



# Architectural Review Board

## Staff Report (ID # 9834)

**Report Type:** Action Items **Meeting Date:** 4/4/2019

**Summary Title:** 1700 and 1730 Embarcadero Road: Mercedes / Audi Dealerships (2nd Formal)

**Title:** PUBLIC HEARING / QUASI-JUDICIAL. 1700 & 1730 Embarcadero Road [18PLN-00186]: Consideration of a Site and Design Review, and Design Enhancement Exception to Allow the Demolition of an Existing 18,000 Square Foot Vacant Restaurant Building and a 15,700 Square Foot Audi Service Building and the Construction of a Two-Story 84,900 Square Foot Automobile Dealership That Combines two Brands (Mercedes/Audi). The Applicant has Also Requested Zoning Amendment to Change the Zoning of the Site From CS(D) and PC to CS(D)(AD). Environmental Assessment: An Initial Study/Mitigated Negative Declaration was Circulated for Public Comment From March 15, 2019 to April 15, 2019. Zoning Districts: CS(D) & PC-4846. For More Information Contact the Project Planner Sheldon S. Ah Sing at sahsing@m-group.us

**From:** Jonathan Lait

### Recommendation

Staff recommends the Architectural Review Board (ARB) take the following action(s):

1. Consider the Initial Study, Mitigated Negative Declaration and Mitigation Monitoring and Reporting Plan;
2. Consider the draft Record of Land Use Action, Site and Design request and Design Enhancement Exception and determine whether a recommendation of approval of the proposed project to the City Council based on findings and subject to conditions of approval can be forwarded.

### Report Summary

City of Palo Alto  
 Planning & Community Environment  
 250 Hamilton Avenue  
 Palo Alto, CA 94301  
 (650) 329-2442

The subject project was previously reviewed by the ARB on September 20, 2018. An earlier staff report includes extensive background information, project analysis and evaluation to City codes and policies; that report is available online:

<http://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?BlobID=66721>. A copy of the report without prior attachments is available in Attachment F.

The purpose of this report is to restate the comments made by the Board and detail the applicant's response to those comments. The analysis section below builds upon the information contained in the earlier report and modified to reflect recent project changes. In addition, this report also summarizes the Design Enhancement Exception (DEE) requests and clarifies the Floor Area Ratio (FAR) calculations for the project.

In summary, the project requests the following:

- Amendment to Zoning Map (Purview: Planning & Transportation Commission (PTC))
- Site and Design (Purview: ARB & PTC)
- Design Enhancement Exception (Purview: ARB)

The project was heard by the PTC on March 27, 2019. The PTC voted 4-3 to recommend approval of the project with conditions related to lighting, logistics, retention of trees, and on-site survey of bird migration patterns. The City Council will review the project after the ARB's recommendation for final decision.

## Background

On September 20, 2018 the ARB reviewed the project. A video recording of the Board's meeting is available online: <http://midpenmedia.org/architectural-review-board-74-09202018/>. The Board's comments and the applicant's response are summarized in the following table:

ARB Comments/Direction	Applicant/Staff Response
<ul style="list-style-type: none"> <li>• Rear screening on the building is incompatible with the Baylands</li> <li>• Provide a building that interacts with the Baylands more</li> <li>• Address rooftop lighting &amp; lights after dark</li> </ul>	<ul style="list-style-type: none"> <li>• See Analysis section. Staff recommends additional condition to address the rear of the building. See also Sheets ZA202, ZA221, ZA223, and ZA415.</li> <li>• See Analysis section. See also Sheets ZA202, ZA221, ZA223, and ZA415.</li> <li>• See Analysis section. Mitigation measure and recommended condition of approval. See also Sheets ZA221 and E102A and E102B in the plans.</li> </ul>
<ul style="list-style-type: none"> <li>• Use muted colors consistent with Baylands Design Guidelines</li> <li>• Remove black banding on the building</li> </ul>	See Analysis Section. See also Sheets ZA202 through ZA204 and ZA223.
Front horizontal bands are too thin	See Analysis section. Design is limited by brand requirements. The proposal uses

Change orientation of building from Embarcadero Road to East Bayshore Road	muted colors. See Analysis section. The option was explored, however, not deemed to be feasible.
Building separation needs to be more distinct	See Sheets ZA200 & ZA201. Colors were revised to keep the separation of the buildings more visible. Banding was removed between above the service drive.
<ul style="list-style-type: none"> <li>• Use more native plants</li> <li>• Match existing Audi landscaping</li> </ul>	<ul style="list-style-type: none"> <li>• The project provides additional species of native plants. See Sheet L-3 and L-4 in the plans.</li> <li>• The project shares some of the same landscaping. See Sheets L-2 through L-4.</li> </ul>
Use bird-friendly glass	See exterior finishes table on Sheets ZA204, ZA222 and ZA223 (DR-4 and GL-1)
Address roll-up delivery doors visible to street	Glass doors will be used with bird safe glazing. See Sheets ZA222 & ZA201.
Rising sea level issue	The project raises the floor elevation consistent with Federal requirements. The City is also in the process of developing a Sea Level Rise Policy, which should be completed in 2020.

As of the time of writing this report, the project was heard by the City's Planning & Transportation Commission on March 27, 2019. Some members of the public and the Commission felt the proposed building was tall and/or too massive for the site and should be rezoned to ROLM. A majority of the members felt the building did fit in with the Baylands area. Staff will be able to provide a more detailed summary of the discussion and determination during the presentation of the project at the ARB hearing.

## Analysis<sup>1</sup>

### Rear Screening and Interaction with the Baylands

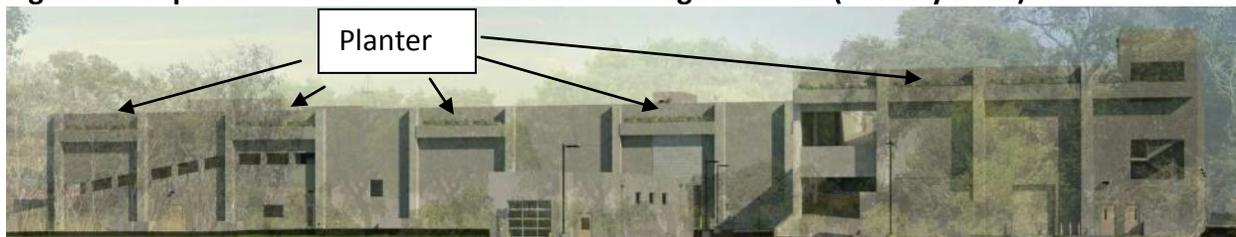
At the previous Board meeting, observations were made that the rear of the buildings did not have the same level of detail or quality of the street elevations. The elevation consisted of poured in place concrete that was painted white with the entire elevation lacking surface articulation. In response to the Board's concerns, the revised plans include an elevation that has a painted stucco finish and flow-through planter boxes integrated into the upper portions

<sup>1</sup> The information provided in this section is based on analysis prepared by the report author prior to the public hearing. The Architectural Review Board in its review of the administrative record and based on public testimony may reach a different conclusion from that presented in this report and may choose to take an alternative action from the recommendation in this report.

of the façade (Figure 1). Columns are attached to the façade from the ground projecting slightly to bookend the planter boxes.

Staff's position is that while the revisions are an improvement, they are insufficient. Staff recommends that the applicant return to the ARB Subcommittee to include additional elements and features on the rear elevation, including different materials and increased planting opportunities such as vines on screens affixed to the wall surfaces as suggested in Figure 3. These are photographs of real examples of treatment to parking structures using vegetation as screening.

**Figure 1: Proposed Rear Elevation with Flow-Through Planters (January 2019)**



Source: YSM January 2019

**Figure 2: Suggested Landscape Treatment for the Rear of the Building**



### Lighting

The Board had concerns about lighting for the project. This is especially an issue since the project is adjacent to the Baylands. The original plans included light pole standards on the roof parking decks. The revised plans removed the light poles and use sconce lighting affixed to the inside of the parapets. As depicted in the photometric plans, light does not spill over onto the Baylands or adjacent properties because they are shielded with cut-offs. However, the lighting does spill over onto the adjacent streets. As a condition of approval, the project would be required to reduce the spillover. Staff will ensure during the review of the photometric plans associated with the construction documents for a building permit that there is no spillover in lighting from the site. In addition, the condition will require that the lights dim to security levels between 10:00 pm and dawn.

### Colors

The Board commented on the project's use of darker colors and that the palette was inconsistent with the character of the Baylands (See Figure 3) and the *Site Assessment and Design Guidelines for the Palo Alto Baylands Nature Preserve* (Baylands Design Guidelines). They directed the applicant to return with the use of more muted colors that would be consistent with those used in the Baylands. According to the applicant, the darker colors are consistent with the Mercedes Benz branding.

**Figure 3: Rendering of the Colors (September 2018)**



Source: YSM September 2018

**Figure 4: Rendering of the Colors (January 2019)**



Source YSM January 2019

The revised elevations as shown in Figure 4 limit the use of the darker colors to a single façade plane and accent elements along Embarcadero Road and expands the use of muted colors. The use of platinum (metal surfaces), silver (metal awnings), white (metal panels), khaki (stucco) and sandy hook grey (a prescribed Baylands color) are used throughout the building. These colors are consistent with the Baylands Design Guidelines color palette and of those used by the surrounding properties.

### Front Horizontal Bands are too Thin

The Board commented that the decorative horizontal bands along the front of the Mercedes Benz showroom were too thin. According to the applicant, the bands are a part of the Mercedes Benz branding that is used commonly in Mercedes Benz dealership buildings as a way to convey design and brand continuity between different dealership locations. Figure 5 shows how the horizontal band is used as part of a typical Mercedes Benz automobile dealership. Figure 6 is the project's rendering showing the same details with a muted color palette. The applicant states that they would want to maintain the branding as required by the parent company's design criteria, however, change the color to be consistent with the Baylands Design Guidelines.

**Figure 5**



Source: YSM January 2019

**Figure 6**



Staff seeks some direction on whether the Board would like to see more revisions to this element of the building.

### Change Orientation of Building from Embarcadero Road to East Bayshore Road

The Board discussed orienting the Mercedes Benz showroom towards East Bayshore because the utility easement allowed for the setback necessary to create parking and a driveway in front of the building instead of along Embarcadero Road. This would provide visual separation between the two brands and the building could have a smaller setback along Embarcadero Road. According to the applicant, the option was evaluated early in the design process and determined that the Mercedes Benz building front is Embarcadero Road. The building's address is along Embarcadero Road, the neighboring automobile dealerships all have frontage along Embarcadero Road. The 80-foot utility easement along Bayshore Road limits design considerations for a showroom and a curb cut would not have been allowed closer to the corner of the intersection to make the on-site circulation work efficiently with the showroom oriented towards East Bayshore Road.

Given that most of the Mercedes Benz customers would be coming from Embarcadero Road, it does make sense to orient the building towards Embarcadero Road. The operations of the dealerships benefit from a driveway in front of the showroom that allows for vehicles to stay onsite when moving inventory or serviced vehicles around. It is important to provide a similar high-quality of architecture along East Bayshore Road, as the project proposes.

In addition to the Board's comments, staff would like to further review the following topics:

Design Enhancement Exception (DEE)

The request is for two exceptions: 1) for the build-to-line setback; and 2) for the tree canopy sizes for parking lot shading (50% within 15 years) [18.54.040d].

*Build-to-Line Setback*

The CS zoning development standards require a 0-10-foot setback along the street fronting the property and a "build-to-line" setback of 50% of the front setback and 33% of the street side setback. Stated in another way, the development standard requires that a certain percentage of the building's frontage needs to be located at the setback line (at the property line or not more than 10 feet away). The "build-to-line" setback is typically found along commercial corridors such as El Camino Real to encourage a distinct relationship between retail uses and the sidewalk that would promote high pedestrian activity. In the context of the project, this site will be the only CS district property surrounded by properties zoned Research, Office and Limited Manufacturing Subdistrict - Embarcadero (ROLM) and a non-residential PC. As mentioned previously, and shown on Sheet ZA050, the surroundings include sites with large street setbacks.

For the subject property and those properties along the north side of East Bayshore Road, the utility easement would preclude any structure from encroaching into the 80-foot area. The easement is held by Pacific Gas & Electric (PG&E) for overhead high voltage transmission lines, as well as by the City of Palo Alto for an underground stormdrain pipe. The stormdrain pipe will be abandoned in place and relocated at the eastern portion of the property. The overhead lines are in the middle of the easement. The project cannot locate the building any closer than 80-feet from the property line along East Bayshore Road (See Figure 9). Therefore, there is no way that the project can be compliant with the "build-to-line" development standard along East Bayshore Road.

Based on the "build-to-line" requirement along Embarcadero Road, the project would need at least 126 feet of the building to be set near the property line. The site has an approximate 252-foot frontage along Embarcadero Road and therefore would require at least 126 lineal feet of the building to be placed between zero and 10 feet of the property line. The utility easement along East Bayshore causes the building edge to be located approximately 65 feet from the corner of the property at Embarcadero Road and East Bayshore Road because of the shape of the property. The remaining distance between the easement edge and the north property line is 189 feet and that leaves enough distance to meet the requirement.

As mentioned previously, it is expected that the primary entrance for customers will be from Embarcadero Road. A driveway cannot be located too close to the intersection and therefore the proposed location is the farthest from the intersection and a safe distance from the existing Audi driveway. The proposed driveway location creates efficiencies for the site because the driveway entry is located adjacent to the property line leading to the service drive within the building that is shared with Audi. Some of the required parking for the project is located within the utility easement along East Bayshore Road and as proposed the project includes a driveway between the Embarcadero Road property line and the building to access this parking lot from the Embarcadero Road entry. The driveway in front of the showroom creates a better overall circulation because instead of vehicles being forced onto the roadway, vehicles being serviced or displayed can be moved onsite without ever leaving the site.

**Figure 7: Site Plan with Utility Easement Location**



Source: LAI, 2019 (Map annotated by City of Palo Alto Planning)

### *Tree Canopy Sizes*

According to the PAMC, landscaping within surface parking areas shall include tree plantings designed to result in 50 percent shading of parking lot surface areas within 15 years.

As part of the project, a bicycle path will be constructed along East Bayshore and Embarcadero Road. Consistent with the City's Bicycle and Pedestrian Transportation Plan, the existing bicycle lanes on Geng Road connect to the Bay Trail. The proposed bicycle path would provide a safe connection where one does not exist currently. In front of the project will include a rest area for cyclists with benches and a water fountain.

To implement the bicycle path, the project would have to eliminate the street trees that are located on the property. PG&E does not allow significant planting within their easement. In accordance with the easement, trees cannot be taller than 15 feet and therefore no tree would have enough canopy at that height.

The existing street trees within the utility easement would have provided 1,980 square feet of shaded area. Other trees within the easement area are to be replaced and because of the PG&E limit the seven affected trees would have provided at least 491 square feet of canopy. Instead only 113 square feet is expected, resulting in a loss of 2,646 square feet of shaded area. The total proposed shading is 26%. If the project did not include the bicycle path, then the project would have been compliant with the shading standard. Without the limitations discussed, the project would have provided 54% shading.

The following Comprehensive Plan Policies support the bicycle path improvement:

Policy L-5.1: supports projects that facilitates bicycle travel.

Policy T-1.17: Require new commercial developments provide bicycle improvements consistent with the City's Bicycle and Pedestrian Plan.

Staff recognizes the importance of both the bicycle path and the City's urban forest canopy. However, given the limitations of the utility easement and the need for a bicycle connection in a location within the Baylands, the development of the bicycle path outweighs the tree canopy requirement. The building's design along East Bayshore Road is of high-quality making up for the loss of tree canopies. Staff encourages the ARB to consider the City's policy interests in enhancing tree canopy with other objectives provided for in the Bicycle and Pedestrian Transportation Plan.

#### Floor Area Ratio (FAR)

Assuming the approval of the zoning amendment, the maximum FAR for the site is 0.4:1 (for CS properties), plus an additional 0.2:1 for showroom space (for properties with AD combining district).

