



CITY OF PALO ALTO OFFICE OF THE CITY ATTORNEY

June 15, 2015

The Honorable City Council
Palo Alto, California

PUBLIC HEARING: Adoption of an Ordinance of the Council of the City of Palo Alto Extending for 22 Months and 15 Days Urgency Interim Ordinance 5325, Placing a Temporary Moratorium on the Conversion of Ground Floor Retail and “Retail Like” Uses to Other Uses Citywide; Exempt from the California Environmental Quality Act Under Section 15061 and 15308

Recommendation

Staff recommends that the City Council conduct a public hearing and adopt the proposed ordinance (Attachment A) extending the urgency interim ordinance placing a moratorium on the conversion of ground floor retail and retail-like uses to other uses citywide (requires eight votes).

Background

On May 11, 2015 the City Council adopted Urgency Ordinance 5325 placing a moratorium on the conversion of any ground floor Retail use permitted or operating as of March 2, 2015 or thereafter to any other non-Retail use anywhere in the City (Attachment B). The ordinance was intended to address the Council’s desire to prevent existing retail and service uses from converting to office or other uses Citywide. Under the terms of the ordinance, the protections would apply to “retail services” as well as the following “retail-like” uses:

- Eating and drinking service as defined in Section 18.04 (47)
- Hotels as defined in Section 18.04 (73)
- Personal services as defined in Section 18.04.030 (115)
- Theaters
- Travel agencies
- Commercial recreation
- Commercial nurseries
- Auto dealerships defined in Section 18.040.030(a)(12.5)
- Day Care Centers defined in Section 18.040.030(a)(42)
- Service Stations
- Automotive Services

If a use is included on the list, the existing ground floor space it inhabits could only be reused for another use on the list. Spaces occupied by other retail uses could also be reused for any other use on the list.

The interim ordinance allows a property owner to appeal to the City Council in the event of financial hardship. When a property is redeveloped, it would also prevent property owners from reducing the square footage of ground floor space devoted to retail (including accessory storage and administrative office uses) unless that reduction was the minimum needed to provide access to any new upper floors and/or lower level parking.

The interim ordinance would not affect the ability to change from one of the protected existing uses to another (e.g. from retail to personal service), and would not alter requirements of site-specific Planned Community zoning ordinances or adopted conditions of approval.

Discussion

State law authorizes interim urgency ordinances prohibiting any uses that may be in conflict with a contemplated general plan, specific plan, or zoning proposal that the Council is or intends to study within a reasonable time. The City's Municipal Code has a similar provision.

State Law Moratorium Requirements

State law contains a "safe harbor" process for adopting urgency ordinances. Under this process the Council must adopt the urgency ordinances in phases. The first phase is authorized to last for an initial 45 days and the extension phase may last for up to 22 months and 15 days. Thus the total amount of time that an urgency interim ordinance may apply is two years. This two year period is designed to give the City Council ample time to study the land use issues that generated the need for the moratorium.

Before adopting or extending an urgency ordinance, the Council must make two required findings: (1) there is a current and immediate threat to the public health, safety, or welfare and (2) the approval of additional retail conversions would result in that threat to public health, safety, or welfare. An extension of an urgency ordinance beyond the first 45 days must contain a third finding that the urgency ordinance would not have a material effect on the development of projects with a significant component of multifamily housing.

The attached ordinance extends the moratorium for an additional 22 months and 15 days to provide maximum flexibility to Council. If the Council is able to adopt permanent zoning regulations before that time, such permanent regulations will supersede.

Multi-Family Finding

The attached ordinance contains the necessary health and safety findings and carries forward the exception for multi-family projects so that the third finding – that the proposed interim ordinance would not have a material effect on the development of projects with a significant component of multifamily housing – can be made. This exception would allow mixed-use projects in commercial districts to proceed even if the size of an existing retail or retail-like use or space is reduced, provided the City Council approves a request for an exemption.

Timeline

The extension ordinance would go into effect after the initial ordinance expires. Thus the interim regulations would be in effect for a maximum of 2 years.

