION 2.** Section 18.08.030 (References to Districts) of Chapter 18.08 (Designation and Establishment of Districts) of Title 18 (Zoning) is amended as follows:

### **18.08.030 References to Districts**

Reference within this title to residential districts generally and as a grouping, includes all districts identified in this section. Where references are made to more restrictive or less restrictive residential districts, such references shall apply sequentially between the most restrictive and the least restrictive.

Residential District	Restrictive Reference
RE	<div style="text-align: center;"> <p>Most Restrictive</p>  <p>Least Restrictive</p> </div>
R-1 (20,000)	
R-1 10,000)	
R-1 (8,000)	
R-1 (7,000)	
R-1	
R-2	
<u>RMD</u>	
RM-20	
RM-30	
RM-40	

**SECTION 3.** Subsections (a), (b), (e), (f), (g), and (h) of Section 18.13.040 (Development Standards) of Chapter 18.13 (Multiple Family Residential (RM-20, RM-30 and RM-40) Districts) of Title 18 (Zoning) are amended as follows:

### **18.13.040 Development Standards**

#### **(a) Site Specifications, Building Size and Bulk, and Residential Density**

The site development regulations in Table 2 shall apply in the multiple-family residence districts, provided that more restrictive regulations may be recommended by the Architectural Review Board and approved by the Director of Planning and Development Services, pursuant to

the regulations set forth in Chapter 18.76, ~~performance criteria set forth in Chapter 18.23~~, and the ~~context-based objective design criteria standards set forth in Section 18.13.060~~ Chapter 18.24.

**Table 2**  
**Multiple Family Residential Development Table**

	RM-20	RM-30	RM-40	Subject to regulations in:
Minimum Site Specifications				
Site Area (ft <sup>2</sup> )	8,500			
Site Width (ft)	70			
Site Depth (ft)	100			
Substandard Lot Specifications				
Site Area (ft <sup>2</sup> )	Less than 8,500 square feet and/or less than 70 feet in width			
Site Width (ft)				
Minimum Setbacks	Setback lines imposed by a special setback map pursuant to Chapter 20.08 of this code may apply			18.13.040(b)
Front Yard (ft)	20	20	0-25 (1)	
On arterial roadways, <u>expressways</u> , and <u>freeways</u> (1)	0-20 <u>25</u> (1)	0-20 <u>25</u> (1)	0-25 (1)	
Interior Side Yards (ft)				
For lots with width of 70 feet or greater	10	10	10	
For lots with width of less than 70 feet	6 feet			
Interior Rear Yards (ft) <sup>3</sup>	10	10	10	
Street Side and Street Rear Yards (ft)	16	16	0-16(2)	
Maximum Height (ft)	30	35	40	
Maximum height for those portions of a site within 50 feet of a more restrictive residential district or a site containing a residential use in a nonresidential district			35	<u>18.08.030</u>
Daylight Planes(7)				
• Daylight Plane for side and rear lot lines for sites abutting any R-1, R-2, RMD, or RM-20 district or abutting a site containing a single-family or two-family residential use in a nonresidential district:				
Initial Height (ft)	10			
Angle (degrees)	45			

Daylight Plane for side and rear lot lines for sites abutting a RM-30, RM-40, Planned Community, or nonresidential district that does not contain a single-family or two-family residential use:				
For lots with width of 70 feet or greater	None			
For lots with width of less than 70 feet, limited to the first 10 feet from the property line (no daylight plane beyond 10 feet):				
Initial Height (ft)	10			
Angle (degrees)	45			
Maximum Site Coverage:				
Base	35%	40%	45%	
Additional area permitted to be covered by covered patios or overhangs otherwise in compliance with all applicable laws	5%	5%	5%	
Maximum Floor Area Ratio (FAR) <sup>(4)</sup>	0.5:1	0.6:1	1.0:1	
Residential Density (units)				
Maximum number of units per acre <sup>(3)</sup>	20	30	40	18.13.040(g)
Minimum number of units per acre <sup>(8)</sup>	11	16	21	
Minimum <del>Site Landscape/Open Space Coverage</del> <sup>(5)</sup> (percent)	35	30	20	18.13.040(e)
Minimum Usable Open Space (sf per unit) <sup>(5)</sup>	150	150	150	<u>18.24.040</u>
Minimum common open space (sf per unit)	75	75	75	18.13.040(e) <u>18.24.040</u>
Minimum private open space (sf per unit)	50	50	50	<u>18.24.040</u>
Performance Criteria	See provisions of Chapter 18.23			Ch. 18.23
Landscape Requirements				18.40.130
Parking <sup>(6)</sup>	See provisions of Chapters 18.52 and 18.54			Ch. 18.52

Footnotes:

(1) Minimum front setbacks shall be determined by the Architectural Review Board upon review pursuant to criteria set forth in Chapter 18.76 and the context-based criteria outlined in Section 18.13.060. Arterial roadways, expressways, and freeways are identified in Map T-5 of the Comprehensive Plan and do not include residential arterials. Lesser setbacks may be allowed by the Planning Director, upon recommendation by the Architectural Review Board pursuant to criteria set forth in Chapter 18.76. Special setbacks of greater than 25 feet may not be reduced except upon approval of a design enhancement exception or variance.

(2) Lesser setbacks may be allowed by the Planning Director, upon recommendation ~~Minimum street side setbacks in the RM-40 zone may be from 0 to 16 feet and shall be determined by the Architectural Review Board upon review pursuant to criteria set forth in Chapter 18.76 and the context-based criteria outlined in Section~~

~~18.13.060.~~

(3) Provided that, for any lot of 5,000 square feet or greater, two units are allowed, subject to compliance with all other development regulations.

(4) Covered parking is not included as floor area in multi-family development, up to a maximum of 230 square feet per required parking space that is covered. Covered parking spaces in excess of required parking spaces count as floor area.

(5) Subject to the limitations of Section 18.13.040(e). Usable open space is included as part of the minimum ~~site landscape/open space coverage~~; required usable open space in excess of the minimum required for common and private open space may be used as either common or private usable open space; landscaping may count towards total ~~site landscape/open space coverage~~ after usable open space requirements are met.

~~(6) Tandem parking is allowed for any unit requiring two parking spaces, provided that both spaces in tandem are intended for use by the same residential unit. For projects with more than four (4) units, not more than 25% of the required parking spaces shall be in a tandem configuration.~~

(6) Each daylight plane applies specifically and separately to each property line according to the adjacent use.

(7) The minimum density for a site may be reduced by the Director if, after the proposal is reviewed by the Architectural Review Board, the Director finds that existing site improvements or other parcel constraints, preclude the development from meeting the minimum density. A site with an existing single-family use or two-family use may be redeveloped at the existing density, either single-family or two-family as applicable. An existing or replaced single-family or two-family residence shall not be considered a nonconforming use, and the provisions of Chapter 18.70 shall not apply, solely based on the minimum density requirement.

(b) Setbacks, Daylight Planes and Height - Additional Requirements and Exceptions

(1) Setbacks

~~(A) Setbacks for lot lines adjacent to an arterial street, expressway or freeway, as designated in the Palo Alto Comprehensive Plan, shall be a minimum of twenty five feet (25'), except that lesser setbacks may be allowed or required by the Planning Director, upon recommendation by the Architectural Review Board, where prescribed by the context based criteria outlined in Section 18.13.060. Special setbacks of greater than 25 feet may not be reduced except upon approval of a design enhancement exception or variance.~~

(B) Required parking spaces shall not be located in a required front yard, nor in the first ten feet (10') adjoining the street property line of a required street side yard.

(C) Projections into yards are permitted only to the extent allowed by Section 18.40.070 of this code.

(2) Height and Daylight Planes

(A) Exceptions to maximum height limitations are permitted only to the extent allowed by Section 18.40.090 of this code.

(B) The following features may extend beyond the daylight plane established by the applicable district, provided that such features do not exceed the height limit for the district unless permitted to by Section 18.40.090 of this code:

- i. Television and radio antennas;
- ii. Chimneys and flues that do not exceed 5 feet in width, provided that chimneys do not extend past the required daylight plane a distance exceeding the minimum allowed pursuant to Chapter 16.04 of this code.
- iii. Cornices and eaves, excluding flat or continuous walls or enclosures of

usable interior space, provided such features do not extend past the daylight plane more than 4 feet, and so long as they do not encroach into the side setback greater than 2 feet.

[. . .]

~~(e) Usable Open Space~~

~~The following usable open space regulations shall apply:~~

~~(1) Required Minimum Site Open Space. Each site shall, at a minimum, have a portion of the site, as prescribed in Table 2, developed into permanently maintained open space. Site open space includes all usable open space plus landscape or other uncovered areas not used for driveways, parking, or walkways.~~

~~(2) Usable Open Space (Private and Common). Each project shall, at a minimum, have a portion of the site, as prescribed in Table 2, developed into permanently maintained usable open space, including private and common usable open space areas. Usable open space shall be located protected from the activities of commercial areas and adjacent public streets and shall provide noise buffering from surrounding uses where feasible.~~

~~(A) Private Usable Open Space. Each dwelling unit shall have at least one private usable open space area contiguous to the unit that allows the occupants of the unit the personal use of the outdoor space. The minimum size of such areas shall be as follows:~~

~~(i) Balconies (above ground level): 50 square feet, the least dimension of which shall is 6 feet.~~

~~(ii) Patios or yards in the RM-20 and RM-30 districts: 100 square feet, the least dimension of which is 8 feet for at least 75% of the area. ara.~~

~~(iii) Patios or yards in the RM-40 district: 80 square feet, the least dimension of which is 6 feet for at least 75% of the area.~~

~~(B) Common Usable Open Space. The minimum designated common open space area on the site shall be 10 feet wide and each such designated area shall comprise a minimum of 200 square feet. In the RM-30 and RM-40 districts, part or all of the required private usable open space areas may be added to the required common usable open space in a development, for purposes of improved design, privacy, protection and increased play area for children, upon a recommendation of the Architectural Review Board and approval of the Director.~~

(e) Housing Incentive Program

(1) For a project on a site north of Page Mill Road and eligible for the PTOD overlay, the Director may waive the floor area ratio (FAR) limit and the maximum site coverage requirement after the project with the proposed waiver or waivers is reviewed by the Architectural Review Board, if the Director finds that a project exceeding these standards is consistent with the required architectural review findings. In no event shall the Director approve a non-residential FAR that exceeds the base standard in Table 2 or a total FAR (including both residential and non-residential FAR) in excess of 2.0.

(2) For a 100% affordable housing project on a site north of Page Mill Road and

eligible for the PTOD overlay, the Director may waive any development standard including parking after the project with the proposed waiver or waivers is reviewed by the Architectural Review Board, if the Director finds that a project with such waiver or waivers is consistent with the required architectural review findings. In no event shall the Director approve development standards more permissive than the standards applicable to the Affordable Housing (AH) Incentive Program in Chapter 18.32. A "100% affordable housing project" as used herein means a multiple-family housing or mixed-use project in which the residential component consists entirely of affordable units, as defined in Section 16.65.020 of this code, available only to households with income levels at or below 120% of the area median income, as defined in Section 16.65.020, and where the average household income does not exceed 60% of the area median income level, except for a building manager's unit.

(3) This program is a local alternative to the state density bonus law, and therefore, a project utilizing this program shall not be eligible for a density bonus under Chapter 18.15 (~~Residential~~ Density Bonus).

(f) Personal Services, Retail Services, and Eating and Drinking Services in the RM-30 and RM-40 Districts

Within a single residential development containing not less than 40 dwelling units, personal services, retail services, and eating and drinking services solely of a neighborhood-serving nature to residents in the development or in the general vicinity of the project may be allowed upon approval of a conditional use permit, subject to the following limitations and to such additional conditions as may be established by the conditional use permit:

(1) Total gross floor area of all such uses shall not exceed 5,000 square feet or three percent of the gross residential floor area within the development, whichever is smaller, and may not occupy any level other than the ground level or below grade levels.

(2) A maximum of 2,500 square feet of retail and/or service and/or eating and drinking uses shall be allowed per establishment.

(3) Personal services, retail services, and eating and drinking services provided in accordance with this section shall not be included in the gross floor area for the site.

(4) The conditional use permit for the project may preclude certain uses and shall include conditions that are appropriate to limit impacts of noise, lighting, odors, parking and trash disposal from the operation of the commercial establishment. The hours of operation shall be limited to assure compatibility with the residential use and surrounding residential uses.

(5) Allowable Neighborhood-Serving Uses. A neighborhood-serving use primarily serves individual consumers and households, not businesses, is generally pedestrian oriented in design, and does not generate noise, fumes or truck traffic greater than that typically expected for uses with a local customer base. A neighborhood-serving use is also one to which a significant number of local customers and clients can walk, bicycle or travel short distances, rather than relying primarily on automobile access or the provider of the goods or services traveling off-site. Allowable neighborhood-serving personal services, retail services and eating and drinking services may include, but are not limited



to, "agent" dry cleaners, flower shops, convenience grocery stores (excluding liquor stores), delicatessens, cafes, fitness facilities, day care facilities, and similar uses found by the Planning Director to be compatible with the intent of this provision.

~~(6) Sign programs, including size, number, color, placement, etc. shall be permitted only as specified in the conditional use permit and by the Planning Director upon recommendation of the Architectural Review Board~~

~~(7) Off street parking and bicycle facilities, in addition to facilities required for residential uses, shall be provided as may be specified by the conditional use permit. However, there shall not be less than one parking space for each employee working or expected to be working at the same time.~~

~~(8)~~(6) For any project, other than a 100% affordable housing project, containing forty (40) or greater units and located more than 500 feet from neighborhood commercial services, as determined by the Director, a minimum of 1,500 square feet of neighborhood serving retail, personal service, and/or eating or drinking uses shall be provided, subject to the above limitations. No conditional use permit is required, but the commercial use shall be reviewed by the Architectural Review Board as part of the architectural review approval. A minimum of one parking space for each employee working or expected to be working at the same time shall be provided. A "100% affordable housing project" as used herein means a multiple-family housing project consisting entirely of affordable units, as defined in Section 16.65.020 of this code, available only to households with income levels at or below 120% of the area median income for Santa Clara County, as defined in Chapter 16.65, and where the average household income does not exceed 80% of the area median income level, except for a building manager's unit.

(g) Redevelopment of Sites with Non-complying Density

For a parcel with a residential use that exceeds the maximum unit density of the applicable zoning district, the Director may grant an exception to the maximum unit density standard and allow the parcel to be redeveloped to replace the legally established residential units at the existing density, subject to all of the following:

- (1) The applicant must make the request for exception under this provision at the time of project application;
- (2) The project is a residential rental project;
- (3) The project complies with all other applicable development standards; and
- (4) The project shall not be eligible for a density bonus under Chapter 18.15 (Residential Density Bonus). The applicant must elect whether to utilize state density bonus law or the exception described herein as an alternative to state density bonus law.

(h) General Standards, Exceptions, and Performance Criteria

In addition to all other provisions of this chapter, all multi-family development shall comply with applicable provisions of Chapter 18.2340 ~~(Performance Criteria for Multiple Family, Commercial, Manufacturing and Planned Community Districts)~~ (General Standards and Exceptions).

**SECTION 4.** Subsection (c) of Section 18.13.050 (Village Residential Development) of Chapter 18.13 (Multiple Family Residential (RM-20, RM-30 and RM-40) Districts) of Title 18 (Zoning) is amended and Subsection (f) is added as follows:

**18.13.050 Village Residential Development**

[. . .]

(c) Development Standards

Table 3 specifies the development standards for new Village Residential developments that provide for individual lots established for sale of one housing unit on a lot. These developments shall be designed and constructed in compliance with the following requirements and the objective design standards in Chapter 18.24~~context-based design criteria outlined in Section 18.13.060~~, provided that more restrictive regulations may be recommended by the architectural review board and approved by the director of planning and community environment, pursuant to Section 18.76.020:

<b>Table 3</b>		
<b>Village Residential Development Table</b>		
	<b>Village Residential</b>	<b>Subject to regulations in:</b>
<b>Minimum Site Specifications</b>		
Site Area (ft <sup>2</sup> )	6,000	
Site Width (ft)	50	
Site Depth (ft)	100	
<b>Minimum Setbacks</b>	RM-20 development standards apply to perimeter of site	
<b>Minimum Lot Specifications (1)</b>		
Lot Area (ft <sup>2</sup> ), Attached Units	1,500	
Lot Area (ft <sup>2</sup> ), Detached Units	2,500	
Maximum Lot Area (ft <sup>2</sup> )	4,000	
Front lot setback (ft)	5	
Rear lot setback (ft)	3	
Side lot setback (ft)	0	
Distance between detached units (ft)	3	
<b>Maximum House Size (ft<sup>2</sup>)</b>	2,500 (2)	
<b>Maximum Height (ft)</b>	30	
<b>Daylight Planes</b>	RM-20 development standards apply to perimeter of site	

<b>Maximum Site Coverage</b>	RM-20 development standards apply to entire site	
<b>Maximum Floor Area Ratio (FAR) (3)</b>	0.5:1 applied to entire site	
<b>Maximum Residential Density (units)</b> Maximum number of units per acre	12	
<b>Minimum <del>Site-Landscape/</del> Open Space Coverage (4)</b>	35% of entire site 18.13.040	18.13.040(e)
<b>Minimum Usable Open Space (per unit) (3)</b>	300 sq. ft.	<u>18.24.040</u>
<b>Minimum Common Open Space (per unit)</b>	No requirement	18.13.040(e) <u>18.24.040</u>
<b>Minimum Private Open Space (per unit)</b>	100 sq. ft.	<u>18.24.040</u>
<b>Performance Criteria</b>		<del>Ch. 18.23</del>
<b>Landscape Requirements</b>		18.40.130
<b>Parking (5)</b>	See provisions of Chapter 18.52	Ch. 18.52

Footnotes:

(1) Individual lots are created by subdividing the development site to create one for-sale lot per dwelling unit. Overall development intensity (FAR, site coverage, landscape/open space) shall be calculated across the entire site to comply with RM-20 zone standards, and setbacks and daylight planes at the perimeter of the site shall comply with RM-20 setbacks and daylight planes. For common-ownership developments such as condominiums and apartments, the underlying multiple-family zone district development standards shall apply.

(2) Covered parking that is attached to the residence shall be included in the maximum house size.

(3) Covered parking is not included as floor area in multi-family development, up to a maximum of 230 square feet per required parking space that is covered. Covered parking spaces in excess of required parking spaces count as floor area.

(4) Subject to the limitations of Section 18.13.040(e). Usable open space is included as part of the minimum ~~site landscape/open space coverage~~; required usable open space in excess of the minimum required for common and private open space may be used as either common or private usable open space; landscaping may count towards total ~~site landscape/open space coverage~~ after usable open space requirements are met.

(5) Tandem parking is allowed for any unit requiring two parking spaces, provided that both spaces in tandem are intended for use by the same residential unit. For projects with more than four (4) units, not more than 25% of the required parking spaces shall be in a tandem configuration.

[. . .]

(f) General Standards, Exceptions, and Performance Criteria

In addition to all other provisions of this chapter, all multi-family development shall comply with applicable provisions of Chapter 18.40 General Standards and Exceptions).

**SECTION 5.** Section 18.13.060 (Multiple Family Context-Based Design Criteria) of Chapter 18.13 (Multiple Family Residential (RM-20, RM-30 and RM-40) Districts) of Title 18 (Zoning) is deleted in its entirety and restated to read as follows:

**18.13.060 Multiple Family ~~Context-Based~~ Objective Design Criteria Standards**

In addition to the standards for development prescribed above, all development in the RM districts shall comply with applicable standards and/or intent statements outlined in Chapter 18.24, as defined therein.

**SECTION 6.** Subsections (a), (b), (f), (i) and (k) of Section 18.16.060 (Development Standards) of Chapter 18.16 (Neighborhood, Community, And Service Commercial (CN, CC And CS) Districts) of Title 18 (Zoning) are amended as follows:

**18.16.060 Development Standards**

(a) Exclusively Non-Residential Uses

Table 3 specifies the development standards for exclusively non-residential uses and alterations to non-residential uses or structures in the CN, CC, CC(2) and CS districts. These developments shall be designed and constructed in compliance with the following requirements and the objective design standards in Chapter 18.24 ~~context-based design criteria outlined in Section 18.16.090~~, provided that more restrictive regulations may be recommended by the architectural review board and approved by the director of planning and community environment, pursuant to Section 18.76.020.

**Table 3**  
**Exclusively Non-residential Development Standards**

	CN	CC	CC(2)	CS	Subject to regulations in Section
<b>Minimum Site Specifications</b> Site Area (ft <sup>2</sup> ) Site Width (ft) Site Depth (ft)	None Required				
Minimum Setbacks					
Front Yard (ft)	0 - 10' to create an 8' - 12' effective sidewalk width (1), (2), (8)	None Required (8)	0 - 10' to create an 8' - 12' effective sidewalk width (1), (2), (8)	0 - 10' to create an 8' - 12' effective sidewalk width (1), (2), (8)	Setback lines imposed by a special setback map pursuant to Chapter 20.08 of this code

Rear Yard (ft)	None required				
Interior Side Yard (ft)					
Street Side Yard (ft)	20' (2)	None required			
Minimum Yard (ft) for lot lines abutting or opposite residential districts or residential PC districts	10' (2)	10' (2)	10' (2)	10' (2)	
Build-To-Lines	50% of frontage built to setback (7) 33% of side street built to setback (7)				
Minimum setbacks from alleys for structures other than public parking garages (ft) (3)					
Corner lots, from rear lot line on the alley	Not applicable		8'	Not applicable	
Corner lots, from side lot line on the alley			None		
All lots other than corner lots			20'		
Maximum Site Coverage	50%	None Required			
Maximum Height (ft)					
Standard	25' and 2 stories	50'	37' (4)	50'	
Within 150 ft. of a residential district (other than an RM-40 or PC zone) abutting or located within 50 feet of the site		35'	35'	35'	18.08.030
Maximum Floor Area Ratio (FAR)	0.4:1		2.0:1	0.4:1	18.18.060(e)

<b>Maximum Floor Area Ratio (FAR) for Hotels</b>	N/A	- (5)	2.0:1	2.0:1	18.18.060(d)
<b>Daylight Plane for lot lines abutting one or more residential zone districts other than an RM-40 or PC zone</b>					
Initial Height at side or rear lot line (ft)	- (6)	- (6)	- (6)	- (6)	
Slope	- (6)	- (6)	- (6)	- (6)	
<b>Footnotes:</b> (1) No parking or loading space, whether required or optional, shall be located in the first 10 feet adjoining the street property line of any required yard. (2) Any minimum front, street side, or interior yard shall be planted and maintained as a landscaped screen excluding areas required for access to the site. A solid wall or fence between 5 and 8 feet in height shall be constructed along any common interior lot line. (3) No setback from an alley is required for a public parking garage. (4) As measured to the peak of the roof or the top of a parapet; penthouses and equipment enclosures may exceed this height limit by a maximum of five feet, but shall be limited to an area equal to no more than ten percent of the site area and shall not intrude into the daylight plane. (5) See additional regulations in subsection (e) of this Section 18.16.050. (6) The initial height and slope shall be identical to those of the most restrictive residential zone abutting the site line in question. (7) Twenty-five-foot driveway access permitted regardless of frontage; build-to requirement does not apply to CC district. (8) A 12-foot sidewalk width is required along El Camino Real frontage.					

(b) Mixed Use and Residential

Table 4 specifies the development standards for new residential mixed use developments and residential developments. These developments shall be designed and constructed in compliance with the following requirements and the objective design standards in Chapter 18.24. ~~and the context-based design criteria outlined in Section 18.16.090, provided that more restrictive regulations may be recommended by the architectural review board and approved by the director of planning and community environment, pursuant to Section 18.76.020.~~

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**Table 4**  
**Mixed Use and Residential Development Standards**

	CN	CC	CC(2)	CS	Subject to regulations in:
<b>Minimum Site Specifications</b>					
Site Area (ft <sup>2</sup> )	None required				
Site Width (ft)					
Site Depth (ft)					
<b>Minimum Setbacks</b>					Setback lines imposed by a special setback map pursuant to Chapter 20.08 of this code may apply
Front Yard (ft)	0' - 10' to create an 8'-12' effective sidewalk width (8)	None Required (8)	0' - 10' to create an 8' - 12' effective sidewalk width (8)	0' - 10' to create an 8' - 12' effective sidewalk width (8)	
Rear Yard (ft)	10' for residential portion; no requirement for commercial portion				
Rear Yard abutting residential zone district (ft)	10'				
Interior Side Yard if abutting residential zone district (ft)	10'				
Street Side Yard (ft)	5'				
Build-to-Lines	50% of frontage built to setback (1) 33% of side street built to setback (1)				
Permitted Setback Encroachments	Balconies, awnings, porches, stairways, and similar elements may extend up to 6' into the setback. Cornices, eaves, fireplaces, and similar architectural features (excluding flat or continuous walls or enclosures of interior space) may extend up to 4' into the front and rear setbacks and up to 3' into interior side setbacks				
<b>Maximum Site Coverage</b>	50%	50%	100%	50%	
<b>Minimum Landscape/Open Space Coverage</b>	35%	30%	20%	30%	

<b>Usable Open Space (Private and/or Common)</b>	150 sq ft per unit <del>(2)</del>				<u>18.24.040</u>
<b>Maximum Height (ft)</b>					
Standard	35'(4)	50'	37'	50'	
Within 150 ft. of a residential zone district (other than an RM-40 or PC zone) abutting or located within 50 feet of the side	35'	35'(5)	35'(5)	35'(5)	<u>18.08.030</u>
<b>Daylight Plane for lot lines abutting one or more residential zoning districts</b>	Daylight plane height and slope shall be identical to those of the most restrictive residential zoning district abutting the lot line				
<b>Residential Density (net)(3)</b>	15 or 20(9)	See sub-section (e) below	No maximum	30	18.16.060(i)
Sites on El Camino Real	No maximum			No maximum	
<b>Maximum Residential Floor Area Ratio (FAR)</b>	0.5:1(4)		0.6:1	0.6:1	
<b>Maximum Nonresidential Floor Area Ratio (FAR)</b>	0.4:1		2.0:1	0.4:1	
<b>Total Mixed Use Floor Area Ratio (FAR)</b>	0.9:1(4)		2.0:1	1.0:1	
<b>Minimum Mixed Use Ground Floor Commercial FAR(6)</b>	0.15:1(10)		0.15:1(10) 0.25:1(7)(10)	0.15:1(10)	
<b>Parking</b>	See Chapters 18.52 and 18.54 (Parking)				18.52, 18.54
<b>Footnotes:</b>					
(1) Twenty-five-foot driveway access permitted regardless of frontage; build-to requirement does not apply to CC district.					
(2) <del>Reserved. Required usable open space: (1) may be any combination of private and common open spaces; (2) does not need to be located on the ground (but rooftop gardens are not included as open space except as provided below); (3) minimum private open space dimension six feet; and (4) minimum common open space dimension twelve feet.</del>					
For CN and CS sites on El Camino Real and CC(2) sites that do not abut a single- or two-family residential use or zoning district, rooftop gardens may qualify as usable open space and may count as up to 60% of the required usable open space for the residential component of a project. In order to qualify as usable open space, the rooftop garden shall meet the requirements set forth in Section 18.40.230.					
(3) Residential density shall be computed based upon the total site area, irrespective of the percent of the site devoted to commercial use.					
(4) For CN sites on El Camino Real, height may increase to a maximum of 40 feet and the FAR may increase to a maximum of 1.0:1 (0.5:1 for nonresidential, 0.5:1 for residential).					
(5) For sites abutting an RM-40 zoned residential district or a residential Planned Community (PC) district, maximum height may be increased to 50 feet.					
(6) Ground floor commercial uses generally include retail, personal services, hotels and eating and drinking establishments. Office uses may be included only to the extent they are permitted in ground floor regulations.					



- (7) If located in the California Avenue Parking Assessment District.
- (8) A 12-foot sidewalk width is required along El Camino Real frontage.
- (9) Residential densities up to 20 units/acre are allowed on CN zoned housing inventory sites identified in the Housing Element. Other CN zoned sites not located on El Camino Real are subject to a maximum residential density of up to 15 units/acre.
- (10) In the CC(2) zone and on CN and CS zoned sites on El Camino Real, there shall be no minimum mixed use ground floor commercial FAR for a residential project, except to the extent that the retail preservation requirements of Section 18.40.180 or the retail shopping (R) combining district (Chapter 18.30(A)) applies.

(1) Nonresidential uses that involve the use or storage of hazardous materials in excess of the exempt quantities prescribed in Title 15 of the Municipal Code, including but not limited to dry cleaning plants and auto repair, are prohibited in a mixed use development with residential uses.

(2) Residential mixed use development is prohibited on any site designated with an Automobile Dealership (AD) Combining District overlay.

[. . .]

(f) Size of Establishments in the CN District

In the CN district, permitted commercial uses shall not exceed the floor area per individual use or business establishment shown in Table 5. Such uses may be allowed to exceed the maximum establishment size, subject to issuance of a conditional use permit in accord with Section 18.76.010. The maximum establishment size for any conditional use shall be established by the director and specified in the conditional use permit for such use.

**TABLE Table 5**

**MAXIMUM SIZE OF ESTABLISHMENT**

Type of Establishment	Maximum Size (ft <sup>2</sup> )
Personal Services	2,500
Retail services, except grocery stores	15,000
Grocery stores	20,000
Eating and drinking services	5,000
Neighborhood business services	2,500

[. . .]

(i) Reserved Recycling Storage

~~All new development, including approved modifications that add thirty percent or more floor area to existing uses, shall provide adequate and accessible interior areas or exterior enclosures for the storage of recyclable materials in appropriate containers. The design, construction and accessibility of recycling areas and enclosures shall be subject to approval by the architectural review board, in accordance with design guidelines adopted by that board and approved by the city council pursuant to Section 18.76.020.~~

[. . .]

## (k) Housing Incentive Program

a. For an exclusively residential or residential mixed-use project in the CC(2) zone, on a CC zoned site north of Page Mill Road and eligible for the PTOD overlay, or on CN or CS zoned sites on El Camino Real, the Director may waive the residential floor area ratio (FAR) limit and the maximum site coverage requirement after the project with the proposed waiver or waivers is reviewed by the Architectural Review Board, if the Director finds that a project exceeding these standards is consistent with the required architectural review findings. In no event shall the Director approve a commercial FAR that exceeds the standard in Table 4 of Section 18.16.060(b) or a total FAR (including both residential and commercial FAR) in excess of 2.0 in the CC(2) zone or 1.5 in the CN or CS zone.

b. For a 100% affordable housing project in the CC(2) zone, on a CC zoned site north of Page Mill Road and eligible for the PTOD overlay, or on CN or CS zoned sites on El Camino Real, the Director may waive any development standard including parking after the project with the proposed waiver or waivers is reviewed by the Architectural Review Board, if the Director finds that a project with such waiver or waivers is consistent with the required architectural review findings. In no event shall the Director approve development standards more permissive than the standards applicable to the Affordable Housing (AH) Combining District Incentive Program in Chapter 18.3230(4). A "100% affordable housing project" as used herein means a multiple-family housing or mixed-use project in which the residential component consists entirely of affordable units, as defined in Section 16.65.020 of this code, available only to households with income levels at or below 120% of the area median income, as defined in Section 16.65.020, and where the average household income does not exceed 60% of the area median income level, except for a building manager's unit.

c. This program is a local alternative to the state density bonus law, and therefore, a project utilizing this program shall not be eligible for a density bonus under Chapter 18.15 (~~Residential~~ Density Bonus).

[. . .]

**SECTION 7.** Section 18.16.080 (Performance Standards) of Chapter 18.16 (Neighborhood, Community, And Service Commercial (CN, CC And CS) Districts) of Title 18 (Zoning) is amended as follows:

**18.16.080      General Standards, Exceptions, and Performance Standards**

In addition to the standards for development prescribed above, all development in the CN, CS, CC, and CC(2) districts shall comply with the performance criteria, general standards, and exceptions outlined in Chapter 18.2340 of the Zoning Ordinance. All mixed use development shall also comply with the applicable provisions of Chapter 18.2340 of the Zoning Ordinance.

**SECTION 8.** Section 18.16.090 (Context-Based Design Criteria) of Chapter 18.16 (Neighborhood, Community, And Service Commercial (CN, CC And CS) Districts) of Title 18 (Zoning) is deleted in its entirety and restated to read as follows:

**18.16.090 ~~Context-Based~~ Objective Design Standards Criteria**

In addition to the standards for development prescribed above, all development in the CN, CS, CC, and CC(2) districts shall comply with applicable standards and/or intent statements outlined in Chapter 18.24, as defined therein.