**Table 1: FAR Summary**

Building/Site	FAR Area Description	Parcel Area	Requirement	Allowable Area (SF)	Proposed (SF)
Mercedes Benz	Dealership	110,432 SF	0.4:1	44,172.8	44,101
	Showroom		0.2:1 Bonus	22,086.4	10,524
Audi	Dealership	99,456 SF	0.4:1	39,782.4	39,704
	Showroom		0.2:1 Bonus	19,891.2	9,654

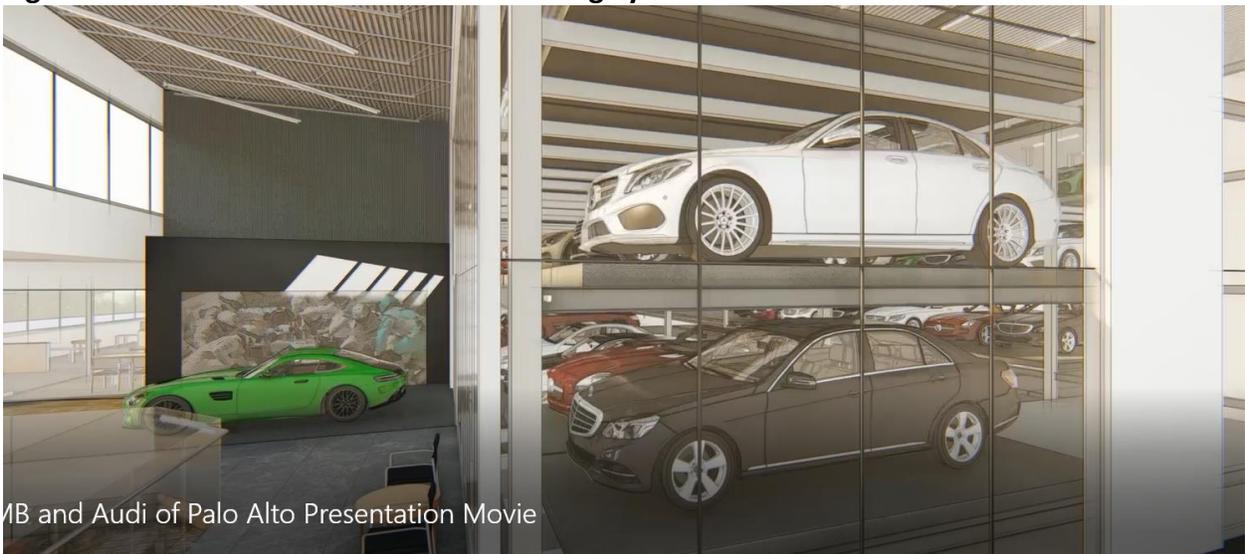
The project is consistent with the City's FAR requirements. The municipal code limits the floor area and height of showroom space. The project is well below these thresholds. The new car inventory building is located within a high-volume building that includes a puzzle lift system for vehicle storage. Floor area is calculated based on the number of floors in the building. This portion of the building only contains one floor on the ground level, portions of a second floor along the periphery of the building, the rest of the building area is volumetric space. The vehicle stackers add capacity, and some might consider this enhanced capacity as floor area, but the interpretation made for this project differs from that perspective. Accordingly, staff wanted to bring the ARB's attention to this interpretation and can provide additional information at the hearing as warranted.

**Figure 8: View of Automated Vehicle Stacking System**



Source: YSM Design 2018

**Figure 9: View of Automated Vehicle Stacking System on First Floor**



MB and Audi of Palo Alto Presentation Movie

Source: YSM Design 2018

### Multi-Modal Access & Parking

The site will have one driveway entrance on East Bayshore Road and two driveway entrances along Embarcadero Road with a continuous on-site driveway around the site. A City of Palo Alto Shuttle stop is located directly in front of the Audi showroom. A transportation circulation exhibit showing pedestrian, bicycle and transit services within the vicinity of the project is included within the plans.

### *Bicycle Facilities*

No bicycle lanes are currently provided along the street frontage of the site. The bicycle facilities near the site include a Class I multi-use trail, a Class II striped lane bike lane, and Class III shared bike route. The Renzel Trail extends between Faber Place and the Adobe Creek Loop Trail and runs parallel to Bayshore Road. It connects the Adobe Creek Loop Trail with the San Francisquito Creek Trail through bike lanes on Embarcadero Road and Geng Road and bike routes on Faber Place. It is part of the Baylands trail system that traverses through the Baylands open spaces area of Palo Alto.

**Figure 10**



As part of the project, a bicycle path will be constructed along Bayshore and Embarcadero Road. Consistent with the City's Bicycle and Pedestrian Transportation Plan, the existing bicycle lanes on Geng Road connect to the Bay Trail. The proposed bicycle path would provide a safe connection where one does not exist currently. In front of the project will include a rest area for cyclists with benches and a water fountain.

Importantly, the creation of this bike path does come at the expense of 10 mature trees on Bayshore and one mature tree on Embarcadero that cannot be replaced due to the existing utility easement across the property. Staff encourages the ARB to consider the City's policy interests in enhancing tree canopy with other objectives provided for in the Bicycle and Pedestrian Transportation Plan.

### *Vehicular Parking*

Required parking for the project is met with surface parking and structured parking. Each site provides sufficient parking to meet the City's required parking for dealerships. Short-term bicycle parking is also provided onsite in accordance with the PAMC (See Attachment D).

## 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 requires the adoption of a Mitigated Negative Declaration because the evaluation determined that implementation of the project would result in significant impacts.

The Mitigated Negative Declaration identified that the project would create significant impacts to the following topics: Biological resources, cultural resources, geology and soils and transportation/traffic. Each significant impact can be reduced to less than significant with the implementation of mitigation measures. See Attachment G.

### Traffic Impacts

A Transportation Impact Analysis (TIA) was completed as part of the drafting of the project's environmental documentation. The TIA's intersection level analysis is consistent with the City's threshold of Level of Service (LOS). LOS categories range from "A" or free flowing to "F" or breakdown flow. The analysis shows that the Embarcadero Road and East Bayshore Road intersection operates at an unacceptable LOS F during the PM peak hour and would continue to operate a LOS F under background (existing traffic conditions) and cumulative (future conditions). The addition of project-generated traffic creates a significant impact at the intersection during the PM peak hour under background plus project and cumulative plus project conditions. Both conditions require mitigation.

#### *Background + Project (Near-term)*

To mitigate this impact under the near-term, the project would need to reconfigure the northbound approach from one left-turn and one through/right-turn lane to one left-turn and one all movement lane. The level of service analysis shows that the intersection delay would improve from LOS F to LOS E under background plus project conditions. In addition to the restriping, the improvement would include sidewalk, crosswalk, and signal improvements to bring the intersection up to current standards. This would include a new crosswalk on the north leg and a right-turn overlap phase (right turn arrow) for the southbound E. Bayshore to westbound Embarcadero right turn.

The applicant would be responsible to construct these improvements prior to the occupancy of the project.

#### *Cumulative (Long-term)*

The intersection of E. Bayshore Road and Embarcadero Road would operate at an unacceptable LOS F during the PM peak hour under cumulative conditions, both without and with the project.

Mitigation could be accomplished by widening the intersection and maintaining signal control or by building a roundabout.

- To increase the intersection capacity with signal control, it would be necessary to restripe the westbound approach to provide two left-turn lanes, one through lane, and one right-turn lane. The westbound leg would need to be widened to provide one left-turn lane, two through lanes, and a right-turn lane. These changes would allow the signal to operate with protected left-turn phasing rather than split phasing on Embarcadero. Some right-of-way would be required. The level of service analysis shows that the intersection would operate at a better LOS F under cumulative plus project conditions with this improvement.
- An alternative mitigation would be to replace the existing signal control with a two-lane roundabout at the intersection. The improvement should also consider straightening the horizontal curve and increasing the length of the two northbound receiving lanes on the north leg on E. Bayshore Road. Some right-of-way would be required. The level of service analysis shows that the intersection would operate at a better LOS F under cumulative plus project conditions with a roundabout.

The intersection is listed in the City's Transportation Impact Fee (TIF) program for an improvement that would be funded through the TIF. Currently the improvement is listed as a modification to the signalized intersection, but a roundabout could be added as an alternative. With the TIF, the improvement would be implemented, and the cumulative impact would be mitigated. The project's payment of the TIF would constitute a fair-share contribution to the cost of the recommended improvement.

### **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 *Daily Post* on March 22, 2019, which is 14 days in advance of the meeting. Postcard mailing occurred on March 25, 2019, which is 11 in advance of the meeting.

#### Public Comments

As of the writing of this report, there was one inquiry from the neighboring property owner (See Attachment). The neighbor had concerns regarding the location and operation of the car wash, hazardous material storage, water runoff pollution, the effects of the massing of the building on the neighboring property and the proposed fence and vegetation between the properties. As shown on Sheet ZA050, the carwash is located near the property line, however, it is over 90 feet from the adjacent building and is conditioned to ensure noise is controlled. In other areas, the two buildings are over 160 feet apart. The operation of the car wash will need to comply with PAMC 9.10.040 regarding noise. The project will also need to comply with PAMC 16.11 regarding stormwater pollution. The project plans also include a shadow analysis depicting the shadows of the buildings at the summer and winter solstice.

## Alternative Actions

In addition to the recommended action, the Architectural Review Board may:

1. Recommend approval of the project with modified findings or conditions;
2. Continue the project to a date (un)certain; or
3. Recommend project denial based on revised findings.

### Report Author & Contact Information

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### ARB<sup>2</sup> Liaison & Contact Information

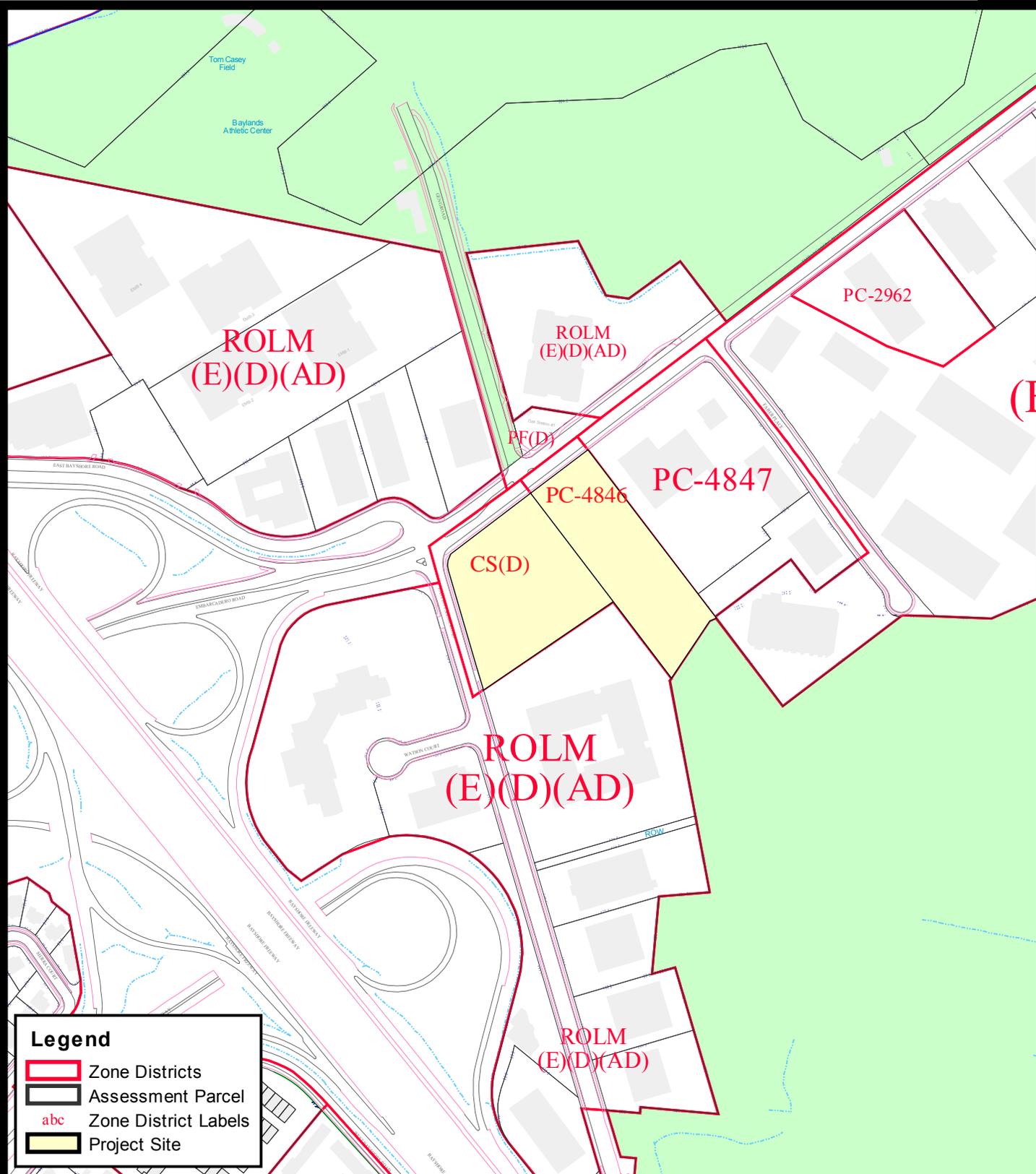
Jodie Gerhardt, AICP, Planning Manager  
 (650) 329-2575  
[jodie.gerhardt@cityofpaloalto.org](mailto:jodie.gerhardt@cityofpaloalto.org)

### Attachments:

- Attachment A: Location Map (PDF)
- Attachment B: Draft Record of Land Use Action (DOCX)
- Attachment C: Comparison Zoning Table (DOCX)
- Attachment D: Applicant Response to Staff Comments (January 7, 2019) (DOCX)
- Attachment E: Public Comment (PDF)
- Attachment F: September 20, 2018 ARB First Formal Staff Report (PDF)
- Attachment G: Project Plans and Environmental Review (DOCX)

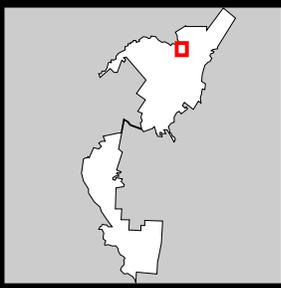
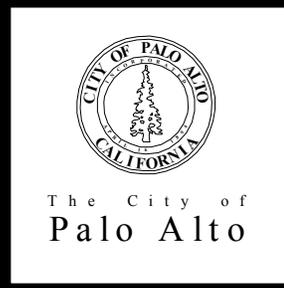
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<sup>2</sup> Emails may be sent directly to the ARB using the following address: [arb@cityofpaloalto.org](mailto:arb@cityofpaloalto.org)



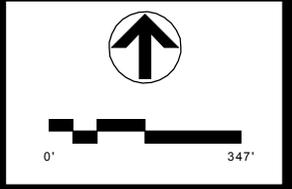
**Legend**

- Zone Districts
- Assessment Parcel
- abc Zone District Labels
- Project Site



1700 & 1730 Embarcadero  
Road  
18PLN-00186

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



**ACTION NO. 2019-\_\_\_\_\_****RECORD OF THE COUNCIL OF THE CITY OF PALO ALTO LAND USE ACTION FOR 1700 AND 1730 EMBARCADERO ROAD: ZONING AMENDMENT, SITE AND DESIGN REVIEW, DESIGN ENHANCEMENT EXCEPTION, AND MITIGATED NEGATIVE DECLARATION (18PLN-00186)**

On \_\_\_\_\_, 2019, the City Council of the City of Palo Alto approved the Zoning Amendment to change the zoning of the site from Service Commercial with Site and Design Review combining district [CS(D)] and Planned Community (PC) to Service Commercial with Site and Design and Automobile Dealership Combining Districts]; and Site and Design Review [CS(D)(AD)] and 2) Site and Design Review and a Design Enhancement Exception to allow the demolition of an existing 18,000 square foot vacant restaurant building and a 15,700 square foot Audi service building and the construction of a two-story 84,900 square foot automobile dealership that combines two brands (Mercedes/Audi). In approving the application, the Council make the following findings, determination and declarations:

**SECTION 1. Background.** The City Council of the City of Palo Alto (“City Council”) finds, determines, and declares as follows:

A. Lyle Hutson on behalf of Holman Automotive Group, Inc, property owner, has requested the City’s approval of a development project that includes the zone change for 1700 & 1730 Embarcadero from CS (D) & PC to CS(D)(AD); Site and Design Review, Architectural Review and Design Enhancement Exception to allow for the demolition of existing structures and the construction of a two-story automobile dealership with two separate brands (“The Project”).

B. The project site includes two parcels (APN 008-03-084 [2.54 acres] & APN 008-03-066 [2.28 acres]) of 4.82 acres in size. The site is currently developed with an existing single-story 17,942 square foot vacant restaurant and a 22,429 square foot automobile dealership. The site contains and is accessible to existing utilities. The site includes an 80-foot utility easement along East Bayshore Road. The site is designated on the Comprehensive Plan land use map as Service Commercial and is located within the Service Commercial (CS) zoning district and Planned Community (PC) zoning district.

The project includes the demolition of existing on-site structures with the exception of the Audi Showroom building and the construction of a new two-story automobile dealership with service facilities, structured parking and a detached car wash building.

C. The Planning and Transportation Commission (Commission) reviewed and recommended approval of the Project on March 27, 2019. The Commission’s recommendations are contained in CMR#9892 and the attachments to it.

The Architectural Review Board (ARB) reviewed and recommended approval of the Project on \_\_\_\_\_.

D. On **DATE**, the City Council held a duly noticed public hearing, at which evidence was presented and all person were afforded an opportunity to be heard in accordance with the Palo Alto Municipal Code and the Council's Policies and Procedures.

SECTION 2. Environmental Review. The City as the lead agency for the Project has determined that the project is subject to environmental review under provisions of the California Environmental Quality Act (CEQA) under Guideline section 15070, Decision to Prepare a Negative or Mitigated Negative Declaration. An Initial Study/Mitigated Negative Declaration was prepared in January 2019 for the project and identified potential significant impacts with the implementation of the project. Those impacts can be reduced to a level of less than significant with the incorporation of mitigation measures. On the basis of the whole record before it, that there is no substantial evidence that the project will have significant effect on the environment and that the mitigated negative declaration reflects the lead agency's independent judgment and analysis. The City of Palo Alto Planning & Community Environment Department is the custodian of these documents. The Negative Declaration was made available for public review beginning March 15, 2019 through April 22, 2019. The City Council hereby approves the Mitigated Negative Declaration and incorporates the Mitigation and Monitoring Report attached as Exhibit A into the Record of Land Use.