Staff is also preparing an interim backstop ordinance in the event the City's urgency findings are legally challenged or in the event this ordinance does not receive the required eight votes. It is envisioned that this interim ordinance would apply for a short period of time to prevent continuing loss of retail during the time that a permanent ordinance is being developed.

Permanent revisions to the City's zoning ordinance will take considerably more time, involving City Council input and direction, discussions with residents, property owners, merchants, and other stakeholders. The City Council has prioritized the California Avenue Area, and then Downtown for particular attention.

Resource Impact

The proposed extension ordinance would effectively freeze in place existing conditions (i.e. ground floor retail and "retail-like" uses) for an additional 22 months and 15 days. While there may still be changes in tenants and ground floor vacancies while spaces are offered for lease, the ordinance would largely perpetuate the status quo and is not expected to noticeably affect tax revenues.

Staff time will be needed to prepare an extension of the interim ordinance, if desired, as well as an identical "backstop" ordinance, and will also be needed to develop permanent adjustments to the City's zoning regulations. These endeavors may reduce staff resources available for other priorities.

Policy Implications

The City's Comprehensive Plan identifies the desirability of neighborhood serving retail (Policy L-16) and envisions inviting, pedestrian-scale "centers" with a mix of uses as focal points for neighborhoods (Goal L-4). Policy L-20 suggests that the City "encourage street frontages that contribute to retail vitality..." and Policy B-5 calls on the City to "maintain distinct business districts within Palo Alto as a means of retaining local services and diversifying the City's economic base."

Environmental Review

This ordinance falls under several exemptions found in the California Environmental Quality Act (CEQA). It is exempt under Title 14 California Code of Regulations Section 15061(b)(3) because it is designed to preserve the status quo and therefore does not have the potential to significantly impact the environment. It is also categorically exempt under CEQA Section 15308 as a regulatory action taken by the City pursuant to its police power and in accordance with Government Code Section 65858 to assure maintenance and protection of the environment pending the evaluation and adoption of potential local legislation, regulation, and policies. It is also categorically exempt from review under Section 15301 (Class One - Existing Facilities) CEQA

Guidelines since it will temporarily perpetuate existing environmental conditions.

ATTACHMENTS:

- A: Ordinance Extending Retail Preservation Urgency Moratorium (PDF)
- B: Ordinance 5325 Urgency Moratorium on Retail Conversions Citywide (PDF)

Department Head: Molly Stump, City Attorney

Ordinance No.
Ordinance of the Council of the City of Palo Alto Extending Urgency
Interim Ordinance 5325 Adopting a Temporary Moratorium on the
Conversion of Ground Floor Retail and "Retail Like" Uses to Other Uses
Citywide

FINDINGS

- A. The City of Palo Alto has long been considered the birth place of Silicon Valley. With its proximity to Stanford University, its international reputation, its deep ties to technology firms, its highly rated public school system and its ample public parks, open space and community centers, Palo Alto continues to serve as a hub for technology based business.
- B. Palo Alto is considered one of Silicon Valley's most desirable office markets. According to one study Class A office rates have climbed 49 percent since the start of 2010. The same study reported Class B office space increasing by 114.4 % since 2010.
- C. In particular, average commercial rental rates have gone up significantly from 2013 to 2015. In 2013 the average monthly rental rate citywide for office was \$4.57 per square foot. That rate increased to \$5.12 in 2015. While retail rents have also increased during this period, retail rents are considerably lower than office rents. The average monthly rental rate for retail in 2013 was \$4.21 and in 2015 was \$4.88.
- D. Price increases have been even more significant in the downtown area. In 2013 the average downtown monthly office rent was \$6.37. In 2015 the rate increased to \$7.33.
- E. At the end of 2014, Palo Alto's downtown vacancy rate was a low 2.83 percent, according to a report prepared by Newmark Cornish & Carey.
- F. These record high monthly rental rates for office and low vacancy rates have created financial incentives to replace current retail use with office use where such conversions are permitted by the City's zoning ordinance. These economic pressures are more severe in the downtown and California Avenue commercial areas but exist throughout the City.
- G. The data submitted by the City to support the Valley Transportation Authority's Congestion Management Plan (CMP) each fiscal year suggests that there has been a loss of approximately 70,000 square feet of retail-type uses in the period from 2008 to the present. The CMP data is broad in the sense that it includes uses like automotive services in the "retail" category even though they are considered separate uses in the City's zoning ordinance. However any overstatement of the trend towards less retail is likely to be offset by the data's reliance on a list of discretionary applications processed by the City, since there have also been recent conversions of retail space to office space that did not require discretionary approvals and are not included in the 70,000 square foot number.

