Director's Hearing Agenda
Staff Report (ID # 7879)

Report Type: Action Items
Meeting Date: 4/6/2017

Summary Title: 240 Hamilton - Mixed Use Condo Map

Title: QUASI JUDICIAL / PUBLIC HEARING. 240 Hamilton Ave [16PLN-00351]: Request for a Preliminary Parcel Map for an Existing Mixed Use Condominium Building Consisting of Two Residential Units, One Office Unit, and One Retail Unit. Environmental Assessment: The Project is Exempt From CEQA per Guideline Section 15315 (Minor Land Divisions) Zoning District: CD-C (GF) (P).

From: Hillary Gitelman

Recommendation
Staff recommends that the Director take the following action(s):

Background
Project Information
Owner: Hamilton Real, LLC
Architect: Not Applicable
Representative: Larry Perlin

Property Information
Address: 240 Hamilton Avenue
Neighborhood: Downtown
Lot Dimensions & Area: 100’ x 50’ (5,000 square feet)
Housing Inventory Site: No
Protected/Heritage Trees: No
Historic Resource(s): No
Existing Improvement(s): 15,000 square feet; 4 stories; 50 feet in height; built 2016
### Existing Land Use(s):

<table>
<thead>
<tr>
<th>Adjacent Land Uses &amp; Zoning:</th>
<th>Mixed Use Building</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northwest:</td>
<td>CD-C(GF)(P); Retail, restaurants, offices</td>
</tr>
<tr>
<td>Northeast:</td>
<td>PF Zoning; City Hall</td>
</tr>
<tr>
<td>Southwest:</td>
<td>CD-C(GF)(P) Zoning; Retail, restaurants, offices</td>
</tr>
<tr>
<td>Southeast:</td>
<td>CD-C(P) Zoning; Retail, restaurants, offices</td>
</tr>
</tbody>
</table>

### Project Description

The applicant requests approval of a preliminary parcel map on the property located at 240 Hamilton Avenue. The proposed application would create four condominium parcels in the existing mixed use building on the site, which would consist of one retail parcel, one office parcel, and two residential parcels. The condominium plan requires the approval of a minor subdivision (preliminary parcel map) application per PAMC Section 21.04.030.

### Requested Entitlements, Findings and Purview:

The following discretionary applications are being requested:

- **Preliminary Parcel Map:** The process for evaluating this type of application is set forth in Title 21 of the Palo Alto Municipal Code and Government Code Section 66474. Palo Alto Municipal Code Section 21.12.090 requires the Director of Planning to review whether the proposed subdivision complies and is consistent with the Subdivision Map Act (in particular Government Code 66474), Title 21 of the Palo Alto Municipal Code, the Palo Alto Comprehensive Plan, and other applicable provisions of the Palo Alto Municipal Code and State Law. If, in the opinion of the Director of Planning, there are issues of major significance associated with the proposed parcel map, such map may be deferred by the Director of Planning to the Planning Commission and the City Council for processing in accordance with the procedures set forth in subsections (c) and (d) of the findings to approve a Subdivision are provided below.
Background
The architectural review application of the existing building was approved on July 23, 2013 by the Director of Planning and Community Environment following the Architectural Review Board recommendation for approval on July 18, 2013. As a condition of approval for the project, the owner was required to submit an application for a preliminary parcel map if any of the units in the building were proposed “for sale”.

Analysis

Zoning Compliance
A detailed review of the proposed project’s consistency with applicable zoning standards has been prepared. The proposed project complies with all applicable codes, or is seeking through the requested permits permission to deviate from certain code standards, in a manner that is consistent with the Zoning Ordinance. As the project proposes the conversion of only two rental housing units, the application is not subject to Section 21.40.030 of the Municipal Code regulating the conversion of rental housing to condominium ownership.

Neighborhood Setting and Character
The project site is located at the corner of Hamilton Avenue and Ramona Street in downtown Palo Alto. The site is located across Ramona Street from City Hall, and across Hamilton Avenue from the Ramona Street Historic District. The surrounding uses in the vicinity of the site consist of retail, restaurants, offices, and public facilities.