**SECTION 9.** Subsections (a), (b), and (k) of Section 18.18.060 (Development Standards) of Chapter 18.18 (Downtown Commercial (CD) District) of Title 18 (Zoning) are amended as follows:

**18.18.060 Development Standards**

(a) Exclusively Non-Residential Use

Table 2 specifies the development standards for new exclusively non-residential uses and alterations to non-residential uses or structures in the CD district, including the CD-C, CD-S, and CD-N subdistricts. These developments shall be designed and constructed in compliance with the following requirements and the objective design standards in Chapter 18.24~~context-based design criteria outlined in Section 18.18.110~~, provided that more restrictive regulations may be recommended by the architectural review board and approved by the director of planning and community environment, pursuant to Section 18.76.020:

Table 2				
Exclusively Non-Residential Development Standards				
	CD-C	CD-S	CD-N	Subject to regulations in Section:
Minimum Setbacks				Setback lines imposed by a special setback map pursuant to Chapter 20.08 of this code may apply
Front Yard (ft)	None required		10 (1)	
Rear Yard (ft)	None required			
Interior Side Yard (ft)	None required			
Street Side Yard (ft)	None required		20 (1)	
Minimum street setback for sites sharing a common block face with any abutting residential zone district	- (4)	- (4)	- (4)	

Minimum yard (ft) for lot lines abutting or opposite residential zone districts	10' (1)	10' (1)	10' (1)	
Maximum Site Coverage	None required		50%	
Maximum Height (ft)				
Standard	50	50	25	
Within 150 ft. of an abutting residential zone district	– (3)	– (3)	– (3)	<u>18.08.030</u>
Maximum Floor Area Ratio (FAR)	1.0:1 (5)	0.4:1 (5)	0.4:1 (5)	18.18.060(e) 18.18.070
Maximum Floor Area Ratio (FAR) for Hotels	2.0:1	2.0:1	N/A	18.18.060(d )
Maximum Size of New Non-Residential Construction or Expansion Projects	25,000 square feet of gross floor area or 15,00 square feet above the existing floor area, whichever is greater, provided the floor area limits set forth elsewhere in this chapter are not exceeded			
Daylight Plane for lot lines abutting one or more residential zone districts				
Initial Height at side or rear lot line	– (2)	10	10	
Slope	– (2)	1:2	1:2	
<b>Footnotes:</b> (1) The yard shall be planted and maintained as a landscaped screen, excluding area required for site access. (2) The initial height and slope shall be identical to those of the residential zone abutting the site line in question. (3) The maximum height within 150 feet of any abutting residential zone district shall not exceed the height limit of the abutting residential district. (4) The minimum street setback shall be equal to the residentially zoned setback for 150 feet from the abutting single-family or multiple family development. (5) FAR may be increased with transfers of development and/or bonuses for seismic and historic rehabilitation upgrades, not to exceed a total site FAR of 3.0:1 in the CD-C subdistrict or 2.0:1 in the CD-S or CD-N subdistricts.				

#### (b) Mixed Use and Residential

Table 3 specifies the development standards for new residential mixed use developments and residential developments. These developments shall be designed and constructed in compliance with the following requirements and the objective design standards in Chapter 18.24~~context-based design criteria outlines in Section 18.18.110~~, provided that more restrictive regulations may be recommended by the architectural review board and approved by the director of planning and community environment, pursuant to Section 18.76.020:

**TABLE 3**  
**MIXED USE AND RESIDENTIAL DEVELOPMENT STANDARDS**

	CD-C	CD-S	CD-N	Subject to regulations in Section:
<b>Minimum Setbacks</b>				Setback lines imposed by a special setback map pursuant to Chapter 20.08 of this code may apply
Front Yard (ft)	None required		10'	
Rear Yard (ft)	10' for residential portion; no requirement for commercial portion			
Interior Side Yard (ft)	No requirement	10' if abutting residential zone	10' if abutting residential zone	
Street Side Yard (ft)	No requirement	5'	5'	
Permitted Setback Encroachments	Balconies, awnings, porches, stairways, and similar elements may extend up to 6' into the setback. Cornices, eaves, fireplaces, and similar architectural features (excluding flat or continuous walls or enclosures of interior space) may extend up to 4' into the front and rear setbacks and up to 3' into interior side setbacks			
<b>Maximum Site Coverage</b>	No requirement	50%	50%	
<b>Landscape/Open Space Coverage</b>	20%	30%	35%	
<b>Usable Open Space (Private and/or Common)</b>	150 sq ft per unit <del>(1)</del>			<u>18.24.040</u>
	CD-C	CD-S	CD-N	Subject to regulations in Section:
<b>Maximum Height (ft)</b>				
Standard	50'	50'	35'	<u>18.08.030</u>
Within 150 ft. of an abutting residential zone	<del>40'(4)</del> (3)	<del>40'(4)</del> (3)	<del>35'(4)</del> (3)	<u>18.08.030</u>

<b>Daylight Plane for lot lines abutting one or more residential zoning districts or a residential PC district</b>	Daylight plane height and slope identical to those of the most restrictive residential zone abutting the lot line			
<b>Residential Density (net)(<del>21</del>)</b>	No maximum	30	30	
<b>Maximum Weighted Average Residential Unit Size(<del>54</del>)</b>	1,500 sq ft per unit	No maximum	No maximum	
<b>Maximum Residential Floor Area Ratio (FAR)</b>	1.0:1( <del>32</del> )	0.6:1( <del>32</del> )	0.5:1( <del>32</del> )	
<b>Maximum Nonresidential Floor Area Ratio (FAR)</b>	1.0:1( <del>32</del> )	0.4:1	0.4:1	
<b>Total Floor Area Ratio (FAR)(<del>32</del>)</b>	2.0:1( <del>32</del> )	1.0:1( <del>32</del> )	0.9:1( <del>32</del> )	18.18.070
<b>Parking Requirement</b>	See Chapters 18.52 and 18.54			Chs. 18.52, 18.54

Footnotes:

(1) Required usable open space: (1) may be any combination of private and common open spaces; (2) does not need to be located on the ground (but rooftop gardens are not included as open space except as provided below); (3) minimum private open space dimension 6; and (4) minimum common open space dimension 12

For CD-C sites that do not abut a single- or two-family residential use or zoning district, rooftop gardens may qualify as usable open space and may count as up to 75% of the required usable open space for the residential component of a project. In order to qualify as usable open space, the rooftop garden shall meet the requirements set forth in Section 18.40.230.

(~~2~~)(1) Residential density shall be computed based upon the total site area, irrespective of the percent of the site devoted to commercial use. There shall be no deduction for that portion of the site area in nonresidential use.

(~~3~~)(2) FAR may be increased with transfers of development and/or bonuses for seismic and historic rehabilitation upgrades, not to exceed a total site FAR of 3.0:1 in the CD-C subdistrict or 2.0:1 in the CD-S or CD-N subdistrict.

(~~4~~)(3) For sites abutting an RM-40 zoned residential district or a residential Planned Community (PC) district, maximum height may be increased to 50 feet.

(~~5~~)(4) The weighted average residential unit size shall be calculated by dividing the sum of the square footage of all units by the number of units. For example, a project with ten 800-square foot 1-bedroom units, eight 1,200-square foot 2-bedroom units, and two 1,800-square foot 3-bedroom units would have a weighted average residential unit size of  $((10 \times 800) + (8 \times 1200) + (2 \times 1800)) \div (10 + 8 + 2) = 1,060$  square feet.

(1) Nonresidential uses that involve the use or storage of hazardous materials in excess of the exempt quantities prescribed in Title 15 of the Municipal Code, including but not limited to dry cleaning plants and auto repair, are prohibited in a mixed use development with residential uses.

[. . .]

(k) Reserved Recycling Storage

~~All new development, including approved modifications that add thirty percent or more floor area to existing uses, shall provide adequate and accessible interior areas or exterior enclosures for the storage of recyclable materials in appropriate containers. The design, construction and accessibility of recycling areas and enclosures shall be subject to approval by the architectural review board, in accordance with design guidelines adopted by that board and approved by the city council pursuant to Section 16.48.070.~~

[. . .]

**SECTION 10.** Subsection (b) (Restrictions on Floor Area Bonuses) of Section 18.18.070 (Floor Area Bonuses) of Chapter 18.18 (Downtown Commercial (CD) District) of Title 18 (Zoning) is amended as follows:

**18.18.070 Floor Area Bonuses**

[. . .]

(a) Restrictions on Floor Area Bonuses

The floor area bonuses in subsection (a) shall be subject to the following restrictions:

(1) All bonus square footage shall be counted as square footage for the purposes of the ~~350,000 annual~~ square foot limit on office development specified in Section ~~18.40.210.18.18.040.~~

(2) All bonus square footage shall be counted as square footage for the purposes of the project size limit specified in Section 18.18.060(a).

(3) In no event shall a building expand beyond a FAR of 3.0:1 in the CD-C subdistrict or a FAR of 2.0:1 in the CD-S or CD-N subdistrict.

(4) The bonus shall be allowed on a site only once.

(5) For sites in Seismic Category I, II, or III, seismic rehabilitation shall conform to the analysis standards referenced in Chapter 16.42 of this code.

(6) For sites in Historic Category 1 or 2, historic rehabilitation shall conform to the Secretary of the Interior's *Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings* (36 CFR §67,7).

(7) For sites in both Seismic Category I, II, or III and Historic Category 1 or 2, no bonus shall be granted unless the project includes both seismic and historic rehabilitation conforming to the standards in subsections (5) and (6).

(8) For sites in both Seismic Category I, II, or III and Historic Category 1 or 2, a bonus granted under this section that will be used on-site is subject to the following requirements:

(A) The city council must approve on-site use of such a FAR bonus. Such approval is discretionary, and may be granted only upon making both of the following findings:

(i) The exterior modifications for the entire project comply with the U.S. Secretary of the Interior's *Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings* (36 CFR §67,7); and

(ii) The on-site use of the FAR bonus would not otherwise be inconsistent with the historic character of the interior and exterior of the building and site.

(B) The applicant for on-site use of a cumulative floor area bonus shall have the burden of demonstrating the facts necessary to support the findings required for council approval.

[. . .]

**SECTION 11.** Subsection (f) (Limitations On Usage of Transferable Development Rights) of Section 18.18.080 (Transfer of Development Rights) of Chapter 18.18 (Downtown Commercial (CD) District) of Title 18 (Zoning) is amended as follows:

**18.18.080 Transfer of Development Rights**

[. . .]

(d) Limitations On Usage of Transferable Development Rights

No otherwise eligible receiver site shall be allowed to utilize transferable development rights under this chapter to the extent such transfer would:

(1) Be outside the boundaries of the downtown parking assessment district, result in a maximum floor area ratio of 0.5 to 1 above what exists or would otherwise be permitted for that site under Section 18.18.060, whichever is greater, or result in total additional floor area of more than 10,000 square feet.

(2) Be within the boundaries of the downtown parking assessment district, result in a maximum floor area ratio of 1.0 to 1 above what exists, or would otherwise be permitted for that site under Section 18.18.060, whichever is greater, or result in total additional floor area of more than 10,000 square feet.

(3) Cause the annual development limitation ~~or project size limitation~~ set forth in Section ~~18.18.040~~ 18.40.210 to be exceeded.

(4) Cause the site to exceed 3.0 to 1 FAR in the CD-C subdistrict or 2.0 to 1 FAR in the CD-S or CD-N subdistricts.

[. . .]



**SECTION 12.** Section 18.18.100 (Performance Standards) of Chapter 18.18 (Downtown Commercial (CD) District) of Title 18 (Zoning) is amended as follows:

**18.18.100      General Standards, Exceptions, and Performance Standards**

In addition to the standards for development prescribed above, all development shall comply with the performance criteria, general standards, and exceptions outlined in Chapter 18.2340 of the Zoning Ordinance. All mixed use development shall also comply with the applicable provisions of Chapter 18.2340 of the Zoning Ordinance.

**SECTION 13.** Section 18.18.110 (Context-Based Design Criteria) of Chapter 18.18 (Downtown Commercial (CD) District) of Title 18 (Zoning) is deleted in its entirety and restated to read as follows:

**18.18.110      ~~Context-Based~~ Objective Design Standards Criteria**

In addition to the standards for development prescribed above, all development in the CD district shall comply with applicable standards and/or intent statements outlined in Chapter 18.24, as defined therein.

**SECTION 14.** Subsections (a), (i), and (j) of Section 18.20.040 (Site Development Standards) of Chapter 18.20 (Office, Research, And Manufacturing (MOR, ROLM, RP And GM) Districts) of Title 18 (Zoning) are amended as follows:

**18.20.040      Site Development Standards**

Development in the office research, industrial, and manufacturing districts is subject to the following development standards, provided that more restrictive regulations may be required as part of design review under Chapter 18.76 of the Palo Alto Municipal Code.

(a) Development Standards for Non-Residential Uses

Table 2 shows the site development standards for exclusively non-residential uses in the industrial and manufacturing districts.

**TABLE 2  
INDUSTRIAL/MANUFACTURING NON-RESIDENTIAL SITE DEVELOPMENT STANDARDS**

	MOR	ROLM	ROLM(E)	RP	RP(5)	GM	Subject to Regulations in Chapter:
<b>Minimum Site Specifications</b>							
Site Area (sq. ft.)	25,000	1 acre		1 acre	5 acres	1	
Site Width (ft.)	150	100		100	250		
Site Depth (ft.)	150	150		150	250		

<b>Minimum Setbacks</b>	Setback lines imposed by a special setback map pursuant to Chapter 20.08 of this code may apply.					
Front Yard (ft)	50(3)	20	20	100	(1)	
Rear Yard (ft)	10(3)	20	20	40		
Interior Side Yard (ft)	10	20	20	40		
Street Side Yard (ft)	20(3)	20	20	70		
<b>Minimum Yard (ft) for site lines abutting or opposite residential districts</b>	10(3)	20	20	. 10		18.20.060(e)(1)(D) 18.20.060(e) (1)(E)
<b>Maximum Site Coverage</b>	30%	30%	30%	15%		
<b>Maximum Floor Area Ratio (FAR)</b>	0.5:1	0.4:1(4)	0.3:1(4)	0.4:1 W	0.3:1(4)	0.5:1
<b>Parking</b>	See Chs. 18.52, 18.54					Chs. 18.52, 18.54
<b>Landscaping</b>	See Section 18.20.050 (Performance Criteria)					18.20.050
<b>Maximum Height (ft)</b>						
Standard	50	35(4)	35(4)	50		
Within 150 ft. of a residential zone (5)	35	35	35	35		<u>18.08.030</u>
Within 40 ft. of a residential zone(5)	35	25	25	35		<u>18.08.030</u>
<b>Daylight Plane for site lines having any part abutting one or more residential districts.</b>						
Initial Height	_(2)				10	
Slope	_(2)				1:2	
<b>Footnotes:</b> (1) For any property designated GM and fronting on East Bayshore Road a minimum setback of 20 feet along that frontage is established. (2) Daylight plane requirements shall be identical to the daylight plane requirements of the most restrictive residential district abutting the side or rear site line. Such daylight planes shall begin at the applicable site lines and increase at the specified slope until intersecting the height limit otherwise established for the MOR district. (3) In the MOR district, no required parking or loading space shall be located in the first 10 feet adjoining the street property line of any required yard. (4) See subsection 18.20.040(e) below for exceptions to height and floor area limitations in the ROLM and RP zoning districts. (5) Residential zones include R-1, R-2, RE, RMD, RM-20, RM-30, RM-40 and residential Planned Community (PC) zones.						

## (b) Development Standards for Exclusively Residential Uses

Residential uses shall be permitted in the MOR, RP, RP(5), ROLM, ROLM(E), and GM zoning districts, subject to the following criteria, in addition to the design standards set forth in Chapter 18.24.

- (1) It is the intent of these provisions that a compatible transition be provided from lower density residential zones to higher density residential or non-residential zones. The Village Residential development type should be evaluated for use in transition areas and will provide the greatest flexibility to provide a mix of residence types compatible with adjacent neighborhoods.
- (2) No new single-family or two-family residential development is permitted in any of the office, research and manufacturing districts, and no new residential development is permitted within 300 feet of an existing Hazardous Materials Tier 2 use. Existing single-family and two-family uses and existing residential development within 300 feet of an existing Hazardous Materials Tier 2 use shall be permitted to remain, consistent with the provisions of Chapter 18.70 (Nonconforming Uses and Noncomplying Facilities).
- (3) MOR District. All multi-family development in the MOR zoning district shall be permitted subject to approval of a conditional use permit and compliance with the development standards prescribed for the RM-30 zoning district.
- (4) RP and RP(5) Districts. All multi-family development in the RP, and RP(5) zoning districts that is located within 150 feet of an R-E, R-1, R-2, RMD, or similar density residential PC zone shall be permitted subject to the provisions above in 18.20.040(b)(2), approval of a conditional use permit, and compliance with the development standards prescribed for the RM-20 zoning district, including Village Residential development types. Multi-family development in the MOR, RP, and RP(5) zoning districts that is located greater than 150 feet from an R-E, R-1, R-2, RMD, or low density residential PC shall be permitted subject to the provisions above in 18.20.040(b)(2), approval of a conditional use permit, and compliance with the development standards prescribed for the RM-30 zoning district.
- (5) ROLM (E) District. All multi-family development in the ROLM(E) zoning district shall be permitted subject to the provisions above in 18.20.040(b)(2), approval of a conditional use permit, and compliance with the development standards prescribed for the RM-20 zoning district.
- (6) ROLM District. All multi-family development in the ROLM zoning district shall be permitted subject to the provisions above in 18.20.040(b)(2), approval of a conditional use permit, and compliance with the development standards prescribed for the RM-30 zoning district.
- (7) GM District. All residential development is prohibited in the GM zoning district.

## (c) Development Standards for Mixed (Residential and Nonresidential) Uses in the MOR,

ROLM, ROLM(E), RP, and RP(5) zoning Districts

Mixed (residential and nonresidential) uses shall be permitted in the MOR, ROLM, ROLM(E), RP, and RP(5) zoning districts, subject to the following criteria, in addition to the objective design standards set forth in Chapter 18.24:

- (1) It is the intent of these provisions that a compatible transition be provided from lower density residential zones to higher density residential, non-residential, or mixed use zones. The Village Residential development type should be evaluated for use in transition areas and will provide the greatest flexibility to provide a mix of residence types compatible with adjacent neighborhoods.
- (2) New sensitive receptor land uses shall not be permitted within 300 feet of a Hazardous Materials Tier 2 or Tier 3 use. Existing sensitive receptors shall be permitted to remain, consistent with the provisions of Chapter 18.70 (Nonconforming Uses and Noncomplying Facilities).
- (3) ROLM(E) District. Mixed (residential and nonresidential) development in the ROLM(E) zoning district shall be permitted, subject to the provisions above in 18.20.040(c)(2), approval of a conditional use permit, determination that the nonresidential use is allowable in the district and that the residential component of the development complies with the development standards prescribed for the RM-20 zoning district. The maximum floor area ratio (FAR) for mixed use development is 0.3 to 1.
- (4) ROLM District. Mixed (residential and nonresidential) development in the ROLM zoning district shall be permitted, subject to the provisions above in 18.20.040(c)(2), approval of a conditional use permit, determination that the nonresidential use is allowable in the district and that the residential component of the development complies with the development standards prescribed for the RM-30 zoning district. The maximum floor area ratio (FAR) for mixed use development is 0.4 to 1.
- (5) GM District. Mixed use (residential and nonresidential) development is prohibited in the GM zoning district.

In computing residential densities for mixed (residential and nonresidential) uses, the density calculation for the residential use shall be based on the entire site, including the nonresidential portion of the site.

[. . .]

(i) Reserved Recycling Storage

~~All new development, including approved modifications that add thirty percent or more floor area to existing uses, shall provide adequate and accessible interior areas or exterior enclosures for the storage of recyclable materials in appropriate containers. The design, construction and accessibility of recycling areas and enclosures shall be subject to approval by the architectural review board, in accordance with design guidelines adopted by that board and approved by the city council pursuant to Chapter 18.76.~~

(j) Designated Sites

Notwithstanding any other provisions of this Section 18.20.040, on those sites that are Designated Sites under the Development Agreement between the City of Palo Alto and Stanford University approved and adopted by Ordinance No. 4870, the maximum floor area ratio shall be 0.5 to 1 as provided in that Agreement.

**SECTION 15.** Section 18.20.050 (Performance Criteria) of Chapter 18.20 (Office, Research, And Manufacturing (MOR, ROLM, RP And GM) Districts) of Title 18 (Zoning) is amended as follows:

**18.20.050      General Standards, Exceptions, and Performance Criteria**

All development in the Office/Research/Manufacturing zoning districts shall comply with the applicable requirements and guidelines outlined in Chapter 18.2340, including performance criteria. ~~Such requirements and guidelines are intended to reduce the impacts of these non-residential uses on surrounding residential districts and other sensitive receptors.~~

**SECTION 16.** Section 18.23.010 (Purpose and Applicability) of Chapter 18.23 (Performance Criteria for Multiple Family, Commercial, Manufacturing and Planned Community Districts) of Title 18 (Zoning) is deleted in its entirety.

**SECTION 17.** Section 18.23.020 (Refuse Disposal Areas) of Chapter 18.23 (Performance Criteria for Multiple Family, Commercial, Manufacturing and Planned Community Districts) of Title 18 (Zoning) is deleted in its entirety and a new Section 18.40.240 (Refuse Disposal Areas) of Chapter 18.40 (General Standards and Exceptions) of Title 18 (Zoning) is added as follows:

**18.40.240      Refuse Disposal Areas**

(a) Purpose

Assure that development provides adequate and accessible interior areas or covered exterior enclosures for the storage of refuse in appropriate containers with storage capacity for a maximum of one week, and that refuse disposal structures and enclosures are located as far from abutting residences as is reasonably possible. The following requirements apply to new construction, change of use, additional uses, and/or renovating thirty (30) percent or more existing floor area.

(b) Requirements

Location and Capacity

(i) Capacity shall meet or exceed standards pursuant to Chapter 5.20: Collection, Removal, and Disposal of Refuse and current refuse enclosure regulations identified in the “City of Palo Alto Trash Enclosure Area Guidelines for New Construction and Redevelopment Projects” and the “Trash Enclosure Design Guide” maintained by the Public Works Department.

(ii) ~~(i)~~ Refuse disposal and structures and enclosures shall be accessible to all residents or users of the property.

(iii) Mixed use development shall have separate enclosures for each use classification (example: residential and commercial)

(iv) ~~(iii)~~ Compostable materials and recyclable materials facilities shall be located adjacent to solid waste receptacles, sized, and designed to encourage and facilitate convenient use.

(v) Refuse enclosures shall be no closer than 20 feet from any dwelling unit (including those on abutting properties). No minimum distance from dwellings is required if containers are located within a fully enclosed utility room.

(vi) Individual garage containers may be used to serve residential projects with one or two dwelling units. Shared containers or dumpsters shall service residential projects with three or more units, unless otherwise approved by the Public Works Director or any designee.

#### Screening and Enclosures

(i) Enclosures shall be design pursuant to the current refuse enclosure regulations found in the "City of Trash Enclosure Area Guidelines for New Construction and Redevelopment Projects" and "Trash Enclosure Design Guide" standards maintained by the Public Works Department.

(ii) ~~(iii)~~ Refuse disposal areas shall be screened from public view by masonry, wood, or other opaque and durable material, and shall be enclosed and covered or located within a building or covered enclosure.

(iii) Enclosures shall have a roof, walls, and be at least 6 feet tall. Enclosures shall include wheel stops or curbs to prevent dumpsters from damaging enclosure walls.

(iv) Gates or other controlled access shall be provided where feasible.

(v) Chain link enclosures are ~~strongly discouraged~~ prohibited.

(vi) ~~(iv)~~ Refuse disposal structures and enclosures shall be architecturally compatible with the design of the project.

(vii) Notwithstanding, subsections ii and iii above, in lower density residential districts (RE, R-1, R-2, and RMD), containers may be stored under extended eaves at least 3 feet deep, without full enclosures.

(viii) ~~(v)~~ The design, construction and accessibility of refuse disposal areas and enclosures shall be subject to approval by the Architectural Review Board, in accordance with design guidelines adopted by that Board and approved by the Council pursuant to Section 18.76.020.

**SECTION 18.** Section 18.23.030 (Lighting) of Chapter 18.23 (Performance Criteria for Multiple Family, Commercial, Manufacturing and Planned Community Districts) of Title 18 (Zoning) is deleted in its entirety and a new Section 18.40.250 (Lighting) of Chapter 18.40 (General Standards and Exceptions) of Title 18 (Zoning) is added as follows:

#### **18.40.250 Lighting**

##### **(A) ~~Purpose-Intent:~~**

Exterior lighting of parking areas, pathways, and common open spaces, including fixtures on building facades and free-standing lighting should aim to:

- ~~To m-~~ Minimize the visual impacts of lighting on abutting or nearby properties ~~residential sites~~ and from adjacent roadways.
- Provide for safe and secure access on a site and adjacent pedestrian routes
- Achieve maximum energy efficiency
- Complement the architectural design of the project

Guidelines:

- Lighting of the building exterior, parking areas and pedestrian ways should be of the lowest intensity and energy use adequate for its purpose, and be designed to focus illumination downward to avoid excessive illumination above the light fixture.
- Interior lighting shall be designed to minimize nighttime glow visible from and/or intruding into nearby properties.
- Unnecessary continued illumination, such as illuminated signs or back-lit awnings, should be avoided. Internal illumination of signs, where allowed, should be limited to letters and graphic elements, with the surrounding background opaque. Illumination should be by low intensity lamps.
- Timing devices and dimmers should be used for exterior and interior lights in order to minimize light glare at night and control lighting levels. At the time of project approval, the project applicant should demonstrate how interior and exterior lighting sources will be reduced after operating hours or when the use of the facility is reduced.

## (a) Requirements

~~(i) Exterior lighting in parking areas, pathways and common open space shall be designed to achieve the following: (1) provide for safe and secure access on the site, (2) achieve maximum energy efficiency, and (3) reduce impacts or visual intrusions on abutting or nearby properties from spillover and architectural lighting that projects upward.~~

(1) The use of high pressure sodium and metal halide are permitted light sources. Low pressure sodium is not allowed.

(2) Exterior lighting fixtures shall be mounted less than or equal to 15 feet from grade to top of fixture in low activity or residential parking lots and 20 feet in medium or high activity parking lots.

(3) Levels of exterior illumination for most uses range from 0.5 to 5 footcandles. Areas of higher or lower levels of illumination should be indicated on project plans.

~~(3)~~(4) Where the light source is visible from outside the property boundaries on an abutting residential use, such lighting shall not exceed 0.5 foot-candle as measured at the abutting residential property line.

~~(4)~~(5) Interior lighting shall be designed to minimize nighttime glow visible from and/or intruding into nearby properties and shall be shielded to eliminate glare and light spillover beyond the perimeter property line of the development.

~~(5)~~(6) Light fixtures shall not be located at least 3 feet from curbs and 10 feet from next to driveways or intersections, which to avoid obstructing clear sight distance triangles.

~~(6)~~(7) Lighting of the building exterior, parking areas and pedestrian ways should be of the lowest intensity and energy use adequate for its purpose, and be designed to focus illumination downward to avoid excessive illumination above the light fixture.

(vii) (viii) Pedestrian and security lighting fixtures should shall be directed downward fully shielded. Architectural lighting that projects upward from the ground as used in landscaping, courtyards, or building accent should be directed so as not to affect

~~abutting land uses onto the building face.~~

~~(vii)(viii) Non-residential projects, adjacent to residential zoning districts or residential uses, shall use timing devices, dimmers, and/or window shades with timers in order to minimize light glare at night and control lighting levels from exterior and interior lights.~~

~~(C) Guidelines~~

~~(vii) — Unnecessary continued illumination, such as illuminated signs or back-lit awnings, should be avoided. Internal illumination of signs, where allowed, should be limited to letters and graphic elements, with the surrounding background opaque. Illumination should be by low intensity lamps.~~

~~(ii) Timing devices should be considered for exterior and interior lights in order to minimize light glare at night without jeopardizing security of employees. At the time of project approval the project applicant must demonstrate how interior and exterior lighting sources will be reduced after operating hours or when the use of the facility is reduced.~~

**SECTION 19.** Section 18.23.040 (Late Night Uses and Activities) of Chapter 18.23 (Performance Criteria for Multiple Family, Commercial, Manufacturing and Planned Community Districts) of Title 18 (Zoning) is deleted in its entirety and a new Section 18.42.040 (Lighting) of Chapter 18.42 (Standards for Special Uses) of Title 18 (Zoning) is added as follows:

**18.42.040 Late Night Uses and Activities**

**(A) Purpose**

The purpose is to restrict retail or service commercial businesses abutting (either directly or across the street) or within 50 feet of residentially zoned properties or properties with existing residential uses located within nonresidential zones, with operations or activities between the hours of 10:00 p.m. and 6:00 a.m. Operations subject to this code may include, but are not limited to, deliveries, parking lot and sidewalk cleaning, and/or clean up or set up operations, but does not include garbage pick up.

**(B) Requirements**

(i) Retail (including restaurants) or service commercial businesses abutting or within 50 feet of residentially zoned properties or properties with existing residential uses located within nonresidential zones, that are open or with operations or activities between the hours of 10:00 p.m. and 6:00 a.m. shall be operated in a manner to protect residential properties from excessive noise, odors, lighting or other nuisances from any sources during those hours.

(ii) Where planning or building permits are required or for a change in use that results in any such commercial business in the CN or CS zone districts, operating or with activities between the hours of 10:00 p.m. and 6:00 a.m., a conditional use permit shall be obtained and conditions of approval shall be applied as deemed necessary to ensure the operation is compatible with the abutting (or within 50 feet of) residential property. Said use permit shall be limited to operations or activities occurring between 10:00 p.m. and 6:00 a.m.

(iii) Truck deliveries shall not occur before 6:00 a.m. or after 10:00 p.m., except



pursuant to the provisions of a conditional use permit.

**SECTION 20.** Section 18.23.050 (Visual, Screening and Landscaping) of Chapter 18.23 (Performance Criteria for Multiple Family, Commercial, Manufacturing and Planned Community Districts) of Title 18 (Zoning) is deleted in its entirety and a new Section 18.40.260 (Visual Screening and Landscaping) of Chapter 18.40 (General Standards and Exceptions) of Title 18 (Zoning) is added as follows:

#### **18.40.260 Visual Screening and Landscaping**

##### **(a) Purpose**

Utilities, mechanical equipment, service areas, and other site fixtures should be:

- (1) Integrated into the site planning and architectural design of a project and surrounding uses
- (2) Visually screened from public view and from adjacent properties through architectural design, landscaping and screening devices

~~Privacy of abutting residential properties or properties with existing residential uses located within nonresidential zones (residential properties) should be protected by screening from public view all mechanical equipment and service areas. Landscaping should be used to integrate a project design into the surrounding neighborhood, and to provide privacy screening between properties where appropriate.~~

##### **(b) Requirements**

- (1) For non-residential properties abutting residential uses:
  - (i) A solid wall or fence between five and eight feet in height shall be constructed and maintained along the residential property line.
  - (ii) Walls facing residential properties shall incorporate architectural design features and landscaping in order to reduce apparent mass and bulk.
  - (iii) Loading docks and exterior storage of materials or equipment shall be screened from view from residential properties by fencing, walls or landscape buffers.
  - (iv) All required interior yards (setbacks) abutting residential properties shall be planted and maintained as a landscaped screen.
- (2) For all project types:
  - (i) All areas not covered by structures, service yards, walkways, driveways, and parking spaces shall be landscaped with ground cover, shrubs, and/or trees.
  - (ii) Rooftop equipment shall be screened by a parapet or enclosure. Rooftop equipment or rooftop equipment enclosures shall not extend above a height of 15 feet above the roof, and any enclosed rooftop equipment nearest residential property shall be set back at least 20 feet from the building edge closest to the residential property or a minimum of 100 feet from the residential property line, whichever is closer. Roof vents, flues and other protrusions through the roof of any building or structure shall be obscured from ground-level public view (when viewed from the sidewalk on the opposite

side of a street), by a roof screen or proper placement. See Section 18.40.090 (height limit exceptions) for further restrictions.

(iii) ~~For sites abutting residential properties, a solid wall or fence between five and eight feet in height shall be constructed and maintained along the residential property line where privacy or visual impacts are an issue.~~ A minimum 10-foot planting and screening strip shall be provided adjacent to any façade abutting a low density residential district (R-1, R-2, or RMD) or abutting railroad tracks.

(iv) All exterior mechanical and other types of equipment, whether installed on the ground or attached to a building roof or walls, shall be ~~screened/obscured from public view, when viewed from the abutting opposite sidewalk and, if visible and feasible, from overhead view.~~

(v) Windows, balconies or similar openings above the first story should be offset so as not to have a direct line-of-sight into the interior living areas of adjacent units within the project or into units on abutting residential property.

(c) Guidelines

(1) For landscape buffers to provide a visual screen, trees and shrubs in the buffer area shall be installed in a manner that provides maximum visual separation of residential uses from the commercial or industrial use, taking into consideration topography and sight lines from residences.

(2) Size and density of plant materials shall be in proportion to the size of planting areas and the mass of the structure.

(3) Plant material selection shall take into consideration solar orientation, drought tolerance, maintenance requirements and privacy screening.

(4) Plant material species and container sizes shall allow for a mature appearance within five years.

(5) ~~Guidelines~~ Roof vents, flues and other protrusions through the roof of any building or structure should be clustered where feasible and where visual impacts would thereby be minimized.

~~(6) Windows, balconies or similar openings above the first story should be offset so as not to have a direct line-of-sight into the interior living areas of adjacent units within the project or into units on abutting residential property.~~

~~(7)~~(6) Building elevations facing residential property should not have highly reflective surfaces, such as reflective metal skin and highly reflective glazing. The paint colors should be in subdued hues.

~~(8)~~(7) Increased setbacks or more restrictive daylight planes may be proposed by the applicant, or recommended by the architectural review board, as mitigation for the visual impacts of massive buildings.

~~(9)~~(8) Appropriate landscaping should be used to aid in privacy screening.

~~(10)~~(9) Planting strips and street trees should be included in the project.

~~(11)~~(10) Textured and permeable paving materials should be used, where feasible, in pedestrian, driveway and parking areas in order to visually reduce paved areas and to allow for retention and/or infiltration of storm water to reduce

pollutants in site runoff.

~~(12)~~(11) Landscaping material associated with screening should have adequate room to grow and be protected from damage by cars and pedestrian traffic.

~~(13)~~(12) Where rooftops are visible from offsite, they should be treated to minimize aesthetic impacts, including the use of rooftop gardens or other green spaces, where feasible.

**SECTION 21.** Section 18.23.060 (Noise and Vibration) of Chapter 18.23 (Performance Criteria for Multiple Family, Commercial, Manufacturing and Planned Community Districts) of Title 18 (Zoning) is renumbered without changes to a new Section 18.42.190 (Noise and Vibration) of Chapter 18.42 (Standards for Special Uses) of Title 18 (Zoning).