SECTION 3. Zoning Amendment Findings

1. If, from the facts presented at the public hearing, including public testimony and reports and recommendations from the director of planning and community environment or other appropriate city staff, the commission finds that a change of district boundaries would be in accord with the purposes of this title and in accord with the Palo Alto Comprehensive Plan, the commission may recommend such change as it deems appropriate to the council.

The change in the zoning would allow for consistency between the two parcels of the project. The addition of the combining district to the Mercedes Benz project parcel would allow for the establishment of the use. The change in the zoning for the Audi site would maintain the use of the property and allow for future modifications to the site to occur without going through a legislative process.

SECTION 4. Site and Design Review Findings.

Site and Design Approval is granted by the City Council under Palo Alto Municipal Code Section 18.82.070 for application 18PLN-00186, effective **DATE** and subject to the conditions of approval in Section 5 of this Record.:

1. To ensure construction and operation of the use in a manner that will be orderly, harmonious, and compatible with existing or potential uses of adjoining or nearby sites.

The project includes sufficient façade articulation and material changes along Embarcadero Road and Bayshore Road. A variety of glass, metal, stucco materials with earth tone and darker colors to a limited extent will make the building complement the surrounding. As conditioned, the project will

provide additional variation along the south facing elevations. As conditioned, the project will include a logistics plan to coordinate construction activity and limit disruptions to neighboring properties. Currently two automobile dealerships operate in the area including one that is a part of this project. The surrounding parcels are zoned with the Automobile Dealership combining district that would anticipate additional automobile dealerships in the future. The project is designed to have all of the deliveries and parking occur onsite so that no spillover of activity to the streets or neighboring properties is anticipated. As conditioned, the lighting of the project will not spillover to adjoining areas.

2. To ensure the desirability of investment, or the conduct of business, research, or educational activities, or other authorized occupations, in the same or adjacent areas.

The project proposes a business that is allowed in the zoning district and is an established business type in the area. The design of the project complements the other surrounding buildings and does not detract from the use of the Baylands recreational area. A component of the project includes the construction of a bicycle path that would provide a safe connection between the existing bicycle lanes and the Bay Trail.

3. To ensure that sound principles of environmental design and ecological balance shall be observed.

The project is consistent with the Baylands design guidelines. Lighting is designed and conditioned to not shine onto the adjacent properties. Windows are designed to avoid bird-strikes. The project will implement green building measures as required by the Palo Alto Municipal Code.

4. To ensure that the use will be in accord with the Palo Alto Comprehensive Plan.

The project is consistent with the following Comprehensive Plan Goals and Policies:

Service Commercial: Facilities providing citywide and regional services and relying on customers arriving by car. These uses do not necessarily benefit from being in high volume pedestrian areas such as shopping centers or Downtown. Typical uses include auto services and dealerships, motels, lumberyards, appliance stores and restaurants, including fast service types. In almost all cases, these uses require good automobile and service access so that customers can safely load and unload without impeding traffic. In some locations, residential and mixed-use projects may be appropriate in this land use category. Examples of Service Commercial areas include San Antonio Road, El Camino Real and Embarcadero Road northeast of the Bayshore Freeway. Non-residential FARs will range up to 0.4. Consistent with the Comprehensive Plan's encouragement of housing near transit centers, higher density multi-family housing may be allowed in specific locations.

Policy L-1.3 Infill development in the urban service area should be compatible with its surroundings and the overall scale and character of the city to ensure a compact, efficient development pattern.

Policy L-5.1 Foster compact Employment Districts developed in a way that facilitates transit, pedestrian and bicycle travel. Provide mixed uses to reduce the number of auto trips.

Policy L-5.2 Provide landscaping, trees, sidewalks, pedestrian path and connections to the citywide bikeway system within Employment Districts. Pursue opportunities to include sidewalks, paths, low water use landscaping, recycled water and trees and remove grass turf in renovation and expansion projects.

Policy L-5.3 Design paths and sidewalks to be attractive and comfortable and consistent with the character of the area where they are located.

Policy L-5.4 Maintain the East Bayshore and San Antonio Road/Bayshore Corridor areas as diverse business and light industrial districts.

Policy L-6.1 Promote high-quality design and site planning that is compatible with surrounding development and public spaces.

Policy L-6.3 Encourage bird-friendly design.

Policy L-6.6 Design buildings to complement streets and public spaces; to promote personal safety, public health and wellbeing; and to enhance a sense of community safety.

Policy L-9.2 Encourage development that creatively integrates parking into the project, including by locating it behind buildings or underground wherever possible, or by providing for shared use of parking areas. Encourage other alternatives to surface parking lots that minimize the amount of land devoted to parking while still maintaining safe streets, street trees, a vibrant local economy and sufficient parking to meet demand.

Policy T-1.17 Require new office, commercial and multi-family residential developments to provide improvements that improve bicycle and pedestrian connectivity as called for in the 2012 Palo Alto Bicycle + Pedestrian Transportation Plan.]

Policy T-5.6 Strongly encourage the use of below-grade or structured parking, and explore mechanized parking instead of surface parking for new developments of all types while minimizing negative impacts including on groundwater and landscaping where feasible.

SECTION 5. Architectural Review Findings:

1. *The design is consistent with applicable provisions of the Palo Alto Comprehensive Plan, Zoning Code, coordinated area plans (including compatibility requirements), and any relevant design guides.*

This finding can be made in the affirmative because the project is consistent with the following Comprehensive Plan goals and policies:

Comprehensive Plan Goal/Policy	Consistency
<b>Service Commercial:</b> Facilities providing citywide and regional services and relying on customers arriving by car. These uses do not necessarily benefit from being in high volume pedestrian areas such as shopping centers or	The project proposes an expansion to the existing Audi automobile dealership and a new Mercedes Benz automobile dealership. The project is consistent with the uses described in the Service Commercial land use

Comprehensive Plan Goal/Policy	Consistency
<p>Downtown. Typical uses include auto services and dealerships, motels, lumberyards, appliance stores and restaurants, including fast service types. In almost all cases, these uses require good automobile and service access so that customers can safely load and unload without impeding traffic. In some locations, residential and mixed-use projects may be appropriate in this land use category. Examples of Service Commercial areas include San Antonio Road, El Camino Real and Embarcadero Road northeast of the Bayshore Freeway. Non-residential FARs will range up to 0.4. Consistent with the Comprehensive Plan's encouragement of housing near transit centers, higher density multi-family housing may be allowed in specific locations.</p>	<p>designation.</p>
<p><b>Policy L-1.3:</b> Infill development in the urban service area should be compatible with its surroundings and the overall scale and character of the city to ensure a compact, efficient development pattern.</p>	<p>The project is on land that already has development and is consistent with the surrounding development pattern, including larger buildings and larger street setbacks.</p>
<p>Policy L-5.2 Provide landscaping, trees, sidewalks, pedestrian path and connections to the citywide bikeway system within Employment Districts. Pursue opportunities to include sidewalks, paths, low water use landscaping, recycled water and trees and remove grass turf in renovation and expansion projects.</p>	<p>A bicycle path will be constructed along East Bayshore Road and Embarcadero Road. Consistent with the City's Bicycle and Pedestrian Transportation Plan, the existing bicycle lanes on Geng Road connect to the Bay Trail. The proposed bicycle path would provide a safe connection where one does not exist currently. In front of the project will include a rest area for cyclists with benches and a water fountain.</p>
<p>Policy L-5.3 Design paths and sidewalks to be attractive and comfortable and consistent with the character of the area where they are located.</p>	<p>The bicycle path will be designed to fit with the character of the surrounding and include a rest area.</p>
<p>Policy L-5.4 Maintain the East Bayshore and San Antonio Road/Bayshore Corridor areas as diverse business and light industrial districts.</p>	<p>The former restaurant will be demolished and, in its place, a new automobile dealership will operate, which will complement the diverse businesses within the district. The existing Audi dealership will</p>

Comprehensive Plan Goal/Policy	Consistency
	be renovated and expanded.
Policy L-6.1 Promote high-quality design and site planning that is compatible with surrounding development and public spaces.	The project uses a variety of materials such as stucco, metal and glass. These materials use muted colors in a way that is consistent with the surrounding uses and the Baylands Design Guidelines. The 80-foot utility easement along East Bayshore limits the site in design and landscaping, however, these materials complement a design that includes variegated facades. The project's design provides the appropriate transitions between the site and adjacent buildings. As conditioned, the project will have the appropriate transition to the Baylands.
Policy L-6.3 Encourage bird-friendly design.	The project includes bird safe glazing for windows.
Policy L-6.6 Design buildings to complement streets and public spaces; to promote personal safety, public health and wellbeing; and to enhance a sense of community safety.	Frontages for the project include East Bayshore Road and Embarcadero Road. Both frontages include building facades that provide interest through the use of materials, colors and elevations that include visual relief. Along Embarcadero Road includes a bicycle rest area for uses of the bicycle path.
Policy L-9.2 Encourage development that creatively integrates parking into the project, including by locating it behind buildings or underground wherever possible, or by providing for shared use of parking areas. Encourage other alternatives to surface parking lots that minimize the amount of land devoted to parking while still maintaining safe streets, street trees, a vibrant local economy and sufficient parking to meet demand.	A limited percentage of the overall parking for the project is at the surface level or visible from the streets. Parking is included within the building for the most part.
Policy T-1.17 Require new office, commercial and multi-family residential developments to provide improvements that improve bicycle and pedestrian connectivity as called for in the 2012 Palo Alto Bicycle + Pedestrian Transportation Plan.].	As proposed, the project will implement a bicycle path along the street frontages. The proposed bicycle path would provide a safe connection where one does not exist currently. This would connect with the overall city bicycle system and the greater Baylands bicycle network. A bicycle rest area is included along the Embarcadero Road

Comprehensive Plan Goal/Policy	Consistency
	frontage.
Policy T-5.6 Strongly encourage the use of below-grade or structured parking, and explore mechanized parking instead of surface parking for new developments of all types while minimizing negative impacts including on groundwater and landscaping where feasible.	Structured parking is provided for the project. Most of the parking for the project including vehicle inventory is included within the building. The project includes an innovative showroom display system that stacks cars within the building.

The project site includes two separate parcels with two separate automobile dealership brands. With the use of cross easements, the site will share some operations and create more operational efficiencies than if they were to stand alone. The use complements the existing automobile dealerships along Embarcadero Road and is a permitted use within the land use district. The project includes a bicycle path along East Bayshore Road and Embarcadero Road that would provide a connection between the existing bicycle lanes and the Bay Trail system. The project includes a limited amount of surface parking, with most of the project's parking provided in structured parking facilities. This is an unusual design for automobile dealerships because typically there are large surface parking areas associated with these types of uses. The project proposes to deviate from the "build-to-line" setback requirement for East Bayshore Road and Embarcadero Road and the tree shade canopy requirements for parking facilities through the Design Enhancement Exception process.

2. *The project has a unified and coherent design, that:*
  - a. *creates an internal sense of order and desirable environment for occupants, visitors, and the general community,*
  - b. *preserves, respects and integrates existing natural features that contribute positively to the site and the historic character including historic resources of the area when relevant,*
  - c. *is consistent with the context-based design criteria of the applicable zone district,*
  - d. *provides harmonious transitions in scale, mass and character to adjacent land uses and land use designations,*
  - e. *enhances living conditions on the site (if it includes residential uses) and in adjacent residential areas.*

This finding can be made in the affirmative. The project includes three driveways (one from East Bayshore Road and two from Embarcadero Road). Vehicular access is provided around the perimeter of the site, allowing for trash pick-up, deliveries and general access around the properties. The driveway in front of the showroom creates a better overall circulation pattern because instead of vehicles being forced onto the roadway, vehicles being serviced or displayed can be moved onsite without ever leaving the site. The design of the buildings convey they are automobile dealerships and do not appear to portray a different type of use. The entries to the sites are distinctive and attractive with landscaping that is appropriate to the Baylands as well as consistent with the design of the buildings. The site includes outdoor areas with benches for its occupants and visitors. While the street trees along East Bayshore Road are being removed for the bicycle path, the bicycle path provides a

separated connection from the street to other areas within the City's bicycle network. The rear of the site is adjacent to the Baylands and the project provides Oak trees along the boundary with the Baylands. The rear of the buildings includes flow-through planters placed just below the parapet of the building and will provide some greenery and visual relief as viewed from the Baylands Renzel Trail. However, as conditioned, the project will provide additional landscaping features on the rear of the building. The site's large setbacks are consistent with the surrounding development pattern and these setbacks help with the streetscape perception of the massing of the buildings.

The project is consistent with the following context-based design criteria:

### **1. Pedestrian and Bicycle Environment**

The design of new projects shall promote pedestrian walkability, a bicycle friendly environment, and connectivity through design elements

The project will provide a new bicycle path along the street frontages. This will include a rest area for cyclists with three benches and a water fountain. The bicycle path will separate the bicyclists from the street lanes for added safety and reduction in conflict points.

### **2. Street Building Facades**

Street facades shall be designed to provide a strong relationship with the sidewalk and the street (s), to create an environment that supports and encourages pedestrian activity through design elements

A request of the project is to have an exception from the "build-to-line" setback along Embarcadero and East Bayshore. Both frontages are impacted by an 80-foot utility easement parallel with East Bayshore that prohibits any building placement or structure/vegetation over 15 feet within the easement area. The area is categorized by large street setbacks. The proposed project's setbacks are consistent with the surrounding. The design of the building including a façade with visual interest and use of a variety of materials and muted colors.

A bicycle path will be constructed along East Bayshore and Embarcadero Road. Consistent with the City's Bicycle and Pedestrian Transportation Plan, the existing bicycle lanes on Geng Road connect to the Bay Trail. The proposed bicycle path would provide a safe connection where one does not exist currently. In front of the project will include a rest area for cyclists with benches and a water fountain.

### **3. Massing and Setbacks**

Buildings shall be designed to minimize massing and conform to proper setbacks

The project meets the required setbacks or seeks relief from the setbacks to comply with easement requirements and to be consistent with the surrounding properties. Relief is sought for the "build-to-line" setback along Embarcadero Road and given the opportunities and constraints of the site, adherence to the requirement does not create a better project layout. Additionally, the project includes varied materials such as metal, stucco, glass with contrasting colors providing visual interest.

#### 4. Low Density Residential Transitions

Where new projects are built abutting existing lower scale residential development, care shall be taken to respect the scale and privacy of neighboring properties

The project is not adjacent to any residential areas.

#### 5. Project Open Space

Private and public open space shall be provided so that it is usable for the residents and visitors of the site

The project includes an outdoor seating area on the ground floor facing East Bayshore Road as well as in front of the building along Embarcadero Road. In addition, the project provides a new bicycle path along the streets and a rest area with benches and a water fountain.

#### 6. Parking Design

Parking shall be accommodated but shall not be allowed to overwhelm the character of the project or detract from the pedestrian environment

The project includes two automobile dealerships. Typically, these uses include large parking lot areas. This project provides a limited percentage of overall parking within surface parking areas surrounding the buildings. Multi-level structured parking provides most of the parking for the site. In addition, the project includes an innovative display area for stacked automobiles within the showroom of one of the dealerships.

#### 7. Large Multi-Acre Sites

Large sites (over one acre) shall be designed so that street, block, and building patterns are consistent with those of the surrounding neighborhood

The proposed setbacks for the project are consistent with other large sites within the vicinity. The setbacks for the surrounding buildings are large and the buildings are spread out over the site.

#### 8. Sustainability and Green Building Design

Project design and materials to achieve sustainability and green building design should be incorporated into the project

The project will be consistent with the City's Green Building Ordinance and be consistent with Cal Green Tier 2.

3. *The design is of high aesthetic quality, using high quality, integrated materials and appropriate construction techniques, and incorporating textures, colors, and other details that are compatible with and enhance the surrounding area.*

The project includes two adjacent buildings that would have cross-functionality for two automobile dealerships. The frontages of each building include their own brand identity and the colors and materials used reflect those differences. The use of muted colors in conjunction with the execution of

the mixture of metal, stucco and glass applied to a façade with variegated elevations enhance the building and complements the surrounding.

4. *The design is functional, allowing for ease and safety of pedestrian and bicycle traffic and providing for elements that support the building's necessary operations (e.g. convenient vehicle access to property and utilities, appropriate arrangement and amount of open space and integrated signage, if applicable, etc.).*

With an automobile dealership, it is expected that vehicles will be entering and exiting the site providing potential conflicts with pedestrians and cyclists. The site is adjacent to the Baylands which is a large and popular recreational area. The project includes the construction of a new bicycle path along East Bayshore Road and Embarcadero Road. A rest area will also be included along Embarcadero Road. The bicycle path will separate pedestrians and cyclists from the street adding a level of safety and improving sight awareness for users of potential conflict areas such as the driveways. Onsite circulation is provided along the perimeter of the site and includes three loading spaces. Landscaping is provided along the perimeter of the site as well as along the buildings. While the project includes two separate adjacent parcels, the landscape palette is consistent. The location of the 80-foot utility easement limits the amount and the type of landscaping that can be provided along East Bayshore Road and affects a small portion of Embarcadero Road frontage at the intersection where the electric transmission tower is located.