H. City residents have seen this occurring in the City's commercial districts as the City's Architectural Review Board has considered projects like those affecting Spagos restaurant at 265 Lytton, Inhabiture at 240 Hamilton Ave, Palo Alto Bowl at 4301 El Camino Real, and Club Illusions Restaurant at 260 California Avenue. In addition, familiar retail businesses like the Zibibbo restaurant have closed and their spaces have been acquired and occupied by non-retailers. Likewise the old location for Fraiche Yogurt, which moved from Emerson Street to Hamilton Avenue, was immediately re-purposed as office space.

I. Based on these trends, on March 2, 2015, the Palo Alto City Council asked staff to consider whether zoning-based protections for ground floor retail uses need to be strengthened where they currently exist and expanded to areas of the City where they do not.

J. On April 6, 2015, the City Council discussed these issues in detail and directed staff to prepare an urgency ordinance that would preserve existing ground floor retail and retail-like uses until permanent zoning revisions can be prepared.

K. This direction is consistent with the City's existing Comprehensive Plan, which identifies the desirability of neighborhood serving retail (Policy L-16) and envisions inviting, pedestrian-scale "centers" with a mix of uses as focal points for neighborhoods (Goal L-4). Policy L-20 suggests that the City "encourage street frontages that contribute to retail vitality..." and Policy B-5 calls on the City to "maintain distinct business districts within Palo Alto as a means of retaining local services and diversifying the City's economic base."

L. Palo Alto is in the process of updating its Comprehensive Plan, and it is expected that the updated Comprehensive Plan will contain additional policies and programs designed to preserve existing retail uses in the City.

M. The public's health, safety and welfare are currently and immediately detrimentally affected as neighborhood-serving retail service and related uses are priced-out by rising rents and replaced by uses that do not provide similar services or activate the street frontage by creating pedestrian activity and visual interest (i.e. shop windows and doors). These changes affect neighborhood quality of life, and mean that local residents have to drive to similar retail destinations in other locations, diminishing the public health benefit when residents can walk to needed services and increasing traffic congestion, vehicle miles traveled and greenhouse gas emissions.

N. Unless abated, the City's actions to approve conversion of ground floor spaces from retail to other uses will exacerbate the reduction of retail and changes described above, resulting in the need for the proposed interim ordinance.

O. The City Council desires on an interim basis to temporarily suspend conversions of retail and retail like uses to office throughout the City as such conversions may be in conflict with the City's Comprehensive Plan and zoning proposal that the legislative body, planning commission or the planning department is considering or studying or intends to study within a

reasonable time.

P. The possible extension of this interim ordinance beyond 45 days would not have a material effect on the development of projects with a significant component of multifamily housing because a specific exemption has been included to address this requirement of State law.

Q. This urgency interim ordinance is adopted in accordance with the requirements of Government Code Section 65858 and Palo Alto Municipal Code Section 2.04.270 and is based on the need to protect the public safety, health and welfare as set forth in the above findings. A 4/5 vote is required for adoption.

R. The City Council adopted Interim Ordinance No. 5325 on May 11, 2015, by a four-fifths vote after a public hearing pursuant to Government Code Section 65858 and Ordinance 5325 will expire on June 25, 2015.