**SECTION 22.** Sections 18.23.070 (Parking) and 18.23.080 (Vehicular, Pedestrian, and Bicycle Site) of Chapter 18.23 (Performance Criteria for Multiple Family, Commercial, Manufacturing and Planned Community Districts) of Title 18 (Zoning) are deleted in their entirety.

**SECTION 23.** Section 18.23.090 (Air Quality) of Chapter 18.23 (Performance Criteria for Multiple Family, Commercial, Manufacturing and Planned Community Districts) of Title 18 (Zoning) is renumbered without changes to a new Section 18.40.270 (Air Quality) of Chapter 18.42 (Standards for Special Uses) of Title 18 (Zoning).

**SECTION 24.** Section 18.23.100 (Hazardous Materials) of Chapter 18.23 (Performance Criteria for Multiple Family, Commercial, Manufacturing and Planned Community Districts) of Title 18 (Zoning) is renumbered without changes to a new Section 18.42.200 (Hazardous Materials) of Chapter 18.42 (Standards for Special Uses) of Title 18 (Zoning).

**SECTION 25.** Section 18.28.060 (Additional PF District Design Requirements) of Chapter 18.28 (Special Purpose (PF, OS, and AC) Districts) of Title 18 (Zoning) is amended as follows:

**18.28.060 Additional PF District Design Requirements**

The following additional regulations shall apply in the PF district:

(a) Recycling Storage

[. . .]

**(f) Objective Design Standards**

In addition to the standards for development prescribed above, all multi-family residential and mixed use development in the PF District shall comply with applicable standards and/or intent statements outlined in Chapter 18.24, as defined therein.

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**SECTION 26.** Subchapter 18.30(J) (Affordable Housing (AH) Combining District Regulations) of Chapter 18.30 (Combining Districts) of Title 18 (Zoning) is deleted in its entirety and a new Section 18.32 (Affordable Housing ~~Bonus~~ Incentive Program) is created to read as follows:

**Sections:**

**18.32.010 Specific Purpose**

**18.32.020 Applicability of Regulations and Affordable Housing Requirement**

**18.32.030 Definitions**

**18.32.040 ~~Zoning Map Designation Reserved~~**

**18.32.050 ~~Site Development Review Process~~**

**18.32.060 Conformance to Other Combining Districts and Retail Preservation**

**18.32.070 Permitted Uses**

**18.32.080 Conditional Uses**

**18.32.090 Development Standards**

**18.32.010 Specific Purpose**

The affordable housing ~~combining district incentive program~~ incentive program is intended to promote the development of 100% affordable rental housing projects located within one-half mile of a major transit stop or one-quarter mile of a high-quality transit corridor, as defined in subdivision (b) of Section 21155 of the Public Resources Code, by providing flexible development standards and modifying the uses allowed in the commercial districts and subdistricts.

**18.32.020 Applicability of Regulations and Affordable Housing Requirement**

(a) The affordable housing incentive program ~~combining district~~ may be combined with the shall apply to properties zoned CD, CN, CS, and CC ~~districts~~, set forth in Chapters 18.16 and 18.18 of this Title, in accord with Chapter 18.08 and Chapter 18.80, but excluding the Town and Country Village Shopping Center, Midtown Shopping Center, and Charleston Shopping Center. The affordable housing incentive program shall also apply to all sites eligible for the PTOD overlay and located north of Page Mill Road. ~~Where so combined, t~~ The regulations established by this chapter shall apply for 100% affordable housing projects in lieu of the uses allowed and development standards and procedures applied in the underlying district. A property owner may elect to use the site consistent with the underlying district, in which case the applicable regulations in Chapters 18.16 and 18.18 for the commercial districts shall apply. ~~The Town and Country Village Shopping Center, Midtown Shopping Center, and Charleston Shopping Center shall not be considered eligible for the application of the affordable housing combining district.~~

(b) The affordable housing ~~combining district incentive program~~ incentive program provides flexibility in development standards that allow for a density increase that would in most cases exceed density bonuses under state law, Government Code Section 65915. Therefore, a project applicant may utilize the affordable housing ~~combining district~~ incentive program and the

provisions of this chapter as an alternative to use of the state density bonus law implemented through Chapter 18.15 (~~Residential~~ Density Bonus) of this Title, but may not utilize both the affordable housing ~~combining district~~ incentive program and density bonuses. If an applicant utilizes state density bonus law, the regulations in Chapters 18.16 or 18.18 for the applicable underlying commercial district shall apply.

### **18.32.030 Definitions**

For purposes of this chapter, the following definitions shall apply.

(a) "100% affordable housing project" means a multiple-family housing project consisting entirely of for-rent affordable units, as defined in Section 16.65.020 of this code, except for a building manager's unit, and available only to households with income levels at or below 120% of the area median income for Santa Clara County, as defined in Chapter 16.65.

### **18.32.040 ~~Zoning Map Designation Reserved~~**

~~The affordable housing combining district shall apply to properties designated on the zoning map by the symbol "AH" within parentheses, following the commercial designation with which it is combined.~~

### **18.32.050 ~~Site Development Review Process~~**

All projects shall be subject to architectural review as provided in Section 18.76.020. Projects and shall not be subject to the requirements of site and design review in Chapter 18.30(G). Projects shall not be subject to any other discretionary action, unless the applicant requests amendment to the zoning map or zoning regulations, pursuant to Chapter 18.80 or other modifications or variances that trigger review by the Planning & Transportation Commission and/or City Council.

### **18.32.060 Conformance to Other Combining Districts and Retail Preservation**

The following requirements shall apply to projects in the AH affordable housing ~~combining district~~ incentive program:

(a) Where applicable, the requirements of Chapter 18.30(A) (Retail Shopping (R) Combining District Regulations), Chapter 18.30(B) (Pedestrian Shopping (P) Combining District Regulations), and Chapter 18.30(C) (Ground Floor (GF) Combining District Regulations), and Pedestrian Shopping (P) Combining Districts shall apply.

(b) Where applicable, the retail preservation requirements of Section 18.40.180 shall apply except as provided below.

(1) Waivers and adjustments

a. Except in the R or GF combining districts, the City Council shall have the authority to reduce or waive the amount of retail or retail like gross floor area required in Section 18.40.180 for any 100% affordable housing project if the City Council determines that it would be in the public interest. Any such reduction or waiver shall not be subject to the

waiver and adjustments requirements in Section 18.40.180(c). In the R and GF combining districts, any reduction or waiver in retail or retail like gross floor area shall remain subject to the requirements of Section 18.40.180(c) or the combining district as applicable.

b. The City Council shall have the authority to modify retail parking requirements associated with a 100% affordable housing project that also requires ground floor retail.

### 18.32.070 Permitted Uses

The following uses shall be permitted in the AH affordable housing ~~combining district~~ incentive program:

- (a) 100% affordable housing projects;
- (b) In conjunction with a 100% affordable housing project, any uses permitted in the underlying district, provided the uses are limited to the ground floor.

### 18.32.080 Conditional Uses

The following uses may be permitted in the AH affordable housing ~~combining district~~ incentive program in conjunction with an 100% affordable housing project, subject to issuance of a conditional use permit in accord with Chapter 18.76 (Permits and Approvals), provided that the uses are limited to the ground floor:

- (a) Business or trade school.
- (b) Adult day care home.
- (c) Office less than 5,000 square feet when deed-restricted for use by a not-for-profit organization.
- (d) All other uses conditionally permitted in the applicable underlying zoning district.

### 18.32.090 Development Standards

The following development standards shall apply to projects subject to the AH affordable housing ~~combining district~~ incentive program in lieu of the development standards for the underlying zoning district, except where noted below:

**Table 1**  
**Development Standards**

AH Combining District (1)		
Minimum Site Specifications		Subject to regulations in:
Site Area (ft <sup>2</sup> )	None required	
Site Width (ft)		
Site Depth (ft)		
Minimum Setbacks		Setback lines imposed by a special setback map pursuant to Chapter 20.08 of this code may apply

Front Yard (ft)	Same as underlying district	
Rear Yard (ft)	Same as underlying district	
Rear Yard abutting residential zoning district (ft)	Same as underlying district	
Interior Side Yard if abutting residential zoning district (ft)	Same as underlying district	
Street Side Yard (ft)	Same as underlying district	
Build-to-Lines	Same as underlying district	
Permitted Setback Encroachments	Same as underlying district	
<b>Maximum Site Coverage</b>	None Required	
<b>Landscape/Open Space Coverage</b>	20% (2)	
<b>Usable Open Space</b>	25 sq ft per unit for 5 or fewer units <sup>(2)</sup> , 50 sq ft per unit for 6 units or more <sup>(2)</sup>	<u>18.24.040</u>
<b>Maximum Height (ft)</b>	50'	
Within 50 ft of a R1, R-2, RMD, RM-20, or RM-30 zoned property	35' (3)	<u>18.08.030</u>
<b>Daylight Plane for lot lines abutting one or more residential zoning districts</b>	Daylight plane height and slope shall be identical to those of the most restrictive residential zoning district abutting the lot line	
<b>Maximum Residential Density (net)</b>	None Required	
<b>Maximum Residential Floor Area Ratio (FAR) Residential Portion of a Project</b>	2.0:1	
<b>Maximum Non-Residential FAR</b>	0.4:1	

<b>Vehicle Parking</b>	0.75 per unit. The Director may modify this standard based on findings from a parking study that show fewer spaces are needed for the project. The required parking ratio for special needs housing units, as defined in Section 51312 of the Health and Safety Code shall not exceed 0.3 spaces per unit.	Adjustments to the required ratios shall be considered per Chapter 18.52 (Parking).
	For Commercial Uses, See Chapters 18.52 and 18.54 (Parking).	
<b>TDM Plan</b>	A transportation demand management (TDM) plan shall be required pursuant to Section 18.52.050(d) and associated administrative guidelines	18.52.050(d)
<p>Notes:</p> <p>(1)These developments shall be designed and constructed in compliance with the <del>performance criteria outlined in Chapter 18.23, as well as the context-based design criteria outlined in Section 18.13.060 for residential-only projects, Section 18.16.090 for mixed use projects in the CN, CC, and CS districts, and Section 18.18.110 for mixed use projects in the CD district</del> objective design standards in Section 18.24. For projects undergoing discretionary review, <del>provided that</del> more restrictive regulations may be recommended by the architectural review board and approved by the director of planning and community environment, pursuant to Section 18.76.020.</p> <p>(2)Landscape coverage is the total area of the site covered with landscaping as defined in Chapter 18.04. For the purposes of this Chapter <del>18.3230(J)</del>, areas provided for usable open space may be counted towards the landscape site coverage requirement. Landscape and open space areas may be located on or above the ground level, and may include balconies, terraces, and rooftop gardens.</p> <p>(3)The Planning Director may recommend a waiver from the transitional height standard.</p>		

**SECTION 27.** Subchapter 18.30(K) (Workforce Housing (WH) Combining District Regulations) of Chapter 18.30 (Combining Districts) of Title 18 (Zoning) is deleted in its entirety and a new Chapter 18.33 (Workforce Housing Incentive Program) is created to read as follows:

**Sections:**

**18.33.010 Specific purpose**

**18.33.020 Applicability of Regulations and Affordable Housing Requirement**



**18.33.030 Definitions****18.33.040 Reserved****18.33.050 Review Process****18.33.060 Permitted Uses****18.33.070 Development Standards****18.33.080 Additional WH Combining District Regulations****18.33.010 Specific Purpose**

The purpose of the workforce housing combining district is to incentivize development of new housing that is affordable to the local workforce. This combining district promotes the development of such housing projects located within one-half mile radius of a major fixed-rail transit stop by providing flexible development standards and modifying the uses allowed in the public facilities (PF) district.

**18.33.020 Applicability of Regulations and Affordable Housing Requirement**

The workforce housing incentive program ~~combining district may be combined with~~ shall apply to properties in the public facilities (PF) zoning district set forth in Chapter 18.28 of this title, in accord with Chapter 18.08 and Chapter 18.80, which are located on any parcel that is located within one-half mile radius of a major fixed-rail transit station platform with the exception of sites in park use or being used for outdoor recreational purpose or within 25 feet of such a use at the time of adoption of this chapter. ~~Where so combined,~~ ~~€~~ The regulations established by this chapter shall apply for workforce housing projects in lieu of the uses allowed and development standards and procedures applied in the underlying PF district. A property owner may elect to use the parcel consistent with the underlying district, in which case the regulations in Chapter 18.28 for the PF district shall apply.

**18.33.030 Definitions**

For purposes of this chapter, the following definitions shall apply:

(a) "Workforce housing" means a multi-family rental housing project in which at least 20% of the units, excluding any required below- market-rate units, are affordable to households earning more than 120% of area median income (AMI) up to and including 150% of AMI.

**18.33.040 ~~Zoning Map Designation~~ Reserved**

~~The workforce housing combining district shall apply to properties designated on the zoning map by the symbol "WH" within parentheses, following the public facilities (PF) district designation with which it is combined.~~

**18.33.050 Site Development Review Process**

All projects shall be subject to architectural review as provided in Section 18.76.020. ~~except that p~~ Projects ~~proposing nine units or more~~ shall not be subject to site and design review under Chapter 18.30(G). Projects shall not be subject to any other discretionary action, unless the applicant requests amendment to the zoning map or zoning regulations, pursuant to Chapter 18.80 or other modifications or variances that trigger review by the Planning & Transportation Commission and/or City Council.

**18.33.060 Permitted Uses**

- (a) The following uses shall be permitted in the WH ~~combining district~~ incentive program:
- (1) Workforce housing;
  - (2) Incidental retail and/or community center space on the ground floor only when provided in conjunction with workforce housing and not to exceed 10% of the total gross floor area of the site;
  - (3) All other uses permitted in the underlying district, subject to the development standards for the underlying district.
- (b) The uses in subsections (a)(1) and (a)(2) above shall not be used in combination with (a)(3).

**18.33.070 Development Standards**

(a) Where the WH ~~combining district is combined with the public facilities district~~ incentive program applies, the following development standards shall apply for workforce housing projects, including permitted incidental uses, in lieu of the development standards for the underlying PF zoning district:

**Table 1**  
**Development Standards**

<b>WH Combining District</b>		
<b>Minimum Site Specifications</b>		<b>Subject to regulations in:</b>
Site Area (ft)	None required	
Site Width (ft)		
Site Depth (ft)		
<b>Minimum Setbacks</b>		Setback lines imposed by a special setback map pursuant to Chapter 20.08 of this code may apply
Front Yard (ft)	10 feet; may be increased to 20 feet by decisionmaking body (1)	

Rear Yard (ft)	10'(2)	
Interior Side Yard	5'(2)	
Interior Side Yard if abutting residential zoning district (ft) (other than an RM-40 or PC zone)	10'(2)	
Street Side Yard (ft)	5 feet; may be increased to 10 feet by decisionmaking body (1)	
<b>Maximum Site Coverage</b>	None Required	
<b>Landscape/Open Space Coverage</b>	20%(3)	
<b>Usable Open Space</b> (4)	75 square feet (sf) per unit	<u>18.24.040</u>
<b>Maximum Height (ft)</b>		
<b>Standard</b>	50'	
Within 150 ft. of a residential district (other than an RM-40 or PC zone) abutting or located within 50 feet of the site	35', <del>except as limited by applicable daylight plane requirements</del>	<u>18.08.030</u>
<b>Daylight Plane for lot lines abutting one or more residential zoning districts</b>	Daylight plane height and slope shall be identical to those of the most restrictive residential zoning district abutting the lot line	
<b>Maximum Residential Density (net)</b>	None Required	
<b>Maximum Residential Floor Area Ratio (FAR)</b> - Residential-Only or Mixed Use Projects	2.0:1	
<b>Maximum Unit Size</b>	750 sf	
<b>Vehicle Parking</b>	Parking requirements shall be no less than one space per unit or bedroom, whichever is greater. The decisionmaking body may reduce this standard based on a parking study. Any incidental retail or community center space shall be subject to the parking requirements outlined in Chapter 18.52.	

<b>Bicycle Parking</b>	Bicycle parking requirements shall be in accordance with Section 18.52.040.	
<b>TDM Plan</b>	A transportation demand management (TDM) plan shall be required and shall comply with the TDM pursuant to Section 18.52.050(d), associated administrative guidelines, and the decisionmaking body.	
<p>Notes:</p> <ol style="list-style-type: none"> <li>1. A 12-foot sidewalk width is required along El Camino Real frontage.</li> <li>2. In order to encourage below-grade parking, garage ramps and subterranean structures may encroach into the required setback provided that sufficient landscaping is still provided between the project site and adjacent properties.</li> <li>3. Landscape/open space may be any combination of landscaping or private and common open spaces.</li> <li>4. Useable open space includes a combination of common and private open space.</li> </ol> <p>(b) These developments shall be subject to <u>objective design standards in Section 18.24. For projects undergoing discretionary review, the performance criteria outlined in Chapter 18.23, as well as the context based design criteria outlined in Section 18.13.090 for residential projects, provided that</u> more restrictive regulations may be recommended by the architectural review board and approved by the director, pursuant to Section 18.76.020.</p>		

### 18.33.080 Additional WH Combining District Regulations

(a) Affordability requirement. At least 20% of the units in a workforce housing project, excluding any required below-market-rate units, shall be affordable to households earning up to and including 150% of area median income (AMI).

(b) BMR provisions applicable. The below market rate housing requirements set forth in Chapter 16.65 of Title 16 of this code shall apply to workforce housing projects. Any BMR units provided will not be counted toward the total number of units in a workforce housing project for purposes of calculating the number of workforce affordable units required under subsection (a) above.

(c) Continued affordability. All workforce housing units provided under subsection (a) above shall be subject to a deed of trust or regulatory agreement recorded against the property for execution by the City Manager in a form approved by the City Attorney, to ensure the continued affordability of the workforce housing units. All workforce housing units shall remain affordable to the targeted income group for 99 years.

(d) Local workforce preference. All residential units within a workforce housing project shall be offered first to eligible households with at least one household member who currently lives or whose place of employment is within a three mile radius of the project or within the City of Palo Alto. If units remain unoccupied after offers are made to this first

category, those units shall be offered to eligible households with at least one household member whose place of employment is within one-half mile of a major fixed-rail transit stop.

**SECTION 28.** Section 18.34.040 (Pedestrian and Transit Oriented Development (PTOD) Combining District Regulations) of Chapter 18.34 (Pedestrian and Transit Oriented Development (PTOD) Combining District Regulations) of Title 18 (Zoning) is amended as follows:

**18.34.040 Pedestrian and Transit Oriented Development (PTOD) Combining District Regulations**

(a) Properties in the PTOD combining district are subject to the following regulations:

**TABLE 2  
DEVELOPMENT STANDARDS**

<b>Standards<sup>1</sup></b>	<b>PTOD - California Avenue</b>	<b>PTOD - Downtown [Reserved]</b>
<b>Max. Dwelling Units:</b>	40 DU/AC 2	
<b>Max. FAR:</b>		
100% Residential FAR	1.0:1 2	
Mixed Use FAR	1.25:1 23	
Mixed Use Non-Residential FAR Cap	Total: 0.35 4 Office and research and development uses: 0.25 FAR	
Hotels	2.0	
<b>Height:</b>	40 feet <sup>2</sup>	
<b>Open Space:</b>		
Minimum area required	5 or fewer units: 200 s.f. per unit 6 or more units: 100 s.f. per unit	<u>18.24.040</u>
<del>Minimum dimensions</del>	<del>Private open space: 6 feet Common open space: 12 feet</del>	
<b>Parking:</b>	Rates established by use, per Chs. 18.52 and 18.54	
<b>Parking Adjustments:</b>	See Section 18.34.040(d)	
<b>Setbacks and daylight plane requirements for properties adjacent to R-1 and R-2 zones:</b>		
Setbacks	On portion of site that abuts: 1. Interior side yard: 6 feet 2. Rear yard: 20 feet	

Daylight Plane	On portion of site that abuts: 1. Interior side yard: Initial height at interior side lot line: 10 feet Angle (degrees): 45 2. Rear yard: Initial height at rear setback line: 16 feet Angle (degrees): 45	
<b>Setbacks and daylight and daylight plane requirements for properties adjacent to Caltrain Right-of-Way:</b>		
Setbacks	On portion of site that abuts Caltrain right-of-way: 5 feet (landscaped)	
Daylight Plane	On portion of site that abuts Caltrain right-of-way: Initial height at property line w/Caltrain right-of-way: 16 feet Angle (Degrees): 45	
<b>Footnotes:</b>		
<p>(1) Non-residential development that is not consistent with the mixed-use limitations set forth above, with the exception of hotels, must be developed per the underlying zoning district regulations.</p> <p>(2) See Section 18.34.040 (e) for Below Market Rate (BMR) bonus provisions.</p> <p>(3) The residential component of the mixed use may not exceed 1.0:1.</p> <p>(4) The non-residential component of a mixed use project shall not exceed 50% of the total square-footage of the project.</p>		

**(b) Live/Work Units**

- (1) A live/work unit, for the purposes of this chapter, is defined as a rental or ownership unit comprised of both living space and work area, with the living space occupying a minimum of 60% of the total gross floor area of the unit, and such that the resident of the living space is the owner/operator of the work area.
- (2) The work area shall be located on the ground level, oriented to the street and provide for at least one external entrance/exit separate from the living space. The work area may be used for office, retail, personal services, or handcrafted goods (unless otherwise limited by this chapter), but shall not be used for restaurants or cafes or for any business involving the storage or use of hazardous materials in excess of the quantities allowed by Title 15 of the Municipal Code (Section 105.8 of the Fire Code).
- (3) The maximum number of employees who do not reside within the unit is two.
- (4) The signage shall not exceed the requirements of the City of Palo Alto Municipal Code and shall require approval and recommendation by the architectural review process prior to approval by the director.
- (5) The parking requirements shall include a maximum total of two spaces for the residential unit, plus one space per 200 square feet for the gross square footage of the work

area, less one space from the total (to reflect the overlap of the resident and one employee).

(6) The live/work units are subject to the development standards of the PTOD zone outlined in Table 2 for a 100% residential development, except that the maximum non-residential FAR is limited to 0.40.

(7) The maximum size of a live/work unit shall be limited to 2,500 square feet.

~~(8) The design of street frontage of a live/work unit shall be consistent with the context based criteria outlined for street frontage in Section 18.34.050 below.~~

~~(8) (9)~~ A live/work unit may be converted to an entirely residential unit where residential use on the ground floor is not otherwise prohibited.

#### (c) Hotels

(1) Hotels for the purpose of this section are defined as hotels, motels, or other lodging for which City of Palo Alto transient occupancy tax is collected, consistent with the provisions and limitations outlined in Section 18.16.060(d) for hotels in commercial zoning districts.

(2) Hotels may be constructed to a maximum FAR of 2.0 and a maximum height of 50 feet.

(3) All hotels are subject to the objective design standards in Chapter 18.24~~context-based design criteria outlined in Section 18.34.050 below.~~

#### (d) Parking Adjustments

Adjustments to the required parking standards may be allowed with the director's approval pursuant to the provisions outlined in Section 18.52.050, with the following additional allowances and requirements:

(1) For multi-family residential or mixed use projects on sites rezoned to the PTOD combining district, the director may ~~waive a portion of or all guest parking requirements, and may~~ waive any requirement to provide a landscape reserve for parking, subject to the following conditions:

(A) The project includes a minimum of four residential units;

(B) The average residential unit size is 1,250 square feet or less; and

(C) Not more than one parking space per residential unit shall be assigned or secured, such that other required parking spaces are available to other residents and guests.

(2) Projects providing more than 50% of the project residential units at low or very-low income housing rates may further reduce parking requirements by an additional 20%.

(3) In no case, however, shall total parking requirements for the site be reduced by greater than 30% from the standard requirements, or by greater than 40% for an affordable housing project consistent with subdivision (2) above, or by more than 50% if housing for the elderly is proposed pursuant to Section 18.52.050(d) of the Zoning Ordinance.

(4) For any request for parking adjustments, the project applicant shall indicate parking and traffic demand measures to be implemented to reduce parking need and trip generation. Measures may include, but are not limited to: limiting "assigned" parking to one space per residential unit, providing for Caltrain and/or other transit passes, or other

measures to encourage transit use or to reduce parking needs. The program shall be proposed to the satisfaction of the director, shall include proposed performance targets for parking and/or trip reduction, and shall designate a single entity (property owner, homeowners association, etc.) to implement the proposed measures. Monitoring reports shall be submitted to the director not later than two years after building occupancy and again not later than five years after building occupancy, noting the effectiveness of the proposed measures as compared to the initial performance targets and suggestions for modifications if necessary to enhance parking and/or trip reductions.

(e) Density, FAR, and Height Bonus Provisions

The following provisions are intended to allow for increased density, FAR, height, and other development bonuses upon construction of additional below market rate (BMR) housing units. The bonus allowances shall be allowed subject to the following limitations:

(1) Bonuses are only applicable where below market rate (BMR) units are provided in excess of those required by Palo Alto's BMR program as set forth in Section 18.14.030(a) and Program H-3.1.2 of the Housing Element. Key elements of the BMR Program include:

(A) Five or more units: Minimum 15% of units must be BMR units;

(B) Five or more acres being developed: Minimum 20% of units must be BMR units;

and

(C) BMR units shall meet the affordability and other requirements of Program H-3.1.2 and the city's BMR Program policies and procedures.

(2) The following BMR bonuses shall be considered and may be approved upon rezoning to the PTOD district:

(A) Density Increase: Density may be increased above the maximum base density allowed (40 units per acre), such that at least one additional BMR unit is provided for every three additional market rate units constructed. The resultant density may not exceed fifty units per acre. Density shall be calculated based on the gross area of the site prior to development.

(B) FAR Increase: For projects with a residential density greater than thirty units per acre, the allowable residential FAR may be increased. The FAR increase shall be equivalent to 0.05 for each additional 5% (in excess of the city requirements) of the total number of units that are proposed as BMR units, but may not exceed 50% of the residential FAR prior to the bonus, and may not exceed a total FAR of 1.5.

(C) Height Increase: For projects with a residential density greater than 30 units per acre, the allowable project height may be increased. The height increase shall be equivalent to one foot above the maximum for each additional 5% (in excess of the city requirements) of the total number of units that are proposed as BMR units, but may not exceed a maximum height (50 feet).

(D) Other incentives for development of BMR units, such as reduced setbacks and reduced open space, may be approved where at least 25% of the total units constructed are BMR units and subject to approval by the architectural review board.

(3) The provisions of this section are intended to address the density bonus requirements of state law within the PTOD District. The maximum bonus density available



under this section shall be the greater of the bonus density allowed under this chapter or under the city's density bonus provisions contained in Chapter 18.15.

**SECTION 29.** Section 18.34.050 (Pedestrian and Transit Oriented Development (PTOD) Combining District Context-Based Design Criteria) of Chapter 18.34 (Pedestrian and Transit Oriented Development (PTOD) Combining District Regulations) of Title 18 (Zoning) is deleted in its entirety and restated to read as follows:

**18.34.110 Pedestrian and Transit Oriented Development (PTOD) Combining District Context-Based Objective Design Standards Criteria**

In addition to the standards for development prescribed above, all development in the PTOD combining district shall comply with applicable standards and/or intent statements outlined in Chapter 18.24, as defined therein.

**SECTION 30.** Section 18.40.130 (Landscaping) of Chapter 18.40 (General Standards and Exceptions) of Title 18 (Zoning) is amended as follows:

**18.40.130 Landscaping**

(a) Purpose

The purpose of this section is to encourage creative and sustainable landscape design that enhances structures, open space areas, streetscapes and parking areas. Sustainable landscape design preserves native plant species to the maximum extent feasible, consumes less water and provides permeable surfaces for storm water management and groundwater recharge. Tree shading and appropriate landscape design can contribute to economic vitality and public health, and can reduce the need for frequent infrastructure repair.

Landscaping provides recreation areas, cleans the air and water, prevents erosion, offers fire protection, replaces ecosystems displaced by development, and is water efficient.

(b) General Regulations

In addition to the provisions of this section, all projects shall adhere to the landscape requirements cited elsewhere in Title 18 (Zoning Ordinance), including but not limited to:

- (1) Design Standards - General Parking Facilities (Section 18.54.020).
- (2) Design Standards - Landscaping in Parking Facilities and Required Landscape Areas (Section 18.54.040).
- (3) Architectural Review Findings (Section 18.76.020).

(c) Natural Areas (Open Space District, Hillside Lands, Baylands, Creek and Riparian Areas)

Landscaping should retain or enhance native vegetation in hillside, baylands or other natural open spaces areas or adjacent to such areas. The existing natural vegetation and land formations should remain in a natural state unless modification is found to be necessary or appropriate for a specific use allowed through architectural or site design review.

(1) In the selection of new landscaping, preference shall be given to natural, indigenous and drought resistant plants and materials. Non-indigenous landscaping should be limited to the immediate area around a structure or structures.

(2) Site development plans shall, to the maximum extent feasible, provide for the retention of existing vegetation and land formations, and shall include an erosion and sediment control element setting forth reasonable mitigation measures in accord with the grading and subdivision ordinances of the city.

(3) Landscaping shall, to the maximum extent feasible, integrate and accommodate existing trees and vegetation to be preserved; make use of water-conserving plants, materials and irrigation systems; and be clustered in natural appearing groups, as opposed to being placed in rows or regularly spaced.

(4) Colors of roofing materials shall blend with the natural landscape and be nonreflective. All roof mounted equipment shall be screened in a manner that protects the viewshed from adjacent properties, including from views from above.

(5) Planting of invasive plant species shall not be permitted and removal of invasive species may be required as part of landscape plan requirements.

(6) To the maximum extent feasible, existing vegetation shall be retained or enhanced to maintain contiguous wildlife habitat.

(7) Riparian vegetation shall be retained or enhanced within natural stream corridors, and best practices for development shall be used to protect riparian habitat and water quality of adjacent streams.

(d) Low-Density Residential Landscaping Design Standards

(1) In the R-1, R-2, and RMD zones, a minimum of 50% of the required front setback area shall be landscaped, subject to the limitations of Section 18.12.040(h). Planting in the right-of-way shall not count towards fulfillment of the required landscape area.

(2) Street trees may be required to be planted in the right-of-way frontage of any residential structure subject to individual review for a new second story or addition to a second story, or for other discretionary review in the R-1, R-2, or RMD zones.

(3) Trees planted near public bicycle trails or curbs shall be of a species and installed in a manner that prevents physical damage to sidewalks, curbs, gutters and other public improvements.

(4) Trees and shrubs shall be planted so that at maturity they do not interfere with service lines (a minimum of five feet from water lines and ten feet from sanitary sewer lines) and traffic safety visibility areas.

(5) All proposed light wells and below-grade basements shall be screened to minimize visibility from public rights-of-way or other public properties.

(e) Special Design and Landscaping Standards for All Zoning Districts

Requirements:

(1) Utilities (e.g., transformer cabinets, pads, fiber optic trenching and above ground cabinets, large water check valves) and underground utilities shall not be placed within required landscaped areas, except where they will not preclude appropriate

planting of trees and will be predominantly screened from public view.

(2) All landscaping within multi-family, commercial, and industrial zoning districts shall be equipped with automatic irrigation systems. Backflow preventers shall be located in the rear or side yard and screened from public view by landscaping. If backflow preventers must be located in the front yard for access purposes, they should be located near the main structure to the maximum extent feasible, ~~and shall be predominantly screened from public view.~~

(3) For all development within commercial and industrial zoning districts, lawn areas shall not exceed 15 percent of the planting area on a property. Required common areas, active recreation areas, and areas located within the public right-of-way between the curb and public sidewalk shall not count against such lawn area.

~~(4) Landscaping within surface parking areas shall include tree plantings designed to result in 50 percent shading of parking lot surface areas within 15 years.~~

(4) ~~(5)~~ All required perimeter yards shall be landscaped. The landscaping of these yards shall, at a minimum, consist of a combination of living vegetation, such as trees, shrubs, grasses or ground cover materials. The director may, however, allow a combination of hardscape and landscape to satisfy landscape requirements where the visual quality and screening functions of the hardscape/landscape area are maintained. Landscape buffering and screening shall be designed to create compatible relationships of scale and appearance with neighboring properties.

(5) ~~(6)~~ Plant material shall be maintained in a healthy, disease-free, growing condition at all times. All required planting areas shall be maintained free of weeds, debris, and litter. The planning director may specify conditions of approval to assure that dead or diseased plantings are replaced in a timely manner and with adequate replacement plantings.

(f) Guidelines:

(1) Rooftop gardens, edible gardens, and other sustainable agricultural landscaping alternatives are encouraged for multi-family, commercial, industrial, and multi-family developments. See supplementary standards in Chapter 18.40.230: Rooftop Gardens. ~~Rooftop gardens are particularly encouraged where the rooftop is highly visible from neighboring properties.~~

(2) Structural soils, as specified by the director of planning and community environment, shall be preferred where planting in compacted soil areas, such as parking lots and sidewalks.

(3) Landscape swales, ~~permeable pervious~~ paving and other landscape features should be incorporated into site design to the maximum extent feasible to accommodate filtration of storm water runoff from impervious areas, particularly from parking lots.

(4) All projects requiring discretionary review within the multi-family, commercial, or industrial zoning districts should, where feasible, pursuant to Section 16.12: Recycled Water, and include the following:

(a) Incorporation of recycled water usage into the design of landscape and irrigation systems.

- (b) Consideration of plants suitable for irrigation with recycled water.
- (c) The installation of the infrastructure necessary to connect the irrigation system to the city's recycled water supply, if available in the foreseeable future.
- (5) The director may allow a combination of hardscape and landscape to satisfy landscape requirements where permeable surface materials are used and where the visual quality and screening functions of the hardscape/landscape area are maintained, as specified in the conditions of approval.

**SECTION 31.** Subdivision (d) of Section 18.52.040 (Off-Street Parking, Loading and Bicycle Facility Requirements) of Chapter 18.52 (Parking and Loading Requirements) of Title 18 (Zoning) is amended as follows:

**18.52.040 Off-Street Parking, Loading and Bicycle Facility Requirements**

[. . .]