5. *The landscape design complements and enhances the building design and its surroundings, is appropriate to the site's functions, and utilizes to the extent practical, regional indigenous drought resistant plant material capable of providing desirable habitat that can be appropriately maintained.*

Landscaping is provided along the perimeter of the site as well as along the buildings. While the project includes two separate adjacent parcels, the landscape palette is consistent using drought tolerant and regional species. The location of the 80-foot utility easement limits the amount and the type of landscaping that can be provided along East Bayshore Road and affects a small portion of Embarcadero Road at the intersection where the electric transmission tower is located. Vegetation can be no taller than 15-feet. The landscaping palette embraces the Baylands and many of the plants were chose because they were on the Santa Clara Valley Water District approved plant list, bay-friendly rated plant list and other plants from the Santa Clara Valley Urban Runoff Pollution Prevention Program. Specifically, the plants that directly interface with the Baylands are only native species and are complementary of the Baylands, including Oak, Western Red Bud, Deer Grass, native grasses and sedges. To minimize the architectural materials and height that faces the Baylands, flow-through planters are placed approximately four feet from the parapet of the rear facades of the buildings. The landscaping chosen for the base of the buildings emphasize the modern entrances of the buildings.

6. *The project incorporates design principles that achieve sustainability in areas related to energy efficiency, water conservation, building materials, landscaping, and site planning.*

The project is consistent with the City's Green Building ordinance and will comply with Cal Green Tier 2 requirements. Some examples include:

- Electric vehicle parking
- Cool roof
- Water reduction
- Recycled content

#### SECTION 6. Design Enhancement Exception Findings

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

The project includes two parcels. The parcel with the proposed Mercedes Benz building includes an 80-foot wide utility easement with development constraints below and above ground along East Bayshore Road. The purpose of the easement is to allow for the conveyance of high voltage electric power and stormwater for the region and for the City. Pacific Gas & Electric holds rights to the easement as well as the City. An electric transmission tower is located near the corner of the property. This easement precludes the placement of any building and any structure, as well as limiting vegetation height to 15 feet.

#### Build-to-line Exception

##### *East Bayshore Road*

Adhering to the "build-to-line" setback requirements is not possible for East Bayshore Road.

##### *Embarcadero Road*

Based on the "build-to-line" requirement along Embarcadero Road, the project would need at least 126 feet of the building to be set near the property line. The site has an approximate 252-foot frontage along Embarcadero Road and therefore would require at least 126 lineal feet of the building to be placed between zero and 10 feet of the property line. The utility easement along East Bayshore Road causes the building edge to be located approximately 65 feet from the corner of the property at Embarcadero Road and East Bayshore Road because of the shape of the property. The remaining distance between the easement edge and the north property line is 189 feet and that leaves enough distance to meet the requirement.

As mentioned previously, it is expected that the primary entrance for customers will be from Embarcadero Road. A driveway cannot be located too close to the intersection and therefore the proposed location is the farthest from the intersection and a safe distance from the existing Audi driveway. The proposed driveway location creates efficiencies for the site because the driveway entry is located adjacent to the property line leading to the service drive within the building that is shared with Audi. Some of the required parking for the project is located within the utility easement along East Bayshore Road and as proposed the project includes a driveway between the Embarcadero Road property line and the building to access this parking lot from the Embarcadero Road entry. The driveway in front of the showroom creates a better overall circulation pattern because instead of

vehicles being forced onto the roadway, vehicles being serviced or displayed can be moved onsite without ever leaving the site.

#### Tree Canopy for Parking Lots Exception

The project includes a parking lot within the easement area. It is also not possible to plant trees that would support a large enough canopy to provide shading of the surface parking lot within the easement. Additionally, the project includes a bicycle path along East Bayshore Road and Embarcadero Road, which necessitates the elimination of existing mature street trees. The project proposes trees that will fit the requirements prescribed for the easement.

The project includes limited areas for surface parking because most of the parked vehicles are within the building utilizing structured parking. However, the project includes a perimeter driveway to allow for deliveries to be staged onsite, as well as to allow for fire department access around the buildings. The driveway also serves as important circulation component for the site's operations, keeping vehicles off the street. The 80-foot utility easement precludes the planting of trees with canopies significant enough to meet the City's shading requirements. The addition of the bicycle path along East Bayshore and Embarcadero also takes out area that could be used to plant trees that would provide shading in these parking/driveway areas.

The existing street trees within the utility easement would have provided 1,980 square feet of shaded area. Other trees within the easement area are to be replaced and because of the PG&E limit the seven affected trees would have provided at least 491 square feet of canopy. Instead only 113 square feet is expected, resulting in a loss of 2,646 square feet of shaded area. The total proposed shading is 26%. If the project did not include the bicycle path, then the project would have been compliant with the shading standard. Without the limitations discussed, the project would have provided 54% shading.

2. *The granting of the application will enhance the appearance of the site or structure, or improve the neighborhood character of the project and preserve an existing or proposed architectural style, in a manner which would not otherwise be accomplished through strict application of the minimum requirements of this title (Zoning) and the architectural review findings set forth in Section 18.76.020(d).*

The easement precludes any building to be placed within the easement area. Additionally, no structure such as light fixtures or vegetation over 15 feet can be placed within the easement area. The building is designed with visually interesting facades and materials to complement other development within the area. The project proposes plantings of trees were feasible and appropriate including around the perimeter of the site.

There is recognition of the importance of both the bicycle path and the City's urban forest canopy. However, given the limitations of the utility easement and the need for a bicycle connection in a location within the Baylands, the development of the bicycle path outweighs the tree canopy requirement. The building's design along East Bayshore Road is of high-quality making up for the loss of tree canopies. The proposed setback is consistent with other surrounding developments.

3. *The exception is related to a minor architectural feature or site improvement that*

*will not be detrimental or injurious to property or improvements in the vicinity and will not be detrimental to the public health, safety, general welfare or convenience.*

The surrounding development includes large street setbacks, so the exception will not create consistency or compatible issues with the neighboring properties. Trees and other plantings will occur at the perimeter of the site and within the easement and bicycle path area where feasible.

## SECTION 7. Conditions of approval

### **PLANNING DIVISION**

1. **CONFORMANCE WITH PLANS.** Construction and development shall conform to the approved plans entitled, "Mercedes Benz / Audi of Palo Alto, 1730 Embarcadero Road," stamped as received by the City on December 12, 2018 on file with the Planning Department, 250 Hamilton Avenue, Palo Alto, California except as modified by these conditions of approval.
2. **BUILDING PERMIT.** Apply for a building permit and meet any and all conditions of the Planning, Fire, Public Works, and Building Departments.
3. **BUILDING PERMIT PLAN SET.** All Department conditions of approval for the project shall be printed on the plans submitted for building permit.
4. **PROJECT MODIFICATIONS:** All modifications to the approved project shall be submitted for review and approval prior to construction. If during the Building Permit review and construction phase, the project is modified by the applicant, it is the responsibility of the applicant to contact the Planning Division/project planner directly to obtain approval of the project modification. It is the applicant's responsibility to highlight any proposed changes to the project and to bring it to the project planner's attention.
5. **PROJECT EXPIRATION.** The project approval shall automatically expire after two years from the original date of approval, if within such two year period, the proposed use of the site or the construction of buildings has not commenced pursuant to and in accordance with the provisions of the permit or approval. Application for a one year extension of this entitlement may be made prior to the expiration. (PAMC 18.77.090(a)).
6. **LIGHTING.** The owner or designee shall ensure that light does not spill over the property lines from the project. The owner or designee prior to building permit issuance provide information to the satisfaction of the City that light levels do not exceed current lighting levels of surrounding properties. One strategy could be that lighting levels shall be reduced during the nighttime period to security levels (between 10pm and dawn or periods when the businesses are not in operation).
7. **REAR ELEVATIONS:** The owner or designee shall provide revised architectural treatment for the rear of the buildings to add more variety in materials and articulation.
8. **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.

9. DEVELOPMENT IMPACT FEES: Development Impact Fees, currently estimated in the amount of \$2,701,625 plus the applicable public art fee, per PAMC 16.61.040, shall be paid prior to the issuance of the related building permit.
10. 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.
11. MITIGATION MONITORING AND REPORTING PROGRAM. The Mitigation Monitoring and Reporting Program (MMRP) associated with the project and attached here as Exhibit 1 is incorporated by reference and all mitigation measures shall be implemented as described in said document. Prior to requesting issuance of any related demolition and/or construction permits, the applicant shall meet with the Project Planner to review and ensure compliance with the MMRP, subject to the satisfaction of the Director of Planning of Planning and Community Environment.
12. FINAL INSPECTION: A Planning Division Final inspection will be required to determine substantial compliance with the approved plans prior to the scheduling of a Building Division final. Any revisions during the building process must be approved by Planning, including but not limited to; materials, landscaping and hard surface locations. Contact your Project Planner, Sheldon S. Ah Sing at [sahsing@m-group.us](mailto:sahsing@m-group.us) to schedule this inspection.
13. BIRDS. The owner or designee shall evaluate migratory patterns affecting the site prior to submittal of a building permit and if any trees are found to be recurring nesting sites, ensure installation of replacement nesting facilities with replacement mature trees.

#### **Building Department**

14. Provide an exiting analysis for the second and third/ roof-top floors of the proposed automotive dealership building. Sheets ZA020 – ZA025 were not received in the resubmittal package.

- It appears that two (2) exit stair enclosures are provided on the 2nd & 1st floor plans. One of the exit enclosures terminates to the interior of the building. Please clarify how this interior exit stairway will comply with CBC 1028.1 for Exit Discharge. Sheet ZA102 and ZA502 still shows one of the interior stair enclosures opening into the Shop area on the first floor.
  - If more than one exit is required from the 2nd and 3rd floor, each accessible portion of the space shall be served by the same number of accessible means of egress. Show the locations of the accessible means of egress on the 2nd and 3rd floors.
15. Show the locations of the accessible parking for the employee and customer parking. Sheet ZA003 shows the location of the accessible parking, but sheets ZA105 and ZA106 does not.
16. For new Non-Residential construction of any size, CALGreen Mandatory + Tier 2 requirements are required per PAMC16.14.430, Section A5.106.5.3.3. The following standards apply:
- In general. The property owner shall provide Conduit Only, EVSE-Ready Outlet, or EVSE Installed for at least 25% of parking spaces, among which at least 5% (and no fewer than one) shall be EVSE Installed. Please indicate on the plans the location of the EVSE-Ready and EVSE Installed spaces. Sheet ZA100 shows that 269 parking spaces are required. The required installed EVSE parking is  $269 \times 5\% = 13$  spaces and the required EVSE ready parking should be  $269 \times 20\% = 54$  spaces. Please revise sheet ZA100 for compliance.
  - Accessible spaces. Projects shall comply with the 2016 California Building Code requirements for accessible electric vehicle parking. Please show the location of the EVSE accessible spaces. (CBC 11B-228.3, 11B-812) Base on CBC Table 11B-228.3.2.1, 1 van accessible EVSE installed and 1 standard accessible EVSE installed spaces are required. Please show compliance on the plans.
17. For new Non-Residential construction of any size, CALGreen Mandatory + Tier 2 requirements are required per PAMC16.14.080. Complete a preliminary Green Building Checklist "GB-1 Non-Residential Mandatory Plus Tier 2" sheet and include this sheet with Planning Application package. The GB-1 + Tier 2 sheet can be downloaded from the City's website address: [http://www.cityofpaloalto.org/gov/depts/ds/green\\_building/compliance.asp](http://www.cityofpaloalto.org/gov/depts/ds/green_building/compliance.asp) On sheet ZA600 for the GB-1 sheet, check the appropriate "Y" or "N" boxes for the Mandatory items and the appropriate "Y" or "N" boxes for the electives to begin preliminary planning to address the Green Building Mandatory plus Tier 2 requirements.

### **Public Works Engineering Department**

18. STORM WATER TREATMENT: Applicant will be required to provide an updated third-party certification for the previously permitted and C.3 regulated Audi project at 1730 Embarcadero. A stamped and signed letter confirming they reviewed these plans and find the existing project to still be in compliance with MRP 2.0 Provision C.3 and PAMC 16.11 shall be provided prior to this project's Building permit and/or Grading Permit issuance.
19. Applicant will be required to provide approval from PG&E for all work proposed within their easements prior to Grading & Excavation Permit issuance or Building Permit issuance.

20. Applicant proposes to relocate the existing storm main running through these properties into the public right of way. This proposal in concept is acceptable to the City but the technical design review will be done through the Street Work Permit process and it is ultimately up to the applicant to verify that this could work. That includes verifying that there are no utility conflicts, make sure that storm drain line would be the same size, at a minimum, flow by gravity and be clear through PGE's easement. This shall be built by the developer and phased construction so that a storm drain line is always available for flow. This shall be completed to the satisfaction of the Public Works Engineering Department.
21. Applicant will be required to abandon any existing easement where new structure(s) or improvements are proposed and record new easements as requested by the City, and obtain an encroachment permit for all proposed improvements within existing and to remain public utility easements prior to Grading & Excavation Permit issuance or Building Permit issuance.
22. The project currently shows both parcels separate. In doing so this does not allow any cross lot drainage. If cross lot drainage or cross lot use of C.3 stormwater treatment devices is proposed at the building permit stage, subsequent requirements will be required prior to Grading & Excavation Permit issuance or Building Permit issuance.
23. A private access easement will need to be recorded against both properties prior to Grading & Excavation Permit issuance or Building Permit issuance to allow access between two parcels.
24. GRADING & EXCAVATION PERMIT: An application for a grading & excavation permit must be submitted to Public Works when applying for a building permit. The application and guidelines are available at the Development Center and on our website.
25. STORM WATER POLLUTION PREVENTION: The City's full-sized "Pollution Prevention - It's Part of the Plan" sheet must be included in the plan set. The sheet is available here: <http://www.cityofpaloalto.org/civicax/filebank/documents/2732>
26. SWPPP: The proposed development will disturb more than one acre of land. Accordingly, the applicant will be required to comply with the State of California's General Permit for Storm Water Discharges Associated with Construction Activity. This entails filing a Notice of Intent to Comply (NOI), paying a filing fee, and preparing and implementing a site specific storm water pollution prevention plan (SWPPP) that addresses both construction-stage and postconstruction BMP's for storm water quality protection. The applicant is required to submit two copies of the NOI and the draft SWPPP to the Public Works Department for review and approval prior to issuance of the building permit. Also, include the City's standard "Pollution Prevention - It's Part of the Plan" sheet in the building permit plan set. Copies are available from Public Works at the Development Center.
27. STREET TREES: Show all existing street trees in the public right-of-way. Any removal, relocation or planting of street trees; or excavation, trenching or pavement within 10 feet of street trees must be approved by Public Works' arborist (phone: 650-496-5953). This approval shall appear on the plans. Show construction protection of the trees per City requirements.

28. **WORK IN THE RIGHT-OF-WAY:** The plans must clearly indicate any work that is proposed in the public right-of-way, such as sidewalk replacement, driveway approach, or utility laterals. The plans must include notes that the work must be done per City standards and that the contractor performing this work must first obtain a *Street Work Permit* from Public Works at the Development Center. If a new driveway is in a different location than the existing driveway, then the sidewalk associated with the new driveway must be replaced with a thickened (6" thick instead of the standard 4" thick) section. Additionally, curb cuts and driveway approaches for abandoned driveways must be replaced with new curb, gutter and planter strip.
29. **IMPERVIOUS SURFACE AREA:** The project will be creating or replacing 500 square feet or more of impervious surface. Accordingly, the applicant shall provide calculations of the existing and proposed impervious surface areas with the building permit application. The *Impervious Area Worksheet for Land Developments* form and instructions are available at the Development Center or on our website.
30. **At the time of Excavation and Grading Permit submittal:** Applicant shall submit the final C.3 certification including a stamped and signed letter from the third party reviewer confirming which documents they reviewed and that the proposed C.3 design is in compliance with MRP 2.0 Provision C.3 and PAMC 16.11 and this C.3 Data Form ([http://www.scvurppw2k.com/pdfs/1112/SCVURPPP\\_C.3\\_Data\\_Form\\_final\\_2012.pdf](http://www.scvurppw2k.com/pdfs/1112/SCVURPPP_C.3_Data_Form_final_2012.pdf)) completely filled out and stamped and signed as approved by the qualified third party reviewer. **Applicants will not be allowed to submit for an excavation and grading permit unless those required C.3 certification items are included in the submittal package.**
31. **STORMWATER MAINTENANCE AGREEMENT:** The applicant shall designate a party to maintain the control measures for the life of the improvements and must enter into a **maintenance agreement** with the City to guarantee the ongoing maintenance of the permanent C.3 storm water discharge compliance measures. **The maintenance agreement shall be executed prior to issuance of the building or grading permit.** The City will inspect the treatment measures yearly and charge an inspection fee.
32. **LOGISTICS PLAN:** The contractor must submit a logistics plan to the Public Works Department at time of Grading and Building permit issuance that addresses all impacts to the City's right-of-way, including, but not limited to: pedestrian control, traffic control, truck routes, material deliveries, contractor's parking, concrete pours, crane lifts, work hours, noise control, dust control, storm water pollution prevention, contractor's contact, noticing of affected businesses, and schedule of work. The plan shall take into consideration not blocking adjacent streets during peak commute hours for the duration of construction.
33. **SIDEWALK, CURB & GUTTER:** As part of this project, the applicant must all of the existing sidewalks, curbs, gutters or driveway approaches in the public right-of-way along the frontage(s) of the property. The site plan submitted with the building permit plan set must show the extent of the replacement work. The plan must note that any work in the right-of-way must be done per Public Works' standards by a licensed contractor who must first obtain a *Street Work Permit* from Public Works at the Development Center.