S. The Council desires to extend Interim Ordinance 5325 in accordance with the requirements of Government Code Section 65858 and Palo Alto Municipal Code Section 2.04.270 for an additional period of 22 months and 15 days. This extension is based on the need to protect the public safety, health and welfare as set forth in the above findings and a 4/5 vote is required for passage.

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

SECTION 1. Findings. The findings listed above are hereby incorporated.

SECTION 2. Written Report. Government Code Section 65858(d) states that "ten days prior to the expiration of an interim ordinance or any extension, the legislative body [the City Council] shall issue a written report describing the measures taken to alleviate the conditions which led to the adoption of the ordinance. Pursuant to this provision, the City Council hereby reports that much of the factors which gave rise to Urgency Interim Ordinance No. 5325 still apply, namely increasing commercial rental rates; low office vacancy rates; retail service uses being priced out of market and being replaced by office and other uses; and increased traffic congestion, vehicle miles traveled and greenhouse gas emissions resulting from these changing land use patterns. The City Council has undertaken a number of actions since the adoption of Ordinance Number 5325, including directing staff to bring to the Planning and Transportation Commission a "backstop" ordinance to retain retail and retail like uses as well as directing staff to more closely study retail protection initiatives together with a formula retail ban in the California Avenue commercial district. Staff has also begun detailed reviews of regulatory schemes from other jurisdictions. In order to have adequate time to fashion and propose appropriate regulations, and to ensure that the current and immediate threat to the public safety, health and welfare continues to be forestalled, adoption of this ordinance is necessary.

SECTION 3. Moratorium. The City Council hereby extends Interim Urgency Ordinance No. 5325 establishing a moratorium on the conversion of any ground floor Retail use permitted or operating as of March 2, 2015 or thereafter to any other non-Retail use anywhere in the City.

SECTION 4. Severability. If any provision, clause, sentence or paragraph of this ordinance, or the application to any person or circumstances, shall be held invalid, such invalidity shall not affect the other provisions of this Ordinance which can be given effect without the invalid provision or application and, to this end, the provisions of this Ordinance are hereby declared to be severable.

SECTION 5. Effective Period. This extension ordinance shall take full force and effect immediately upon expiration of Interim Ordinance No.5325. In accordance with Government Code Section 65856, this ordinance shall be in full force and effect for an additional period of 22 months and 15 days following expiration of Interim Ordinance No. 5325. Thus the moratorium shall expire on April 30, 2017, unless this period is extended by the City Council as provided in Government Code Section 65858.

SECTION 6. Supersedes Earlier Ordinances. During the time period that this Ordinance is effective, this Ordinance supersedes any provision of the Palo Alto Municipal Code inconsistent with the provisions of this Ordinance.

SECTION 7. CEQA. The City Council finds that this ordinance falls under the California Environmental Quality Act (CEQA) exemption found in Title 14 California Code of Regulations Section 15061(b)(3) because it is designed to preserve the status quo and therefore does not have the potential to significantly impact the environment. This ordinance is also categorically exempt under CEQA Section 15308 as a regulatory action taken by the City pursuant to its police power and in accordance with Government Code Section 65858 to assure maintenance and protection of the environment pending the evaluation and adoption of potential local legislation, regulation, and policies. Adoption of the proposed interim ordinance is categorically exempt from review under Section 15301 (Class One - Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines since it will temporarily perpetuate existing environmental conditions.

INTRODUCED AND PASSED:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

ATTEST:

City Clerk

APPROVED AS TO FORM:

Senior Assistant City Attorney

APPROVED:

Mayor

City Manager

Director of Planning and
Community Environment

Ordinance No. 5325

Urgency Interim Ordinance of the Council of the City of Palo Alto
Adopting a Temporary Moratorium on the Conversion of Ground Floor
Retail and "Retail Like" Uses to Other Uses Citywide

FINDINGS

A. The City of Palo Alto has long been considered the birth place of Silicon Valley. With its proximity to Stanford University, its international reputation, its deep ties to technology firms, its highly rated public school system and its ample public parks, open space and community centers, Palo Alto continues to serve as a hub for technology based business.