(d) Residential and mixed use structures with fifty (50) or more dwelling units shall provide at least one (1) on-site, short-term loading space for passenger vehicles, to be used by taxicabs and similar transportation and delivery services.

**SECTION 32.** Section 18.54.015 (Definitions) of Chapter 18.54 (Parking Facility Design Standards) of Title 18 (Zoning) is added as follows:

**18.54.015 Definitions**

The definitions provided in Section 18.52.020 shall apply to this Chapter 18.54.

**SECTION 33.** Subsection (c) of Section 18.54.070 (Parking Tables and Figures) of Chapter 18.54 (Parking Facility Design Standards) of Title 18 (Zoning) is amended as follows:

[. . .]

**(c) Off-Site Parking**

Parking required by this chapter may be provided by off-site parking, provided that such off-site parking is within 500 feet ~~a reasonable distance~~ of the site using it ~~or, if the site is within an assessment district, within a reasonable distance of the assessment district boundary~~ and approved in writing by the director of planning and community environment. The director shall assure that sufficient covenants and guarantees are provided to ensure use and maintenance of such parking facilities, including an enforceable agreement that any development occurring on the site where parking is provided shall not result in a net reduction of parking spaces provided, considering both the parking previously provided and the parking required by the proposed use.

[. . .]

**SECTION 34.** Subdivisions (a) and (b) of Section 18.54.020 (Vehicle Parking Facilities) of Chapter 18.54 (Parking Facility Design Standards) of Title 18 (Zoning) is amended as follows:

### **18.54.020 Vehicle Parking Facilities**

#### **(a) Parking Facility Design**

Parking facilities shall be designed in accordance with the following regulations:

- (1) Requirements for dimensions of parking facilities at, above, and below grade are contained in this section and in Figures 1-6 and Tables 3-6 of Section 18.54.070.
- (2) Stalls and aisles shall be designed such that columns, walls, or other obstructions do not interfere with normal vehicle parking maneuvers. All required stall and aisle widths shall be designed to be clear of such obstructions.
- (3) The required stall widths shown in Table 3 of Section 18.54.070 shall be increased by 0.5 foot for any stall located immediately adjacent to a wall, whether on one or both sides. The director may require that the required stall widths be increased by 0.5 foot for any stall located immediately adjacent to a post, where such post limits turning movements into or out of the stall.
- (4) For property owners or tenants seeking to install EVSE, the required stall widths shown in Table 3 of Section 18.54.070 may be reduced by no more than eighteen inches below the code required minimum dimensions in order to accommodate EVSE or associated electrical utility equipment. This reduction may be applied to 10% of the total required parking stalls, or two stalls, whichever is greater. The director may approve a reduction in width for a greater number of stalls through a director's adjustment pursuant to Section 18.52.050.
- (5) Dead-end aisles shall be avoided to the greatest extent feasible.
- (6) Except for at-grade parking facilities serving a maximum of two dwelling units, all parking facilities shall be set back a sufficient distance from the street so that vehicles need not back out into or over a public street (not including an alley) or sidewalk.
- (7) Surface parking areas shall be located so that garages or carports are not predominantly facing the street; parking locations behind the building(s) are preferable.
- (8) Carport structures shall be architecturally compatible with the main structures in the project and should utilize substantial support posts. Landscaping material associated with the carport shall have adequate room to grow and be protected from damage by cars and pedestrian traffic.
- (9) Except for single-family uses, parking should be underground, semi-depressed, enclosed or concealed for all projects to the extent feasible.
- (10) Where feasible, parking shall be broken into smaller groupings of spaces to avoid large expanses of parking and to provide for more opportunities to intercept and filter drainage from the parking areas.
- (11) Proximity of underground parking garages to residentially zoned properties should take into consideration the need for landscaping along the perimeter of the site. In instances where substantial planting is necessary, the placement of parking garages should be adequately setback from the property line to provide for the landscaping.

## (b) Off-Street Parking Stalls

(1) Each off-street parking stall shall consist of a rectangular area not less than eight and one-half (8.5) feet wide by seventeen and one-half (17.5) feet long (uni-class stall), or as otherwise prescribed for angled parking by Table 1 in Section 18.54.070.

(2) Garages and carports for single-family and two-family development shall provide a minimum interior clearance of ten (10) feet wide by twenty (20) feet long for a single car and a minimum of twenty (20) feet wide by twenty (20) feet long for two cars to allow sufficient clearance.

(3) Dimensions of parking stalls for parallel parking shall be as follows. The minimum dimensions of such a stall located adjacent to a wall shall be ten feet wide and twenty feet long. The minimum dimensions of such a stall located adjacent to a curb with a minimum two-foot clearance to a wall shall be eight feet wide and twenty feet long. These required stall widths are in addition to the required width of the access driveway or aisle.

(4) Mechanical lifts may be used to satisfy off-street parking requirements, ~~subject to approval by the director or city council, as applicable, and~~ in accordance with the following provisions:

A. The regulations in this section apply to mechanical lifts, elevators and turn-around devices specified for vehicle use, and other mechanical devices that facilitate vehicle parking;

B. Mechanical vehicle lifts may be used for multi-family residential, office, hotel, automotive, industrial or institutional uses. Other uses may use mechanical vehicle lifts subject to approval from the Director of Planning and Community Development and may be required to provide dedicated on-site valet assistance for no fee to the user.

C. The location of mechanical lifts shall be located within an enclosed parking facility. All lifts and associated equipment shall be screened from public views and the screening shall be architecturally compatible with the site conditions;

D. Applicant shall submit an analysis and report, prepared by a qualified professional, for review and approval by the Director of Planning and Community Environment that demonstrates the effectiveness of the proposed parking lift system; operational details; schematic or technical drawings; regular and emergency maintenance schedule, procedures and backup systems; vehicle queuing, access and retrieval efficiency; and potential impacts, delays, or inconveniences to all of the following:

- i. site residents, workers, and visitors
- ii. pedestrian and bicycle movement and safety on and nearby the site
- iii. vehicular movement and safety on and nearby the site

E. Mechanical car lifts shall not be used for accessible parking spaces or loading spaces;

F. Mechanical car lifts shall accommodate mid-size sport utility vehicles and full-size cars.

G. For all non-residential uses, a minimum of two spaces or 10% of the total number of parking spaces provided, whichever is greater, shall be provided as standard

non-mechanical parking spaces. The required accessible spaces shall not be counted as one of the standard spaces for this requirement;

H. Additional information, reports and analysis may be required and conditions may be imposed to ensure the use, operation and function of the lift system is not detrimental to the public welfare, property, land uses and users of the property, other properties, or the public right of way, in the general vicinity.

I. Lift design must allow for removal of any single vehicle without necessitating the temporary removal of any other vehicle

J. The Director shall have authority to adopt regulations to implement this provision.

(5) Each off-street motorcycle parking stall shall consist of a rectangular area not less than five feet wide by ten feet long, as illustrated in Figure 7 of Section 18.54.070.

[. . .]

**SECTION 35.** Subdivision (c) of Section 18.54.050 (Miscellaneous Design Standards) of Chapter 18.54 (Parking Facility Design Standards) of Title 18 (Zoning) is amended as follows:

#### **18.54.050 Miscellaneous Design Standards**

[. . .]

##### **(c) Additional Parking Facility Design Requirements**

(1) Site design shall assure that connections to adjacent existing or planned bicycle or pedestrian facilities (sidewalks, bike paths or lanes, etc.) allow for ready access for residents and other users of the site.

(2) The location of driveways, shipping and receiving areas, and loading docks should be sited as far away from residentially zoned properties or properties with existing residential uses located within nonresidential zones as is reasonably feasible while recognizing site constraints and traffic safety issues.

(3) Employee ingress and egress to a site should be located to avoid the use of residential streets wherever feasible.

(4) Late hour and early morning truck traffic to a site located in or near a residential area should be discouraged.

(5) Vehicular access points should not conflict with pedestrian and bicycle walkways and facilities.

(6) Pedestrian and bicycle facilities (sidewalks, bike paths, etc.) should, where feasible, be provided through sites to provide connections to other pedestrian and bicycle routes and to allow for safe access to schools, recreation facilities and services.

(7) Additional requirements for parking facility design, internal layout, acceptable turning radii and pavement slope, vehicular and pedestrian circulation, and other design features may be adopted by the director when deemed appropriate.

[. . .]

**SECTION 36.** Subsection (b) of Section 18.76.020 (Architectural Review) of Chapter 18.76 (Permits and Approvals) of Title 18 (Zoning) is amended as follows:

**18.76.020 Architectural Review**

[. . .]

(b) Applicability

No permit required under Title 2, Title 12 or Title 16 shall be issued for a major or minor project, as set forth in this section, unless an application for architectural review is reviewed, acted upon, and approved or approved with conditions as set forth in Section 18.77.070.

(1) Exempt Projects. The following projects do not require architectural review:

(A) Single-family and two-family residences, except as provided under subsections (b)(2)(C) and (b)(2)(D).

(B) Projects determined by the director of planning and development services to be substantially minor in nature and have inconsequential visual impacts to the adjacent properties and public streets. These exempt projects are referred to as "over the counter projects". The director shall have the authority to promulgate a list of such exempt projects under this subsection.

(C) Housing development projects, as defined in Government Code Section 65589.5(h)(2) (the Housing Accountability Act), but only to the extent such projects comply with all objective standards in this code and thereby qualify for streamlining under Government Code sections 65589.5, 65913.4, or 65905.5. Such projects shall be subject to the process set forth in Section 18.77.073.

(2) Major Projects. The following are "major projects" for the purposes of the architectural review process set forth in Section 18.77.070, and are subject to review by the architectural review board:

(A) New construction, including private and public projects, that:

(i) Includes a new building or building addition of five thousand square feet or more; or

(ii) Is not exempt under the California Environmental Quality Act (CEQA) (Section 21000 et seq. of the California Public Resources Code); or

(iii) Requires one or more variances or use permits and, in the judgment of the director, will have a significant effect upon the aesthetic character of the city or the surrounding area;

(B) Any multiple-family residential construction project that contains three or more units;

(C) Construction of three or more adjacent single-family homes or duplexes;

(D) In the Neighborhood Preservation Combining District (NP), properties on which two or more residential units are developed or modified, except when one of those units is an "accessory dwelling unit," as described in Section 18.10.140(d);

(E) Any project using transferred development rights, as described in Chapter 18.18;

(F) A master sign program, pursuant to Chapter 16.20;



(G) Signs that do not meet all applicable design guidelines adopted by the city council or do not conform to a previously approved master sign program;

(H) Signs requiring a sign exception pursuant to Chapter 16.20;

(I) Any minor project, as defined in subsection (3), that the director determines will significantly alter the character or appearance of a building or site.

(3) Minor Projects. The following are "minor projects" for the purposes of the architectural review process set forth in Section 18.77.070, except when determined to be major pursuant to subsection (2)(I) or exempt pursuant to subsection (1)(B):

(A) New construction, including private and public projects, that involves a new building or building addition of fewer than 5,000 square feet, and which is exempt under the California Environmental Quality Act (CEQA) (division 13 of the Public Resources Code, commencing with section 21000);

(B) Signs that meet all applicable guidelines and conform to any previously approved master sign program;

(C) Landscape plans, fences, exterior remodeling, and design of parking areas, when not part of a major project;

(D) Any project relating to the installation of cabinets containing communications service equipment or facilities, pursuant to any service subject to Chapter 2.11, Chapter 12.04, Chapter 12.08, Chapter 12.09, Chapter 12.10, or Chapter 12.13.

(E) Minor changes to the following:

(i) Plans that have previously received architectural review approval;

(ii) Previously approved planned community district development plans;

(iii) Plans that have previously received site and design approval;

(iv) Previously approved plans for projects requiring council approval pursuant to a contractual agreement, resolution, motion, action or uncodified ordinance;

(v) Existing structures requiring council site and design approval or approval pursuant to a contractual agreement, resolution, motion, action, or uncodified ordinance.

As used in this subsection (b)(3)(E), the term "minor" means a change that is of little visual significance, does not materially alter the appearance of previously approved improvements, is not proposed for the use of the land in question, and does not alter the character of the structure involved. If the cumulative effect of multiple minor changes would result in a major change, a new application for Architectural Review approval of a major project, Site and Design approval, Planned Community District approval, or other applicable approval is required.

(F) Any changes to previously approved plans requiring architectural review as a minor project as part of the conditions of a permit or approval.

[. . .]

**SECTION 37.** Section 18.77.073 (Housing Development Project Review Process) of Chapter 18.77 (Processing of Permits and Approvals) of Title 18 (Zoning) is added as follows:

**18.77.073 Streamlined Housing Development Project Review Process**

**(a) Applicability**

This section shall apply to applications for residential mixed-use and multifamily housing development projects, as defined in Government Code Section 65589.5(h)(2), that comply with all objective standards in this code and thereby qualify for streamlining under Government Code sections 65589.5 or 65905.5.

**(b) Public Study Session**

(1) Prior to preparing a written decision, the Director may, in his or her sole discretion, refer the application to the Architectural Review Board or to other advisory boards or committees. An application should normally not be considered at more than one meeting of the Architectural Review Board.

(2) Notice of a public meeting to consider the application shall be given at least 7 days prior to the meeting by mailing to the applicant and all residents and owners of property within 600 feet of the project. Notice shall include the address of the property, a brief description of the proposed project, and the date and time of the hearing.

**(c) Decision by the Director**

(1) The Director shall prepare a written decision to approve the application, approve it with conditions, or deny it.

(2) Neither the Director, nor the City Council on appeal, shall approve an application unless it is found that:

(A) The application complies with all applicable and objective standards in the Comprehensive Plan, the Palo Alto Municipal Code, and any adopted plans or policies.

(B) Approving the application will not result in a specific, adverse, impact upon the public health or safety, which cannot feasibly be mitigated or avoided in a satisfactory manner. As used in this Section, a "specific, adverse impact" means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

(3) Notice of the proposed director's decision shall be given by mail to owners and residents of property within 600 feet of the property, and by posting in a public place. The notice shall include the address of the property, a brief description of the proposed project, a brief description of the proposed director's decision, the date the decision will be final if it is not appealed, and a description of how to file an appeal.

(4) The Director's decision shall become final 10 days after the date notice is mailed unless an appeal is filed.

(d) Appeals

(1) Any party, including the applicant, may file an appeal of the Director's decision in written form in a manner prescribed by the director.

(2) An appeal seeking disapproval of a project or a reduction in density shall be limited to the grounds that both of the following exist:

(A) The project would have a specific, adverse impact upon the public health or safety unless the project is disapproved or approved upon the condition that the project be developed at a lower density. And

(B) There is no feasible method to satisfactorily mitigate or avoid the adverse impact identified pursuant to subsection (c)(2)(B)(i), other than the disapproval of the housing development project or the approval of the project upon the condition that it be developed at a lower density.

(e) Decision by the City Council

At the Director's discretion, an appeal may be set for hearing before the City Council or may be placed on the Council's consent calendar, within 45 days. The city council may:

(1) Adopt the findings and decision of the director; or

(2) If the item is on the consent calendar, city council may remove the appeal from the consent calendar, which shall require three votes, and direct that the appeal be set for a new noticed hearing before the city council, following which the city council shall adopt findings and take action on the application.

(f) Final Decision by the Council

The decision of the council on the appeal is final.

**SECTION 38.** Any provision of the Palo Alto Municipal Code or appendices thereto inconsistent with the provisions of this Ordinance, to the extent of such inconsistencies and no further, is hereby repealed or modified to that extent necessary to effect the provisions of this Ordinance.

**SECTION 39.** If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

**SECTION 40.** The Council finds that the Ordinance is within the scope of and in furtherance of the Comprehensive Plan 2030 which was evaluated in that certain Final Environmental Impact Report certified and for which findings were adopted by Council Resolution Nos. 9720 and 9721 on November 13, 2017, all in accordance with the California Environmental Quality Act. The Ordinance does not propose to increase development beyond what was analyzed in the Comprehensive Plan. Pursuant to Section 15168 of the State CEQA Guidelines, the City has

determined that no new effects would occur from and no new mitigation measures would be required for the adoption of this Ordinance.

**SECTION 41.** This ordinance shall be effective on the thirty-first date after the date of its adoption.

INTRODUCED:

PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

NOT PARTICIPATING:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

APPROVED:

\_\_\_\_\_  
Assistant City Attorney

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Director of Planning & Development  
Services

## Attachment C: Summary of Relevant State Housing Laws

### ***Housing Accountability Act***

Originally passed in 1982, the Housing Accountability Act (HAA) (Government Code Section 65589.5) acknowledges the lack of housing as a critical problem in California. The HAA applies to "housing development projects" that meet objective standards. Housing development projects are defined as one or more of the following:

- multifamily housing projects
- mixed-use developments (with at least two-thirds residential square footage), or
- transitional or supportive housing

The HAA applies to projects with two or more residential units.

The HAA states that a city cannot deny a project, reduce its density, or otherwise make a project infeasible, when the project complies with objective standards. The exception is when the City makes findings—based on a preponderance of evidence—that specific adverse health or safety impacts exist and there is no feasible method to mitigate or avoid impacts. While the City may make suggestions using subjective criteria, it must approve the project even if the applicant refuses to make any changes. However, if an applicant seeks an exception to an objective standard, the project is no longer covered by the HAA. Decision-makers may then rely on the findings required or criteria for approval of that specific modification. In such a case, subjective standards and design guidelines can be used to evaluate the project.

### ***SB35 Project Streamlining***

Under SB35 (Government Code Section 65913.4), projects meeting all of the following requirements are eligible for a streamlined review process:

- The development is on a legal parcel or parcels zoned for residential uses or have a Comprehensive Plan designation that allows residential or mixed-uses;
- A site in which at least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses;
- The development contains two or more residential units;
- Projects with at least two-thirds of the square footage designated for residential use;
- The project does not demolish a historic structure that is on a national, state, or local historic register;
- The project does not demolish any housing units that have been occupied by tenants in the last 10 years;
- The site is not within certain high-risk areas such as a very high fire hazard severity zone, a hazardous waste site, or a floodway;
- Projects which meet certain affordability requirements, such as, at present at least 50% of the proposed residential units must be dedicated as affordable to households at 80% of Area Median Income (AMI);
- All construction workers employed in the execution of the development must be paid at least the general prevailing rate; and

- The project must meet all objective planning standards at the time of application submittal.

Under SB35, the review process would be limited to 90 days for projects containing 150 or fewer housing units and 180 days for larger projects. An SB35 project is not subject to discretionary review (e.g., Architectural Review, Site and Design Review, requiring review by the ARB, PTC, or Council), and therefore, is not subject to review under the California Environmental Quality Act (CEQA). The creation and changes to objective standards would ensure the City has standards that can be applied to these types of ministerial projects.

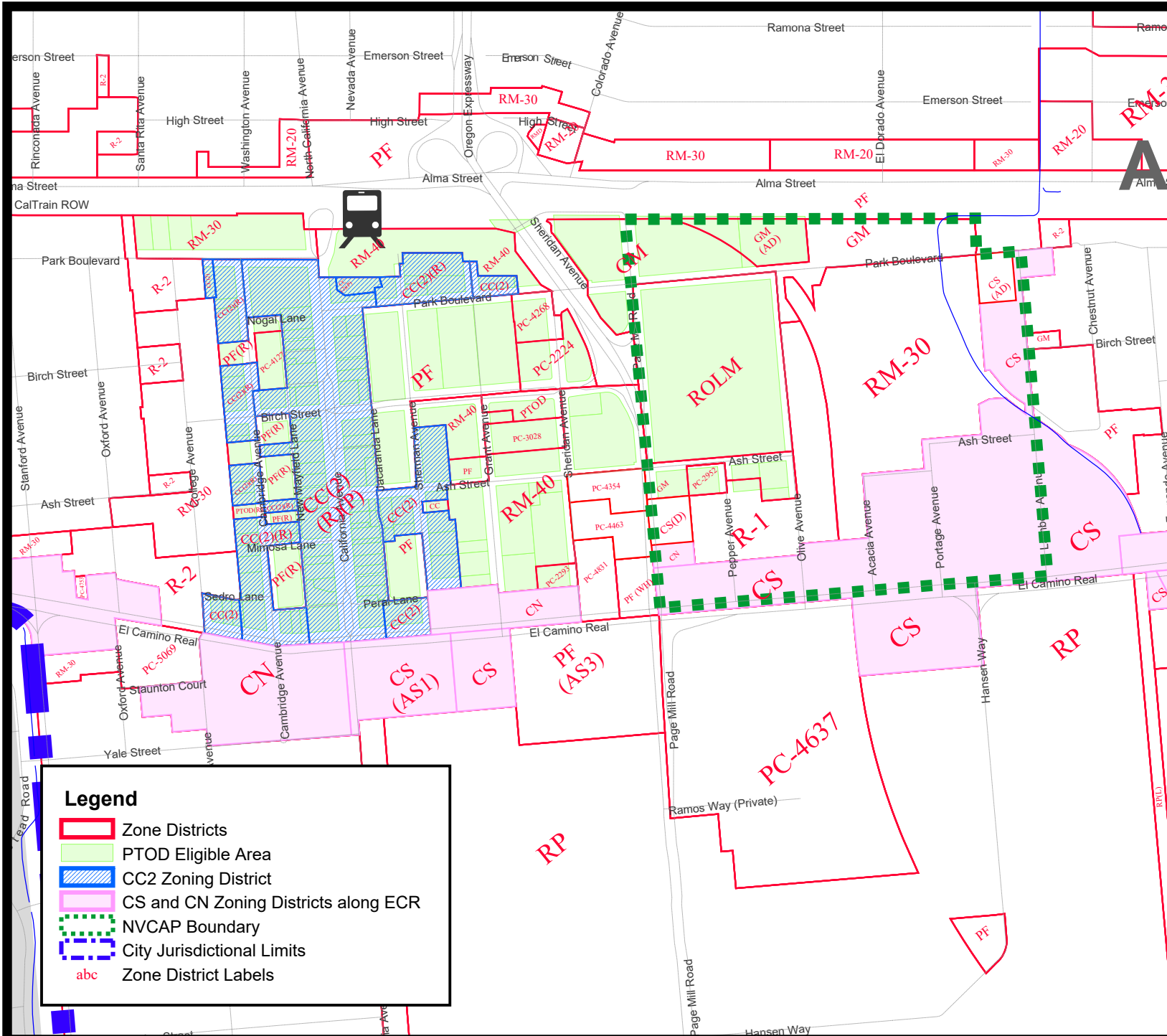
Currently in Palo Alto—based on the City’s progress toward meeting the Regional Housing Needs Assessment (RHNA)—an SB35 project must include at least 50% of the units as affordable to low-income households. Therefore, SB35 applies to a limited number of projects and to date, no applicants have applied for review under this program.

### ***SB330 Permit Review***

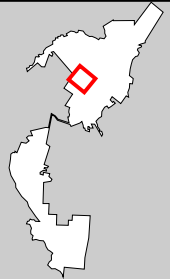
Effective January 1, 2020, SB330 made several changes to existing State housing law, including the HAA and Permit Streamlining Act. For the purposes of the work described herein, the important elements are as follows:

- Provides a streamlined path for “housing development project” (see definition under HAA);
- Creates a preliminary application process that freezes many development standards, by requiring that jurisdictions only subject a housing development project to review pursuant to the ordinances, policies, and standards adopted and in effect when a preliminary application is submitted (vs. when a full application is deemed complete);
- Provides applicant 180 days from the submittal of the preliminary application to submit a formal development application;
- Limits jurisdictions to five public hearings, including appeals;
- Reduces the Permit Streamlining Act timeline for action following completion of any applicable CEQA review;
- Prohibits jurisdictions from imposing subjective design standards established after January 1, 2020;
- Prohibits jurisdictions from enacting development policies, standards or conditions that would change current zoning and land use designations where housing is an allowable use. In such cases, jurisdictions cannot lessen the intensity of housing—such as reducing height, density, or floor area ratio, requiring new or increased open space, lot size, setbacks, or frontage, or limiting maximum lot coverage; (effectively, this clause prohibits downzoning, though the City may rebalance density between districts); and
- Requires the replacement of existing/demolished residential units.

In Palo Alto, to date, SB330 preliminary applications have been submitted for two projects: 200 Portage and 2850 West Bayshore.



The City of  
Palo Alto



# NVCAP, Zoning Districts and PTOD Eligible Area Map

This map is a product of the  
City of Palo Alto GIS



March 5, 2021

Jodie Gerhardt  
 Manager of Current Planning  
 PDS Department, City of Palo Alto  
 250 Hamilton Avenue  
 Palo Alto, CA 94301

Dear Jodie and Amy,

Thank you for the conversation yesterday on the objective Design Standards. We think this is a valuable effort and thank you for the opportunity to comment. The following bullet points recap the comments that we raised today:

**Non-residential properties:**

- We expressed concern that the intent statements may be problematic for non-residential buildings and properties with distinctly different uses and contexts than the infill settings that inspire the Draft Standards. You clarified for us that this Chapter is not meant to apply to zoning districts that do not currently have Context-Based Design Criteria, such as the MOR, ROLM, RP and GM Districts, *except to the extent* to which housing or mixed-use including housing is developed within these districts.
- You clarified that the current Context-Based Design Criteria of the CC zoning district will be replaced by these new Design Standards. We committed to get back to you with any detailed comments about compliance with the intent statements by Stanford Shopping Center, which is in the CC zoning district.

**Affordability:**

- We expressed concern that aspects of the Design Standards may not have sufficiently considered cost impacts and their effect on housing affordability, which is a major impetus of this project. You replied that consideration of affordability was one reason for the inclusion of compliance options, such as within the Façade Design section. We discussed and agreed that it would be worthwhile to consider additional options for all of the sections that have been adopted by other cities developing similar Standards.
- We mentioned the possibility of including language that the intent is to allow, to the extent possible, adaptive application of the Standards by cost-effective construction methodologies such as pre-fabricated and modular construction.

**Accommodating current and future trends:**

- Trends that we're seeing in residents' modes of living include a greater need for package drop-offs and deliveries, ever-changing mobility options, and more work-from-home spaces. These trends will benefit from any flexibility that is in the Objective Standards to accommodate them.
- The work-from-home space may be a direct trade-off with balconies, which do not seem to be frequently used (except for storage) in many projects around the Bay Area. As an option under façade articulation, we suggest clarifying that "habitable projections" could include interior spaces as well.



- It is possible that residents will desire more outdoor and indoor community spaces in the future designed to enhance their ability to work from home. We suggest ensuring that the Open Space section, which presently focuses on recreational use, not preclude these. You noted that this would be dependent on updated definitional and quantitative provisions in the multifamily Development Standards section of the Code.

Sincerely yours,

Chris Wuthmann

Snr. Director Project Design & Construction

Stanford University Real Estate

415 Broadway – Academy Hall

Redwood City, CA 94063-3133

[cwuthmann@stanford.edu](mailto:cwuthmann@stanford.edu)

(650) 889-0403

**From:** Breeze, Elaine <[EBreeze@shapartments.com](mailto:EBreeze@shapartments.com)>  
**Sent:** Wednesday, February 24, 2021 4:22 PM  
**To:** Gerhardt, Jodie <[Jodie.Gerhardt@CityofPaloAlto.org](mailto:Jodie.Gerhardt@CityofPaloAlto.org)>  
**Cc:** Raybould, Claire <[Claire.Raybould@CityofPaloAlto.org](mailto:Claire.Raybould@CityofPaloAlto.org)>; Hickey, John <[JHickey@shhomes.com](mailto:JHickey@shhomes.com)>  
**Subject:** [2850 West Bayshore Road](#) Townhomes - SummerHill Homes

**CAUTION: This email originated from outside of the organization. Be cautious of opening attachments and clicking on links.**

Hello Jodie,

We have been working with Claire on a Preliminary ARB Application submitted for a proposed 48-unit townhome project at [2850 W. Bayshore Road](#) (thank you, Claire!). We are following up on our conversation with her today to let you know we will be submitting a SB 330 application for the project in the near future, prior to the City's adoption of its Objective Design Standards.

We did have the opportunity to review the draft standards and noticed that they appear directed and applicable to higher density multifamily residential. In some cases, the standards would be potentially problematic for townhome style for-sale housing if there was no exception or alternative standard provided. We recognize that the City does not see a lot of townhome residential these days but we wanted to bring this observation to your attention and are happy to schedule a zoom call to discuss further and answer any questions you might have.

Thank you for your consideration and we are excited to have the opportunity to work in Palo Alto again.

Best Regards,

**Elaine Breeze**

Senior Vice President of Development

**SummerHill Apartment Communities | SummerHill Homes**

[777 S. California Avenue, Palo Alto, CA 94304](#)

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[ebreeze@shapartments.com](mailto:ebreeze@shapartments.com)

[shapartments.com](http://shapartments.com) | [shhousinggroup.com](http://shhousinggroup.com)

**Eisberg, Jean**

---

**From:** Heather Young <heather@hyarchs.com>  
**Sent:** Tuesday, February 16, 2021 7:00 PM  
**To:** Gerhardt, Jodie; French, Amy; Raybould, Claire; Eisberg, Jean; Lait, Jonathan;  
 Architectural Review Board  
**Cc:** jgracelee; Lew, Alex  
**Subject:** ARB Review of Objective Standards - comments

**CAUTION: This email originated from outside of the organization. Be cautious of opening attachments and clicking on links.**

Jonathan, Jodie, Amy, Claire, Jean, and members of the ARB

It's clear that city staff, the ARB, and consultant team have worked diligently to develop Objective Standards over the last 15 months to both further the existing design standards within the Municipal Ordinance and prepare for the potential of accelerated review applications under state law. I applaud you for taking on this complex and demanding challenge. Much of the development outlined in the draft Objective Standards clarifies existing design intent and supports positive urban planning practice. That said, as an architect who works with the PAMC, local clients, local sites, and constructability challenges, many of the dimensioned requirements in these sections are disconnected from those realities.

The idea that good or even acceptable design results from the overlay of one-size-fits-all fixed dimensional requirements on all projects regardless of site, use, context, or style is an illusion that completely misses the opportunity and nuance that take our cities from rote need fulfillment to delight. I'm happy to see that extensive comments have been added to the Feb 18 meeting packet by Elaine Uang (pages 65-88) questioning the set dimension and square footage requirements and inclusion of the Ken Hayes essay on Form based design, another name for Objective Standards. Please take both of these to heart and look closer at the language to provide dimensional ranges or clarify intent. Menlo Park has implemented a similar set of Standards as part of their Downtown Specific Plan and the result is already looking very forced and very vanilla. Given no leeway, staff is required to enforce these requirements even when they make no sense. When I pointed out to a planner that the required 10' sideyard setback would significantly reduce the available building width of a 50' lot on El Camino Real creating an awkward and unappealing massing, the response was, "why don't you buy another lot?". Comprehension that the Specific Plan requirements could and should not be taken without any contextual consideration was unimaginable but apparently the ready availability of adjacent property was. Tempting as the game of Monopoly is, acquisition of multiple parcels is a slow game at best, particularly when the development standards are so modest. Much of Menlo Park and Palo Alto parcel sizes are the result of early subdivisions into 50' wide lots and that infrastructure is very much alive and present today and yet the MP Specific Plan was developed around properties more easily obtained in the Central Valley.

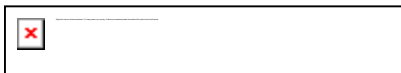
Like the Standards proposed in Palo Alto, Menlo Park has set dimensions for breaks in the facade or for material changes and upper floor setbacks. Unfortunately the standards seem to have less to do with the natural rhythms of apartment units, office plans, retail frontage, and building structure, or even building code, and more to do with a pat urban wish list. Upper floor setbacks are deadly to multi-family stacked-core construction and livable floor plans; there are other ways to develop a "base-middle-top" partee. Parking access on facades is about more than a 25% opening requirement; although relatively flat, many sites have multiple feet of grade change along a facade impacting parking, accessibility, floor levels and max building heights. What's the magic of a 4' wide by 2' deep vertical modulation every 50' min - the list goes on and on. Until exterior facade and massing Objective Standards are integrated with building interiors and the realities of how buildings of a variety

of types are designed and function, our cities will be forced to endure uninspiring crop of vanilla held to the lowest common denominator for generations to come.

Thank you for your time. I respectfully ask that you find a way to support the goals of good urban design without the lockstep checklist of the proposed objective standards. If not, the approval rate may accelerate but we'll all be left enjoying the wrong results.

Regards -  
Heather

Heather Young, Partner



[www.hyarchs.com](http://www.hyarchs.com)

81 Encina Ave, Suite 100

Palo Alto, CA 94301

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C 650-793-1289

## Requesting Input on the City of Palo Alto's DRAFT Objective Standards

Ken Hayes <khayes@thehayesgroup.com>

Sat, Jan 23, 2021 at 6:41 AM

To: Jody Gerhardt <Jodie.Gerhardt@cityofpaloalto.org>

Cc: Elaine Uang <elaine.uang@gmail.com>, "heather@hyarchs.com" <heather@hyarchs.com>, Cath Garber <cath@fg-arch.com>, Ted O'Hanlon <tedohanlon@gmail.com>, Steve Emslie <Steve@lh-pa.com>, Allison Koo <akoo@shpco.com>, "Griego, Tiffany" <tgriego@stanford.edu>, "Popp, Randy" <randy@rp-arch.com>, Brad Ehikian <brad@ehikiancompany.com>, Lund Smith <lund@wsjproperties.com>, Roxy Rapp <roxy@roxyrapp.com>, "cconley@svlg.org" <cconley@svlg.org>, "jbaker@svlg.org" <jbaker@svlg.org>, Sheryl Klein <boardchair@pah.community>, "John R. Shenk" <John@thoitsbros.com>, Leslye Corsiglia <leslye@siliconvalleyathome.org>, Tod Spieker <tod@windyhillpv.com>, Steve Levy <slevy@ccscc.com>, tom gilman <tgilman@des-ae.com>, "Eugene H. Sakai, AIA, LEED AP" <esakai@studios2arch.com>, Brandy Bridges <BBridges@wilsonmeany.com>, Steve Borlik <steve@ybarchitects.com>, Sal Giovannotto <sal@vrent.com>, Sal Caruso <scaruso@caruso-designs.com>, "Janette (Sammartino) D'Elia" <jdelia@jaypaul.com>, Gary Laymon <glaymon@tgp-inc.com>, Andrew Young <ayoung@ybarchitects.com>, Joe Bellomo <jo@bellomoarchitects.com>, Amy French <Amy.French@cityofpaloalto.org>, Jean Eisberg <jean@lexingtonplanning.com>, Jason Holleb <jholleb@thehayesgroup.com>, Jeff Galbraith <jgalbraith@thehayesgroup.com>

Hi Jody,

This is something I wrote a while back regarding the various city's design standards. I'll take a look at what the city is proposing but this can be a slippery slope.