Consistency with the Comprehensive Plan, Area Plans and Guidelines
The site has a comprehensive plan land use designation of Regional/Community Commercial (CC) and is not subject to any area plan. The site is located in downtown Palo Alto, and is subject to the Downtown Urban Design Guidelines. The Regional/Community Commercial (CC) designation is intended to allow for larger shopping centers and districts that have wider variety of goods and services than the neighborhood shopping areas. They rely on larger trade areas and include such uses as department stores, bookstores, furniture stores, toy stores, apparel shops, restaurants, theaters, and non-retail services such as offices and banks. Non-residential floor area ratios range from 0.35 to 2. While not included in the CC land use designation, the CD-C base zoning district permits a net residential density for mixed use projects of up to 40 units per acre. The current application does not affect the FAR or residential density of the site, and does not alter the exterior appearance of the site.

Consistency with Preliminary Parcel Map Findings
The process for review and approval of a preliminary parcel map is contained in Title 21 of the Palo Alto Municipal Code and the state Subdivision Map Act. Title 21 provides that the Director of Planning is the acting body for an application for a preliminary parcel map. In taking action

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1 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)
on a Preliminary Parcel Map, the Director shall determine whether the proposed map complies with the Municipal Code and state law. The Subdivision Map Act provides “reverse” findings for the approval of a preliminary parcel map (Section 66474 of the Government Code). Accordingly, a preliminary parcel map shall be denied approval if the Director makes any of the following findings, otherwise, they must approve the subdivision:

1. **That the proposed map is not consistent with applicable general and specific plans as specified in Section 65451:**

   The site is not located in an area subject to a specific plan, and the map is not inconsistent with the provisions of the Comprehensive Plan, as further discussed below.

2. **That the design or improvement of the proposed subdivision is not consistent with applicable general and specific plans:**

   The map is consistent with the following Comprehensive Plan policies:
   - Program L-11: Promote increased compatibility, interdependence, and support between commercial and mixed use centers and the surrounding residential neighborhoods.
   - Policy L-48: Promote high quality, creative design and site planning that is compatible with surrounding development and public spaces.

3. **That the site is not physically suitable for the type of development:**

   The site is located in Downtown Palo Alto and contains an existing mixed use building. The setting is physically suitable for mixed use development because it is located in an urbanized area. The preliminary parcel map would facilitate compliance of an allowed use in the CD-C(GF)(P) zoning district.

4. **That the site is not physically suitable for the proposed density of development:**

   The site and existing building are physically suitable for the density of development. The conversion of rental units to ownership parcels would not affect the residential density or building intensity (FAR) of the building or site.

5. **That the design of the subdivision or the proposed improvements are likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat:**

   The condominium map will not cause environmental damage or injure fish, wildlife, or their habitat. The site and building are located in an urbanized area located in Downtown Palo Alto, and is surrounded by of similarly-scaled buildings. Any environmental impacts have been addressed and mitigated as part of entitlement request 13PLN-00006. There is no recognized sensitive wildlife or habitat in the project vicinity.
6. *That the design of the subdivision or type of improvements is likely to cause serious public health problems:*

The creation of four condominium units will not cause serious public health problems, as it does not substantially affect the existing conditions and overall function of the property with an existing mixed use building.

7. *That the design of the subdivision or the type of improvements will conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision. In this connection, the governing body may approve a map if it finds that alternate easements, for access or for use, will be provided, and that these will be substantially equivalent to ones previously acquired by the public. This subsection shall apply only to easements of record or to easements established by judgment of a court of competent jurisdiction and no authority is hereby granted to a legislative body to determine that the public at large has acquired easements for access through or use of property within the proposed subdivision.*

The preliminary parcel map will not conflict with easements of any type and would not affect any of the existing or proposed easements on or adjacent to the project site.