34. **SUBSTANTIAL IMPROVEMENT:** The existing structure is located within a Special Flood Hazard Area. If the construction cost of the improvements (remodeling and/or addition) is greater than 50% of the existing value of the structure, then the improvements will be classified as a “substantial improvement” and the existing structure and all new construction will be required to meet the City’s Flood Hazard Regulations. In particular, the finished first floor must be at or above the base flood elevation (BFE). If the project is a “substantial improvement”, then upon submittal for a building permit, the applicant must provide a copy of the FEMA Elevation Certificate showing that the existing finished first floor is at or above the BFE or, if the floor is below the BFE, the plans must show the floor being raised. The plans must include:

- The *Elevation Certification Submittal Requirements for Construction in the Special Flood Hazard Area* form
- The BFE on sections, elevations and details
- Flood vents, if there is a crawl space
- A table calculating the flood vents required and provided
- If the crawl space is subgrade, meaning that the bottom of the crawl space is below the adjacent exterior grade on all four sides of the house, then it must be filled in until it is either no longer subgrade or until it is 18” from the floor framing (to meet the minimum CBC requirement)
- If the crawl space is still subgrade after filling, then include a sump, pump and outlet pipe to pump flood waters out
- The garage slab can be below the BFE, but the garage will then need to be flood vented separately from the house
- Notes that all materials and equipment below the BFE are water-resistant

Public Works will prepare a flood zone screening form, including a “substantial improvement” screening form, at the Development Center when plans are submitted for a building permit. In order to determine if your project is a “substantial improvement” prior to submitting for a building permit, you can have a preliminary screening performed by Public Works’ staff at the Development Center.

35. **FLOOD ZONE:** The proposed improvements are located within a Special Flood Hazard Area. Accordingly, the proposed construction must meet all of the City’s and Federal Emergency Management Agency’s (FEMA) requirements for construction within a flood zone, such as: the finished bottom floor must be at or above the base flood elevation (BFE); the crawl space (if used) must have flood vents; and all construction materials and equipment below the BFE must be water-resistant. Garage slabs can be below the BFE, but the garage will then need flood vents. See Palo Alto Municipal Code Section 16.52, Flood Hazard Regulations, and our website for more information. The plans must show the BFE on all applicable elevations, sections and details; must include a calculation of the required amount of flood vents; must include the flood vents on the elevations and foundation plan; must note all materials below the BFE as water-resistant; and must include the *Elevation Certification Submittal Requirements for Construction in the Special Flood Hazard Area* form, which is available from Public Works at the Development Center or on our website. Please note that FEMA recently (May 2009) changed the vertical datum of the flood zones. You must use the new vertical datum (NAVD88) on plans

submitted for a building permit.

36. Per applicant's meeting with the City's Floodplain Administrator, the following flood zone requirements must be shown on Building permit plans:
- The carwash can be below the BFE with appropriate venting but the mechanical area and/or room in the car wash must be elevated above the BFE.
  - Any other building structures onsite including the mechanized parking garage must be elevated above the BFE and must follow all other FEMA requirements for structures in a SFHA such as no electrical or mechanical equipment below the BFE. The ramp to the garage can be at the BFE but at a distance of 28.5' away from the building.
  - The elevator shaft can be below the BFE if it is floodproofed. A flood proofing certificate needs to be submitted for the elevator shaft that is inside the building that is going to be below the BFE.
37. The applicant will be required to resurface the full width (curb to curb) of all adjacent streets along the project frontages.
38. Based on the City's GIS there may be plume monitoring wells within the project site. Typically these wells are maintained by Santa Clara Valley Water District (SCVWD). The proposed work shall not destroy any of the monitoring well or affect the function and use of these. Contact SCVWD to verify the well location. Plot and label them on the plans and provide notes to protect wells as required by the district.
39. As one of the stormwater treatment devices (SCM-5) proposed for C.3 compliance showed 12" of ponding depth, applicant will need to select plants that can withstand that 12" of ponding. Appendix D of the C.3 Handbook has a list of recommended plants and notes as to whether they can tolerate wet roots or standing water.

### **Public Art**

40. If the applicant chooses to pay to the public art fund in-lieu of commissioning art on site, the funds must be received prior to the issuance of a building permit.

### **Water Quality**

The owner or designee shall address the following prior to building permit issuance.

41. Stormwater treatment measures
- Clear, detailed maintenance agreement shall be drafted and approved before occupancy approval.
  - Installation vendor specs should be followed and provided to city staff. Add this bullet as a note to the building plans.
  - Shall meet all Bay Regional Municipal Regional Stormwater Permit requirements.
  - Refer to the Santa Clara Valley Urban Runoff Pollution Prevention Program C.3 Handbook (download here: [http://scvurppp-w2k.com/c3\\_handbook.shtml](http://scvurppp-w2k.com/c3_handbook.shtml)) for details.
  - Staff from Stormwater Program (Watershed Protection Division) may be present during installation of stormwater treatment measures. Contact Pam Boyle Rodriguez, Stormwater Program Manager, at (650) 329-2421 before installation. Add this bullet as a note to building plans on Stormwater Treatment (C.3) Plan.

42. Bay-friendly Guidelines (rescapeca.org)

- Do not use chemicals fertilizers, pesticides, herbicides or commercial soil amendment. Use Organic Materials Review Institute (OMRI) materials and compost. Refer to the Bay-Friendly Landscape Guidelines: <http://www.stopwaste.org/resource/brochures/bay-friendly-landscape-guidelines-sustainable-practices-landscape-professional> for guidance. Add this bullet as a note to the building plans.
- Avoid compacting soil in areas that will be unpaved. Add this bullet as a note to the building plans.

43. Stormwater quality protection

- Trash and recycling containers shall be covered to prohibit fly-away trash and having rainwater enter the containers.
- Drain downspouts to landscaping (outward from building as needed).
- Drain HVAC fluids from roofs and other areas to landscaping.

**Recycling**

44. Recommended refuse service level for this project is as follows:

Trash one x 6 cubic yard bin picked up 1 time per week.

Recycling one x 6 cubic yard bin picked up 5 times per week.

Compost one x 1 cubic yard bin picked up 1 time per week.

The site is required to have a trash enclosure. Please refer to trash enclosure guidelines and dimensions (refer to attached documents).

- Trash enclosure must be covered.
- Collection vehicle access (vertical clearance, street width and turnaround space) and street parking are common issues pertaining to new developments. Adequate space must be provided for vehicle access.
- Weight limit for all drivable areas to be accessed by the solid waste vehicles (roads, driveways, pads) must be rated to 60,000 lbs. This includes areas where permeable pavement is used.
- Carts and bins must be able to roll without obstacles or curbs to reach service areas "no jumping curbs"
- Containers must be within 25 feet of service area or charges will apply.
- All service areas must have a clearance height of 20' for bin service.
- New enclosures should consider rubber bumpers to reduce wear-and-tear on walls.
- All solid waste bins (dumpsters) must be located in a trash enclosure.
- A trash enclosure must be included in the plans.
- Service must be provided for garbage, recycling, and compost.
- All service areas must have a clearance height of 20' for bin service.

Owner/Tenant must maintain all waste containers in a clean and sanitary condition and prevent interference with pedestrian use of the area.

Owner/Tenant may not allow waste to pile up around service containers and must work closely with hauler to prevent overflow.

All cardboard must be broken down and placed inside the recycle container(s) with the lid(s) closed.

### **Electrical Utilities**

45. Comply with CPAU service standards for the location of the pad-mount transformer. Refer to CPAU standard drawing DT-CL-U-1031.
46. Comply with CPAU service standards for the location of the utility meter and service equipment. Refer to Section III of CPAU Service Requirements.
47. Show on the plan a public utility easement (PUE) as it will be required for the transformer and the underground electrical duct bank.
48. Show bollard protection for the pad-mount transformer.
49. Contractor shall obtain permit from the Department of Public Works before digging in the street right-of-way.
50. At least 48 hours prior to starting any excavation, the customer must call Underground Service Alert (USA) at 1-800-227-2600 to have existing underground utilities located and marked. The areas to be checked for underground facility marking shall be delineated with white paint. All USA markings shall be removed by the customer or contractor when construction is complete.
51. The customer is responsible for installing all substructures (conduits, boxes, and pads) required for the electric service. No more than 270 degrees of bends are allowed in a secondary conduit run. All conduits must be sized according to California Electric Code requirements and no ½" size conduits are permitted. All off-site substructure work will be constructed and no ½" size conduits are permitted.
52. All primary electric conduits shall be concrete encased with the top of the encasement at the depth of 30". Install a pull box when a conduit run exceeds 500 feet in length or has a total of 180 degree bends.
53. All new underground conduits and substructures shall be installed per City standards and shall be inspected by CPAU underground inspector prior to backfilling.
54. For services larger than 1600 amps, a transitional cabinet as the interconnection point between the utility's pad-mount transformer and the customer's main switchgear may be required. Refer to CPAU standard drawing SR-XF-E-1020. The cabinet design drawings must be submitted to the Electric Utility Engineering Division for review and approval.
55. For underground services, no more than four (4) 750 MCM conductors per phase can be connected to the transformer secondary terminals; otherwise, bus duct or x-flex cable must

be used for connections to pad-mount transformers. If customer installs a bus duct directly between the transformer secondary terminals and the main switchgear, the installation of a transition cabinet will not be required.

56. The customer is responsible for installing all underground electric service conductors, bus duct, transition cabinets, and other required equipment. The installation shall meet the California Electric Code and the City Standards.
57. Meter and switchboard requirements shall be in accordance with Electric Utility Service Equipment Requirements Committee (EUSERC) drawings accepted by Utility and CPA standards for meter installations.
58. Shop/factory drawings for switchboards (400A and greater) and associated hardware must be submitted for review and approval prior to installing.
59. For 400A switchboards only, catalog cut sheets may be substituted in place of factory drawings.
60. All new underground electric services shall be inspected and approved by both the Building Inspection Division and the Electrical Underground Inspector before energizing
61. The customer shall provide as-built drawings showing the location of all switchboards, conduits (number and size), conductors (number and size), splice boxes, vaults and switch/transformer pads.
62. The follow must be completed before Utilities will make the connection to the utility system and energize the service:
  - All fees must be paid.
  - All required inspections have been completed and approved by both the Building Inspection Division and the Electrical Underground Inspector.
  - All Special Facilities contracts or other agreements need to be signed by the City and applicant.
  - Easement documents must be completed.

### **Utilities WGW**

#### **PRIOR TO ISSUANCE OF DEMOLITION PERMIT**

Prior to demolition, the applicant shall submit the existing water/wastewater fixture unit loads (and building as-built plans to verify the existing loads) to determine the capacity fee credit for the existing load. If the applicant does not submit loads and plans they may not receive credit for the existing water/wastewater fixtures.

63. The applicant shall submit a request to disconnect all utility services and/or meters including a signed affidavit of vacancy. Utilities will be disconnected or removed within 10 working days after receipt of request. The demolition permit will be issued by the building inspection division after all utility services and/or meters have been disconnected and removed.

#### **FOR BUILDING PERMIT**

64. The applicant shall submit a completed water-gas-wastewater service connection application - load sheet per parcel/lot for City of Palo Alto Utilities. The applicant must provide all the information requested for utility service demands (water in fixture units/g.p.m., gas in b.t.u.p.h, and sewer in fixture units/g.p.d.). The applicant shall provide the existing (prior) loads, the new loads, and the combined/total loads (the new loads plus any existing loads to remain).
65. The owner or designee shall address comments dated February 4, 2019 on four annotated sheets (1700 Embarcadero RR2 C04 01, RR2 C01 03, RR2 C01 02, 1700 RR2 C01 01) by the WGW Utilities Department prior to issuance of a grading permit.
66. The applicant shall submit improvement plans for utility construction. The plans must show the size and location of all underground utilities within the development and the public right of way including meters, backflow preventers, fire service requirements, sewer mains, sewer cleanouts, sewer lift stations and any other required utilities. Plans for new wastewater laterals and mains need to include new wastewater pipe profiles showing existing potentially conflicting utilities especially storm drain pipes, electric and communication duct banks. Existing duct banks need to be daylighted by potholing to the bottom of the ductbank to verify cross section prior to plan approval and starting lateral installation. Plans for new storm drain mains and laterals need to include profiles showing existing potential conflicts with sewer, water and gas.
67. The applicant shall submit improvement plans for utility construction. The plans must show the size and location of all underground utilities within the development and the public right of way including meters, backflow preventers, fire service requirements, sewer mains, sewer cleanouts, sewer lift stations and any other required utilities.
68. The applicant must show on the site plan the existence of any auxiliary water supply, (i.e. water well, gray water, recycled water, rain catchment, water storage tank, etc).
69. The applicant shall be responsible for installing and upgrading the existing utility mains and/or services as necessary to handle anticipated peak loads. This responsibility includes all costs associated with the design and construction for the installation/upgrade of the utility mains and/or services.
70. An approved reduced pressure principle assembly (RPPA backflow preventer device) is required for all existing and new water connections from Palo Alto Utilities to comply with requirements of California administrative code, title 17, sections 7583 through 7605 inclusive. The RPPA shall be installed on the owner's property and directly behind the water meter within 5 feet of the property line. RPPA's for domestic service shall be lead free. Show the location of the RPPA on the plans.
71. An approved reduced pressure detector assembly is required for the existing or new water connection for the fire system to comply with requirements of California administrative code, title 17, sections 7583 through 7605 inclusive (a double detector assembly may be allowed for existing fire sprinkler systems upon the CPAU's approval). reduced pressure detector

assemblies shall be installed on the owner's property adjacent to the property line, within 5' of the property line. Show the location of the reduced pressure detector assembly on the plans.

72. All backflow preventer devices shall be approved by the WGW engineering division. Inspection by the utilities cross connection inspector is required for the supply pipe between the meter and the assembly.
73. The applicant shall pay the capacity fees and connection fees associated with new utility service/s or added demand on existing services. The approved relocation of services, meters, hydrants, or other facilities will be performed at the cost of the person/entity requesting the relocation.
74. Each unit or place of business shall have its own water and gas meter shown on the plans. Each parcel shall have its own water service, gas service and sewer lateral connection shown on the plans.

#### **PUBLIC WORKS URBAN FORESTRY SECTION**

75. NEW TREES—PERFORMANCE MEASURES. New trees shall be shown on all relevant plans: site, utility, irrigation, landscape, etc. in a location 10' clear radius from any (new or existing) underground utility or curb cut.
  - a. Add note on the Planting Plan that states, "Tree Planting. Prior to in-ground installation, Urban Forestry inspection/approval required for tree stock, planting conditions and irrigation adequacy. Contact (650-496-5953)."
  - b. Landscape Plan tree planting shall state the Urban Forestry approved species, size and using Standard Planting Dwg. #604 (root channel sidewalk base) for street trees or those planted in a parking median, and shall note the tree pit dug at least twice the diameter of the root ball. Wooden cross-brace is prohibited.
  - c. Add note on the Planting & Irrigation Plan that states, "Irrigation and tree planting in the right-of-way requires a street work permit per CPA Public Works standards."
  - d. Landscape plan shall include planting preparation details for trees specifying digging the soil to at least 30-inches deep, backfilled with a quality topsoil and dressing with 2-inches of wood or bark mulch on top of the root ball keeping clear of the trunk by 1-inch.
  - e. Automatic irrigation bubblers shall be provided for each tree. Standard Dwg. #513 shall be included on the irrigation plans and show two bubbler heads mounted on flexible tubing placed at the edge of the root ball. The tree irrigation system shall be connected to a separate valve from other shrubbery and ground cover, pursuant to the City's Landscape Water Efficiency Standards. Bubblers mounted inside an aeration tube are prohibited.
76. All imported soils shall be tested and the results provided to the City for approval before import. Import soil shall be amended with compost per City standards in place of other soil amendments. Street trees require an automatic irrigation/bubbler system and may require tree grates.