<https://www.thehayesgroup.com/another-journal-title/>

Thanks for including me.

Ken Hayes, AIA

President



[Khayes@thehayesgroup.com](mailto:Khayes@thehayesgroup.com)

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## JOURNAL

# The Shape of Three Cities

Nearly every community, if not all, in the San Francisco Bay Area have adopted development standards codified in their municipal codes as site development regulations and guidelines, precise plans or specific plans. Typically drafted by a team of design consultants, city boards and community stakeholders, these development standards are viewed as the map or blueprint for the shape of the community's built environment and vary from community to community.

On the Peninsula, three contiguous city's have very different development standards based either on building form, architectural style or design compatibility. Each commercial planning application is evaluated in terms of the specific requirements of these different standards. City planning staff, planning commissions and architectural review boards apply these standards to determine if a proposed project is compliant. Some standards are more objective, formulaic and easier to use than others that require a deeper understanding of the subjective nature of architecture.

Form based development standards take a measured, objective approach to design evaluation. The building must be no taller than the height limit, it must setback from the property line a prescribed distance and step back from the street above a certain height; it must be punctuated by rhythms of minor and major building modulations with precise widths and depths that extend to the sky, as well as, building breaks that create open space between building mass. Ground floors must have windows set back a defined number of inches from the exterior wall surface, not be longer than a certain dimension and comprise a certain percentage of the wall area or the project is non-compliant. The architectural style is not dictated thus allowing for many architectural expressions, provided all criteria in the form based standards are satisfied and checked off by planning staff.

Style based development standards take a formulaic, controlled approach to design evaluation. This method dictates not only some form based standards discussed above like height, setback and open space but go even further to determine the architectural style and execution of the proposed building. Depending on the area of the community where the building is located, the designer has the option of three architectural styles for instance: Neo-classical, Mediterranean or Art Deco. Once the style is selected, the height of the building's base, building's middle (body) and cornice size and projection are all predetermined. The location, depth, proportion and pattern of the windows is dictated by the standard. How colors are applied to the building and what architectural details can be used are also not left to chance, all predetermined for the designer. Is there any design subjectivity or personal expression left? Not really, but this makes it easier for the planning staff, planning commissions and architectural review boards to evaluate the proposals and not disrupt the community.

Compatibility based development standards are more subjective but take into consideration how well the proposed building responds to the community's goals, how it addresses the sidewalk, how the building creates active pedestrian areas and how it defines or reinforces open spaces. Architectural compatibility is measured by considering the building's context, the rhythm of the street wall, the alignment of roof lines, canopies and cornices and the size, shape, proportion and location of windows and building entries. Compatibility also addresses our time, considering the market needs for certain kinds of space and the environmental and sustainability demands of our world. Compatibility does not address architectural style since different styles have co-existed since our cities began and can be mutually compatible. Evaluating a building based on a compatibility standard is much more difficult since there is no checklist of prescriptions or styles to check off, it is subjective and left up to the designer to present his or her project and demonstrate that it satisfies the standard of compatibility.

Quality design that responds to the goals, issues and problems of today is not about style based or form based site development requirements but rather compatibility should be the standard and within this framework buildings should be reviewed. It is more subjective and can take more time but the discussion that ensues between planning staff, commissions, review boards and the designers will make our communities a better place.



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**FW: Draft Objective Standards - Comments for ARB**


---

**Gerhardt, Jodie** <Jodie.Gerhardt@cityofpaloalto.org>  
 To: Jean Eisberg <jean@lexingtonplanning.com>

Sat, Feb 6, 2021 at 1:03 AM

FYI



Jodie Gerhardt | Manager of Current Planning | PDS Department

250 Hamilton Avenue | Palo Alto, CA 94301

T: 650.329.2575 | E: [jodie.gerhardt@cityofpaloalto.org](mailto:jodie.gerhardt@cityofpaloalto.org)

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[Planning Forms & Handouts](#) | [Planning Applications Mapped](#)

The City of Palo Alto is doing its part to reduce the spread of COVID-19. We have successfully transitioned most of our employees to a remote work environment. We remain available to you via email, phone, and virtual meetings during our normal business hours.

---

**From:** Elaine Uang <[elaine.uang@gmail.com](mailto:elaine.uang@gmail.com)>  
**Sent:** Monday, January 18, 2021 9:08 AM  
**To:** Gerhardt, Jodie <Jodie.Gerhardt@CityofPaloAlto.org>  
**Cc:** Grace Lee <[jgracelee@gmail.com](mailto:jgracelee@gmail.com)>  
**Subject:** Re: Draft Objective Standards - Comments for ARB

**CAUTION: This email originated from outside of the organization. Be cautious of opening attachments and clicking on links.**

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Oops, attaching my comments here.

On Mon, Jan 18, 2021 at 9:07 AM Elaine Uang <[elaine.uang@gmail.com](mailto:elaine.uang@gmail.com)> wrote:

Dear Jodie,

Grace Lee from the ARB reached out and suggested I may be interested in providing comments for the Draft Objective Standards that the ARB is developing. I have had a chance to review, and wanted to offer the following comments in-document. Due to some other work commitments and time constraints, I regret I will not be able to draft an overriding summary. But it would be easier to understand my comments in context with the text. I have tried to highlight areas that are unclear, or inconsistent with other document sections. I've also tried to point out standards that may constrain sites or preclude good design or development feasibility. In general, I would encourage graduated standards as smaller sites (100'-150' deep or < 20,000 sf) need more flexibility and should not be subject to the exact the same dimensional standards as larger sites (200'+ widths with 30,000sf or more)

Thank you,  
 Elaine Uang

Palo Alto Resident, Kipling St

Multifamily Architect

## Chapter 18.24 Context-Based Design Standards

### 18.24.010 Purpose and Applicability

#### (A) Purpose

- (i) The purpose of the Context-Based Design Standards is to provide design guidance and objective design standards development projects.

#### (B) Applicability of regulations

- (i) Within the following zones, the intent statements apply to all project types, new construction, and renovation; design standards apply to new construction: 1

- |                         |                                      |
|-------------------------|--------------------------------------|
| (a) RM-20, RM-30, RM-40 | Cite relevant chapters:              |
| (b) CN, CS, CD, CC      | a) 18.13 Multiple Family Residential |
| (c) PTOD                | b) 18.16 CN,CC,CS & 18.18 CD         |
| (d) MOR, ROLM, RP       | c) 18.34 PTOD                        |
| (e) PC                  | d) MOR, ROLM, RP                     |
|                         | e) PC - what about PHZ?              |

Public art in residential and residential mixed-use projects is subject to Chapter 16.61 and exempt from these requirements.

#### (C) Alternative compliance

Each section of this chapter includes an intent statement that gives guidance for all applicable projects, regardless of use.

Residential and mixed-use residential projects may choose to forgo one or more objective standards and instead meet the spirit of the relevant intent statements, as determined by the Director or the Architectural Review Board, depending on the level of review required by Chapter 18.75.

Commercial-only projects or other non-residential projects should meet relevant standards; they are not required to adhere irrelevant standards related to residential uses. Depending on the level of review required by Chapter 18.75, the Director or the Architectural Review Board will determine compliance with the relevant intent statements.

#### (D) Definitions

In addition to definitions identified in Chapter 18.04, the following definitions are specific to this chapter.

- (i) **Primary Building Frontage:** The front lot line or frontage along the public right-of-way. In the case of a through-lot, the primary building frontage could be on either public right-of-way.
- (ii) **Primary Building Entry:** The entrance leading to a lobby and/or accessed from the primary building frontage.
- (iii) **Pedestrian Walkway:** A sidewalk or path that is publicly-accessible and connects from a public right-of-way to another public right-of-way or publicly accessible open space.
- (iv) **Façade Modulation:** A change in building plane, either a recess or a projection, that changes shape of the interior space.



# Summary of Comments on Agenda - Thursday, November 19, 2020

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Page: 2

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 Number: 1 Author: elaine Subject: Text Box Date: 1/18/2021 8:51:45 AM

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Cite relevant chapters: a) 18.13 Multiple Family Residentialb) 18.16 CN,CC,CS & 18.18 CDc) 18.34 PTOD d) MOR, ROLM, RPe) PC - what about PHZ?

 Number: 2 Author: elaine Subject: Highlight Date: 12/5/2020 1:26:02 PM  
regardless of use.

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 Number: 3 Author: elaine Subject: Highlight Date: 12/5/2020 1:38:19 PM  
d instead meet the spirit of the relevant intent statements

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## 18.24.020 Public Realm/Sidewalk Character

### (A) Intent

<sup>1</sup> To create an attractive and safe public realm and sidewalk space for pedestrians and cyclists through the implementation of design, landscaping, and infrastructure. Publicly accessible spaces and sidewalks should:

- Design the transition between the public and private realm through the coordination of amenities and materials, such as accent paving, tree wells, lighting and street furniture (e.g., benches, bicycle racks, trash receptacles, and news racks).
- Complement or match accent paving to existing designs in downtown and Cal Ave areas.
- Provide sidewalk widths that accommodate landscaping, street trees, furniture, and pedestrian amenities; create a pleasant, desirable place to walk; provides shade; and enable comfortable pedestrian passage.
- Provide amenities, such as parking and repair equipment, for micromobility, such as bicycles and scooters.

### (B) Streetscape

#### (i) Sidewalk Widths

(a) Public sidewalks abutting a development parcel shall have a minimum sidewalk width (curb to back of walk) of XXX feet [TBD in consultation with Public Works]. If the existing public sidewalk does not meet the minimum standard,<sup>2</sup> a publicly accessible extension of the sidewalk, with corresponding public access easement, shall be provided.

1. Notwithstanding subsection (a), the following streets/locations shall have a <sup>3</sup>minimum sidewalk width of:

- a. Park Boulevard (South of Caltrain to Ventura): TBD, per NVCAP
- b. El Camino Real and San Antonio Avenue: 12 ft
- c. Other Corridors in Commercial Zones (CN, CS, CC, CC(2)) : 8ft
- d. CD Districts and SOFA: 10 ft


(b) Publicly accessible sidewalks or walkways connecting through a development parcel (e.g., on a through lot) shall have a <sup>4</sup>minimum six-foot width. Pedestrian walkways that are designed to provide access to bicycles shall have a minimum width of eight feet.


#### (ii) Street Trees


(a) Sidewalks shall include at least one street tree, within six feet of the sidewalk, for every 30 feet of linear feet of sidewalk length. **WHERE POSSIBLE.** <sup>5</sup>


COVID ERA  
SUGGESTION, WITH 6'  
SIDEWALKS, CONSIDER  
WAITING/PASSING  
ZONES IN LANDSCAPE  
AREA, TO ALLOW FOR  
PHYSICALLY  
DISTANCED PASSING


## Page: 3

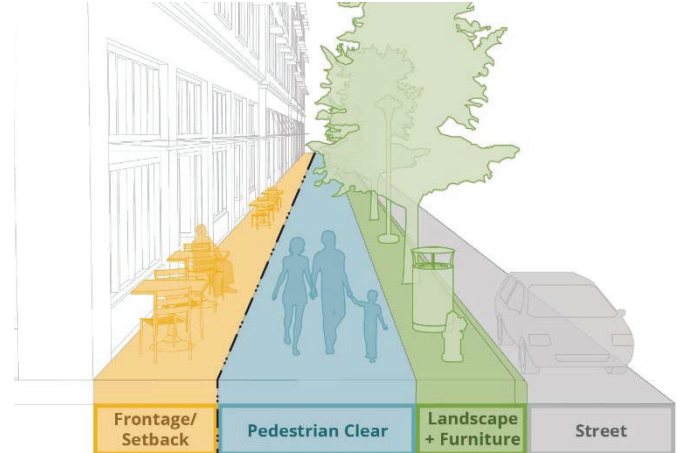
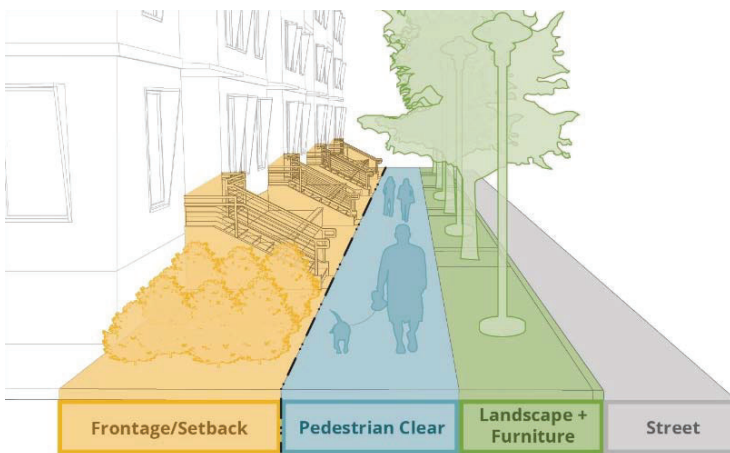
 Number: 1 Author: elaine Subject: Highlight Date: 12/5/2020 3:28:49 PM  
To create an attractive and safe public realm and sidewalk space for pedestrians and cyclists through the implementation of design, landscaping, and infrastructure. Publicly accessible spaces and sidewalks should:  
Design the transition between the public and private realm through the coordination of amenities and materials, such as accent paving, tree wells, lighting and street furniture (e.g., benches, bicycle racks, trash receptacles, and news racks).  
Complement or match accent paving to existing designs in downtown and Cal Ave areas.  
Provide sidewalk widths that accommodate landscaping, street trees, furniture, and pedestrian amenities; create a pleasant, desirable place to walk; provides shade; and enable comfortable pedestrian passage.  
Provide amenities, such as parking and repair equipment, for micromobility, such as bicycles and scooter

 Number: 2 Author: elaine Subject: Highlight Date: 12/5/2020 3:44:11 PM  
, a publicly  
accessible extension of the sidewalk, with corresponding public access easement, shall be provided.

 Number: 3 Author: elaine Subject: Text Box Date: 12/5/2020 3:44:49 PM  
COVID ERA SUGGESTION, WITH 6' SIDEWALKS, CONSIDER WAITING/PASSING ZONES IN LANDSCAPE AREA, TO ALLOW FOR PHYSICALLY DISTANCED PASSING

 Number: 4 Author: elaine Subject: Highlight Date: 12/5/2020 3:43:15 PM  
minimum six-foot width

 Number: 5 Author: elaine Subject: Text Box Date: 12/5/2020 1:31:48 PM  
WHERE POSSIBLE.



**LABELS THESE DIAGRAMS (MIXED USE VS RESIDENTIAL?) AND EXPLAIN THE DIFFERENCES IN USE AND DIMENSIONAL REQUIREMENTS**

Frontage		Sidewalk		Street
Building Setback	Frontage Area	Pedestrian Clear Zone	Landscape/Furniture Zone	
Property Line Varies			Landscape/Furniture Area	Edge Zone 18" typ. Curb + Step Out Area
<b>Mixed-Use</b> <ul style="list-style-type: none"> <li>Sidewalk Dining</li> <li>Outdoor Displays</li> <li>Public Art</li> <li>Seating</li> <li>Planting</li> </ul>			<ul style="list-style-type: none"> <li>Street Trees/Planting</li> <li>Street Lighting</li> <li>Seating</li> <li>Mobility Infrastructure</li> <li>Bike Parking</li> <li>Public Art</li> <li>Outdoor Dining</li> </ul>	
<b>Residential</b> <ul style="list-style-type: none"> <li>Stoops</li> <li>Porches</li> <li>Front Yards</li> <li>Utilities</li> <li>Planting</li> </ul>			<ul style="list-style-type: none"> <li>Street Parking</li> <li>Bike Lanes</li> <li>Drop-off Zones</li> <li>Parklets</li> </ul>	

ALLOW FOR FLEXIBILITY AND BETTER DESIGN CHOICES. WHAT IF EXISTING PAVING IS NOT IDEAL? FOR EXAMPLE, THE RECYCLED GLASS ALONG CAL AVE IS KIND OF DANGEROUS FOR LITTLE KIDS, AND UNEVEN AND SUBOPTIMAL FROM AN ACCESSIBILITY STANDPOINT

**(iii) Accent Paving**

- (a) Sidewalks and publicly accessible areas fronting University Avenue and California Avenue shall match existing accent paving design and materials, such as mosaic tile and bricks.

**(iv) Mobility Infrastructure**

- (a) Micromobility infrastructure, such as locations to lock bicycles and scooters, shall be located within 20 feet of the primary building entry and/or a path leading to the primary building entry. This standard may be satisfied by existing

## Page: 4

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☰ Number: 1 Author: elaine Subject: Text Box Date: 1/18/2021 8:52:28 AM

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**LABELS THESE DIAGRAMS (MIXED USE VS RESIDENTIAL?) AND EXPLAIN THE DIFFERENCES IN USE AND DIMENSIONAL REQUIREMENTS**

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☰ Number: 2 Author: elaine Subject: Text Box Date: 1/18/2021 8:50:30 AM

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**ALLOW FOR FLEXIBILITY AND BETTER DESIGN CHOICES. WHAT IF EXISTING PAVING IS NOT IDEAL? FOR EXAMPLE, THE RECYCLED GLASS ALONG CAL AVE IS KIND OF DANGEROUS FOR LITTLE KIDS, AND UNEVEN AND SUBOPTIMAL FROM AN ACCESSIBILITY STANDPOINT**

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 Number: 3 Author: elaine Subject: Highlight Date: 12/5/2020 1:34:47 PM

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) Sidewalks and publicly accessible areas fronting University Avenue and California Avenue shall match existing accent paving design and materials, such a mosaic tile and bricks.

infrastructure already located within 50 feet of the project site and located in the public right-of-way.

- (b) Primary building entries shall provide at least one seating area or bench within 20 feet of building entry and/or path leading to building entry. This standard may be satisfied by existing seating area or benches located in public right-of-way within 50 feet of the building entry.

## 18.24.030 Site Access

### <sup>1</sup>(A) Intent

To provide facilities and accommodations for pedestrians, vehicles, cyclists, and transit users to safely and efficiently access and circulate both within individual sites and in the site's surrounding context. Site access should include the following elements:

- Site circulation and access that presents a clear hierarchy and connectivity pattern for all travel modes both within a project and to adjacent sidewalks and transit stops. This hierarchy may provide separate access for vehicles and other modes, or demonstrate how all modes are accommodated in shared access points.
- Connections to side streets, open spaces, mews, alleys, and paseos
- Vehicle, loading and service access that is integrated into building and landscape design and located to prevent conflicts with pedestrians and cyclists, while also provided convenient access to building entries.

### (B) Circulation Hierarchy

- (i) Sites shall clearly identify a hierarchy of connectivity in a circulation plan that identifies a priority for pedestrian, bike, private vehicles, and utility/loading access in the order listed. [see comment in text box below]
- (ii) Through lots located more than 300 feet from an intersecting street or pedestrian walkway shall provide a publicly accessible sidewalk or pedestrian walkway connecting the two streets. <sup>2</sup> UNDER CIRCULATION HIERARCHY, PLEASE INCLUDE AND REFERENCE ACCESS/INFRASTRUCTURE FOR MICROMOBILITY


### (C) Building Entries VEHICLES. ALLOW FLEXIBILITY FOR FUTURE TRANSPORT MODES

- (i) Entries to Primary Building Entries shall be located from a public right-of-way or if not possible a publicly accessible Pedestrian Walkway.

**Circulation Plan:** Some topics are inherently difficult to create clear and objective standards to meet the intent of the guidelines while providing flexibility that is needed for each project. One way to create an objective standard for these performance criteria is to have a requirement that a developer submit a plan to meet these criteria. The review of the plan material, description of how the project will meet the intent of the guidelines, and the implementation will not be objective and thus not applicable to deny a project for not meeting the City's expectations of the guidelines, but the act of having to write the report/plan may provide enough guidance and design thinking to get most of the way there in most cases.

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 Number: 1 Author: elaine Subject: Highlight Date: 12/5/2020 3:28:12 PM

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(A) Intent

To provide facilities and accommodations for pedestrians, vehicles, cyclists, and transit users to safely and efficiently access and circulate both within individual sites and in the site's surrounding context. Site access should include the following elements:

Site circulation and access that presents a clear hierarchy and connectivity pattern for all travel modes both within a project and to adjacent sidewalks and transit stops.

This hierarchy may provide separate access for vehicles and other modes, or demonstrate how all modes are accommodated in shared access points.

Connections to side streets, open spaces, mews, alleys, and paseos

Vehicle, loading and service access that is integrated into building and landscape design and located to prevent conflicts with pedestrians and cyclists, while also provided convenient access to building entries.

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 Number: 2 Author: elaine Subject: Text Box Date: 12/5/2020 1:42:29 PM

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UNDER CIRCULATION HIERARCHY, PLEASE INCLUDE AND REFERENCE ACCESS/INFRASTRUCTURE FOR MICROMOBILITY VEHICLES. ALLOW FLEXIBILITY FOR FUTURE TRANSPORT MODES

1

DOES VEHICLE ACCESS MEAN CARS/TRUCKS/MOTORCYCLES?  
MICROMOBILITY VEHICLES SHOULD HAVE A SEPARATE CATEGORY.  
THEIR USE CASES AND TRAVEL ZONES ARE DIFFERENT

#### (D) Vehicle Access

- (i) Vehicle access shall be located on alleys or side streets where available.
- (ii) Vehicle access, vehicle loading, and off-street parking shall follow the following standards:
  - (a) Except for driveway access, off-street parking, off-street vehicle loading, and vehicular circulation areas are prohibited between the building and the primary building frontage.
- (iii) Special Conditions
  - (b) California Avenue: Vehicular access to CC(2) zoned sites on California Avenue which requires vehicular movement across the sidewalk on California Avenue shall be prohibited, except where required by law and as applied to parcels owned, leased or controlled by the City.
  - (c) University Avenue: Vehicular access to CD-C zoned sites on University Avenue which requires vehicular movement across the sidewalk on University Avenue shall be prohibited, except where required by law and as applied to parcels owned, leased or controlled by the City.

#### (E) Loading Docks and Service Areas

- (iii) Loading and service areas shall be integrated into building and landscape design and located to minimize impact on the pedestrian experience as follows:
  - (a) Loading docks and service areas shall be located on facades other than the primary building frontage, on alleys, from parking areas, and/or at the rear or side of building if building includes these frontages. When only primary building frontage is available, loading docks and service areas shall be recessed a minimum five feet from the primary façade and shall be screened in accordance with Chapter 18.23.050.
  - (b) Loading dock and service areas located within setback areas shall be screened in accordance with Chapter 18.23.050 and separated from pedestrian access to the primary building entry to avoid impeding pedestrian movement and safety.

ON SITES WITH ONLY ONE FRONTAGE, YOU'LL NEED FLEXIBILITY DUE TO COMPETING DEMANDS OF OTHER INFRASTRUCTURE ALONG THE STREET FRONTAGE.. RECOMMEND ALLOWING SERVICE AREAS TO BE WITHIN THE SETBACK, NOT A FORCED RECESS FROM THE PRIMARY FACADE. SCREENING WILL BE IMPORTANT, BUT THERE SHOULD BE FLEXIBILITY ON THE SCREENING TYPE

4

### 18.24.040 Building Orientation and Setbacks

#### 5 (A) Intent

To create a coherent and active interface between private development and the public realm that contributes to the sense of place and structure of the neighborhood and enhances the public's experience. Site design that responds to the orientation of adjacent uses and creates opportunities for landscaping and usable open space. Buildings and site design should meet the following criteria:

- Buildings that create a contiguous street wall that are compatible with nearby buildings and land uses.
- Placement and orientation of doorways, windows, stoops, and landscape elements to create a direct relationship with the street



## Page: 6

Number: 1 Author: elaine Subject: Text Box Date: 12/5/2020 1:44:08 PM

DOES VEHICLE ACCESS MEAN CARS/TRUCKS/MOTORCYCLES? MICROMOBILITY VEHICLES SHOULD HAVE A SEPARATE CATEGORY. THEIR USE CASES AND TRAVEL ZONES ARE DIFFERENT

Number: 2 Author: elaine Subject: Highlight Date: 12/5/2020 1:44:14 PM

, loading docks and service areas shall be recessed a minimum five feet

Number: 3 Author: elaine Subject: Highlight Date: 12/5/2020 1:44:39 PM

within setback areas shall be screened in accordance with Chapter 18.23.050

Number: 4 Author: elaine Subject: Text Box Date: 12/5/2020 1:51:30 PM

ON SITES WITH ONLY ONE FRONTAGE, YOU'LL NEED FLEXIBILITY DUE TO COMPETING DEMANDS OF OTHER INFRASTRUCTURE ALONG THE STREET FRONTAGE.. RECOMMEND ALLOWING SERVICE AREAS TO BE WITHIN THE SETBACK, NOT A FORCED RECESS FROM THE PRIMARY FACADE. SCREENING WILL BE IMPORTANT, BUT THERE SHOULD BE FLEXIBILITY ON THE SCREENING TYPE.

Number: 5 Author: elaine Subject: Highlight Date: 12/5/2020 3:30:11 PM

(A) Intent

To create a coherent and active interface between private development and the public realm that contributes to the sense of place and structure of the neighborhood and enhances the public's experience. Site design that responds to the orientation of adjacent uses and creates opportunities for landscaping and usable open space. Buildings and site design should meet the following criteria:

Buildings that create a contiguous street wall that are compatible with nearby buildings and land uses.

Placement and orientation of doorways, windows, stoops, and landscape elements to create a direct relationship with the street

- Ground floor residential units that have direct entry and presence on the street
- Transitional spaces and buffer areas between buildings, parcels, and sites through building setbacks that distinguish private and public spaces.
- Buildings that provide side and rear setbacks and/or upper story setbacks to create separation between adjacent lower density residential development.
- Landscaped or usable areas that contain open space or hardscaped areas.
- Optimized building orientation for heat gain, shading, daylighting, and natural ventilation and other forms of passive design.

## (B) Building Orientation

IS THERE A SECTION FOR MID-BLOCK BUILDINGS, WITH NEIGHBORS ON 2 SIDES? <sup>1</sup>

### (i) Treatment of Corner Buildings

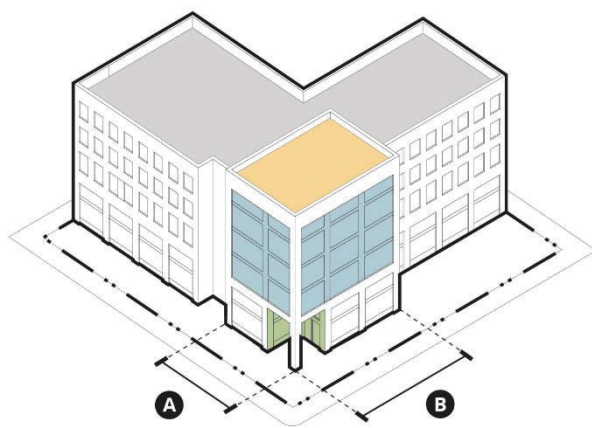
(a) Corner buildings shall include one of the following special features:

1. Street wall shall be located at the minimum front yard setback or build-to line <sup>3</sup> or a minimum aggregated length of 50 feet <sup>2</sup> in length on both facades meeting at the corner and shall include one or more of the following building features:
  - a. A corner entry to ground floor retail or primary building entrance
  - b. A different material application and fenestration pattern from the rest of the façade
  - c. A change in height of at least 8 feet greater or less than the height of the abutting façade.

WHY 60'? THE HISTORIC BUILDING AT RAMONA AND UNIVERSITY AVE - ONE OF PALO ALTO'S MOST ICONIC BUILDINGS - PROBABLY WOULD NOT MEET THIS STANDARD

CORNER TREATMENTS MAY HAVE DIFFERENT CONSIDERATIONS ALONG ECR OR SAN ANTONIO VS UNIVERSITY AVE. EVEN A CORNER BLDG ON A SMALLER STREET LIKE LYTTON AVE OR COLLEGE AVE MAY NEED DIFFERENT STANDARDS

<sup>4</sup>



**A** Length 1 of corner building

**B** Length 2 of corner building

where: **A** + **B** > 60'

Corner Entry or Primary Building Entrance

Variation in fenestration pattern


Change in height of ≥ 8' from abutting facade

## Page: 7


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 Number: 1      Author: elaine      Subject: Text Box      Date: 12/5/2020 2:11:08 PM  
IS THERE A SECTION FOR MID-BLOCK BUILDINGS, WITH NEIGHBORS ON ON 2 SIDES?


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 Number: 2      Author: elaine      Subject: Highlight      Date: 12/5/2020 1:52:08 PM  
60 feet

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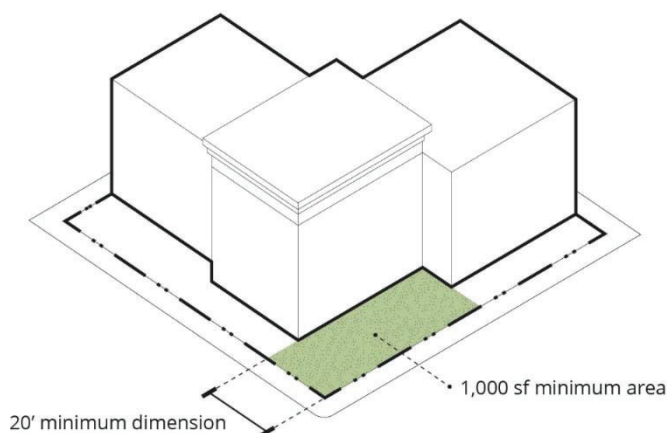
 Number: 3      Author: elaine      Subject: Text Box      Date: 1/18/2021 8:53:29 AM  
WHY 60'? THE HISTORIC BUILDING AT RAMONA AND UNIVERSITY AVE - ONE OF PALO ALTO'S MOST ICONIC BUILDINGS -  
PROBABLY WOULD NOT MEET THIS STANDARD

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 Number: 4      Author: elaine      Subject: Text Box      Date: 12/5/2020 2:23:55 PM  
CORNER TREATMENTS MAY HAVE DIFFERENT CONSIDERATIONS ALONG ECR OR SAN ANTONIO VS UNIVERSITY AVE. EVEN A  
CORNER BLDG ON A SMALLER STREET LIKE LYTTON AVE OR COLLEGE AVE MAY NEED DIFFERENT STANDARDS

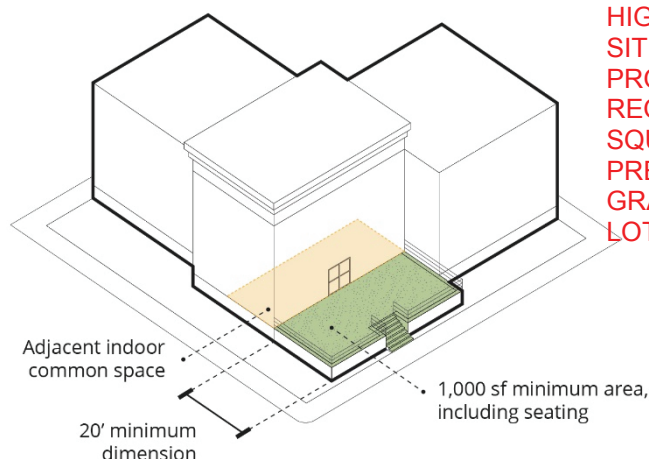
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2. A publicly accessible open space with a minimum dimension of <sup>1</sup>20 feet and minimum area of 1,000 square feet.



<sup>2</sup> NARROW DEPTH SITES MAY NEED AN EXEMPTION. A LOT OF GOOD PUBLIC ACTIVITY CAN HAPPEN IN A 12-15' DEPTH. 1000SF OVERALL SEEMS HIGH (20'X50'!), ESPECIALLY ON SMALLER SITES. RECOMMEND 500 SF MIN OR A GRADUATED MINIMUM BASED ON MINIMUM LOT SIZE (IE 500 SF FOR SITES < 1/4 ACRE, 750 FOR SITES < 1/2 ACRE AND 1000 SF FOR SITES OVER 1/2 ACRE.

3. A common open space that is no more than six feet above the back of walk grade at the corner, is located adjacent to indoor common spaces, with direct access, has areas for seating, has a minimum dimension of <sup>3</sup>20 feet and <sup>4</sup>minimum area of 1,000 square feet, and has a fence or railing that is no less than 50 percent open or transparent.










<sup>5</sup> AGAIN THESE DIMENSIONS FOR AN INTERIOR COMMON SPACE SEEM HIGH, ESPECIALLY FOR SMALLER SITES, OR BLDGS WITH COMPLEX PROGRAMS AND INFRASTRUCTURE REQUIREMENTS WHERE EVERY SQUARE FOOT ON GROUND FLOOR IS PRECIOUS. THINK ABOUT GRADUATED STANDARDS BASED ON LOT SIZE

## (ii) Primary Building Entry

- (a) The primary building entry shall meet one of the following standards:

1. Face a public right-of-way. Be visible from a public right-of-way through a forecourt or front porch that meets the following standards:
  - a. For residential buildings with fewer than seven units, building entry forecourts or front porches shall be a minimum area of 36 square feet and <sup>7</sup>minimum dimension of five feet.
  - b. For commercial buildings or residential buildings with more than six units, building entry forecourts or front porches shall be a minimum of 100 square feet and a minimum width of 8 feet.