B. Palo Alto is considered one of Silicon Valley's most desirable office markets. According to one study Class A office rates have climbed 49 percent since the start of 2010. The same study reported Class B office space increasing by 114.4 % since 2010.

C. In particular, average commercial rental rates have gone up significantly from 2013 to 2015. In 2013 the average monthly rental rate citywide for office was \$4.57 per square foot. That rate increased to \$5.12 in 2015. While retail rents have also increased during this period, retail rents are considerably lower than office rents. The average monthly rental rate for retail in 2013 was \$4.21 and in 2015 was \$4.88.

D. Price increases have been even more significant in the downtown area. In 2013 the average downtown monthly office rent was \$6.37. In 2015 the rate increased to \$7.33.

E. At the end of 2014, Palo Alto's downtown vacancy rate was a low 2.83 percent, according to a report prepared by Newmark Cornish & Carey.

F. These record high monthly rental rates for office and low vacancy rates have created financial incentives to replace current retail use with office use where such conversions are permitted by the City's zoning ordinance. These economic pressures are more severe in the downtown and California Avenue commercial areas but exist throughout the City.

G. The data submitted by the City to support the Valley Transportation Authority's Congestion Management Plan (CMP) each fiscal year suggests that there has been a loss of approximately 70,000 square feet of retail-type uses in the period from 2008 to the present. The CMP data is broad in the sense that it includes uses like automotive services in the "retail" category even though they are considered separate uses in the City's zoning ordinance. However any overstatement of the trend towards less retail is likely to be offset by the data's reliance on a list of discretionary applications processed by the City, since there have also been recent conversions of retail space to office space that did not require discretionary approvals and are not included in the 70,000 square foot number.

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I. Based on these trends, on March 2, 2015, the Palo Alto City Council asked staff to consider whether zoning-based protections for ground floor retail uses need to be strengthened where they currently exist and expanded to areas of the City where they do not.

J. On April 6, 2015, the City Council discussed these issues in detail and directed staff to prepare an urgency ordinance that would preserve existing ground floor retail and retail-like uses until permanent zoning revisions can be prepared.

K. This direction is consistent with the City's existing Comprehensive Plan, which identifies the desirability of neighborhood serving retail (Policy L-16) and envisions inviting, pedestrian-scale "centers" with a mix of uses as focal points for neighborhoods (Goal L-4). Policy L-20 suggests that the City "encourage street frontages that contribute to retail vitality..." and Policy B-5 calls on the City to "maintain distinct business districts within Palo Alto as a means of retaining local services and diversifying the City's economic base."

L. Palo Alto is in the process of updating its Comprehensive Plan, and it is expected that the updated Comprehensive Plan will contain additional policies and programs designed to preserve existing retail uses in the City.

M. The public's health, safety and welfare are currently and immediately detrimentally affected as neighborhood-serving retail service and related uses are priced-out by rising rents and replaced by uses that do not provide similar services or activate the street frontage by creating pedestrian activity and visual interest (i.e. shop windows and doors). These changes affect neighborhood quality of life, and mean that local residents have to drive to similar retail destinations in other locations, diminishing the public health benefit when residents can walk to needed services and increasing traffic congestion, vehicle miles traveled and greenhouse gas emissions.

N. Unless abated, the City's actions to approve conversion of ground floor spaces from retail to other uses will exacerbate the reduction of retail and changes described above, resulting in the need for the proposed interim ordinance.

O. The City Council desires on an interim basis to temporarily suspend conversions of retail and retail like uses to office throughout the City as such conversions may be in conflict with the City's Comprehensive Plan and zoning proposal that the legislative body, planning commission or the planning department is considering or studying or intends to study

within a reasonable time.

P. The possible extension of this interim ordinance beyond 45 days would not have a material effect on the development of projects with a significant component of multifamily housing because a specific exemption has been included to address this requirement of State law.

Q. This urgency interim ordinance is adopted in accordance with the requirements of Government Code Section 65858 and Palo Alto Municipal Code Section 2.04.270 and is based on the need to protect the public safety, health and welfare as set forth in the above findings. A 4/5 vote is required for adoption.