77. As part of the project submittal, the applicant will provide a Consulting Arborist review of soil and drainage tests to recommend soil remediation and drainage improvement actions to be provided or made available thru channeling for (new and existing) trees in the public right of way areas. The City requires adequate rootable soil volume areas for healthy public trees. The volume of rootable soil to be provided per tree is based on the size of the tree at maturity:
- e. 400 cubic feet of rootable soil volume shall be available per small tree,
  - f. 800 cubic feet per medium-sized tree and
  - g. 1200 cubic feet per large-sized tree
78. TREE PROTECTION COMPLIANCE. The owner and contractor shall implement all protection and inspection schedule measures, design recommendations and construction scheduling as stated in the TPR & Sheet T-1, and is subject to code compliance action pursuant to PAMC 8.10.080. The required protective fencing shall remain in place until final landscaping and inspection of the project. Project arborist approval must be obtained and documented in the monthly activity report sent to the City. The mandatory Contractor and Arborist Monthly Tree Activity Report shall be sent monthly to the City ([pwps@cityofpaloalto.org](mailto:pwps@cityofpaloalto.org)) beginning with the initial verification approval, using the template in the Tree Technical Manual, Addendum 11.
79. PLAN CHANGES. Revisions and/or **changes to plans before or during construction** shall be reviewed and responded to by the (a) project site arborist, or (b) landscape architect with written letter of acceptance before submitting the revision to the Building Department for review by Planning, PW or Urban Forestry.
80. TREE DAMAGE. Tree Damage, Injury Mitigation and Inspections apply to Contractor. Reporting, injury mitigation measures and arborist inspection schedule apply pursuant to TTM, Section 2.20-2.30. Contractor shall be responsible for the repair or replacement of any publicly owned or protected trees that are damaged during the course of construction, pursuant to Title 8 of the Palo Alto Municipal Code, and city Tree Technical Manual, Section 2.25.
81. GENERAL. The following general tree preservation measures apply to all trees to be retained: No storage of material, topsoil, vehicles or equipment shall be permitted within the tree enclosure area. The ground under and around the tree canopy area shall not be altered. Trees to be retained shall be irrigated, aerated and maintained as necessary to ensure survival.
82. BUILDING PERMIT SUBMITTAL- PROJECT ARBORIST CERTIFICATION LETTER. Prior to submittal for staff review, attach a Project Arborist Certification Letter that he/she has; (a) reviewed the entire building permit plan set submittal and, (b) verified all his/her updated TPR mitigation measures and changes are incorporated in the plan set, (c) affirm that ongoing Contractor/Project Arborist site monitoring inspections and reporting have been arranged with the contractor or owner (see Sheet T-1) and, (d) understands that design revisions (site or plan changes) within a TPZ will be routed to Project Arborist/Contractor for review prior to approval from City.

83. TREE PROTECTION VERIFICATION. Prior to any site work verification from the contractor that the required protective fencing is in place shall be submitted to the Urban Forestry Section. The fencing shall contain required warning sign and remain in place until final inspection of the project.
84. EXCAVATION RESTRICTIONS APPLY (TTM, Sec. 2.20 C & D). Any approved grading, digging or trenching beneath a tree canopy shall be performed using ‘air-spade’ method as a preference, with manual hand shovel as a backup. For utility trenching, including sewer line, roots exposed with diameter of 1.5 inches and greater shall remain intact and not be damaged. If directional boring method is used to tunnel beneath roots, then Table 2-1, Trenching and Tunneling Distance, shall be printed on the final plans to be implemented by Contractor.
85. OBLIGATION TO MONITOR AND PROTECT NEIGHBORING TREES. Project site arborist will protect and monitor neighboring trees during construction and share information with the tree owner. All work shall be done in conformance with State regulations so as to ensure the long term health of the tree. Project site arborist will request access to the tree on the neighboring property as necessary to measure an exact diameter, assess condition, and/or perform treatment. If access is not granted, monitoring and any necessary treatment will be performed from the project site.

### **GREEN BUILDING**

86. **Green Building Requirements for Non-Residential Projects.** For design and construction of non-residential projects, the City requires compliance with the mandatory measures of Chapter 5, in addition to use of the Voluntary Tiers. (Ord. 5220 § 1 (part), 2013). The following are required for Building Approval:
87. **The project is a new nonresidential construction project greater than 1,000 square feet** and therefore must comply with California Green Building Standards Code Mandatory plus Tier 2 requirements, as applicable to the scope of work. PAMC 6.14.180 (Ord. 5220 § 1 (part), 2013). The project applicant shall indicate the requirements on the Permit Plans. The submittal requirements are outlined here:  
[www.cityofpaloalto.org/gov/depts/ds/green\\_building/default.asp](http://www.cityofpaloalto.org/gov/depts/ds/green_building/default.asp).
88. **The project is a new building over 10,000 square feet** and therefore must meet the commissioning requirements outlined in the California Energy Code section. The project team shall submit the Owner’s Project Requirements (OPR), and Basis of Design (BOD), and Commissioning Plan in accordance with 5.410.2.3.
89. **The project is a nonresidential projects exceeding \$100,000 valuation** and therefore must acquire an Energy STAR Portfolio Manager Rating and submit the rating to the City of Palo Alto once the project has been occupied after 12 months. PAMC 16.14.250 (Ord. 5220 § 1 (part), 2013). The Energy Star Project Profile shall be submitted to the Building Department prior to permit issuance. Submittal info can be found at:  
[https://www.cityofpaloalto.org/gov/depts/utl/business/benchmarking\\_your\\_building.asp](https://www.cityofpaloalto.org/gov/depts/utl/business/benchmarking_your_building.asp).

90. **The project is a nonresidential new construction projects with a landscape of any size included in the project scope** and therefore must comply with Potable water reduction Tier 2. Documentation is required to demonstrate that the Estimated Total Water Use (ETWU) falls within a Maximum Applied Water Allowance (MAWA) using the appropriate evapotranspiration adjustment factor (ETAF) designated by the prescribed potable water reduction tier. PAMC 16.14.220 (Ord. 5220 § 1 (part), 2013). The project applicant shall indicate the requirements on the Permit Plans. The submittal requirements are outlined on the following site:  
<http://www.cityofpaloalto.org/gov/depts/utl/residents/resrebate/landscape.asp>.
91. **The project is outside the boundaries of the recycled water project area and is greater than 1,000 square feet** and therefore must install recycled water infrastructure for irrigation systems. PAMC 16.14.230 (Ord. 5220 § 1 (part), 2013). The project applicant shall indicate the requirements on the Permit Plans.
92. **The project is either new construction or a rehabilitated landscape and is greater than 1,000 square feet and therefore must install** a dedicated irrigation meter related to the recycled water infrastructure. PAMC 16.14.230 (Ord. 5220 § 1 (part), 2013). The project applicant shall indicate the requirements on the Permit Plans.
93. **The project includes a new or altered irrigation system** and therefore must be designed and installed to prevent water waste due to overspray, low head drainage, or other conditions where water flows onto adjacent property, non-irrigated areas, walks, roadways, parking lots, or structures. PA 16.14.300 (Ord. 5220 § 1 (part), 2013).
94. **The project includes a new or altered irrigation system** and therefore the irrigation must be scheduled between 8:00 p.m. and 10:00 a.m. unless weather conditions prevent it. Operation of the irrigation system outside the normal watering window is allowed for auditing and system maintenance. Total annual applied water shall be less than or equal to maximum applied water allowance (MAWA) as calculated per the potable water use reduction tier. PAMC 16.14.310 (Ord. 5220 § 1 (part), 2013). ). The project applicant shall indicate the requirements on the Permit Plans.
95. **The project is a nonresidential new construction project and has a value exceeding \$25,000** and therefore must meet Enhanced Construction Waste Reduction Tier 2. PAMC 16.14.240 (Ord. 5220 § 1 (part), 2013). The project shall use the Green Halo System to document the requirements.
96. **The project includes non-residential demolition** and therefore must meet the Enhanced Construction Waste Reduction - Tier 2. PAMC 16.14.270 (Ord. 5220 § 1 (part), 2013). The project shall use the Green Halo System to document the requirements.
97. **The project is a new non-residential structure** and therefore must comply with the City of Palo Alto Electric Vehicle Charging Ordinance 5263. The project shall provide Conduit Only, EVSE-Ready Outlet, or EVSE Installed for at least 25% of parking spaces, among which at least 5% (and no fewer than one) shall be EVSE Installed. The requirements shall be applied

separately to accessible parking spaces. See Ordinance 5263 for EVSE definitions, minimum circuit capacity, and design detail requirements. PAMC 16.14.380 (Ord. 5263 § 1 (part), 2013) See <https://www.cityofpaloalto.org/civicax/filebank/documents/43818> for additional details.

The following are required at Post-Construction after 12 months of occupancy.

98. **The project is a nonresidential projects exceeding \$100,000 valuation** and therefore must acquire an Energy STAR Portfolio Manager Rating and submit the rating to the City of Palo Alto once the project has been occupied after 12 months. PAMC 16.14.250 (Ord. 5220 § 1 (part), 2013). Submittal info can be found at: [https://www.cityofpaloalto.org/gov/depts/utl/business/benchmarking\\_your\\_building.asp](https://www.cityofpaloalto.org/gov/depts/utl/business/benchmarking_your_building.asp).

SECTION 8. Term of Approval.

1. Site and Design Approval. In the event actual construction of the project is not commenced within two years of the date of council approval, the approval shall expire and be of no further force or effect, pursuant to Palo Alto Municipal Code Section 18.82.080.

2. Design Enhancement Exceptions. The time limits for any Design Enhancement Exceptions shall be the same as the time limits for the accompanying design review approval.

PASSED:  
AYES:  
NOES:  
ABSENT:  
ABSTENTIONS:

ATTEST:

APPROVED:

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

\_\_\_\_\_  
Director of Planning and Community Environment

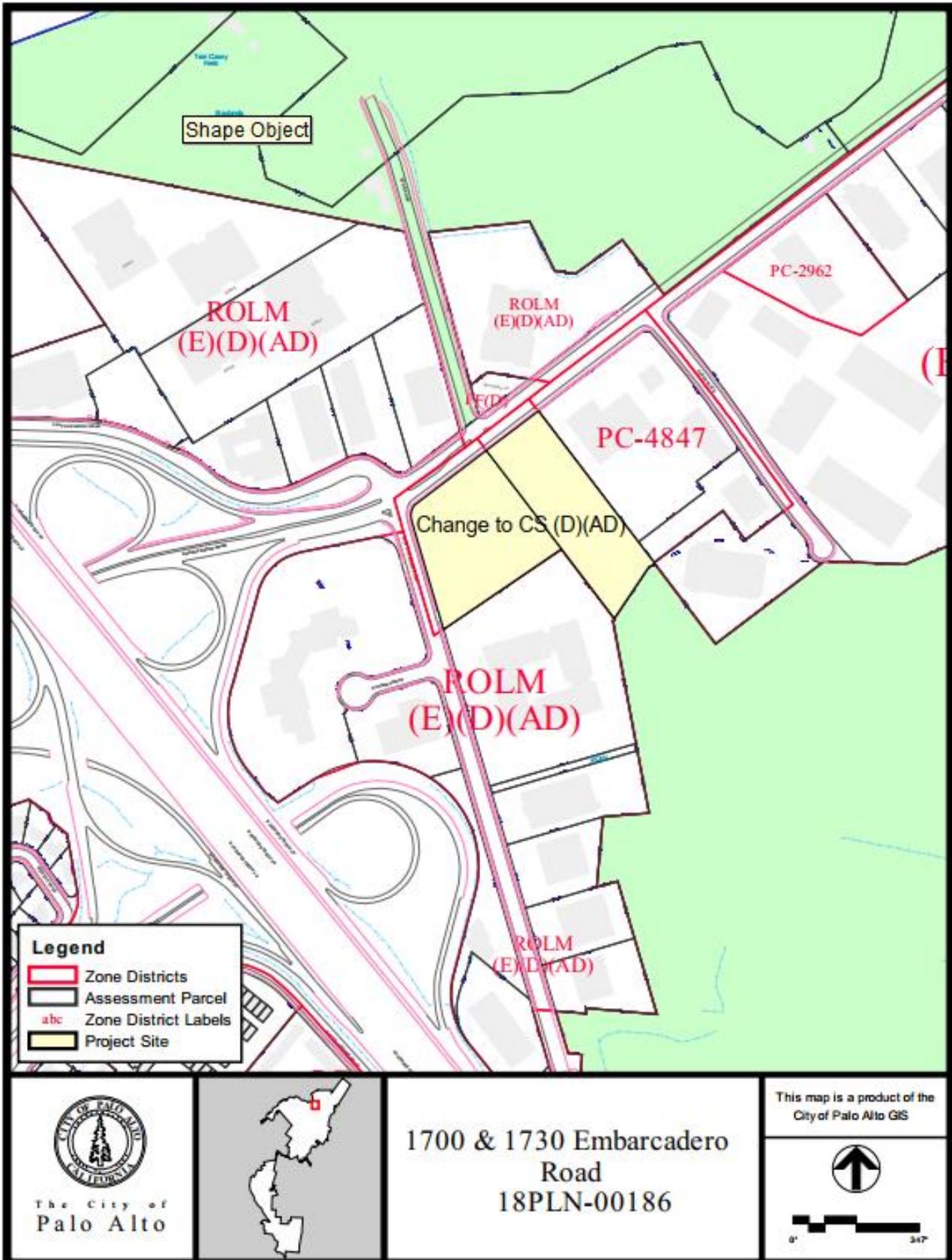
APPROVED AS TO FORM:

\_\_\_\_\_  
Senior Asst. City Attorney

PLANS AND DRAWINGS REFERENCED:

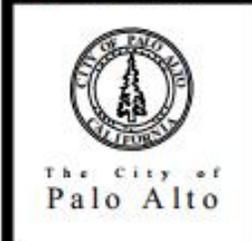
1. Those plans prepared by YSM Design titled "Mercedes Benz/Audi of Palo Alto", consisting of 87 pages, dated November, 2018, (revised March 28, 2019), and received March 28, 2019.

EXHIBIT A: ZONING AMENDMENT



**Legend**

- Zone Districts
- Assessment Parcel
- abc Zone District Labels
- Project Site



1700 & 1730 Embarcadero  
Road  
18PLN-00186

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

A north arrow pointing upwards and a scale bar showing 0' and 347'.

shpimg\_2019-08-08 14:32:28  
(file:///c:/temp/assess/Parcel/Parcel/assessing.gdb)

This document is a graphic representation only of geospatial sources.  
The City of Palo Alto assumes no responsibility for any errors. ©2019 to 2020 City of Palo Alto

### Exhibit 1 Mitigation Monitoring and Reporting Program

The mitigation monitoring table lists those mitigation measures that would be included as conditions of approval for the project. To ensure that the mitigation measures are properly implemented, a monitoring program has been devised which identifies the timing and responsibility for monitoring each measure.

Environmental Impact	Mitigation Measure	Responsible for Implementation	Timing of Compliance	Oversight of Implementation
<b>BIOLOGICAL RESOURCES</b>				
<b>BIO-1: Light Spillover Minimization</b>	On the project boundaries adjacent to the Baylands Nature Preserve, project light sources shall be shielded, directed downward, and focused on the project site, such that light spillover onto the Baylands does not exceed 1.0 foot candle.	Applicant	Prior to building permit	CPA Planning Department
<b>BIO-2: Nesting Bird Surveys and Avoidance</b>	Construction of the project, shall be prohibited during the general avian nesting season (February 1 – August 31), if feasible. If nesting season avoidance is not feasible, the applicant shall retain a qualified biologist, as approved by the City of Palo Alto, to conduct a preconstruction nesting bird survey of adjacent street trees to determine the presence/absence, location, and activity status of any active nests. The extent of the survey buffer area surrounding the site shall be established by the qualified biologist to ensure that direct and indirect effects to nesting birds are avoided. To avoid the destruction of active nests and to protect the reproductive success of birds protected by the MBTA and CFGC, nesting bird surveys shall be performed not more than 14 days prior to scheduled vegetation clearance and structure demolition. In the event that active nests are discovered, a suitable buffer (typically a minimum buffer of 50 feet for passerines and a minimum buffer of 250 feet for raptors) shall be established around such active nests and no construction shall be allowed within the buffer areas until a qualified biologist has determined that the nest is no longer active (i.e., the nestlings have fledged and are no longer reliant on the nest). No ground disturbing activities shall occur within this buffer until the qualified biologist has confirmed that breeding/nesting is completed and the young have fledged the nest. Nesting bird surveys are not required for construction activities occurring between August 31 and February 1.	Applicant or designee/Construction contractor	Prior to and during construction	CPA Planning Department

**CULTURAL RESOURCES**

<b>CR-1: Resource</b>	In the event that archaeological or	Applicant or	During	CPA Planning
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Environmental Impact	Mitigation Measure	Responsible for Implementation	Timing of Compliance	Oversight of Implementation
<b>Recovery Procedures.</b>	paleontological resources are unearthed during project construction, all earth-disturbing work in the vicinity of the find shall be temporarily suspended or redirected until an archaeologist or paleontologist has evaluated the nature and significance of the find. If the discovery proves to be significant under CEQA, additional work such as preservation in place, archaeological data recovery, and/or paleontological salvage shall occur as required by the archeologist or paleontologist in coordination with City staff and descendants and/or stakeholder groups, as warranted. After the find has been appropriately treated, depending on the nature of the discovery, work in the area may resume. A Native American representative shall be retained to monitor mitigation work associated with Native American cultural material.	designee/Construction contractor	construction	Department
<b>CR-2: Human Remains Recovery Procedures</b>	If human remains are unearthed, State Health and Safety Code Section 7050.5 requires that no further disturbance shall occur until the County Coroner has made the necessary findings as to the origin and disposition pursuant to the Public Resources Code Section 5097.98. If the remains are determined to be of Native American descent, the coroner has 24 hours to notify the Native American Heritage Commission.	Applicant or designee/Construction contractor	During construction	CPA Planning Department
<b>TCR-1: Unanticipated Discovery of Tribal Cultural Resources</b>	In the event that cultural resources of Native American origin are identified during construction, all earth disturbing work within the vicinity of the find must be temporarily suspended or redirected until an archaeologist has evaluated the nature and significance of the find and an appropriate Native American representative, based on the nature of the find, is consulted. If the City determines that the resource is a tribal cultural resource and thus significant under CEQA, a mitigation plan shall be prepared and implemented in accordance with state guidelines and in consultation with Native American groups. The plan would include avoidance of the resource or, if avoidance of the resource is infeasible, the plan would outline the appropriate treatment of the resource in coordination with the archeologist and the appropriate Native American tribal representative.	Applicant or designee/Construction contractor	During construction	CPA Planning Department
<b>GEOLOGY AND SOILS</b>				
<b>GEO-1: Geotechnical Design</b>	The recommendations included in the 2015	Applicant or designee	Prior to building	CPA Planning