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	Number: 1 20 feet	Author: elaine	Subject: Highlight	Date: 12/5/2020 1:59:49 PM
	Number: 2	Author: elaine	Subject: Text Box	Date: 12/5/2020 2:24:10 PM
	NARROW DEPTH SITES MAY NEED AN EXEMPTION. A LOT OF GOOD PUBLIC ACTIVITY CAN HAPPEN IN A 12-15' DEPTH. 1000SF OVERALL SEEMS HIGH (20'X50'!), ESPECIALLY ON SMALLER SITES. RECOMMEND 500 SF MIN OR A GRADUATED MINIMUM BASED ON MINIMUM LOT SIZE (IE 500 SF FOR SITES < 1/4 ACRE, 750 FOR SITES <1/2 ACRE AND 1000 SF FOR SITES OVER 1/2 ACRE.			
	Number: 3 20 feet and minimum area of	Author: elaine	Subject: Highlight	Date: 12/5/2020 2:04:38 PM
	Number: 4 1,000 square feet,	Author: elaine	Subject: Highlight	Date: 12/5/2020 2:04:29 PM
	Number: 5	Author: elaine	Subject: Text Box	Date: 1/18/2021 8:55:11 AM
	AGAIN THESE DIMENSIONS FOR AN INTERIOR COMMON SPACE SEEM HIGH, ESPECIALLY FOR SMALLER SITES, OR BLDGS WITH COMPLEX PROGRAMS AND INFRASTRUCTURE REQUIREMENTS WHERE EVERY SQUARE FOOT ON GROUND FLOOR IS PRECIOUS. THINK ABOUT GRADUATED STANDARDS BASED ON LOT SIZE			
	Number: 6	Author: elaine	Subject: Text Box	Date: 12/5/2020 2:07:07 PM
	.			
	Number: 7 minimum dimension of five feet.	Author: elaine	Subject: Highlight	Date: 12/5/2020 2:52:52 PM

### (iii) Ground Floor Residential Units

- (a) A minimum of 80% of ground floor residential units facing a public right-of-way or publicly accessible path or open space shall have a unit entry with direct access to the sidewalk, path, or open space. (Senior units or other deed-restricted units for special populations are exempt)
- (b) Entries to ground floor residential units shall face a public right-of-way or publicly accessible path/open space or be visible from a public right-of-way through a forecourt or front porch that is a minimum of 30 square feet.
- (c) <sup>1</sup>Ground floor residential units shall be setback a minimum 15 feet from the back of sidewalk. <sup>2</sup>

CONSIDER VARIANCES FOR NARROW DEPTH SITES. MOST PRE-WW2 STRUCTURES DON'T HAVE 15' SETBACKS AND WORK, ESP FOR SMALL MULTIFAMILY LIKE RM-20 THRU RM-50 "MISSING MIDDLE" TYPE HOUSING

### (C) Front Yard Setback Character

- (i) Required setbacks shall provide an extension of the sidewalk as a hardscape and/or landscaped area to create a transition between public and private space. The following standards apply, based on intended use and exclusive of areas devoted to outdoor seating, front porches, door swing of building entries, and publicly accessible open space:
  - (a) Ground-floor retail or retail-like uses = Minimum of 20% of the required setback
  - (b) <sup>3</sup>Other ground-floor non-residential uses. A minimum of 40% of the required setback area Ground-floor residential uses. A minimum of 60% of the required setback area

NOT CLEAR.

<sup>4</sup>

## 18.24.050 Building Massing

### <sup>5</sup>(A) Intent

To create buildings that are compatible with and enhance the surrounding area through the consideration of building scale, massing, and bulk. Massing should create a human-scale environment that is of high aesthetic quality and accommodates a variety of uses and design features. Building massing should include elements that:


- Break down large building facades and massing to create a human-scaled building that enhances the context of the site
- Are consistent in scale, mass and character to adjacent land uses and land use designations
- Reinforce the definition and importance of the street
- Provide rooflines and massing that emphasize and accentuate significant elements of the building such as entries, bays, and balconies, and shading elements where <sup>6</sup>appropriate.
- Provide harmonious transitions between adjacent properties


### (B) Contextual Massing


MOST PEOPLE NEVER EXPERIENCE BUILDINGS AT THIS HEIGHT AND NEVER NOTICE SETBACKS.


- (i) Upper Floor Step Backs
  - (c) When the average height of the building is greater than 20 feet above the average height of an adjacent building, an upper floor step back shall start within 2 vertical feet, plus or minus, of the height of the adjacent building, be a minimum depth of six feet along the primary building frontage, and the step should shall occur for a minimum of 70% of the façade length.


## Page: 9


 Number: 1 Author: elaine Subject: Highlight Date: 12/5/2020 2:08:10 PM  
Ground floor residential units shall be setback a minimum 15 feet from the back of sidewalk.

 Number: 2 Author: elaine Subject: Text Box Date: 1/18/2021 8:56:06 AM  
**CONSIDER VARIANCES FOR NARROW DEPTH SITES. MOST PRE-WW2 STRUCTURES DON'T HAVE 15' SETBACKS AND WORK , ESP FOR SMALL MULTIFAMILY LIKE RM-20 THRU RM-50 "MISSING MIDDLE" TYPE HOUSING**

 Number: 3 Author: elaine Subject: Highlight Date: 12/5/2020 2:09:50 PM  
) Other ground-floor non-residential uses. A minimum of 40% of the required setback area Ground-floor residential uses. A minimum of 60% of the required setback area

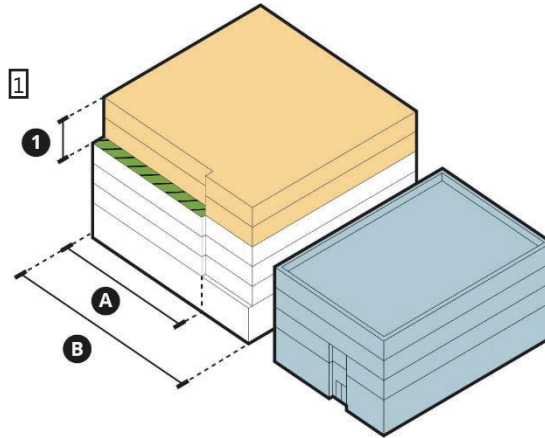
 Number: 4 Author: elaine Subject: Text Box Date: 12/5/2020 2:09:59 PM  
**NOT CLEAR.**

 Number: 5 Author: elaine Subject: Highlight Date: 12/5/2020 3:29:35 PM  
(A) Intent  
To create buildings that are compatible with and enhance the surrounding area through the consideration of building scale, massing, and bulk. Massing should create a human-scale environment that is of high aesthetic quality and accommodates a variety of uses and design features. Building massing should include elements that:  
Break down large building facades and massing to create a human-scaled building that enhances the context of the site  
Are consistent in scale, mass and character to adjacent land uses and land use designations  
Reinforce the definition and importance of the street  
Provide rooflines and massing that emphasize and accentuate significant elements of the building such as entries, bays, and balconies, and shading elements

 Number: 6 Author: elaine Subject: Highlight Date: 12/5/2020 3:29:39 PM  
appropriate.  
Provide harmonious transitions between adjacent property

 Number: 7 Author: elaine Subject: Text Box Date: 12/5/2020 3:50:02 PM  
**MOST PEOPLE NEVER EXPERIENCE BUILDINGS AT THIS HEIGHT AND NEVER NOTICE SETBACKS.**

IN PALO ALTO, LEFT SIDE DIAGRAM CURRENTLY NOT ALLOWED BUT IT SHOULD BE! SIX STORY STRUCTURES ARE NOT FEASIBLE - SINCE THEY ARE OVER 50'! :)



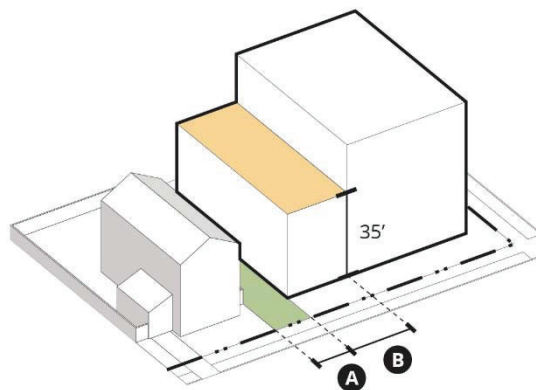
RIGHT SIDE DIAGRAM OF THIS BLDG IS THE TALLEST ALLOWABLE IN PALO ALTO RIGHT NOW! YOU MAY WANT TO EDIT TO SHOW RELATIONSHIP BETWEEN 2 STORY AND 4 STORY STRUCTURE

- 1 Building height  $\geq 20'$  above adjacent building
- Step back area  $\leq 6'$  depth along primary facade
- A Step back along  $\geq 70\%$  length of B
- B Building frontage

## (ii) Transition to Lower Density Building Types

(d) When a building abuts a side and/or rear property line with a RE, RMD, R-1, or R-2 zoned parcel or a village residential or existing single-family residential use, the building shall break down the abutting façade by meeting the following standards:

1. A reduction in mass through one of the following:
  - a. A minimum 15-foot building setback and an upper floor step back above 35 feet in height for a minimum depth of 25 feet.
  - b. Jodie - to add IR privacy type Guidelines that are objective
    - (i) Frosted windows
    - (ii) Staggered window placement



- A Minimum side or rear setback  $\geq 15'$
- B Upper floor step back  $\geq 25'$  deep



## Page: 10

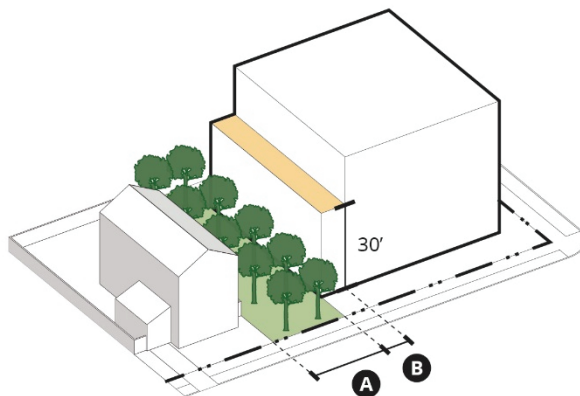
Number: 1 Author: elaine Subject: Text Box Date: 1/18/2021 8:57:12 AM

IN PALO ALTO, LEFT SIDE DIAGRAM CURRENTLY NOT ALLOWED BUT IT SHOULD BE! SIX STORY STRUCTURES ARE NOT FEASIBLE - SINCE THEY ARE OVER 50'! :)

Number: 2 Author: elaine Subject: Text Box Date: 1/18/2021 8:56:40 AM

RIGHT SIDE DIAGRAM OF THIS BLDG IS THE TALLEST ALLOWABLE IN PALO ALTO RIGHT NOW! YOU MAY WANT TO EDIT TO SHOW RELATIONSHIP BETWEEN 2 STORY AND 4 STORY STRUCTURE

- c. A minimum <sup>1</sup>20-foot building side yard setback, a minimum 10-foot step back above 30 feet in height, and a landscape screen that includes a double row of trees with a minimum 1 tree per 30 linear feet plus continuous shrubbery planting 72 inches (6 feet) in height [NOTE: Alternative is to maintain existing daylight plane]



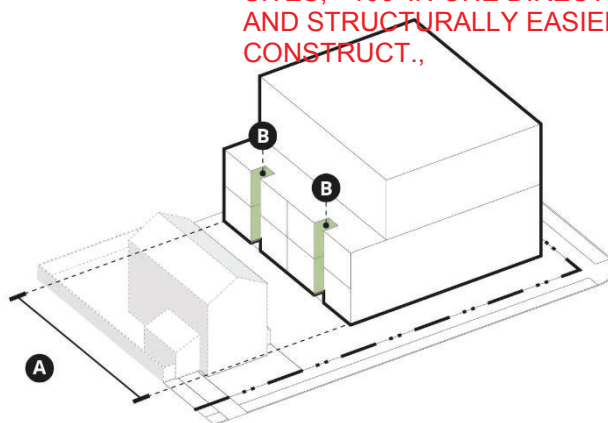
- A** Minimum side or rear setback  $\geq 30'$  including double row of trees  
**B** Upper floor step back  $\geq 10'$  deep

THIS WILL BE TOUGH TO ACHIEVE ON SMALLER OR NARROW DEPTH SITES (<60'). IN ADDITION TO MAINTAINING EXISTING DAYLIGHT PLANE AS AN ALTERNATE OR OPTION, PLEASE CONSIDER APPROACH - DIFFERENT CRITERIA FOR SITES

- A) <60' MIGHT HAVE A 8' LANDSCAPE BUFFER  
 B) 60-100' MIGHT HAVE A 10'-12' BUFFER  
 C) >100' COULD ACCOMMODATE 15'-20'

2. A minimum façade break of <sup>3</sup>six feet in width and six feet in depth for every 36 to 40 feet of façade length. <sup>4</sup>


6' DEPTH IS A LOT ESPECIALLY ON SMALLER SITES, <100' IN ONE DIRECTION. 2-3' IS BETTER AND STRUCTURALLY EASIER/CHEAPER TO CONSTRUCT.,



- A** Building facade  $\geq 40'$  **B** 6' wide, 6' deep break


3. A maximum 15% window coverage of facades within 30 feet of abutting property line.

# Page: 11

 Number: 1 Author: elaine Subject: Highlight Date: 12/5/2020 2:17:10 PM  
20-foot building side yard setback, a minimum 10-foot step back  
above 30 feet in height

 Number: 2 Author: elaine Subject: Text Box Date: 12/5/2020 2:26:08 PM

THIS WILL BE TOUGH TO ACHIEVE ON SMALLER OR NARROW DEPTH SITES (<60'). IN ADDITION TO MAINTAINING EXISTING DAYLIGHT PLANE AS AN ALTERNATE OR OPTION, PLEASE CONSIDER APPROACH - DIFFERENT CRITERIA FOR SITESA) <60' MIGHT HAVE A 8' LANDSCAPE BUFFERB) 60-100' MIGHT HAVE A 10'-12 BUFFERC) >100' COULD ACCOMODATE 15'-20'

 Number: 3 Author: elaine Subject: Highlight Date: 12/5/2020 2:35:22 PM  
f six feet in width and six feet in dept

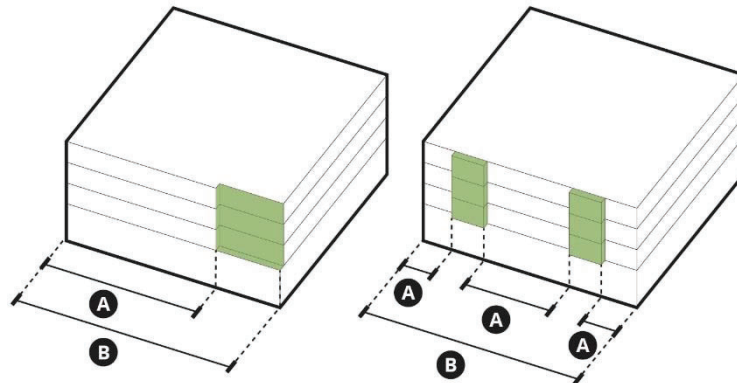
 Number: 4 Author: elaine Subject: Text Box Date: 1/18/2021 8:59:24 AM

6' DEPTH IS A LOT ESPECIALLY ON SMALLER SITES, <100' IN ONE DIRECTION. 2-3' IS BETTER AND STRUCTURALLY EASIER/ CHEAPER TO CONSTRUCT.,

### (C) Maximum Façade Length

#### (i) Significant Breaks

- (a) For portions of a building facade facing a public street, right-of-way, or publicly accessible path, any building greater than 25 feet in height shall not have a continuous facade greater than 70% of the façade length. Upper floor façade modulation shall be a <sup>1</sup>minimum 2 feet in depth.

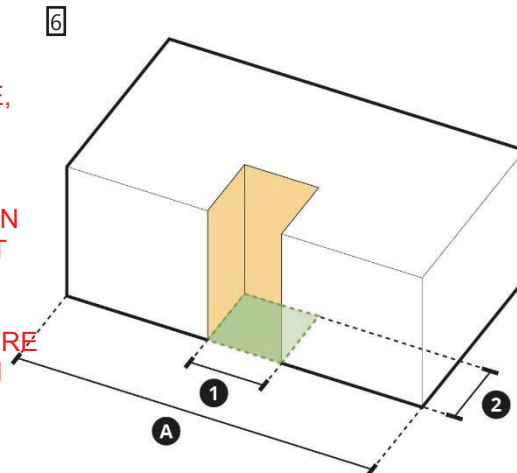


- A** Non-continuous building facade  $\leq 70\%$  length of **B**  
**B** Building length  
 Upper floor above 25' with modulation  $\geq 2'$  in depth

100' LONG SITES ARE NOT THAT LONG/WIDE, INSTEAD OF MANDATING THIS HUGE BREAK, USE MASSING TO CONTROL VARIATION ALONG A FACADE, ALTERNATIVE: CHANGE 100' TO BLDGS OVER 200' IN LENGTH







- (b) Buildings greater than <sup>3</sup>100 feet in length, which face a public street, right-of-way, <sup>4</sup>or publicly accessible path, shall have at least one vertical façade break with a minimum area greater than <sup>5</sup>600 square feet and a width less than or equal to two times the depth.

A MINIMUM 600 SF VERTICAL BREAK IS A LOT, THIS SHOULD NOT BE MORE THAN 0-100 SF. ON A TYPICAL DOWNTOWN SITE, 150' WIDE X 150' SITE THIS STANDARD WOULD REQUIRE A 20' X 30' BREAK SOMEWHERE? IT'S FINE TO HAVE AN OBJECTIVE STANDARD THAT REQUIRES AN OPEN SPACE, BUT ALLOW THE APPLICANT FLEXIBILITY ON HOW TO REDUCE OR MODULATE BUILDING MASS AND OPEN SPACE. THIS STANDARDS DESCRIBED HERE ARE TOO ONEROUS AND CAN CONSTRAIN GOOD DESIGN ALTERNATIVES OR MAKE DEVELOPMENT INFEASIBLE.



- A** Building facade  $\geq 100'$   
 Vertical facade break  
 Facade break area  $\geq 600$  sf  
**1** Facade break width  $\leq (2 * \text{2})$   
**2** Facade break depth

## Page: 12

- 
-  Number: 1 Author: elaine Subject: Highlight Date: 12/5/2020 2:36:24 PM  
minimum 2 feet in dept
- 
-  Number: 2 Author: elaine Subject: Text Box Date: 12/5/2020 2:34:25 PM  
100' LONG SITES ARE NOT THAT LONG/WIDE, INSTEAD OF MANDATING THIS HUGE BREAK, USE MASSING TO CONTROL VARIATION  
ALONG A FACADE, ALTERNATIVE: CHANGE 100' TO BLDGS OVER 200' IN LENGTH
- 
-  Number: 3 Author: elaine Subject: Highlight Date: 12/5/2020 2:29:45 PM  
100 feet
- 
-  Number: 4 Author: elaine Subject: Text Box Date: 12/5/2020 2:34:17 PM
- 
-  Number: 5 Author: elaine Subject: Highlight Date: 12/5/2020 2:27:21 PM  
600 square feet
- 
-  Number: 6 Author: elaine Subject: Text Box Date: 1/18/2021 9:00:38 AM  
A MINIMUM 600 SF VERTICAL BREAK IS A LOT, THIS SHOULD NOT BE MORE THAN 0-100 SF. ON A TYPICAL DOWNTOWN SITE, 150'  
WIDE X 150' SITE THIS STANDARD WOULD REQUIRE A 20' X 30' BREAK SOMEWHERE? IT'S FINE TO HAVE AN OBJECTIVE  
STANDARD THAT REQUIRES AN OPEN SPACE, BUT ALLOW THE APPLICANT FLEXIBILITY ON HOW TO REDUCE OR MODULATE  
BUILDING MASS AND OPEN SPACE. THIS STANDARDS DESCRIBED HERE ARE TOO ONEROUS AND CAN CONSTRAIN GOOD  
DESIGN ALTERNATIVES OR MAKE DEVELOPMENT INFEASIBLE.

### (D) Special Conditions

#### (i) Railroad Frontages

- (a) All parcels with lot lines abutting railroad rights-of-way shall meet the following standards on the railroad-abutting facade:
1. A minimum facade break of at least 10 feet in width and six feet in depth for every 60 feet of facade length.
  2. For portion of a building greater than 20 feet or greater in height, a maximum continuous facade length shall not exceed 60 feet.
  3. A daylight setback plane starting 10 feet in height from grade at the property line and extending at a 1:1 ratio.

## 18.24.060 Façade Design

### 1 (A) Intent Statement:

To create cohesive and well-crafted building facades with human-scaled details that incorporate textures, colors, and other details that are compatible with and enhance the surrounding area. Facades should include the following elements:

- Human-scaled detail, articulation, and craftsmanship
- Quality of construction, craftsmanship, and design to create long lasting buildings
- Articulation of the building base or ground floor, body or middle, and top, cornice or parapet edge
- Expression of a human-scaled facade rhythm and pattern that reflects the building's use
- Fenestration that enhances the architectural character of the building
- Defined building entry that is proportional to the building and number of people served

### (B) Application

- (i) All facades shall meet all the required design standards and guidelines to ensure the same level of care and integrity throughout the building design.
- (ii) Façade sidewalls located along a zero-lot line where, at time of approval are not visible from a right-of-way, are exempt.
- (iii) Façade sidewalls located along a zero-lot line, where at time of approval are visible from a right-of-way, shall continue color, material, and pattern of the main façade.

### (C) Human Scaled Architecture

#### (i) Base/Middle/Top

- (a) Buildings three stories or taller shall be designed to differentiate a defined base or ground floor, a middle or body, and a top, cornice, or parapet cap. Buildings two stories or less shall include a defined base and top. Each of these elements shall be distinguished from one another through use of two or more of the following four techniques:

## Page: 13

 Number: 1 Author: elaine Subject: Highlight Date: 12/5/2020 2:36:52 PM

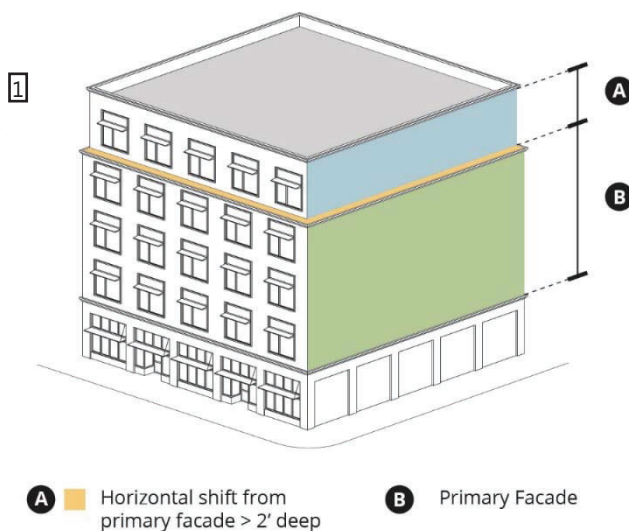
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(A) Intent Statement:

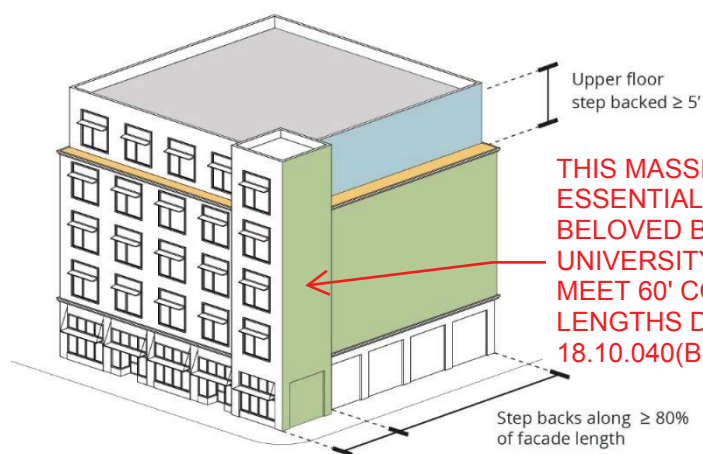
To create cohesive and well-crafted building facades with human-scaled details that incorporate textures, colors, and other details that are compatible with and enhance the surrounding area. Facades should include the following elements:

1. *Variation in building modulation* (select a minimum of one)
  - a. Horizontal shifts. Changes in floor plates that protrude and/or recess with a minimum dimension of two feet from the primary facade.

LOVE THESE  
DIAGRAMS, BUT THEY  
ILLUSTRATE  
BUILDINGS TALLER  
THAN PALO ALTO'S  
CURRENT 50' HEIGHT  
LIMIT (WE SHOULD  
ALLOW STRUCTURES  
THIS TALL THOUGH!)



- b. Upper floor step backs. A horizontal step back of upper-floor façades with a minimum five-foot step back from the primary façade for a minimum of 80% of the length of the façade.



THIS MASSING IS GOOD,  
ESSENTIALLY A DIAGRAM OF THE  
BELOVED BUILDING AT RAMONA &  
UNIVERSITY, BUT IT MIGHT NOT  
MEET 60' COMBINED CORNER  
LENGTHS DESCRIBED IN  
18.10.040(B)i(a)1

- c. Ground floor step back. A horizontal shift of the ground floor facade with a minimum depth of two feet for a minimum 80% of the length of the façade. Ground floor step backs shall not exceed the maximum setback requirements, where stated.



## Page: 14

Number: 1 Author: elaine Subject: Text Box Date: 1/18/2021 9:01:08 AM

LOVE THESE DIAGRAMS, BUT THEY ILLUSTRATE BUILDINGS TALLER THAN PALO ALTO'S CURRENT 50' HEIGHT LIMIT (WE SHOULD ALLOW STRUCTURES THIS TALL THOUGH!)

Number: 2 Author: elaine Subject: Callout Date: 1/18/2021 9:01:41 AM

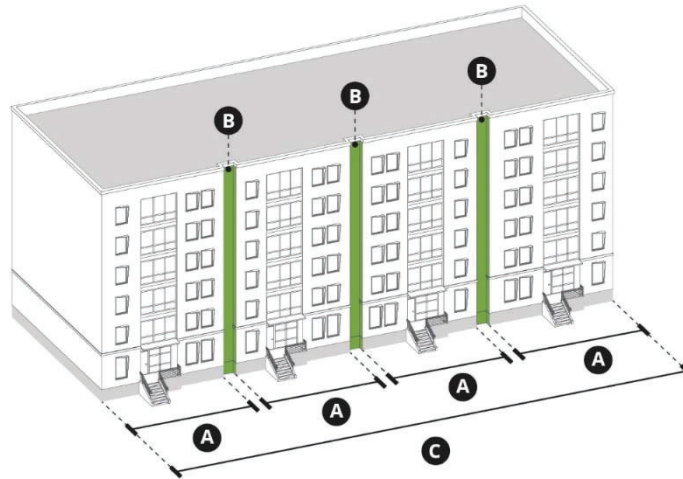
THIS MASSING IS GOOD, ESSENTIALLY A DIAGRAM OF THE BELOVED BUILDING AT RAMONA & UNIVERSITY, BUT IT MIGHT NOT MEET 60' COMBINED CORNER LENGTHS DESCRIBED IN 18.10.040(B)(a)1

THIS IS A BETTER STANDARD THAN 18.24.050(C). AS LONG AS THIS IS INCLUDED, THE OTHER SHOULD NOT EXIST. AS CURRENTLY WRITTEN, THEY CONTRADICT EACH OTHER.

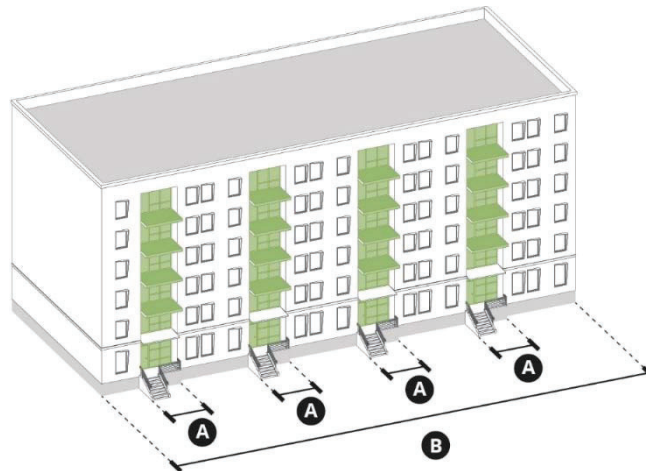
1

9.e

2. <sup>3</sup> For continuous facades greater than 100 feet in length, the façade shall include a vertical recess or projection with a minimum four feet wide and two feet deep vertical shift modulation to establish a rhythm between 20 to 50 feet in width for housing units or 12 to 16 feet in width for individual rooms and spaces.




- A** 20' - 50' horizontal increment  
**B** 4' wide, 2' deep vertical recesses  
**C** Facade length  $\geq 100'$   
Vertically oriented patterns



- A** 12' - 16' wide vertical recess/projections  
**B** Building length  $\geq 100'$   
Vertically oriented patterns


## Page: 18

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 Number: 1      Author: elaine      Subject: Text Box      Date: 12/5/2020 2:42:04 PM

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THIS IS A BETTER STANDARD THAN 18.24.050(C). AS LONG AS THIS IS INCLUDED, THE OTHER SHOULD NOT EXIST. AS CURRENTLY WRITTEN, THEY CONTRADICT EACH OTHER.

 Number: 2      Author: elaine      Subject: Cloud      Date: 12/5/2020 2:39:56 PM

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 Number: 3      Author: elaine      Subject: Highlight      Date: 12/5/2020 3:42:03 PM

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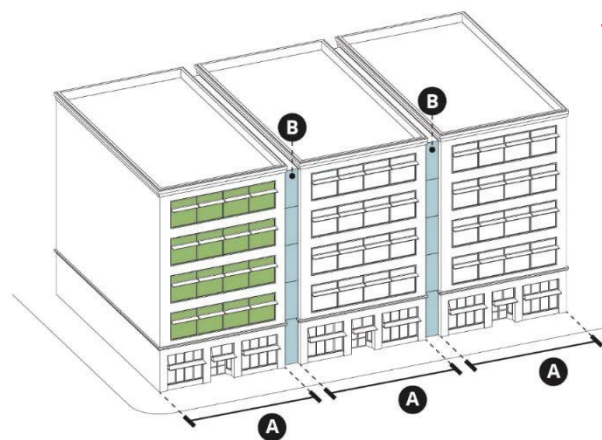
For continuous facades greater than 100 feet in length

- (b) Residential mixed-use and non-residential buildings shall express a vertical rhythm and pattern by using one of the following options:
1. Facades shall use vertical patterns of building modulation, façade articulation, and fenestration;



Vertical patterns along building facade

2. <sup>1</sup> Facades that use horizontal articulation and fenestration patterns shall use a vertical massing strategy with a minimum four feet wide and two feet deep vertical shift in modulation at least once every 50 feet of façade length.



THIS STANDARD IS ALSO  
BETTER THAN 18.24.050(C)

2

- A** Vertical modulation  $\geq 50'$  of building length  
**B** 4' wide, 2' deep vertical recesses

Horizontally oriented patterns along building facade

- (c) Storefront uses shall express a vertical rhythm not to exceed 30 to 50 feet in width.


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 Number: 1 Author: elaine Subject: Highlight Date: 12/5/2020 2:42:24 PM

Facades that use horizontal articulation and fenestration patterns shall use a vertical massing strategy with a minimum four feet wide and two feet deep vertical shift in modulation at least once every 50 feet of façade length.

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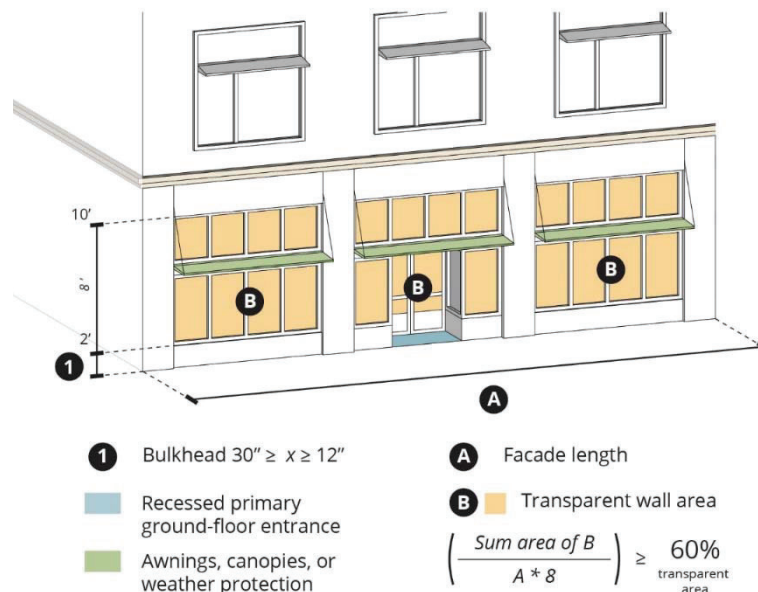
 Number: 2 Author: elaine Subject: Text Box Date: 12/5/2020 2:42:42 PM

**THIS STANDARD IS ALSO BETTER THAN 18.24.050(C)**

## (D) Ground Floor Character

### (i) Storefront/Retail Ground Floors

- (a) Ground floor height shall be a <sup>1</sup> minimum 14 feet floor-to-floor or shall maintain a 2<sup>nd</sup> floor datum line of an abutting building-
- (b) Transparency shall include a minimum 60 percent transparent glazing between 2 and 10 feet in height from sidewalk, providing unobstructed views into the commercial space.
- (c) Bulkheads and solid base walls: If provided, shall measure between 12 and 30 inches from finished grade
- (d) Primary entries shall include weather protection that is a minimum <sup>2</sup> 5 feet wide and 4 feet deep by recessing the entry, providing an awning or using a combination of these methods.
- (e) Awnings, canopies and weather protection:
  1. When transom windows are above display windows, awnings, canopies and similar weather protection elements shall be installed between transom and display windows. These elements should allow for light to enter the storefront through the transom windows and allow the weather protection feature to shade the display window.
  2. Awnings may be fixed or retractable.
  3. Awnings, canopies and other weather protection elements shall not extend across the entire facade. Instead, individual segments shall be installed over each storefront entry or set of storefront windows and shall not extend across wall sections, across multiple windows or over columns.