Provided the analysis above, staff does not believe that the reverse findings can be made, and recommends that the Director approve the preliminary parcel map with the Conditions of Approval contained in Attachment A.

**Environmental Review**

The subject project has been assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the environmental regulations of the City. Specifically, the project is exempt from the provisions of the California Environmental Quality Act per Section 15315 (Minor Land Divisions).

**Public Notification, Outreach & Comments**

The Palo Alto Municipal Code requires notice of this public hearing be published in a local paper and mailed to owners and occupants of property within 600 feet of the subject property at least ten days in advance. Notice of a public hearing for this project was published in the *Palo Alto Weekly* on March 24, 2017, which is 12 days in advance of the meeting. Postcard mailing occurred on March 27, 2017 which is 10 days in advance of the meeting.

**Public Comments**

As of the writing of this report, no project-related, public comments were received.
Attachments:

- Attachment A: Location Map (PDF)
- Attachment B: Draft Conditions of Approval (DOCX)
- Attachment C: Zoning Compliance Table (DOCX)
- Attachment D: Project Plans (DOCX)
ATTACHMENT B
CONDITIONS OF APPROVAL
240 Hamilton Avenue, Preliminary Parcel Map 16PLN-00351

Planning Division

1. A Parcel Map, in conformance with the approved Preliminary Parcel Map, all requirements of the Subdivision Ordinance (PAMC Section 21.16), and to the satisfaction of the City Engineer, shall be filed with the Planning Division and the Public Works Engineering Division within two (2) years of the Preliminary Parcel Map approval date.

2. The Parcel Map submitted for review and approval by the Director shall be in substantial conformance with the Preliminary Parcel Map prepared by Andrew Chafer “Preliminary Parcel Map 240-248 Hamilton, Consisting of Four Condominium Units”, consisting of 2 pages, dated December 12, 2016, except as modified to incorporate the conditions of this approval. A copy of this plan is on file in the Department of Planning and Community Environment, Current Planning Division.

3. At such time as the Parcel Map is filed, the cover page shall include the name and title of the Director of Planning and Community Environment.

4. **ESTIMATED IMPACT FEE:** Estimated Development Impact Fees in the amount of $________ plus the applicable public art fee, per PAMC 16.61.040, shall be paid prior to the issuance of the related building permit.

5. **IMPACT FEE 90-DAY PROTEST PERIOD.** California Government Code Section 66020 provides that a project applicant who desires to protest the fees, dedications, reservations, or other exactions imposed on a development project must initiate the protest at the time the development project is approved or conditionally approved or within ninety (90) days after the date that fees, dedications, reservations or exactions are imposed on the Project. Additionally, procedural requirements for protesting these development fees, dedications, reservations and exactions are set forth in Government Code Section 66020. IF YOU FAIL TO INITIATE A PROTEST WITHIN THE 90-DAY PERIOD OR FOLLOW THE PROTEST PROCEDURES DESCRIBED IN GOVERNMENT CODE SECTION 66020, YOU WILL BE BARRED FROM CHALLENGING THE VALIDITY OR REASONABLENESS OF THE FEES, DEDICATIONS, RESERVATIONS, AND EXACTIONS. If these requirements constitute fees, **taxes, assessments**, dedications, reservations, or other exactions as specified in Government Code Sections 66020(a) or 66021, this is to provide notification that, as of the date of this notice, the 90-day period has begun in which you may protest these requirements. This matter is subject to the California Code of Civil Procedures (CCP) Section 1094.5; the time by which judicial review must be sought is governed by CCP Section 1094.6.
6. **INDEMNITY.** To the extent permitted by law, the Applicant shall indemnify and hold harmless the City, its City Council, its officers, employees and agents (the “indemnified parties”) from and against any claim, action, or proceeding brought by a third party against the indemnified parties and the applicant to attack, set aside or void, any permit or approval authorized hereby for the Project, including (without limitation) reimbursing the City for its actual attorneys’ fees and costs incurred in defense of the litigation. The City may, in its sole discretion, elect to defend any such action with attorneys of its own choice.