Environmental Impact	Mitigation Measure	Responsible for Implementation	Timing of Compliance	Oversight of Implementation
<b>Considerations</b>	<p>Geotechnical Investigation conducted by Romig Engineers, Inc. (Appendix C) related to soil engineering shall be incorporated into the proposed project grading and building plans. The recommendations are related to:</p> <ul style="list-style-type: none"> <li>◆ Foundation design;</li> <li>◆ Surface improvements;</li> <li>◆ Slabs-on-grade;</li> <li>◆ Retaining walls;</li> <li>◆ Vehicle pavements; and,</li> <li>◆ Earthwork.</li> </ul>		permit	Department
<b>NOISE</b>				
<b>N-1: Car Wash Noise Reduction</b>	<p>Prior to operation of the car wash, the project applicant shall implement the following noise reduction measures to ensure car wash noise does not exceed 73 dBA at the nearest property line in order to comply with PAMC Section 9.10.040:</p> <ul style="list-style-type: none"> <li>◆ Housings or silencers shall be installed on the dryers/blower fans.</li> <li>◆ Noise attenuation mats shall be installed on the interior of the car wash tunnel</li> <li>◆ Dryers/blowers shall be installed as far into the tunnel as feasible.</li> </ul>	Applicant or designee	Prior to building permit	CPA Planning Department
<b>TRANSPORTATION/TRAFFIC</b>				
<b>TRA-1: East Bayshore Road/Embarcadero Road Intersection Improvements</b>	<p>The applicant shall construct the following improvements prior to Certificate of Occupancy for the project: Reconfigure the northbound approach from one left-turn and one through/right-turn lane to one left-turn and one all movement lane. Improvements would include a new crosswalk on the north leg, a right-turn overlap phase (right turn arrow) for the southbound East Bayshore to westbound Embarcadero right turn, and a right-turn overlap phase for the eastbound Embarcadero to southbound East Bayshore right turn. Improvements shall occur prior to occupancy clearance.</p>	Applicant or designee	Prior to occupancy clearance	CPA Planning Department
<b>TRA-2: Payment of Transportation Impact Fee</b>	<p>The applicant shall pay the Citywide Transportation Impact Fee (as updated in 2019) which will fund improvements to the East Bayshore Road/Embarcadero Road intersection to address cumulative plus project conditions impacts. The payment shall be calculated by City of Palo Alto</p>	Applicant or designee	Prior to occupancy clearance	CPA Planning Department

Environmental Impact	Mitigation Measure	Responsible for Implementation	Timing of Compliance	Oversight of Implementation
	<p>transportation division staff and paid prior to occupancy clearance. Payment of the Transportation Impact Fee would represent the project's fair share contribution to intersection improvements. Intersection improvements would be either widening the intersection and maintaining signal control or building a roundabout, to be determined by the City at the time of implementation, and shall be designed to ensure the intersection operates at acceptable Level of Service levels under cumulative conditions.</p>			

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**ATTACHMENT D**  
**ZONING COMPARISON TABLE**  
 1700 & 1730 Embarcadero Road, 18PLN-00186

<b>Table 1: COMPARISON WITH CHAPTER 18.16 (CS DISTRICT with AD Combining District)</b> Exclusively Non-residential Development Standards			
<b>Regulation</b>	<b>Required</b>	<b>Existing</b>	<b>Proposed</b>
Minimum Site Area, width and depth	None	2.28 acres (MB) 2.54 acres (Audi)	2.28 acres (MB) 2.54 acres (Audi)
Minimum Front Yard	0-10 feet to create an 8-12 foot effective sidewalk width (1), (2), (8)	37 feet (MB) 18'-10" feet (Audi)	55'-5" (MB) 45'-7" (MB) to the canopy 18'-10" (Audi)
Rear Yard	None	154 feet (MB) 200 feet (Audi)	33'-9" (MB) 92'-8" (Audi)
Interior Side Yard	None	52 feet (MB) 48 feet/ 8 feet (Audi)	0 feet (MB) 31'-5" (Audi) Left 48'-6" (Audi) Right 5'-0" to carwash
Street Side Yard	None	87 feet (MB) Not Applicable (Audi)	83'-11" (MB)
Min. yard for lot lines abutting or opposite residential districts or residential PC districts	10 feet <sup>(2)</sup>	Not Applicable	Not Applicable
Build-to-lines	50% of frontage built to setback Embarcadero Road 33% of side street built to setback on East Bayshore Road <sup>(7)</sup>	Unknown	No Build-to proposed Proposing DEE 83'-11" (MB) (Embarcadero) 47'-7" (MB) (Bayshore)
Max. Site Coverage	50%	20% (43,408 sf)	49% (58,487 SF) MB 46% (45,551 SF) Audi
Max. Building Height	50 ft or 35 ft within 150 ft. of a residential district (other than an RM-40 or PC zone) abutting or located within 50 feet of the site	30 feet (MB) 22 feet (Audi Service) 27'-6" (Audi Showroom)	36-43 feet to top of roof deck. 50 feet to top of elevator shaft
Max. Floor Area Ratio (FAR)	0.4:1 18.18.060(e) 0.2:1 Additional FAR for Automobile Dealership Showrooms on the first floor.	0.2:1 (43,408 sf)	0.4:1 Dealership 0.09:1 Showroom (MB) 0.4:1 Dealership 0.09:1 Showroom (Audi)

(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.

(6) The initial height and slope shall be identical to those of the most restrictive residential zone abutting the site line in question.

- (7) 25 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

**Table 1: COMPARISON WITH CHAPTER 18.16 (CS DISTRICT) continued**  
 Exclusively Non-residential Development Standards

Topic	Requirement	Proposed
Hours of Operation (18.16.040 (b))	Shall be required to obtain a conditional use permit. The director may apply conditions of approval as are deemed necessary to assure compatibility with the nearby residentially zoned property	The proposed dealerships will operate between the hours of 6:00 am and 10:00 pm.
Outdoor Sales and Storage (18.16.040 (h))	Not Applicable because the site is proposed to be subject to the AD combining district	Not Applicable
Recycling Storage (18.16.040 (i))	Provide adequate and accessible recyclable collection.	Recycling will be provided in the rear of the building

**18.16.080 Performance Standards.** All development in the CS district shall comply with the performance criteria outlined in [Chapter 18.23](#) of the Zoning Ordinance, including all mixed use development

**18.16.090 Context-Based Design Criteria.** As further described in a separate attachment, development in a commercial district shall be responsible to its context and compatible with adjacent development, and shall promote the establishment of pedestrian oriented design.

**Table 2: CONFORMANCE WITH CHAPTER 18.52 (Off-Street Parking and Loading)**  
 for Automobile Dealerships

Type	Required	Proposed at Audi (1730 Embarcadero)	Proposed at Mercedes (1700 Embarcadero)
Vehicle Parking	Automobile Dealership: 1 space per 400 SF  Automotive Display: 1 space per 500 SF  Audi Dealership: 123.4 Display: 2.21  MB Dealership: 136.5 Display: 4.45  $103,984/400 = 260$ $3,330/500 = 6.66$ Total: 266.66	Surface: 19 2 <sup>nd</sup> Floor: 56 <u>Roof Deck: 128</u> 203 spaces	Surface: 13 2nd Floor: 54 <u>Roof Deck: 92</u> 159 spaces
Bicycle Parking	1/10 employees (Short-term) = $114/10 = 12$	7 spaces	8 spaces
Loading Space	30,000 – 69,000 sf = 2 spaces Audi: 2 spaces MB: 2 spaces	2 spaces	2 spaces

**Table 2: CONFORMANCE WITH CHAPTER 18.52 (Off-Street Parking and Loading)  
for Automobile Dealerships**

Type	Required	Proposed at Audi (1730 Embarcadero)	Proposed at Mercedes (1700 Embarcadero)
	Total: 4 spaces		



305 N Coast Highway, Suite L  
Laguna Beach, CA 92651  
t. 949-715-4275

## Mercedes-Benz and Audi of Palo Alto

### City comments:

With response

1. I noticed based on the project's photometric plan that light spills over onto the roadway. I think that is a problem. I do have a condition of approval to address that issue. In addition, as a carryover from the Audi conditions of approval we will be adding a condition that the lighting levels of the project site are reduced to security levels between 10PM and dawn.

Roadway and sidewalk light spillage is not typically a problem since this adds to the light on the roadway. If this is an issue for the city, we can add shielding to the front row display lights to better focus our light. Typically, we transition from display lighting levels to safety levels when the business closes. It may be earlier than the 10PM you note.

2. Are the windows on the building designed to be bird-friendly and reduce bird strikes?

We are using bird glass as noted on the drawings and in the sample materials. I have several samples if you would like more for the reviewers to hold and handle.

3. The Board had a number of comments and I wanted to get your formal response to those. I think at some point these were in the plan set, but I want to consolidate them.

Rear screening on the building-Landscape screening appears to be rather full. Added some planters to rear elevation at the parking deck level to help with water filtration and break up the rear elevation. Please review the landscape drawings for the revisions to the rear screening issues.

Front bands are too thin-opinion of a reviewer. Mercedes standard is thin bands.

Building separation-Added more undulation to accent two independent masses. We also revised the colors to keep the separation of the buildings more visible.

Use muted colors-Changed colors to be more muted earth tone where possible. Much of the black was removed. There is still black on the building but much less than what was originally presented. Black is required by Mercedes as brand ID. We have pushed the envelope with the mfg. regarding this.

Use more native plants-Landscape included in plans. Please review the landscape plans for the revised species and quantities. We absolutely took the board's comments into account when we did the revisions.

Use bird-friendly glass-this has always been in the set of drawings and in the sample board. This will be a glass with screened image not a film.

Match existing Audi landscaping-see landscape plans. The front of Audi was utilized in the selection of new species and is different from the previous submittal.

Interact with the Baylands- See added bike and foot paths per city suggested dual access. We have devoted additional SF on both Bayshore and Embarcadero to pedestrian and bicycle circulation.

Address rooftop lighting & lights after dark- Roof top lighting was changed to low sconces on the parapet walls and the poles have been removed per the submitted plans. Property line lighting is shielded to

control light spilling over property lines. Light levels can and will be controlled and times to conserve energy and minimize impact on adjacent wild life per the city conditions of approval.

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Change orientation of building to Bayshore-This option had been explored early in the design process and it was determined that the building address is on Embarcadero as well as the adjacent dealership. The front of the facility would want to be on Embarcadero. Additionally, we reviewed the option again and with the significant easements and restrictions the front orientation of the building would be severely impacted by the easement restrictions. We have an entry on Bayshore and have enhanced the elevation to give prominence to both Embarcadero and Bayshore. Finally, we can not have a curb cut close to the corner which would be required if we made the entry more significant on Bayshore. Happy to discuss this further if needed.

---

Remove black banding-reduced black to accent elements only. The thin fascia is a MB requirement and if you see the new MB dealership north on the freeway from Palo Alto you will see the exact same thin fascia.

---

Address roll-up delivery doors visible to street-Glass panel doors at delivery have been utilized and will blend more with the showroom glass (adjacent).

---

Rising sea level issue (this one may be on the City)-This is not an issue we have any control over. We have raised the FF as required by FEMA and will now match the Audi FF elevation. The proposed FF elevation is going to be 4.5' above the existing restaurant FF. This has been addressed at a Federal level requirement.

---

4. What level of green building is the project achieving?

We are supposed to be designing to a Tier Two Cal green compliant building. We do have some issues since the city infrastructure is apparently dedicated to a sole user? Something about Google and the city's reclaimed water main. Not sure but I think you will be able to guide me thru it.

5. I think the images on the presentation set are washed out. Is there a way to make them sharper?

Need to discuss that further. The drawings from the electronic files seem rather crisp. We may need to change to different print media if the printed images are washing out. We will be printing the images on high quality paper to prevent as much "wash out" as possible.

It would be helpful to have these answered as soon as possible. Thanks.

**Sheldon Ah Sing**

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**From:** Jin Pi <jinpi@yahoo.com>  
**Sent:** Tuesday, February 19, 2019 11:46 AM  
**To:** Sheldon Ah Sing  
**Subject:** Comments on 18PLN-00186 / 1700 Embarcadero Road

Hi Sheldon,

This is Jin Pi. I represent the owner of 2479 E Bayshore Rd. We went to public hearing on 2/13 and were told it was cancelled. Do you know when public hearing will happen?

The proposed new Mercedes/Audi building is adjacent to our property. After reviewing the plans and drawings briefly, we have the following concerns which we hope you can help us address.

-Will there be any potential soil pollution with the larger business operation?

-We noticed there is a car wash facility right next to the border with our property. We are concerned of potential noise and waste water pollution that comes from the car wash. Any way to mitigate these concerns?

-The building can be as high as ~60 feet (48.5 ft+ 11.5 FFE), which is significantly taller than our building. We are concerned of privacy and blocking of our sunlight.

-What plans do you have for the fence? Will you put up hedge or have other plans to improve the fence?

-What is the floor area ratio? Is it compliant?

-Could you please provide a cross section diagram in your property line vs our property line? This would allow us to see what this development will look like when viewing from our property. Among other things, we are curious about the elevation of your driveway vs our driveway.

Thank you and look forward to hearing from you.

Best Regards,

Jin Pi



# Architectural Review Board

## Staff Report (ID # 9475)

**Report Type:** Action Items **Meeting Date:** 9/20/2018

**Summary Title:** 1700 & 1730 Embarcadero: New Mercedes/Audi Dealership

**Title:** PUBLIC HEARING / QUASI-JUDICIAL. 1700 & 1730 Embarcadero Road [18PLN-00186]: Consideration of a Major Architectural Review, Site and Design Review & Design Enhancement Exception to Allow the Demolition of an Existing 18,000 Square Foot Vacant Restaurant Building and a 15,700 Square Foot Audi Service Building and Construction of a new Two-Story 84,900 Square Foot Automobile Dealership That Combines two Brands. Environmental Assessment: An Initial Study is Being Prepared in Accordance With the California Environmental Quality Act (CEQA). Zoning Districts: CS(D) & PC-2554. For More Information Contact the Project Planner Sheldon S. Ah Sing at sahsing@m-group.us

**From:** Jonathan Lait

### Recommendation

It is recommended that the Architectural Review Board (ARB) take the following action(s):

1. Consider the information presented and provide comment and continue item to a date uncertain.

### Report Summary

The applicant, Lyle Hutson on behalf of Holman Automotive Group, Inc. proposes to demolish the former Ming's Restaurant building and the service building of the Audi Dealership to construct a two-story automobile dealership with roof deck parking and a detached car wash facility. The project includes development on what are currently two separate parcels adjacent to the Baylands (1700 Embarcadero, which includes the Ming's building and 1730 Embarcadero, which includes the Audi dealership). The applicant proposes to maintain two separate parcels and two separate buildings that meet Fire and Building Codes. The 1700 Embarcadero parcel is zoned CS(D), while the 1730 Embarcadero parcel is zoned PC-4846. To provide consistency,

both parcels are proposed to be rezoned to Service Commercial with Site and Design Review and Automobile Dealership combining districts [CS(D)(AD)]. The D combining district requires heightened review due to the proximity to the Baylands, a sensitive environment. The AD combining district allows for special development standards because of the unique operations of automobile dealerships. The applicant also requests a Design Enhancement Exception (DEE) to deviate from the “build-to-line” requirement along Embarcadero Road and East Bayshore Road.

The purpose of this report is to receive early feedback from the Board on the site layout and architecture.

## Background

### Project Information

Owner: Holman Embarcadero, LLC (1700 Embarcadero) & Pare, LLC (1730 Embarcadero)

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Architect: Lyle Hutson YSM Design

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### Property Information

Address: 1700 & 1730 Embarcadero Road

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Neighborhood: Baylands

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Lot Dimensions & Area: 1700 Embarcadero: 180 feet along Embarcadero Road and ~550 feet deep (2.28 acres)  
 1730 Embarcadero: ~251 feet along Embarcadero Road and ~312 feet along East Bayshore Road (2.54 acres)

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Housing Inventory Site: No

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Located w/in a Plume: No

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Protected/Heritage Trees: Yes, street trees

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Historic Resource(s): No, built circa 1968

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Existing Improvement(s): 1700 Embarcadero: 17,942 square feet and one story built in 1968  
 1730 Embarcadero: 15,049 square feet service building and 7,380 square foot showroom (one story) originally constructed in 1970 with recent improvements from 2017.