### (ii) Other Non-residential Ground Floors

- (a) Ground floor height shall be a <sup>3</sup> minimum 14 feet floor-to-floor or shall match the 2<sup>nd</sup> floor datum line of an abutting building.
- (b) Transparency shall include a minimum 50 percent transparent glazing between 4 and 10 feet in height from sidewalk or terrace grade.

<sup>4</sup> THERE SHOULD BE SOME FLEXIBILITY FOR PROGRAM NEEDS OR NAVIGATING GRADE CHANGES FRONT TO BACK. CONSIDER A RANGE, (IE 12'-15' FLOOR TO FLOOR) RATHER THAN A STRICT MINIMUM.

## Page: 21

	Number: 1	Author: elaine	Subject: Highlight	Date: 12/5/2020 3:22:33 PM
	minimum 14 feet floor-to-floor			
	Number: 2	Author: elaine	Subject: Highlight	Date: 12/5/2020 3:22:43 PM
	6 feet wide and 4 feet			
	Number: 3	Author: elaine	Subject: Highlight	Date: 12/5/2020 2:44:27 PM
	a minimum 14 feet floor-to-floor			
	Number: 4	Author: elaine	Subject: Text Box	Date: 12/5/2020 2:46:32 PM
	THERE SHOULD BE SOME FLEXIBILITY FOR PROGRAM NEEDS OR NAVIGATING GRADE CHANGES FRONT TO BACK. CONSIDER A RANGE, (IE 12'-15' FLOOR TO FLOOR) RATHER THAN A STRICT MINIMUM.			

80 SF SEEMS LARGE FOR SMALL SITES, MAKE SURE THIS IS  
CONSISTENT WITH 18.24.040(B)ii PRIMARY BUILDING ENTRY

1

- (c) Primary entries shall include weather protection that is a minimum 10 feet wide and 8 feet deep by recessing the entry, providing an awning or using a combination of these methods.

**(iii) Residential Ground Floors**

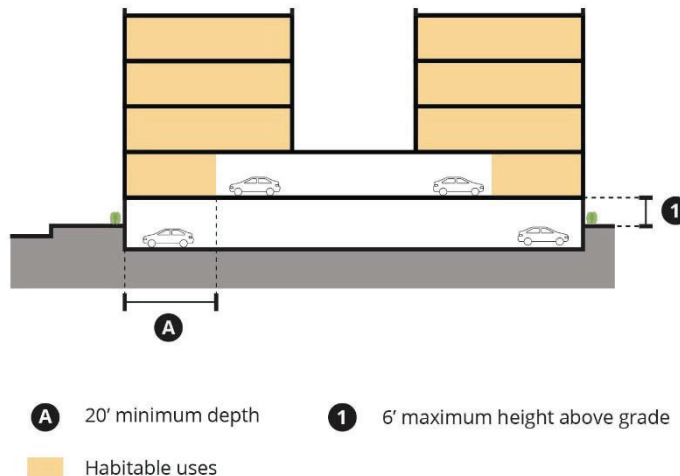
- (a) Finished Floor Height: Units on ground floors shall have a finished floor height at a minimum two feet above average back of sidewalk height for the associated façade.
- (b) Primary entries shall include weather protection that is a minimum 4 feet wide and 4 feet deep by recessing the entry, providing an awning or using a combination of these methods.

THE 25% ON NARROW 100' SITES MAY BE IMPOSSIBLE TO MEET. GARAGES ARE TYPICALLY 20' WIDE FOR INGRESS AND EGRESS, THERE MAY ALSO BE UTILITY ACCESS (ELECTRICAL ROOMS, TRASH ROOMS, BACKFLOW PREVENTERS,) IN ADDITION TO GARAGE ACCESS,

3

**(E) Parking/Loading/Utilities**

- (i) Entry Size: No more than 25% of the site frontage facing a street should be devoted to garage openings, carports, surface parking, loading entries, or utilities access (on sites with less than 100 feet of frontage, no more than 25 feet)
- (ii) Above grade structured parking levels facing a public right-of-way or publicly accessible open space/path shall be lined with commercial or habitable uses with a minimum depth of 20 feet.
- (iii) Partially sub-grade parking not exceeding six feet in height above abutting grade at back of sidewalk shall be screened with features meeting the standards of section 18.24.110 Visual, Screening, and Landscaping.





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Number: 1 Author: elaine Subject: Text Box Date: 12/5/2020 3:22:06 PM

80 SF SEEMS LARGE FOR SMALL SITES, MAKE SURE THIS IS CONSISTENT WITH 18.24.040(B)ii PRIMARY BUILDING ENTRY

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Number: 2 Author: elaine Subject: Highlight Date: 12/5/2020 2:46:48 PM

10 feet wide  
and 8 feet deep by recessing the entr

---

Number: 3 Author: elaine Subject: Text Box Date: 12/5/2020 3:21:36 PM

THE 25% ON NARROW 100' SITES MAY BE IMPOSSIBLE TO MEET. GARAGES ARE TYPICALLY 20' WIDE FOR INGRESS AND EGRESS, THERE MAY ALSO BE UTILITY ACCESS (ELECTRICAL ROOMS, TRASH ROOMS, BACKFLOW PREVENTERS,) IN ADDITION TO GARAGE ACCESS,

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Number: 4 Author: elaine Subject: Highlight Date: 12/5/2020 2:51:26 PM

25% of the site frontage facing a street should be devoted to  
garage openings, carports, surface parking, loading entries, or utilities access (on sites  
with less than 100 feet of frontage, no more than 25 feet)

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Number: 5 Author: elaine Subject: Highlight Date: 12/5/2020 2:51:20 PM

20 feet.

## 18.24.070 Residential Entries

### (A) Intent

Private entries into ground floor residential units shall be designed to provide:

- human-scaled detailing
- enhanced pedestrian experience
- transition between public and private space
- spaces for residents to gather and spend time outdoors
- resident privacy

### (B) Ground floor unit entries

(i) Where ground floor residential unit entries are required, one or more of the following entry types shall be provided:

#### (a) Stoop:

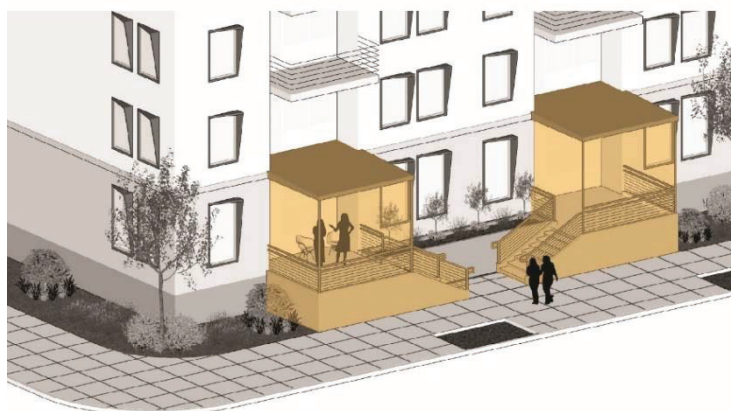
1. Stoops shall provide entry access for a maximum of two units.; and
2. Stoop entry landings shall be a minimum 4 feet in depth; and
3. The maximum stoop height from the back of sidewalk grade shall be 5 feet.



#### (b) Porch:

BE CONSISTENT WITH 18.10.024.(C)ii WHICH SAYS 36 SF AND MIN 5' DIMENSION

1. Porches shall provide entry access for a maximum of one unit; and
2. Porches shall be large enough so a 6-foot by 6-foot square can fit inside of a porch for each unit; and
3. The maximum porch floor height from the back of sidewalk grade shall be 5 feet.



## Page: 23

 Number: 1 Author: elaine Subject: Highlight Date: 12/5/2020 3:27:46 PM

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Private entries into ground floor residential units shall be designed to provide:  
human-scaled detailing  
enhanced pedestrian experience  
transition between public and private space  
spaces for residents to gather and spend time outdoors  
resident privacy


 Number: 2 Author: elaine Subject: Highlight Date: 12/5/2020 3:27:52 PM

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 Number: 3 Author: elaine Subject: Text Box Date: 12/5/2020 2:55:19 PM

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BE CONSISTENT WITH 18.10.024.(C)ii WHICH SAYS 36 SF AND MIN 5' DIMENSION

 Number: 4 Author: elaine Subject: Highlight Date: 12/5/2020 2:52:06 PM

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6-foot by 6-foot square can fit inside of a  
porch for each unit

**(c) Terrace:**


1. A Terrace may serve multiple unit entries; and
2. The maximum Terrace height shall be <sup>1</sup>30 inches above the grade of the back of the adjacent sidewalk or accessway; and
3. Walls, fences and hedges on Terraces shall be a maximum of 42 inches tall and have a minimum transparency of 40 percent.

**(d) Frontage Court:**

1. A Frontage Court may serve multiple unit entries; and
2. The minimum Frontage Court width along a primary frontage shall be 25 feet; and
3. The maximum Frontage Court width along a primary frontage shall be 50 percent of the facade length or 80 feet, whichever is less; and
4. The minimum Frontage Court depth shall be 25 feet; and
5. The maximum Frontage Court depth shall be 50 feet or a ratio not to exceed 2:1 depth to width.



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 Number: 1	Author: elaine	Subject: Highlight	Date: 12/5/2020 2:55:59 PM
30 inches			

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## 18.24.080 Open Space

### <sup>1</sup> (A) Intent

To ensure that residents and visitors have access to usable open space and common facilities that provide recreational opportunities, promote a healthy environment, and enhance the experience of living in Palo Alto. Common and private open spaces should include the following characteristics:

- Be integrated into the site access and building circulation strategy
- Be generous in dimension to provide usable space
- Provide landscape elements that will support the health of the plants and enhance the character of place
- Promote public health
- Be located to provide easy access to private and common building areas
- Promote sustainable practices and opportunities for green infrastructure
- Promote community safety through eyes on the street

### (B) Private Open Space

Private Open Spaces shall be immediately accessible from each residential unit, provide direct visible access to the sky, protect from weather, and take advantage of possible views. Private Open Spaces shall meet the following standards:

- (a) Minimum dimension of six feet by six feet.
- (b) Minimum clear height dimension of 8'-6" feet
- (c) Be accessed directly from a residential unit
- (d) Balconies shall not be located within the daylight plane
- (e) Notwithstanding subsection (a), ground floor patios shall meet the following minimum requirements:

- <sup>2</sup> 1. RM-20 and RM-30 districts, Minimum dimension of eight feet by eight feet and <sup>3</sup> 400 square feet of area for at least 75% of the area
2. RM-40 districts, Minimum dimension of six feet by six feet and <sup>4</sup> 30 square feet of area for at least 75% of the area
3. [TO COME: Regulating height above the ground-floor/setback from the street to ensure privacy/usability]

THIS MAKES  
NO SENSE.  
IS THERE A  
DIAGRAM?

### (C) Common Open Space

Common Open Space shall meet the following standards:

1. Minimum dimension of 12 feet.
2. Minimum of 60% of area open to the sky free of permanent weather protection or encroachments
3. Notwithstanding subsection (1), courtyards enclosed on four sides shall have a minimum dimension of 40 feet and have a minimum courtyard width to building height ratio of 1:1.25
4. Include places to sit
5. A minimum 20% of landscaping

## Page: 25

 Number: 1 Author: elaine Subject: Highlight Date: 12/5/2020 3:29:15 PM

(A) Intent

To ensure that residents and visitors have access to usable open space and common facilities that provide recreational opportunities, promote a healthy environment, and enhance the experience of living in Palo Alto. Common and private open spaces should include the following characteristics:

Be integrated into the site access and building circulation strategy

Be generous in dimension to provide usable space

Provide landscape elements that will support the health of the plants and enhance the character of place

Promote public health

Be located to provide easy access to private and common building areas

Promote sustainable practices and opportunities for green infrastructure

Promote community safety through eyes on the street

 Number: 2 Author: elaine Subject: Text Box Date: 12/5/2020 3:20:40 PM

**THIS MAKES NO SENSE. IS THERE A DIAGRAM?**

 Number: 3 Author: elaine Subject: Highlight Date: 12/5/2020 2:59:25 PM

100 square feet of area for at least 75% of the area

 Number: 4 Author: elaine Subject: Highlight Date: 12/5/2020 2:59:20 PM

80 square feet of  
area for at least 75% of the are



## City of Palo Alto City Council Staff Report

(ID # 13595)

**Report Type: Action Items**

**Meeting Date: 9/27/2021**

**Title: Adopt a Resolution Declaring an Emergency Shelter Crisis, Adoption of a Resolution Authorizing the City Manager to Apply for California Project Homekey Funds in Conjunction with LifeMoves, and Related Direction to Staff Regarding an 88-132-unit Emergency Shelter Project at a Portion of the LATP site (1237 North San Antonio Road); Environmental Assessment: Exempt Pursuant to AB 140 and AB 2553; Alternatively, Exempt under CEQA Guidelines Section 15269 as an Action to Mitigate an Emergency**

**From: City Manager**

**Lead Department: City Manager**

### **Recommendation**

Staff recommends that City Council:

1. Adopt a resolution declaring an emergency shelter crisis;
2. Adopt a resolution authorizing the City Manager to apply for California Project Homekey funds in conjunction with LifeMoves for an 88-132-unit emergency shelter project at a portion of the LATP site (1237 North San Antonio Road);
3. Direct staff to complete due diligence necessary for the application;
4. Direct staff to return with necessary actions related to capital and operating costs for the project.

### **Executive Summary**

The State of California released the Notice of Funding Availability for Project Homekey Round 2 in early September 2021. The City of Palo Alto is preparing to make an application to the program (resolution authorizing application will come in late packet). Moving forward with the proposed emergency shelter with Project Homekey funds would entail:

1. Adopting a resolution declaring a local emergency shelter crisis, which will help streamline the process for this and future emergency shelter projects.
2. Completing the due diligence necessary for the application (costs for geotechnical/survey/etc.).
3. Partnering with LifeMoves for the creation of 88-132 units of interim housing, which will be reviewed ministerially, with the possibility for a voluntary design review process
4. Leasing a portion of the LATP site to LifeMoves to facilitate the project.



5. Revising the Community Development Block Grant (CDBG) 5-year plan to allow for capital funds allocation to be used on this program.
6. Agreeing to the estimated ongoing operating costs associated with running the program. The first four (4) years of operating costs are anticipated to be covered by Santa Clara County and Project Homekey (Housing and Community Development Department). LifeMoves and the City will collectively identify and determine sources to cover the operating costs in years five (5) and six (6). There is an option for an additional operating year to be provided by Homekey under the NOFA if projects can demonstrate a commitment of four or more years of non-Homekey operating funds for assisted units.

### **Background**

City Council discussed services for unhoused Palo Altans at a study session on April 5, 2021 and expressed interest in many topics. The City Council heard an action item on this topic on August 9, 2021 and continued the item on August 30, 2021. The action for each meeting is below.

- April 5, 2021 Study Session Report (no action taken) – [CMR #12133](#)
- August 9, 2021 ([CMR# 13453](#)); [Actions](#) taken:
  - A. Support advancing an application for the Project Homekey Program for an emergency shelter in a portion of the Former Los Altos Treatment Plant (LATP) site with specific steps as follows:
    - i. Pursue partnership with LifeMoves as the nonprofit partner;
    - ii. Pursue zoning changes necessary to allow for an emergency shelter at the LATP site;
    - iii. Direct Staff to identify funding sources and to include that information in the return report to the City Council;
    - iv. Return to City Council in September with sufficient time to make an application and include all application details, including the explanation of all costs; and
  - B. Continue City Council discussion on the rest of this item to a date uncertain.
- August 30, 2021 ([CMR #13521](#)); [Actions](#) taken
  - A. Adopt a Resolution endorsing the Santa Clara County “Community Plan to End Homelessness 2020-25”; and
  - B. Direct Staff to return to City Council with a detailed proposal for an outreach team to the unhoused, which will include case management resources, additional Police resources, and program coordination staff.

On September 9, 2021, the California Department of Housing and Community Development (HCD) announced the release of the HomeKey Program Round 2 [Notice of Funding Availability \(NOFA\)](#) for approximately \$1.45 billion. Building on the success of both Project Roomkey and the first round of Homekey, this investment continues a statewide effort to sustain and rapidly

expand housing for persons experiencing homelessness or At Risk of Homelessness, and who are, thereby, inherently impacted by or at increased risk for medical diseases or conditions due to the COVID-19 pandemic. Cities, counties, or other local public entities, including housing authorities or federally recognized tribal governments within California, may apply independently or jointly as the lead applicant with a non-profit or a for-profit corporation.

### **Discussion**

Since the City Council action on August 9, an interdepartmental team from the City Manager's Office, Public Works, Community Services Department, Planning and Development Services, and the City Attorney's Office have worked diligently with LifeMoves to do site study of the LATP site C and prepare materials needed in support of the Homekey application. Upon receipt of the full NOFA on September 9, 2021, staff and LifeMoves are working to prepare as much information as possible to share with the City Council by packet printing date of September 16. Some additional materials, such as the site concept plan, will be shared in late packet on September 23, 2021.

The proposed project is the rapid deployment of modular housing for the purpose of providing interim housing opportunities for homeless individuals and families in the City of Palo Alto. The project location is 1237 North San Antonio Road, in Area C of the Former Los Altos Treatment Plant (LATP), a 1.16 acre site bordered by other industrial uses.

The LATP site, was previously a treatment facility for the City of Los Altos. The site includes three different parts: Area A, Area B, and Area C. The northern third of the site, known as Area A, is approximately 4 acres of conservation land. This section is isolated from the rest of the FLATP by a berm and fence. The middle third of the site, known as Area B, is approximately 6.64 acres and the location of the former treatment plant. The treatment plant included an operations building, water tank, and series of treatment ponds. Several of the former treatment ponds have since been identified as jurisdictional wetlands. The operations building has been deconstructed, among other changes. Area B is the area Valley Water is working with the City on for a water purification site. The southern third of the site, known as Area C, is approximately 2.62 acres. This area is currently used as a contractor rental storage (was a staging yard related to the bike bridge project) and as Green Waste storage yard and transfer site, the City's refuse collector. The specific portion of the site identified for Homekey is within the LATP Area C, approximately 1.16-acres adjacent to the Green Waste site.

Further information about the LATP site, zoning and comprehensive plan designations, and what is needed for this Homekey program is explained further in the report.

### **Alternative Sites Considered**

At the April 5, 2021 Study Session on Unhoused Services, the City Council expressed interest in the Project Homekey Program, should funding become available through the State budget. The City Council mentioned an interest in any hotels or motels that might be interested in selling their property to the City for this program. Staff reached out to hotels and motels and received

very limited interest. The hotels that responded with interest noted high dollar per door costs associated with the sale of the properties. The few properties that did respond are located along the El Camino Real corridor. Staff also considered other City-owned land and other sites were in process for other plans at the City or were dedicated park land. LifeMoves also explored other private land but none of the options panned out due to a variety of reasons.

### Modular Units

The Homekey site will consist of modular units. The modular units are pre-fabricated structures designed specifically for residential use. The site work would be primarily composed of demolition, utility connections, grading and hardscape, security fence, preparing site for sea-level rise, and landscape. Thirty percent of this site will be to accommodate support services such as offices for case management, employment and housing specialists, dining, community workshop, family lounge and onsite laundry.

### Population to Serve

The focus of the site is for individuals and families based on Palo Alto's 2019 Point in Time count as well as other information shared with the City from the County about those impacted by the pandemic. As shown in the April 5 Study Session report ([page 7](#)) and in the further detailed Point in Time data, as shown in the August 9 report ([page 3](#)), Palo Alto has a mixture of unhoused individual adults and families, including veterans.

The site would be operated for at least fifteen years as interim housing per the program's durational requirement and would include both on-site and off-site/mobile personnel to operate the project staffed by LifeMoves, including a Program Director, case management, and the provision of other services. The site would be staffed 24/7 every day of the year.

### Number of Units Proposed

The proposed number of units/beds proposed is 88 units in a two-story configuration. The City can also build a three-story configuration which could increase the number of units up to 132. Staff proposes the two-story configuration for the application. The proposed number of units tries to maximize as much density as possible while being sympathetic to the adjacent neighborhood, parking, and other building heights east of 101.

In an 88-unit Homekey, the preliminary unit composition is for 24 family units and 64 single units. In an 132-unit Homekey, the preliminary unit composition is for 24 family units and 96 single units. The concept plan will be released in late packet.

### Costs to Apply

There is no grant application fee. However, in order to prepare the materials for application, it is staff time as well as some due diligence costs (such as geotechnical, architectural, survey, etc.). Staff and LifeMoves anticipate these costs to be approximately \$120,000 up front. The costs should be reimbursable by the Homekey grant but still need to be covered in the meantime between LifeMoves and the City.

### Capital Costs

Homekey will fund a maximum grant amount per door which includes both the acquisition cost and any needed Rehabilitation or new construction. The Department will contribute a baseline amount per door, as outlined here. This baseline contribution does not require a local match.

Unit Size -- Baseline Capital Amounts: 1) Studio or one-bedroom units will receive a baseline amount of \$150,000 per door. 2) Two-bedroom units will receive a baseline amount of \$175,000 per door. 3) Three-bedroom or larger units will receive a baseline amount of \$200,000 per door.

For the Palo Alto Homekey program, the preliminary estimated capital cost based on the proposed number of units is \$17.6 million. Further details on capital investment expenses and the projected funding sources are outlined below in the Resource Impact section of this report.

### Operating Costs

Based on consultation with LifeMoves, given the proposed number of units (a range of 88-132 units) the total operating costs are estimated to be \$2.6-4 million per year. The Homekey grant includes two (2) years of operating costs in the grant award with a potential third year if certain points are met in the rating criteria. Additionally, Santa Clara County has pledged to cover an additional two (2) years of operating costs on top of the funding from the Homekey grant. The Board of Supervisors will further discuss Homekey at their October 5 Board meeting. There is an option for an additional operating year to be provided by Homekey under the NOFA if projects can demonstrate a commitment of four or more years of non-Homekey operating funds for assisted units.

The City of Palo Alto, as part of the grant application, would need to commit to at least one year of operating funding and LifeMoves would also commit to at least one year of funding. For the City, this commitment would be for either year 5 or 6 of the program operation from the program launch date. City's funding source would be identified at a later date.

It is expected that the City would continue ownership of the land and would pursue a lease agreement with LifeMoves as part of this partnership. Staff is still exploring options for this and discussing draft partnership terms for the operation and maintenance of the facility.

## **Planning, Land-Use, CEQA, and Site-Specifics for LATP**

### Land-Use Streamlining – Comprehensive Plan and Zoning Ordinance Consistency

LifeMoves, in coordination with the City of Palo Alto, is currently exploring two potential site designs. Under one option, the project site would have a split land use designation of Major Institution Special Facilities (MISP) and Conservation Land. An alternative option would locate the project entirely on land designated as MISP. The site is zoned Public Facilities (PF) with a Site and Design (D) combining district. The MISP land use designation allows for government

uses and lands that are either publicly owned or operated as non-profit organizations. Therefore, the proposed use is consistent with that land use designation. However, the proposed use is not consistent with the Conservation Land designation, which only allows for “resource management, recreation and educational activities compatible with resource conservation.” Therefore, development of a project within this land use designation would typically require an amendment to the Comprehensive Plan Land Use Map (Map L-6). Similarly, the project’s proposed use is consistent with the allowed uses for public facility land, which include uses on land owned or leased by a public agency to another party. However, the project may not comply with all of the applicable development standards within the PF Zone. Typically, Site and Design review is required for a new use or a new building within the PF(D) Zone District and the project would be evaluated for consistency with the zoning code as part of that process. These discretionary acts (legislative amendment and design review) would also require analysis in accordance with the California Environmental Quality Act (CEQA).

However, for projects funded under AB 140 (Homekey), the project is automatically deemed consistent with all local requirements and no discretionary approvals can be required. This is outlined in Health and Safety Code section 50675.1.3, subsection (i), which states “Any project that uses funds received for any of the purposes specified in subdivision (a) shall be deemed consistent and in conformity with any applicable local plan, standard, or requirement, and any applicable coastal plan, local or otherwise, and allowed as a permitted use, within the zone in which the structure is located, and shall not be subject to a conditional use permit, discretionary permit, or any other discretionary reviews or approvals.” Therefore, neither a Comprehensive Plan Land Use Map Amendment or Site and Design review are required; under state law the project must be ministerially approved. In addition, because there are no discretionary approvals, CEQA does not apply to approval of the proposed development.

That said, leasing the land to LifeMoves would be a discretionary action that may be subject to CEQA. If Council adopts the attached resolution declaring an emergency shelter crisis (**Attachment A**), a specific statutory exemption would apply to the lease. Government Code section 8698.4, subsection (a)(4) states “The California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) shall not apply to actions taken by a state agency or a city, county, or city and county, to lease, convey, or encumber land owned by a city, county, or city and county, or to facilitate the lease, conveyance, or encumbrance of land owned by the local government for, or to provide financial assistance to, a homeless shelter constructed or allowed by this section.” The declaration of an emergency shelter crisis also permits cities to suspend local procedures for emergency shelter projects; while this is not necessary for projects funded by Homekey, as discussed above, it could streamline future shelter projects that may not be funded by Homekey.

#### Site Concept Plan

The site concept plan mockup will be included in the late packet distributed on September 23, 2021. The plan will take into account necessary Fire Apparatus access needs as well as utility line easement areas.

### Site Specifics

The LATP Area C site is located in the Baylands Master Plan area as well as the Sea-Level Rise Policy area. As such, the modulars would need to fit the intent of those policies. For the Sea-level rise policy, the site needs to be raised at least 3.5 feet above the current grade. The site access currently is from an access road off North San Antonio. The proposed design would include direct access to North San Antonio which would require raising the site grade.

There are currently some utilities on site and staff is verifying which utility operators own each (water, electricity, fiber, sewer, refuse collection). The site will be all electric and not use gas. There was previous hazmat on this site. Staff is verifying necessary next steps for that.

Site neighbors: the adjacent parcel usage is Green Waste as well as Valley Water (in the future). Green Waste operationally, arrives on site as early as 4am, Monday-Friday. This allows them to prepare for commercial bin pull outs and container exchanges, roll-off trucks picking-up debris boxes, and containers being wiped down or set up (add lids and wheels) to drop off to customers. This could be a sound impact to the Homekey program. Thus, the modular design will consider sound mitigation needs.

### **Timeline, Resource Impact, Policy Implications**

Staff and LifeMoves anticipate application costs to be approximately \$120,000 up front. The costs should be reimbursable by the Homekey grant but will need to be covered in the meantime between LifeMoves and City financial support.

As described above, the capital costs of the Homekey program for 88 units is preliminarily estimated to be \$17.6 million with \$14.4 million that could be covered by the grant. Early provisional commitments from the philanthropic community could cover the remaining \$3.2 million gap funding. For 132 units, the preliminary estimated capital costs are estimated to be \$26.4 million with \$19.2 million that could be covered by the grant, leaving a much higher gap funding of \$7.2 million to close. The City and LifeMoves would partner to minimize the gap funding in either scenario, with the intent of mitigating unforeseen financial impacts specifically to the City of Palo Alto to the extent possible.

The preliminary estimated operating costs for Homekey would be \$2.6 - \$4 million annually (preliminarily estimated around \$2.6 million for the 88-unit site). For 132 units, it is estimated preliminarily to be \$4 million annually; these costs may escalate up to \$4.8 million. The first 2 years would be covered by the Homekey grant, the 3<sup>rd</sup> and 4<sup>th</sup> year are pledged to be covered by Santa Clara County. The City and LifeMoves would collectively identify and determine sources to cover at least one year of operating expenses starting in year 5 or 6 after program launch. The City would continue ownership of the land and would pursue a lease agreement with LifeMoves as part of this partnership.

Staff is still exploring options for this and discussing draft partnership terms for the operation

and maintenance of the facility; any of these costs are not currently factored into the financial impacts outlined in this report. The City will lose rental revenue generated from this portion of the LATP site through various leases for either City or private use. Staff will gather more information and share with the City Council in the late packet memo.

### Timeline

The grant timeline is as follows: Homekey funds will be available to Eligible Applicants on a continuous, Over-the-Counter (OTC) basis, rather than on a competitive basis. The following table summarizes the anticipated Homekey Program timeline. If Project HomeKey is funded, there will be a very ambitious timeline to deliver the project per State requirements to expend the funds within 8 months.

**Table 1: Anticipated Timeline for Homekey Applications**

NOFA release	September 9, 2021
Application release	Late September 2021
Stakeholder Webinar	September 30, 2021
Final day to submit an application within geographic set-asides and within period for timely submission of application bonus award	January 31, 2022
Application period for statewide pool opens	February 1, 2022
Final application due date	May 2, 2022, or until funds are exhausted, whichever occurs first
Award announcements	Continuous, with individual awards generally announced within 45 days of the Department's receipt of a complete and accurate application and all required supplemental documentation
Standard Agreements issued	Continuous, after the Department's receipt of required information and documentation
Grantee Expenditure and Program Report, annually for five years subsequent to contract execution	Annually by January 31

### **Stakeholder Engagement**

Further stakeholder engagement will occur if the City is awarded the grant. Thus far, the engagement has been with partner agencies such as LifeMoves, Santa Clara County Office of Supportive Housing, and the Housing Authority. Staff has engaged with GreenWaste and will be in further touch with Valley Water, both are neighbors of the project site.

**Environmental Review**

Numerous state laws, including but not limited to AB 140 (2021) and AB 2553 (2020) have exempted emergency shelter projects, and specifically projects funded by the Project Homekey program, from the requirements of the California Environmental Quality Act. To the extent any of the actions contemplated by the City Council in relation to this project are not covered by these statutory exemptions, they are exempt pursuant to CEQA Guidelines Section 15269 as actions to mitigate an emergency related to the unhoused population in Palo Alto, as further detailed in **Attachment A**.

**Attachments:**

- **Attachment10.a:** Attachment A: Resolution of the Council of the City of Palo Alto Declaring a Shelter Crisis



\*NOT YET ADOPTED\*

Resolution No. \_\_\_\_

Resolution of the Council of the City of Palo Alto Declaring a Shelter Crisis

R E C I T A L S

- A. The County of Santa Clara (the “County”) conducts a biannual census of the homeless population in the County, which includes sheltered and unsheltered homeless persons living in the City of Palo Alto (the “City”). This count serves as a baseline for understanding the homeless population in the region, capturing individuals and families sleeping in emergency shelters, transitional housing, as well as people living on the streets, in vehicles, abandoned properties, or other places not meant for human habitation.
- B. The County’s last count of the homeless population in Palo Alto was conducted in 2019. It showed that the population of homeless persons in Palo Alto had increased by 13% from 2017, from 276 to 313. In the same time span, proportion of unsheltered homeless Palo Altans grew. In 2017, 8% of homeless Palo Altans were sheltered. In 2019, only 4% of homeless Palo Altans were sheltered.
- C. A number of community-based organizations in Palo Alto provide food, financial assistance, and other services to those in need. These organizations include Destination Home, Dignity on Wheels, the Heart and Home Collaborative, and the LifeMoves Opportunity Services Center. Despite these efforts, a significant number of persons within Palo Alto are without the ability to obtain shelter.
- D. People experiencing homelessness are at a higher risk of injury, illness, and harm due to weather exposure and are likely to have inadequate access to other basic human services, such as utilities, sanitary waste facilities, and garbage services, which can have adverse consequences for themselves and their communities. This is especially true for unsheltered homeless persons.
- E. National analysis from the Journal of the American Medical Association noted that people experiencing homelessness bear a disproportionate burden of chronic illnesses and have been unable to consistently practice social isolation, causing them to be disproportionately affected by COVID-19. Studies from the early months of the pandemic in the United States demonstrated infection rates were substantially higher among homeless populations than among those with stable housing.
- F. Section 8698.2 of the Government Code of the State of California authorizes the City of Palo Alto to declare the existence of a shelter crisis upon finding that a significant number of residents are without the ability to obtain shelter, resulting in a threat to their health and safety.

\*NOT YET ADOPTED\*

- G. Section 8698.1 of the Government Code of the State of California provides limited immunity for ordinary negligence in the provision of emergency housing by opening public facilities to homeless persons and suspends strict compliance with housing, health, or safety standards to the extent that strict compliance would hinder the mitigation of the effects of the shelter crisis. Moreover, the City may, in place of such standards, enact health and safety standards to operate during the housing emergency consistent with ensuring minimal public health and safety.

**NOW, THEREFORE**, the Council of the City of Palo Alto RESOLVES as follows:

SECTION 1. The Council finds that a shelter crisis exists within the City of Palo Alto because a significant number of Palo Alto residents are without the ability to obtain stable housing or shelter, resulting in threats to their health and safety and for the reasons stated in the Recitals above.

SECTION 2. The Council hereby declares a shelter crisis within the City of Palo Alto.

SECTION 3. The Council finds that the adoption of this resolution does not meet the definition of a project under Public Resources Code Section 21065, thus, no environmental assessment under the California Environmental Quality Act is required at present. Individual upgrades or changes at utility facilities, if needed as a result of the City's implementation of the Plan, will be analyzed under CEQA.