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

SECTION 1. Findings. The findings listed above are hereby incorporated.

SECTION 2. The following Section 18.85.100 (Retail Preservation) is added to a new Chapter 18.85 entitled "Interim Zoning Ordinances" to the Palo Alto Municipal Code to read as follows:

"18.85.100 Retail Preservation

18.85.101 Definitions. For the purposes of this Ordinance, the term "Retail" shall include a modified definition of "Retail Service" as well as the "Retail Like" uses defined below:

(a) **Retail Service:** A use predominantly engaged in providing retail sale, rental, service, processing, or repair of items primarily intended for consumer or household use, including but not limited to the following: groceries, meat, vegetables, dairy products, baked goods, candy, and other food products; liquor and bottled goods, household cleaning and maintenance products; drugs, cards, and stationery, notions, books, tobacco products, cosmetics, and specialty items; flowers, plants, hobby materials, toys, household pets and supplies, and handcrafted items; apparel, jewelry, fabrics, and like items; cameras, photography services, household electronic equipment, records, sporting equipment, kitchen utensils, home furnishing and appliances, art supplies and framing, arts and antiques, paint and wallpaper, carpeting and floor covering, interior decorating services, office supplies, musical instruments, hardware and homeware, and garden supplies; bicycles; mopeds and automotive parts and accessories (excluding service and installation); cookie shops, ice cream stores and delicatessens.

- (b) **Retail Like Uses** including but not limited to:
- (1) Eating and drinking service as defined in Section 18.04 (47);
 - (2) Hotels as defined in Section 18.04 (73);
 - (3) Personal services as defined in Section 18.04.030 (115);
 - (4) Theaters;

- (5) Travel agencies;
- (6) Commercial recreation;
- (7) Commercial nurseries;
- (8) Auto dealerships defined in Section 18.040.030(a)(12.5);
- (9) Day Care Centers defined in Section 18.040.030(a)(42);
- (10) Service Stations; and
- (11) Automotive Services.

To qualify as a Retail use under this definition, the use shall be generally open to the public.

18.85.102 Moratorium on Retail Conversions. The City Council hereby enacts this Urgency Interim Ordinance establishing a moratorium on the conversion of any ground floor Retail use permitted or operating as of March 2, 2015 or thereafter to any other non-Retail use anywhere in the City.

(a) **25% Exemption Suspended.** During the pendency of this Ordinance, Section 18.30(C).020 permitting not more than twenty-five percent of the ground floor area not fronting on a street to be occupied by a non-retail service use otherwise permitted in the applicable underlying CD district shall be suspended.

(b) **Conditionally Permitted Uses Suspended.** During the pendency of this Ordinance, ~~no ground floor Retail use operating as of March 2, 2015 may be replaced by any~~ other non-Retail use, including uses for which Conditional Use Permits are currently allowed.

(c) **Legal Nonconforming Uses.** During the pendency of this Ordinance legal nonconforming Retail use shall remain as a grandfathered use and shall not be subject to the change, discontinuance, or termination provisions of Chapter 18.70.

(d) **Conversion of Basements.** During the pendency of this Ordinance, elimination of or conversion of basement space currently in Retail use or in use for retail support purposes shall be prohibited.

18.85.103 Exemptions. The following shall be exempt from this Ordinance:

(a) **Pipeline Projects.** Any Retail use where a discretionary permit or entitlement application to convert such Retail use to a non-Retail use was submitted to the City on or before March 2, 2015 and is currently pending. For purposes of this Ordinance a "Use and Occupancy" Permit Application shall not constitute a discretionary permit.

(b) **Vested Rights.** Any Retail use for which an applicant has received a valid building permit from the City and performed substantial work and incurred substantial liabilities in good faith reliance on such permit as of the date of this Ordinance.

18.85.104 Waivers and Adjustments. The following shall be grounds for a request for waiver or adjustment of this Ordinance:

(a) Economic Hardship. An applicant may request that the requirements of this Ordinance be adjusted or waived based on a showing that applying the requirements of this Ordinance would effectuate an unconstitutional taking of property or otherwise have an unconstitutional application to the property.