**Public Works Engineering**

Prior to Parcel Map submittal provide the following:

7. Provide a copy of all the referenced documents listed on the titled report and referenced on the Parcel Map.

8. The Preliminary Parcel Map indicates that there is an underlining lot line within APN 120-27-010. The map shall clearly indicate the lot line to be removed.

9. If applicable to this map provide a Beneficiary or Trustee and Acknowledgement statement on the map.

10. The Parcel Map shall include CITY ENGINEER STATEMENT, CITY SURVEYOR STATEMENT and DIRECTOR OF PLANNING AND COMMUNITY ENVIRONMENT STATEMENT.

11. The City Engineer bulletin shall read as follows:
   
   I HEREBY STATE THAT I HAVE EXAMINED THE WITHIN MAP; THAT ALL THE PROVISIONS OF THE SUBDIVISION MAP ACT AND ANY LOCAL ORDINANCE APPLICABLE AT THE TIME OF THE APPROVAL OF THE PRELIMINARY PARCEL MAP HAVE BEEN COMPLETED AND THAT I AM SATISFIED THAT SAID MAP IS TECHNICALLY CORRECT. THE SUBDIVISION AS SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE PRELIMINARY PARCEL MAP AND ANY APPROVED ALTERATIONS THEREOF.

12. Provide the Closure Calculations for review.

13. Please provide electronic copies of the referenced documents, parcel map and preliminary title report.

14. The City of Palo Alto does not currently have a City Surveyor we have retained the services of Siegfried Engineering to review and provide approval on behalf of the City. Siegfried will be reviewing, signing and stamping the Parcel Map associated with your project.
In effort to employ the services of Siegfried Engineering, and as part of the City’s cost recovery measures, the applicant is required to provide payment to cover the cost of Siegfried Engineering’s review.

Our intent is to forward your Parcel Map to Siegfried for an initial preliminary review of the documents. Siegfried will then provide a review cost amount based on the complexity of the project and the information shown on the document. We will share this information with you once we receive it and ask that you return a copy acknowledging the amount. You may then provide a check for this amount as payment for the review cost. The City must receive payment prior to beginning the final review process. **Scope and Fee Letter from Siegfried will be provided separately.**

PRIOR TO PARCEL MAP RECORDATION

15. Submit wet signed and stamped mylar copy of the Parcel Map to the Public Works for signature. Map shall be signed by Owner, Trustee, Notary and Surveyor prior to formal submittal.

PRIOR TO BUILDING PERMIT AND/OR GRADING PERMIT ISSUANCE

16. Parcel Map shall be recorded with County Recorder.
# ATTACHMENT C

## ZONING COMPLIANCE TABLE

240 Hamilton Avenue, Preliminary Parcel Map, 16PLN-00351

<table>
<thead>
<tr>
<th>Regulation</th>
<th>Required</th>
<th>Existing</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Site Area</td>
<td>none</td>
<td>5,000 sf</td>
<td>No change to existing</td>
</tr>
<tr>
<td>Minimum Site Width</td>
<td>none</td>
<td>50 feet</td>
<td>No change to existing</td>
</tr>
<tr>
<td>Minimum Site Depth</td>
<td>none</td>
<td>100 feet</td>
<td>No change to existing</td>
</tr>
</tbody>
</table>
Attachment D

Project Plans

Hardcopies of project plans are provided to the Planning and Community Environment Director. These plans are available to the public by visiting the Planning and Community Environmental Department on the 5th floor of City Hall at 250 Hamilton Avenue.

Directions to review Project plans online:

1. Go to: https://paloalto.buildingeye.com/planning
2. Search for “240 Hamilton Avenue” and open the record by clicking on the green dot
3. Review the record details and open the “more details” option
4. Use the “Records Info” drop down menu and select “Attachments”
5. Open the attachment named “240 Hamilton Ave Condo Map”.