INTRODUCED AND PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

APPROVED:

\_\_\_\_\_  
Assistant City Attorney

\_\_\_\_\_  
City Manager



## City of Palo Alto City Council Staff Report

(ID # 13601)

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**Report Type: Action Items**

**Meeting Date: 9/27/2021**

**Title: Discussion of Options and Direction Regarding Virtual, In-Person, or Hybrid Council and Board and Commission Meetings (10:45 PM - 11:15 PM)**

**From: City Manager**

**Lead Department: City Clerk**

There are no written materials for this report at this time. A report will be provided prior to the meeting.



# City of Palo Alto

## City Council Staff Report

(ID # 13621)

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**Report Type: Action Items**

**Meeting Date: 9/27/2021**

**Summary Title: Late Packet Council Review of Objective Standards**

**Title: Public Hearing: Adoption of Two Ordinances Implementing the Objective Standards Project, Including: 1) New Chapter 18.24, Objective Design Standards, to Replace Existing Context-Based Design Criteria; 2) Modifications to Affordable Housing (AH) and Workforce Housing (WH) Overlay Districts to Eliminate the Legislative Process; 3) Expansion of Affordable Housing (AH) and Housing Incentive Program (HIP) to PTOD-Eligible Properties; 4) Changes to Remove Inconsistencies and Redundancies, and Streamline Project Review Throughout Title 18 Chapters (7:55 PM - 9:45 PM)**

**From: City Manager**

**Lead Department: City Clerk**

**Attachments:**

**Attachment: At Places Memo Item 9 - Objective Standards (PDF)**



**TO: HONORABLE CITY COUNCIL**

**FROM: CITY MANAGER**

**DEPARTMENT: PLANNING &  
DEVELOPMENT SERVICES**

**DATE: SEPTEMBER 27, 2021**

**ID# 12180**

**SUBJECT: PUBLIC HEARING: ADOPTION OF TWO ORDINANCES IMPLEMENTING THE OBJECTIVE STANDARDS PROJECT, INCLUDING: 1) NEW CHAPTER 18.24, OBJECTIVE DESIGN STANDARDS, TO REPLACE EXISTING CONTEXT-BASED DESIGN CRITERIA; 2) MODIFICATIONS TO AFFORDABLE HOUSING (AH) AND WORKFORCE HOUSING (WH) OVERLAY DISTRICTS TO ELIMINATE THE LEGISLATIVE PROCESS; 3) EXPANSION OF AFFORDABLE HOUSING (AH) AND HOUSING INCENTIVE PROGRAM (HIP) TO PTODELIGIBLE PROPERTIES; 4) CHANGES TO REMOVE INCONSISTENCIES AND REDUNDANCIES, AND STREAMLINE PROJECT REVIEW THROUGHOUT TITLE 18 CHAPTERS**

This memo summarizes staff's anticipated approach to present information contained in the subject ordinance to Council and opportunities for public input.

The ordinance proposes a number of changes to the municipal code intended to preserve the City's local land use authority by converting subjective developments standards to objective criteria. This is relevant for certain development projects, including qualifying SB 330 and SB 35 housing and mixed used projects that, in accordance with State law, can only be reviewed for compliance with objective criteria.

While staff have worked with the ARB and PTC over several meetings to ensure the intent of the subjective standards have been appropriately converted to objective criteria, this will be the first time the City Council will have had an opportunity to review the changes.

Accordingly, from a process perspective, staff anticipates the public hearing will occur over at least three days/meetings.

On September 27<sup>th</sup>, staff will provide a presentation on the proposed ordinance changes. It is anticipated the Council will hear from one representative each from the ARB and PTC, then open the hearing for public comments. Staff proposes the City Council initially focus on the context based design criteria and other administrative changes proposed in the ordinance (these sections are listed on the agenda title as items 1 and 4) and ask questions or provide comments, including direction on possible changes.

On October 25<sup>th</sup> the public hearing will resume with a brief staff presentation summarizing information previously presented and included in the record. This presentation will serve to refresh the City Council's understanding of the proposed changes to certain combining districts and expansion of the housing incentive program and affordable housing overlay to PTOD-eligible properties (these sections are listed on the agenda title as items 2 and 3). Since no new information is being introduced at this meeting, it is not anticipated that the Council will receive additional public input at this time.

A third meeting, date to be determined, will follow and introduce an updated ordinance, if necessary, that responds to the Council's prior direction. Following a staff presentation, another opportunity for public comment will be provided before the City Council concludes its deliberation on the ordinance. If the Council requires more time, additional meetings may be scheduled.

The above schedule outlines staff's intended approach and is subject to the City Council's endorsement.

DocuSigned by:



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JONATHAN LAIT

Planning & Development Services Director

DocuSigned by:



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ED SHIKADA

City Manager



## City of Palo Alto City Council Staff Report

(ID # 13617)

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**Report Type:** Action Items

**Meeting Date:** 9/27/2021

**Title:** Supplemental Report: Adopt a Resolution Declaring an Emergency Shelter Crisis, Adoption of a Resolution Authorizing the City Manager to Apply for California Project Homekey Funds in Conjunction with LifeMoves, and Related Direction to Staff Regarding an 88-132-unit Emergency Shelter Project at a Portion of the LATP site (1237 North San Antonio Road);  
**Environmental Assessment:** Exempt Pursuant to AB 140 and AB 2553;  
**Alternatively, Exempt under CEQA Guidelines Section 15269 as an Action to Mitigate an Emergency**

**From:** City Manager

**Lead Department:** City Manager

Subsequent to release of the original staff report on September 16, 2021, staff received additional information relevant to the Project Homekey 2.0 potential application. This supplemental report provides the draft resolution for application to Project Homekey 2.0, draft site plan, budget information, and some land use and site considerations for the City Council.

### **Draft Resolution to Apply for the Homekey Grant**

Exhibit A contains the draft resolution required to apply for the Project Homekey 2.0 program. The program requires a resolution from the City Council to be included with the grant application. This resolution was referenced as forthcoming in the original staff report.

### **Draft Site Plan**

Exhibit B to this supplemental report contains the draft site plan for the proposed Project Homekey 2.0 application. This site plan was referenced as forthcoming in the staff report. The site plan is based on what is known at this time. Further refinements will be made as site surveys, etc. are conducted. Staff is working on the completion of an updated appraisal as required by the HomeKey program application. In researching this site and ensuring transparency in the complexities and variables, staff is aware that there has been past industrial use of this site. Staff is evaluating the impacts including any remediation needed and will ensure the City Council remains informed if additional action is needed.

The proposed site plan shows a layout for 88 units (24 family units and 64 single/couple units) as well as community and case management spaces, and about 37 parking spaces. The

proposed site plan reconfigures the LATP Area C land accommodating both the proposed Homekey site and Green Waste facilities. The uses are nested, with the Homekey site adjacent to the roadway while the Green Waste facilities are relocated to the rear. According to the architectural team, this shift is highly recommended for the following reasons:

- Fire access to the rear of the site would require a 20-foot wide fire lane with a turnaround or by fire hydrant(s).
- Egress paths were unavailable at the back side of the property, thus requiring pathways along the side of the parcel which further reduced buildable area.
- There is a 72-inch utility line that runs along the site and meets with a 60-inch line. The easement necessary for access to that line prevents construction on that portion of the site.

The proposed site plan provides more street frontage for Homekey, brings Homekey to front San Antonio Road instead of the access road, has ingress and egress paths for both Homekey and the neighboring Green Waste area within Area C, and leaves access to the necessary utility easements. Public Works staff believe the revised layout will be feasible for Green Waste operations.

#### Draft Site Plan (screenshot of Exhibit B)



#### Flood Zone



The staff report indicated that the site would need to be raised due to the City's Sea Level Rise Policy. It is important to note the current Sea Level Rise Policy provides important guidance but does not establish regulatory requirements. Upon further research, staff also determined that LATP Area C is subject to FEMA flood plain regulations that require additional site or building elevation. Staff is currently researching the specific details relevant to this site and will update the site plan as information becomes available.

### **Conservation Land**

The relocation of the Green Waste facilities from their current location to the rear area, as proposed, may require a Comprehensive Plan Amendment and environmental review in accordance with the California Environmental Quality Act (CEQA). A portion of the area, approximately 11,000 square feet, has the land use designation of Public Conservation Land (CL). Though this land has not been conserved and has been used contiguously with the rest of Area C for Public Works and other uses, the present and future use is not aligned with this land use designation.

A Comprehensive Plan Amendment that changes the land use designation to "Major Institution Special Facilities" (MISP) can create alignment between the actual use and designation. This can be accompanied by a zoning district change. These are legislative actions that can be taken by the City Council after review and recommendation by the Planning and Transportation Commission (PTC).

While the Homekey project is statutorily exempt from CEQA, the Green Waste relocation is not. The relocation of Green Waste to this portion will likely require site improvements. These improvements need to be evaluated in accordance with CEQA. The resources to perform the Comprehensive Plan Amendment and CEQA review will need to be identified, including use of a third party for CEQA work. Staff and LifeMoves are continuing to evaluate opportunities to cover the associated costs.

Advancing the Green Waste reconfiguration and site improvements is important to maintaining the continuity of refuse collection services. These efforts must advance concurrently with HomeKey development to prevent any project delays.

### **Budget and Finances**

Staff included preliminary estimated capital and operations expenses in the original staff report. Since that time, staff received updated financial information from LifeMoves and that is included here.

#### **Capital Expenses**

The capital costs are expected to be \$17.6 million (or approximately \$200,000/door). This is based on a similar project cost estimate that is at 50% design completion, therefore leaving further variations in price to be likely. Of that, the Homekey grant may award up to \$14.4

million in capital. This would leave a gap of \$3.2 million for capital expenses. LifeMoves has been able to secure a donation from a private donor to fill that gap in capital plus help with contingencies or other capital needs.

Due to the moving of the Green Waste site to a different part of the LATP Area C, there are some capital expenses expected there. Staff is researching those estimated expenses related to moving some infrastructure to accommodate the Homekey program. These adjustments include but are not limited to pavement of new areas, movement of modular infrastructure and utilities such as charging stations, in addition to any CEQA or remediation efforts needed as referenced above.

### Operating Expenses

The operating expenses in the original staff report were listed as a range from \$2.6 million to \$4 million per year depending on the number of units. Since the publishing of the staff report, staff has received updated operating costs and continue to review them in partnership with LifeMoves and Santa Clara County (SCC). Additionally, due to the increased estimated operating costs, the operating subsidy from the Homekey program will not fully cover the operations in years 1 and 2 as originally expected and there is an operating gap in the first 2 years. Staff, LifeMoves, and SCC are discussing funding to confirm whether SCC is able to cover two full years of operating costs at the revised estimated levels. The initial gap in the first two years is estimated to be \$2.35 annually, the difference between the estimate for support from HomeKey program funds and the operating cost projections from LifeMoves.

The operating expenses estimated at this time are as follows for the first five (5) years of operation (note: staff is working to get two additional budget years estimated for the application in addition to projections for the remaining years 8 through 15 of the HomeKey program commitment):

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
<b>Program Expense</b>						
Program Salary & Benefits	\$ 1,523,786	\$ 1,599,975	\$ 1,679,974	\$ 1,763,973	\$ 1,852,171	\$ 8,419,879
Direct Client Expenses	\$ 362,800	\$ 362,800	\$ 362,800	\$ 362,800	\$ 362,800	\$ 1,814,000
Site Operating Costs	\$ 848,854	\$ 814,925	\$ 826,084	\$ 865,458	\$ 850,277	\$ 4,205,598
Operations Labor and Fringe	\$ 635,553	\$ 667,171	\$ 700,370	\$ 735,228	\$ 771,829	\$ 3,510,151
Programs Estimate Salary and Fringe Increase	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Program Expense</b>	<b>\$ 3,370,993</b>	<b>\$ 3,444,871</b>	<b>\$ 3,569,227</b>	<b>\$ 3,727,459</b>	<b>\$ 3,837,078</b>	<b>\$ 17,949,628</b>
<b>Administration Expense</b>						
Administration Expenses	\$ 337,099	\$ 344,487	\$ 356,923	\$ 372,746	\$ 383,708	\$ 1,794,963
Development Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Admin and Development Estimate Salary and Fringe	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Administration Expense</b>	<b>\$ 337,099</b>	<b>\$ 344,487</b>	<b>\$ 356,923</b>	<b>\$ 372,746</b>	<b>\$ 383,708</b>	<b>\$ 1,794,963</b>
<b>Total Expenses</b>	<b>\$ 3,708,092</b>	<b>\$ 3,789,358</b>	<b>\$ 3,926,150</b>	<b>\$ 4,100,205</b>	<b>\$ 4,220,786</b>	<b>\$ 19,744,591</b>
<b>Capital Costs</b>						
Capital Costs - Van	\$ 55,000	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Capital Costs</b>	<b>\$ 55,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Costs Including Capital</b>	<b>\$ 3,763,092</b>	<b>\$ 3,789,358</b>	<b>\$ 3,926,150</b>	<b>\$ 4,100,205</b>	<b>\$ 4,220,786</b>	<b>\$ 19,744,591</b>

\* Note, the van capital cost here is not included in the Homekey grant construction capital expenses

\*\* Annually, there is an assumption of +5% for labor; +3% Repairs & Maintenance, Insurance & IT allocations & Furniture. The furniture costs increase in year 5 by 10% due to anticipated replacements.

Staff continues to assess the funding sources for each operating year. The Homekey program operating subsidy would cover \$1,171,200 for the first 2-3 years (instead of the entire operating cost for those years). Thus there could be a funding gap of \$2.59 – 2.75 million annually in the earlier years. Staff is in conversation with LifeMoves and the County to better refine the operating costs as well as to discuss potential funding sources. For the grant application, the City and LifeMoves must demonstrate funding for at least the first five (5) years.

Additionally, the Homekey NOFA provides some flexibility which staff will continue to explore. It states: “Section 209. Flexibility: The Department recognizes the limited availability of local, state, and federal funds, and the corresponding imperative for flexibility in the Homekey Program. Therefore, subject to the Department’s advance written approval, a Grantee may use a capital expenditure award to fund the proposed project’s operating costs, or an operating award to fund the proposed capital expenditure, so long as the aggregate Homekey award is expended on eligible uses.”

In partnerships with LifeMoves, staff continue to work on the best construct for the ongoing relationships. LifeMoves has advised that without ownership of the site, fundraising will be more difficult; therefore, the parties continue to discuss options for a lease agreement. One option may be a potential ground lease whereby the City would retain ownership of the parcel, however LifeMoves would retain ownership of any improvements.

### **City Lease Revenue at LATP Area C**

In the original staff report, staff mentioned that the City receives some revenue currently at the LATP Area C site and that such revenue would be lost if the site is repurposed as a Homekey program. The City’s current contracts at the LATP site amount to approximately \$115,000 in lease revenue for the City’s General Fund; the site is often used without lease revenue for City construction project staging. If the City was able to fully monetize this land at the current asking rent, approximately \$500,000 could be collected annually. That revenue opportunity would no longer be available with a Homekey program on site and adjustments to budgeted estimates for Lease Revenues would be adjusted down.

### **Covenant on the Land**

By applying and accepting the grant for Project Homekey, the City would be committing to a 15-year covenant on the site and to operating the shelter for at least five (5) years. After the initial 5 years, the City could decide on a different operating model but the land would not be able to be used for anything else until the 15 years elapsed.

The NOFA states: “Section 208. Affordability Term The Grantee shall duly encumber all Interim Housing, Transitional Housing, and Congregate Shelter Projects with a 15-year covenant, declaration, regulatory agreement, or similar use restriction that (a) is recorded in first position

against the Project real property for the benefit of the Department, (b) restricts the use, operation, occupancy, and affordability of the Project in accordance with all applicable requirements of this NOFA and all other Program requirements, and (c) is otherwise in form and substance acceptable to the Department.”

**Attachments:**

- **Attachmenta:** Exhibit A: Resolution to Apply for Homekey 2.0 Funds
- **Attachmentb:** Exhibit B: Draft Site Plan-LATP Area C-Homekey

\*NOT YET APPROVED\*

RESOLUTION NO. \_\_\_\_

A RESOLUTION OF THE CITY OF PALO ALTO AUTHORIZING JOINT  
APPLICATION TO THE PROJECT HOMEKEY PROGRAM

R E C I T A L S

- A. WHEREAS, the Department of Housing and Community Development (Department) has issued a Notice of Funding Availability (NOFA), dated September 9, 2021, for the Homekey Program (“Homekey” or “Homekey Program”). The Department has issued the NOFA for Homekey grant funds pursuant to Health and Safety Code (HSC) Section 50675.1.3 (Assembly Bill No. 140 (2021-2022 Reg. Session)); and
- B. WHEREAS, the City of Palo Alto (Co-Applicant) desires to jointly apply for Homekey grant funds with LifeMoves (Corporation). Toward that end, Co-Applicant is joining Corporation in the submittal of an application for Homekey funds (Application) to the Department for review and consideration; and
- C. WHEREAS, the Department is authorized to administer Homekey funds pursuant to the Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31 of the Health and Safety Code). Homekey funding allocations are subject to the terms and conditions of the NOFA, the Application, the Department approved STD 213, Standard Agreement (Standard Agreement), and all other legal requirements of the Homekey Program;

NOW, THEREFORE, the City Council of the City of Palo Alto RESOLVES as follows:

SECTION 1. Co-Applicant is hereby authorized and directed to submit a joint Application to the Department in response to the NOFA, dated September 9, 2021, and to jointly apply for Homekey grant funds in a total amount not to exceed \$17.92 million. That amount includes \$14.4 million for capital expenditures (as allowed under Health and Safety Code, Section 50675.1.3 and \$3.52 million for a capitalized operating subsidy (as allowed under Health and Safety Code, Section 50675.1.3

SECTION 2. If the Application is approved, the City Manager, on behalf of Co-Applicant, is hereby authorized to ensure that any funds awarded for capital expenditures are spent within 8 months of the date of award and that any funds awarded for capitalized operating subsidies are spent by June 30, 2026.

SECTION 3. If the Application is approved, Co-Applicant is hereby authorized to enter into, execute, and deliver a Standard Agreement in a total amount not to exceed \$17.92 million, any and all other documents required or deemed necessary or appropriate to secure the

\*NOT YET APPROVED\*

Homekey funds from the Department and to participate in the Homekey Program, and all amendments thereto (collectively, the “Homekey Documents”).

SECTION 4. Co-Applicant acknowledges and agrees that if the Application is approved, it shall be subject to the terms and conditions specified in the Standard Agreement, and that the NOFA and Application will be incorporated in the Standard Agreement by reference and made a part thereof. Any and all activities, expenditures, information, and timelines represented in the Application are enforceable through the Standard Agreement. Funds are to be used for the allowable expenditures and activities identified in the Standard Agreement.

SECTION 5. Ed Shikada, City Manager, or his designees, are authorized to execute the Application and the Homekey Documents on behalf of Co-Applicant for participation in the Homekey Program.

INTRODUCED AND PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

APPROVED:

\_\_\_\_\_  
Assistant City Attorney

\_\_\_\_\_  
City Manager



PROGRAM SUMMARY			
SITE AREA = 1.36 ACRES			
SLEEPING MODULES	STORIES	MODULES	DOORS
SINGLES/COUPLES	2	32	64
FAMILY UNITS	2	12	24 (27%)
		44	88
SUPPORT MODULES			
SHARED BATHROOMS		2	
LAUNDRY		2	
SOCIAL SERVICES SUPPORT		8	
FOOD SERVICE		3	
STORAGE		3	
		18	
PREFABRICATED STRUCTURES			
MODULAR ELEVATORS		2	
SITE-BUILT STRUCTURES			
COMMUNITY BUILDING		1	
DINING HALL		1	
TRASH ROOMS		4	
ON-SITE PARKING		37 +/- SPACES	

- PROGRAM KEY
- SLEEPING UNIT WITH EN-SUITE BATHROOM
  - FAMILY UNIT
  - BATHROOM/LAUNDRY MODULE
  - SUPPORT MODULE (INCL FOOD SERV)
  - STORAGE

(16) MODULES, (2) SLEEPING ROOMS EACH WITH EN-SUITE BATHROOMS (TWO STORIES, 64 DOORS)

(6) MODULES WITH (2) FAMILY UNITS EACH (TWO STORIES, 24 DOORS)

N

0

32

64

128

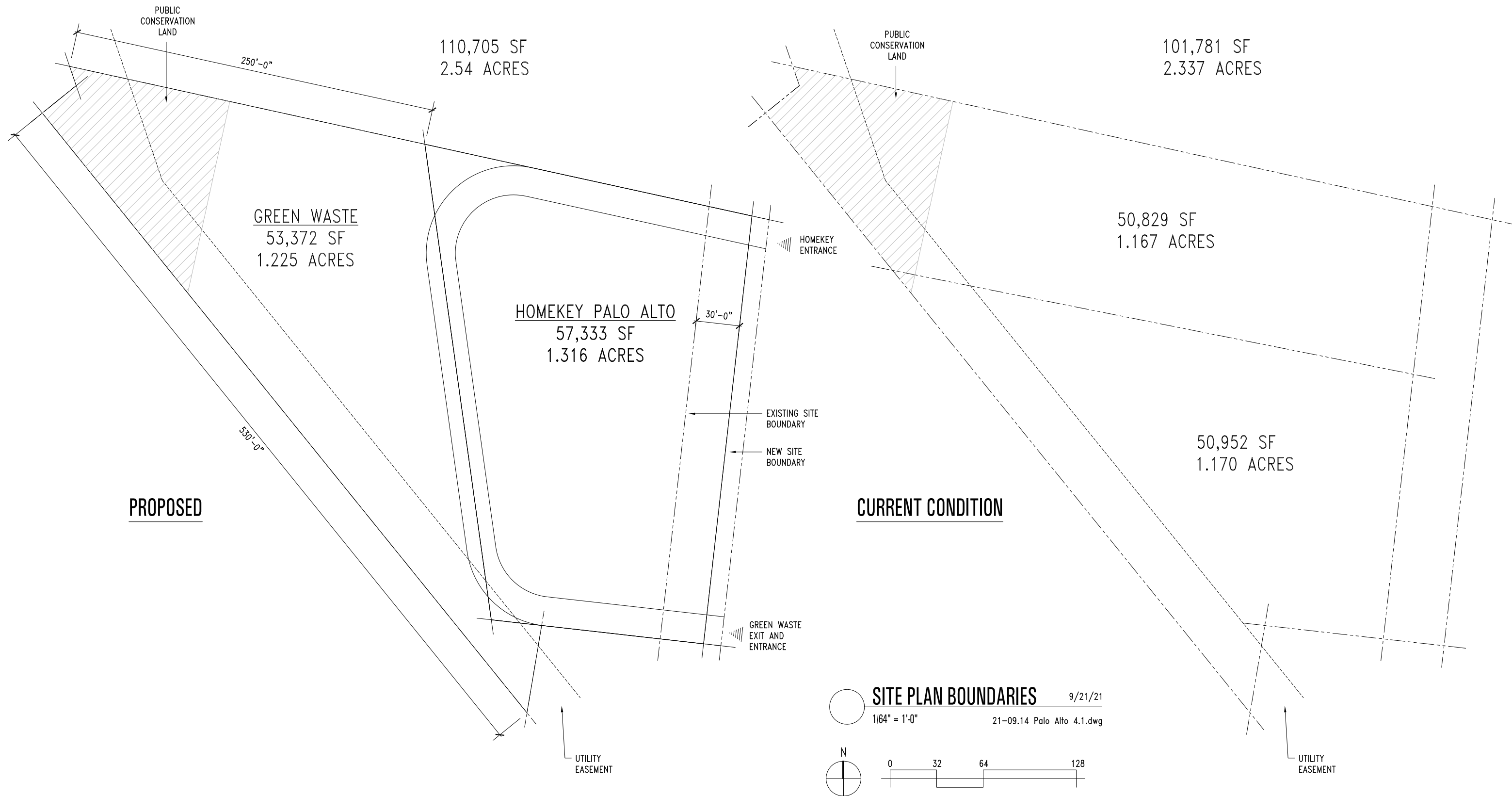
SITE PLAN

1/64" = 1'-0"

21-09.20 Palo Alto 4.1.dwg

9/21/21

HOMEKEY PALO ALTO CONCEPT DESIGN  
1237 NORTH SAN ANTONIO ROAD, PALO ALTO, CA



**HOMEKEY PALO ALTO CONCEPT DESIGN**  
1237 NORTH SAN ANTONIO ROAD, PALO ALTO, CA





## CITY OF PALO ALTO OFFICE OF THE CITY ATTORNEY

September 27, 2021

The Honorable City Council  
Palo Alto, California

### Discussion of Options and Direction Regarding Virtual, In-Person, or Hybrid Council and Board and Commission Meetings

#### Recommendation

Staff recommends that the City Council:

- a) Receive an update on state law and staff preparations regarding meeting format options, including virtual and hybrid meetings;
- b) Provide direction on the format of upcoming meetings of the Council and City boards and commissions.

#### Background

On June 1, 2021, the City Council held a study session to discuss the future format and forum for public meetings (Staff Report #[12314](#), Item 3) including discussion of format options and potential state legislation impacting the format and forum of public meetings. At this meeting the City Council directed staff to prepare for the implementation of hybrid meetings in the future, to be implemented no earlier than the Council's return from summer recess in August 2021. Based on the subsequent rise in COVID-19 cases associated with the Delta variant, the resumption of in-person meetings has been delayed.

On September 16, Governor Newsom signed [Assembly Bill 361](#) into law, amending the Ralph M. Brown Act (Brown Act) to allow legislative bodies to continue to meet virtually during the present public health emergency. This legislative enactment makes permanent the terms of the Governor's Executive Order that previously provided legislative bodies such authority, which will expire on September 30, 2021.

AB 361 is urgency legislation, meaning that it went into effect immediately upon enactment. However, on September 20, 2021, the Governor issued Executive Order No. [N-15-21](#) clarifying that the prior Executive Order will continue to apply through September 30, 2021 instead of AB 361. AB 361 will apply effective October 1, 2021.

The Brown Act requires that all meetings of a legislative body of a local agency be open and public and that all persons be permitted to attend and participate in such meetings. For many years, the Brown Act has allowed for legislative bodies to hold meetings by teleconference but has imposed specific requirements for doing so. Prior to the COVID-19 public health emergency,

in order to hold a meeting by teleconference, the Brown Act required that the legislative body do all of the following:

- provide to the public notice of the teleconference location of each member participating remotely; and
- allow the public to access each teleconference location and address the legislative body from that location. Gov. Code § 54953(b)(3).

On March 17, 2020, in order to address the need for public meetings during the COVID-19 public health emergency, Governor Newsom issued Executive Order No. [N-29-20](#), suspending the above teleconferencing requirements. Local legislative bodies were authorized to conduct meetings via teleconferencing without listing the location of each member, and without requirement public access to remote participation locations. On June 11, 2021, Governor Newsom issued Executive Order No. [N-8-21](#), continuing the suspension of the Brown Act's teleconferencing requirements through September 30, 2021.

On September 16, 2021, AB 361 became law, allowing legislative bodies to meet virtually during a state of emergency proclaimed by either the state or the local jurisdiction, so long as any one of the following three conditions applies:

- State or local officials have imposed or recommended measures to promote social distancing; or
- The purpose of the meeting is to determine, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees; or
- The legislative body has already determined that as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees. Gov. Code § 54953(e)(1).

These provisions are intended to apply during the present COVID-19 emergency, as well as to provide a framework for other potential states of emergency that may occur in the future, such as a local or regional state of emergency prompted by wildfire or flood.

If a local legislative body meets virtually, it must provide for all of the following in order to ensure that members of the public may access and participate in such meetings:

- Provide notice and post agendas;
- Conduct the virtual meetings in a manner that protects the statutory and constitutional rights of the parties and the public;
- Provide members of the public access to the meeting and an opportunity to address the body directly;
- Provide members of the public the opportunity to comment in real time;

- Suspend further action on items in the meeting agenda in the event that there is a disruption in the ability of the meeting to be broadcast to members of the public or in the ability for members of the public to comment;
- Avoid closing any timed public comment period until such time has lapsed or, where there is no set time for public comment, until a reasonable time has passed. Gov. Code § 54953(e)(2).

In order to continue to meet virtually, no later than 30 days after meeting virtually for the first time and every 30 days thereafter, the legislative body must consider the continuing state of emergency and find by majority vote that either:

- The state of emergency continues to directly impact the ability of its members to safely meet in person; or
- That state or local officials continue to impose or recommend social distancing measures. Gov. Code § 54953(e)(3).

This finding should be made in open session, on the Action agenda. It must be made separately by each legislative body, including the City Council, each Council committee, and all Boards and Commissions that must comply with the Brown Act. (This finding need not be made by ad hoc committees or other multi-members bodies that have chosen to meet in public but are not legally mandated to adhere to the Brown Act.) To ensure timely compliance with this obligation, staff recommends that all Brown Act bodies include a standing item on their first monthly meeting agenda, beginning in November 2021. Staff will provide appropriate language that may be used to make this finding.

### **Discussion**

At this time, there is a state-declared State of Emergency in operation throughout California. (Palo Alto's local Declaration of Emergency was rescinded by Council on July 1, 2021.) In addition, state and local officials continue to recommend measures to promote social distancing, such as avoiding prolonged periods in crowded indoor locations. Accordingly, under AB 361, current conditions will allow Palo Alto's Brown Act bodies to conduct their meetings virtually, or using a hybrid model in which members of the body and the public may choose to attend meetings in person or virtually. Alternatively, Brown Act bodies may choose to conduct their meetings in person, with no virtual participation option for members or the public.

Please note that at this time, County public health orders require masks to be worn indoors, regardless of vaccination status. Members of Brown Act bodies, staff, and the public will need to comply with this County order while attending an indoor meeting in person.

Staff has been preparing the infrastructure needed to support hybrid meetings for Brown Act bodies and training City officials and staff. This included the acquisition of specific new hardware, upgrades to video quality, adaptations for sound compatibility and integration of new software services to be able to accommodate a functional in person experience while

maintaining the virtual environment participation that the Council, City staff and the public have been using since the initial shelter-in-place order took effect. The goal for the hybrid format would be to align the experience for in person and remote participants, allowing all to see the same content displayed simultaneously through display monitors. The hybrid format will also allow public comment to be made by those who are physically present and those who are participating virtually. Meetings would continue to be available via You Tube and Mid Pen simultaneously regardless of the meeting format selected by the Council.

Note that Council's [Procedures and Protocols Handbook](#) includes a procedure limiting Council Members' remote participation to three occasions per year. Council has effectively suspended this procedure during the COVID-19 emergency. If Council moves to a hybrid or fully in-person format, Council may wish to clarify its expectations of its own members regarding in-person attendance.

Council direction is needed with respect to the following:

1. Meeting format for Council and Council committee meetings:
  - Fully virtual
  - Hybrid
  - Fully in-person, with no virtual option
2. Does Council wish to give direction to the City's boards and commissions or delegate this determination to each body.

For reference, the following bodies are subject to the Brown Act. This list is not exhaustive. Staff will advise all City bodies whether the above procedures apply to their meetings.

**Council Standing Committees:**

- City/School Liaison Committee
- Council Appointed Officers Committee
- Finance Committee
- Policy and Services Committee
- Rail Committee

**City Boards & Commissions**

- Architectural Review Board
- Historic Resources Board
- Human Relations Commission
- Parks and Recreation Commission
- Planning & Transportation Commission
- Public Art commission
- Utilities Advisory Commission
- Storm water Management Oversight Commission

**Resource Impact**

Staff have been working on the necessary hardware and software to implement a hybrid meeting specifically in the City Council chambers. Additional work and equipment will be necessary to support concurrent meetings in different facilities. Expenses have been incurred and charged to the City's COVID-19 Workplace Adaptations appropriation of funds and no additional authorization is necessary at this time. Depending on the format, as discussed on

June 1, staffing resources may need to be adjusted to support a hybrid format in the mid to longer term to ensure a sustainable format.

**Stakeholder Engagement**

Various governing bodies and staff have been discussing the implications of future changes in an ad hoc manner. Once a timeline is established, further hands-on training is expected to be necessary with both the staff liaisons and the Board and Commission members. Staff will also inform the public and assist them with procedures for participation.

Department Head: Molly Stump, City Attorney



## Schedule of Meetings

Published September 16, 2021

This is a courtesy notice only. Meeting dates, times, and locations are subject to change. Almost all Palo Alto Council and some Standing Committee meetings are cablecast live on Channel 26. If there happens to be concurrent meetings, one meeting will be broadcast on Channel 29.

**Until further notice, all meetings will be held by virtual teleconference via Zoom and streamed on YouTube.**

### THURSDAY, SEPTEMBER 16

Public Art Commission Meeting, 7 p.m.

### MONDAY, SEPTEMBER 20

Sp. City Council Meeting, 5 p.m.

### TUESDAY, SEPTEMBER 21

Sp. Finance Committee Meeting, 6 p.m.

### THURSDAY, SEPTEMBER 23

Historic Resources Board Meeting, 8:30 a.m. (**CANCELLED**)

Sp. Human Relations Commission Meeting, 6 p.m.

### MONDAY, SEPTEMBER 27

Sp. City Council Meeting, 5 p.m.

### TUESDAY, SEPTEMBER 28

Parks & Recreation Committee Meeting, 7 p.m.

### WEDNESDAY, SEPTEMBER 29

Planning & Transportation Commission Meeting, 6 p.m.

### MONDAY, OCTOBER 4

Sp. City Council Meeting, 5 p.m.

### TUESDAY, OCTOBER 5

Sp. Finance Committee Meeting, 6 p.m.

### WEDNESDAY, OCTOBER 6

Sp. Utilities Advisory Committee Meeting, 5 p.m.

### THURSDAY, OCTOBER 7

Architectural Review Board, 8:30 a.m.

### MONDAY, OCTOBER 11

City Council Meeting, 6 p.m. (**CANCELLED DUE TO HOLIDAY**)

### TUESDAY, OCTOBER 12

Policy & Services Committee Meeting, 7 p.m.

### WEDNESDAY, OCTOBER 13

Planning & Transportation Commission Meeting, 6 p.m.