(b) Multi-family uses. Any project which (i) contains four or more housing units, (ii) the multi-family housing component constitutes at least one-third or more of the total square footage of the project and (iii) otherwise complies with all sections of the Zoning Code may apply for a waiver or modification from this Ordinance upon a finding that this Ordinance would have a material effect on the multi-family component of such project.

(c) Documentation. The applicant shall bear the burden of presenting substantial evidence to support a waiver or modification request under this Section and shall set forth in detail the factual and legal basis for the claim, including all supporting technical documentation.

Any such request under this section shall be submitted to the Planning and Community Development Director together with an economic analysis or other supporting documentation and shall be acted upon by the City Council.

18.85.105 Reconstruction. Any ground floor Retail use existing on or after March 2, 2015 may be demolished and rebuilt provided that the portion of square footage used as Retail use on or after March 2, 2015 is not reduced except that Retail square footage may be reduced by the minimum amount needed to provide access to any new upper floor and/or lower level parking.

18.85.106 Applicability to Current Requirements. Nothing in this ordinance shall alter requirements of site-specific Planned Community zoning ordinances or adopted conditions of approval. Nothing in the ordinance shall be construed to waive the requirement for a conditional use permit or other entitlement where such requirements currently exist.”

SECTION 3. Study. The City Council directs the Department of Planning & Community Environment to consider and study possible amendments to the Comprehensive Plan and zoning ordinance to preserve existing Retail uses.

SECTION 4. Written Report. At least ten (10) days before this Urgency Ordinance or any extension expires, the City Council shall issue a written report describing the measures taken to alleviate the condition which led to the adoption of this Urgency Interim Ordinance.

SECTION 5. Severability. If any provision, clause, sentence or paragraph of this ordinance, or the application to any person or circumstances, shall be held invalid, such

invalidity shall not affect the other provisions of this Ordinance which can be given effect without the invalid provision or application and, to this end, the provisions of this Ordinance are hereby declared to be severable.

SECTION 6. Effective Period. This Urgency Ordinance shall take full force and effect immediately upon adoption. In accordance with Government Code Section 65856, this Ordinance shall be in full force and effect for a period of forty-five (45) days from adoption. This Ordinance shall expire on June 25, 2015 unless this period is extended by the City Council as provided in Government Code Section 65858.

SECTION 7. CEQA. The City Council finds that this Ordinance falls under the California Environmental Quality Act (CEQA) exemption found in Title 14 California Code of Regulations Section 15061(b)(3) because it is designed to preserve the status quo.

INTRODUCED AND PASSED: May 11, 2015

AYES: BERMAN, BURT, DUBOIS, FILSETH, HOLMAN, KNISS, SCHARFF, SCHMID, WOLBACH

NOES:

ABSTENTIONS:

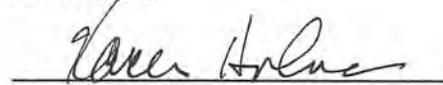
ABSENT:

ATTEST:



City Clerk

APPROVED:

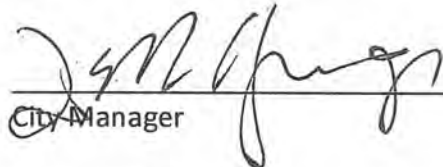


Mayor

APPROVED AS TO FORM:



Senior Assistant City Attorney



City Manager



Director of Planning and
Community Environment

THIS DOCUMENT IS CERTIFIED TO BE AN ORDINANCE
DULY PASSED BY THE COUNCIL OF THE CITY OF
PALO ALTO AND THEREAFTER POSTED IN THE
COUNCIL CHAMBERS ON 5/20/15 (WITHIN 15
DAYS OF PASSAGE)

"I CERTIFY OR DECLARE UNDER PENALTY OF
PERJURY THAT THE FOREGOING IS TRUE
AND CORRECT"

5/20/15

DATE



SIGNATURE