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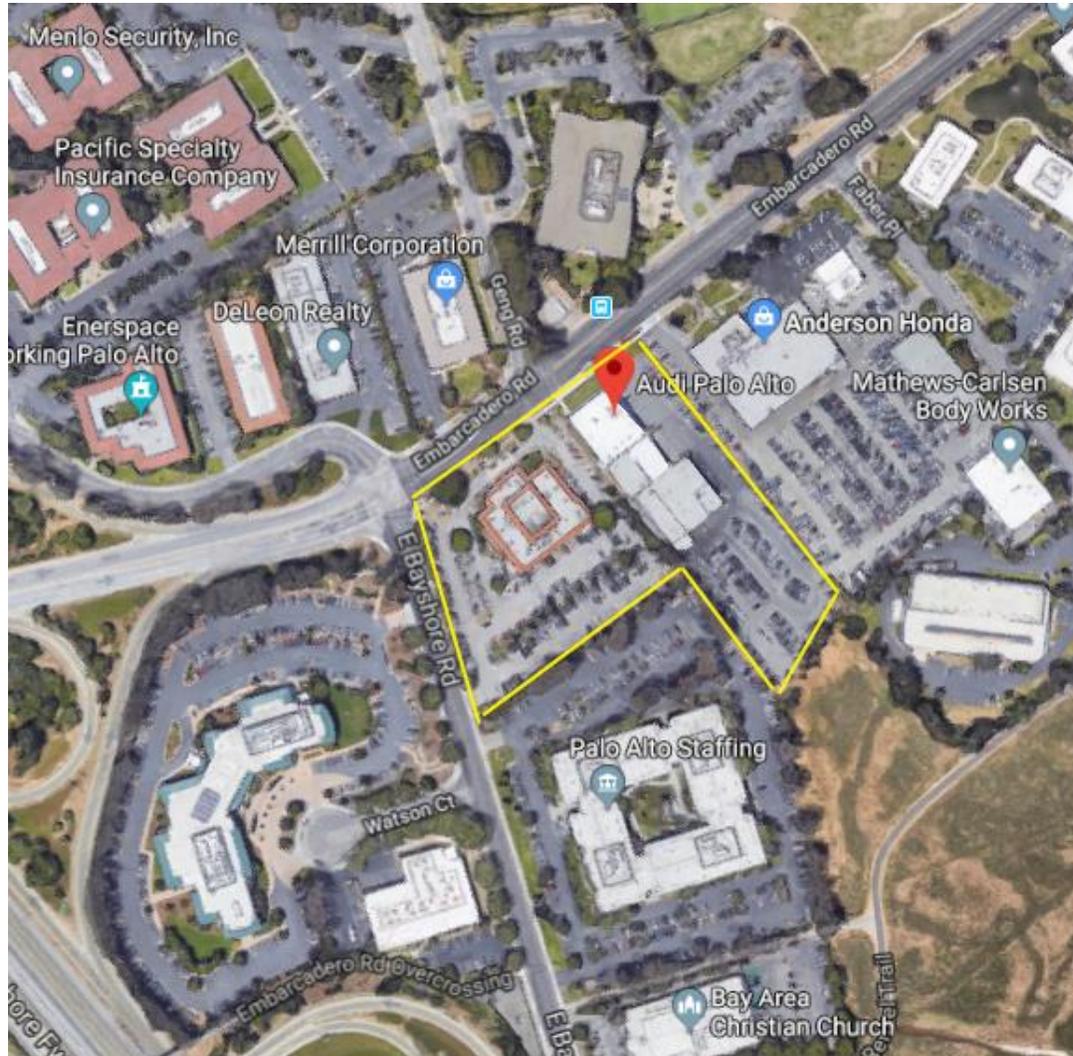
Existing Land Use(s): Vacant Restaurant and existing Audi Dealership

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Adjacent Land Uses & Zoning: North: ROLM (Offices)  
 West: ROLM (Medical Offices)  
 East: PC-4847 (Car Dealership)  
 South: ROLM (Offices)

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Aerial View of Property:



Source: Google 2018

#### Land Use Designation & Applicable Plans

Zoning Designation: 1700 Embarcadero: CS(D), 1730 Embarcadero: PC-4846

Comp. Plan Designation: Service Commercial

Context-Based

Design Criteria: Yes

Downtown Urban

Design Guide: Not Applicable

South of Forest Avenue

Coordinated Area Plan: Not Applicable

Baylands Master Plan: Yes

El Camino Real Design

Guidelines (1976 / 2002): Not Applicable

Proximity to Residential

Uses or Districts (150'): Not Applicable

Located w/in the Airport  
Influence Area: Yes

### Prior City Reviews & Action

While this is a new formal application for a combined Audi/Mercedes dealership, a portion of this site was recently proposed as a Mercedes dealership as shown in the staff reports below:

City Council:	June 6, 2016: <a href="http://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?BlobID=52594">http://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?BlobID=52594</a> Refer back to ARB
PTC:	April 27, 2016: <a href="http://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?BlobID=52072">http://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?BlobID=52072</a> Recommend approval to City Council
HRB:	None
ARB:	May 7, 2015 Study Session Minutes: <a href="https://www.cityofpaloalto.org/civicax/filebank/documents/58580">https://www.cityofpaloalto.org/civicax/filebank/documents/58580</a> August 27, 2015 Prelim for Mercedes: <a href="https://www.cityofpaloalto.org/civicax/filebank/documents/48697">https://www.cityofpaloalto.org/civicax/filebank/documents/48697</a> November 19, 2015 1 <sup>st</sup> formal for Mercedes: <a href="https://www.cityofpaloalto.org/civicax/filebank/documents/49848">https://www.cityofpaloalto.org/civicax/filebank/documents/49848</a> February 18, 2016 2 <sup>nd</sup> formal for Mercedes: <a href="https://www.cityofpaloalto.org/civicax/filebank/documents/51101">https://www.cityofpaloalto.org/civicax/filebank/documents/51101</a> May 5, 2016 3 <sup>rd</sup> formal for Mercedes: <a href="https://www.cityofpaloalto.org/civicax/filebank/documents/52196">https://www.cityofpaloalto.org/civicax/filebank/documents/52196</a> May 19, 2016 4 <sup>th</sup> formal for Mercedes: <a href="https://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?BlobID=52377">https://www.cityofpaloalto.org/civicax/filebank/blobdload.aspx?BlobID=52377</a>

## **Project Description**

### *Site Description*

The project site (site) consists of two parcels totaling 4.82 acres. The site is located on the southeast corner of Embarcadero Road and East Bayshore Road (see location map, Attachment A). The site has a Comprehensive Plan land use designation of Service Commercial and includes two different zoning districts corresponding with the separate parcels. The current Audi dealership parcel is Planned Community zoning, while the former Ming's parcel is zoned Commercial Service (CS) with Site and Design Review (D) combining district. The applicant will maintain the two separate parcels, however, with easements, the project will function as a single site with two separate brands. The project would include the rezoning for both parcels to CS with (D) and Automobile Dealership (AD) combining districts. The site is also located within the City's Baylands Master Plan (Privately Owned Lands) and the City's Comprehensive Plan identifies the site within the "East Bayshore Employment Center".

A portion of the site is developed with a single-story commercial building with 17,942 square feet (sf) of floor area built in 1968, formerly the Ming's Restaurant and a large surface parking

lot. The existing architecture of the building is characteristic of mid-century modern architecture with some roof elements reminiscent of an Asian style, the cuisine of the former restaurant. The other portion of the site includes the currently functioning Audi Dealership with 15,049 sf service building and 22,929 sf showroom (completed in 2017). The new showroom is indicative of the current Audi branding, while the service/repair building is a non-descript architectural style.

The site includes an approximate 80-foot-wide easement along East Bayshore Road to accommodate overhead high voltage electric transmission lines parallel to East Bayshore Road, and a sub-surface storm drain line. Surface improvements such as landscaping, driveways and parking, are allowed within the easement. The Audi portion of the site directly abuts the Baylands preservation property (former ITT lands) where the site is visible from the Baylands Renzel trail.

### *Proposal*

The applicant proposes to maintain the separate parcels and demolish the existing structures except for the new Audi Showroom and recent site improvements adjacent to the showroom. Subsequently, the proposal includes the construction of a new two-story automobile dealership facility that would include two brands. The automobile dealerships would include separate sales, administrative offices, vehicle storage, and service/repair areas integrated into the buildings. On-site improvements include a car wash facility, customer parking, vehicle merchandise display, solid waste/recycling facilities and landscaping. The brands would share access to the site, the roof deck for vehicle parking, the onsite car wash facility and portions of the service/repair drive aisle. The Mercedes Benz dealership would include an internal automated parking system capable of storing 300 vehicles.

### *Architecture*

While the dealership building is connected, the uniqueness of each brand is expressed through the architecture of their showroom portions of the building. The Audi showroom will remain unchanged. The service portions of the building share complementary architectural themes. While the new Mercedes Benz building will include metal, stucco and clear fenestrations, which is consistent with the materials used on the Audi showroom. There is a cantilevered element extending from the showroom providing a transition in mass of building to Embarcadero Road. The proposed colors are muted, with the proposed portions of the building at the rear facing the Baylands being simple in design and not ornamental in appearance.

### Requested Entitlements, Findings and Purview:

The following discretionary applications are being requested:

- Architectural Review – Major (AR): The process for evaluating this type of application is set forth in PAMC 18.77.070. AR applications are reviewed by the ARB and recommendations are forwarded to the Planning & Community Environment Director for action within five business days of the Board's recommendation. Action by the Director is appealable to the City Council if filed within 14 days of the decision. However, since this project includes other actions that require approval by the City

Council, the Board will make their recommendation to the City Council. AR projects are evaluated against specific findings. All findings must be made in the affirmative to approve the project. Failure to make any one finding requires project redesign or denial. The findings for an AR application are provided in Attachment B.

- Design Enhancement Exception (DEE): This is to deviate from the “build-to-line” (percentage of building along the front and street side setbacks) requirement within the CS district. The process for evaluating this type of application is set forth in PAMC 18.76.050. DEE applications are reviewed by the ARB and recommendations are typically forwarded to the Planning & Community Environment Director for action within five business days of the Board’s recommendation. Action by the Director is appealable to the City Council if filed within 14 days of the decision. As with the AR, the Board will make its recommendation on the DEE to the City Council. DEE projects are evaluated against specific findings. All findings must be made in the affirmative to approve the project. Failure to make any one finding requires project redesign or denial. The findings for a DEE application are provided in Attachment B.
- Site and Design Review: The process for evaluating this type of application is set forth in PAMC 18.30(G).060. These applications are reviewed by the Planning & Transportation Commission (PTC) and recommendations are forwarded to the City Council. Site and Design Review projects are evaluated against specific findings. All findings must be made in the affirmative to approve the project. The findings for the Site and Review application are provided in Attachment B.
- Amendment to Zoning Map: This is a request to rezone the site to Service Commercial with Site and Design Review and Automobile Dealership combining districts [CS(D)(AD)]. The process for evaluating this type of application is set forth in PAMC 18.80. Rezone applications are reviewed by the PTC and recommendations are forwarded to the City Council.

## Analysis<sup>1</sup>

### Neighborhood Setting and Character

The project is located within the Baylands Master Plan Area, however, in an area designated as “Privately Owned Lands”. This is an urbanized built-out area that includes office buildings and automobile dealerships. A portion of the site directly abuts the Baylands preservation area and is visible from the adjacent Renzel trail.

Properties to the north of the site (across Embarcadero Road)—include (Merrill Corporation) offices. To the south (professional offices), and west (across East Bayshore Road—medical

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<sup>1</sup> The information provided in this section is based on analysis prepared by the report author prior to the public hearing. The Architectural Review Board in its review of the administrative record and based on public testimony may reach a different conclusion from that presented in this report and may choose to make alternative findings. A change to the findings may result in a final action that is different from the staff recommended action in this report.

offices), the sites are zoned Research, Office and Limited Manufacturing (ROLM) District. The property to the east is zoned PC-4847 containing a Honda Dealership.

The vicinity around the project site includes two different zoning districts. Each of the zoning districts have different development standards, however, the allowable FAR is 0.4:1 for ROLM and 0.6:1 for the automobile dealerships. The area with the ROLM district is characterized by two story buildings surrounded by parking lots with large street-facing setbacks. Pacific Gas & Electric's easement along East Bayshore includes tall towers carrying high voltage transmission electric lines. One tower is located on the property at the Embarcadero Road and East Bayshore Road intersection.

Because of the easement along East Bayshore Road, the proposed building has a large setback and is therefore requesting to deviate from the "build-to" setback along Embarcadero Road. These setbacks are consistent with the surrounding development, except for the Audi showroom, which is closer to the street, but inconsistent with the CS zoning front setback development standard.

Except for the project's stairwell and elevator towers, the project's height and massing would be consistent with the neighboring buildings' height and massing because of the larger setbacks prominent in the vicinity, the large street trees, and the wide right-of-way. The project is consistent with the FAR maximums for the site and would not be the largest building in the vicinity.

#### Zoning Compliance<sup>2</sup>

A detailed review of the proposed project's consistency with applicable zoning standards has been performed. A summary table is provided in Attachment C. 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. One area to note is that currently the project's Audi site exceeds the maximum FAR by approximately 1,000 square feet and it is the intent of staff to work with the applicant to ensure compliance and not deviate from the standard. It is expected that the subsequent submittal will resolve this issue.

#### *Zoning Designation*

The site is proposed to have a zoning designation of CS(D)(AD) Service Commercial zone with Site and Design Review and Automobile Dealership Combining Districts. The CS Service Commercial district is intended to create and maintain areas accommodating citywide and regional services that may be inappropriate in neighborhood or pedestrian-oriented shopping areas, and which generally require automotive access for customer convenience, servicing of vehicles or equipment, loading or unloading, or parking of commercial service vehicles.

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<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 Site and Design Review (D) combining district described in PAMC 18.30(G) is intended to provide a process for review and approval of development in environmentally and ecologically sensitive areas, including established community areas which may be sensitive to negative aesthetic factors, excessive noise, increased traffic or other disruptions, in order to assure that use and development will be harmonious with other uses in the general vicinity, will be compatible with environmental and ecological objectives, and will be in accord with the Palo Alto Comprehensive Plan.

The Automobile Dealership (AD) combining district described in PAMC 18.30(F) is intended to modify the regulations of the service commercial (CS) and general manufacturing (GM or GM[B]) districts to create and maintain areas accommodating automobile dealerships primarily engaged in new and used automobile sales and service on a citywide and regional basis. Such uses generally require special parking, access, and outdoor display provisions for customer convenience, servicing of vehicles or equipment, loading or unloading, or parking of commercial service vehicles. The combining district allows for an additional 0.20 Floor Area Ratio (FAR) for showroom space.

As proposed, the project is consistent with the intent of the zoning district and combining districts.

#### *Design Enhancement Exception (DEE)*

The CS zoning development standards require a 0-10-foot setback along the street and a “build-to” setback of 50% of the front setback and 33% of the street side setback. The build-to setback is typically found along commercial corridors such as El Camino Real. In the context of the project, this site will be the only CS district property surrounded by properties zoned ROLM and a non-residential PC. As mentioned previously, the surroundings include sites with large street setbacks. In addition, the utility easement along East Bayshore would preclude any structure from encroaching into the 80-foot area.

#### Consistency with the Comprehensive Plan, Area Plans and Guidelines<sup>3</sup>

The Comprehensive Plan includes Goals, Policies, and Programs that guide the physical form of the City. The Comprehensive Plan provides the basis for the City’s development regulations and is used by City staff to regulate building and development and make recommendations on projects. Further, ARB Finding #1 requires that the design be consistent and compatible with applicable elements of the Palo Alto Comprehensive Plan.

The Comprehensive Plan land use designation for the project site is Service Commercial. This includes facilities that provide citywide and regional services and relying on customers arriving by car. These uses do not necessarily benefit from being in high volume pedestrian areas such as shopping centers or Downtown. Typical uses include auto services and dealerships, motels, lumberyards, appliance stores and restaurants, including fast service types. In almost all cases,

<sup>3</sup> The Palo Alto Comprehensive Plan is available online:  
<http://www.cityofpaloalto.org/gov/topics/projects/landuse/compplan.asp>

these uses require good automobile and service access so that customers can safely load and unload without impeding traffic. In some locations, residential and mixed-use projects may be appropriate in this land use category. Examples of Service Commercial areas include San Antonio Road, El Camino Real and Embarcadero Road northeast of the Bayshore Freeway. Non-residential FARs will range up to 0.4:1. Consistent with the Comprehensive Plan's encouragement of housing near transit centers, higher density multi-family housing may be allowed in specific locations.

On balance, the project is consistent with the policies in the Comprehensive Plan and therefore fulfills the goals of the Plan as well. A detailed review of the project's consistency with the Comprehensive Plan is provided in Attachment B.

#### Baylands Master Plan - Private Lands Policies

The following are policies that affect the site:

1. Be sure any future development is consistent with the Comprehensive Plan and continues to receive extensive design review utilizing the Site and Design Review Process and the Site Assessment and Design Guidelines Palo Alto Nature Preserve.
2. Provide screen planting along the southerly urbanized edge of the private property facing the former ITT property.

#### *Site Assessment and Design Guidelines*

The Site Assessment and Design Guidelines, Palo Alto Baylands Nature Preserve, developed in 2005, are intended to be used when designing or reviewing projects located in any part of the Baylands—including projects on privately-owned land. Conformance with these Guidelines will help to ensure compatibility with the special aesthetic qualities and environmental conditions unique to the Baylands.

#### *General Design Principals*

The following design principles are suggested to reflect and preserve the Baylands' unique landscape character and have been used to review this application.

- Use only muted, natural colors. Choose materials and finishes that will weather without degrading: The proposed building would be clad in metal panels and cement plaster system with white, metallic and sandy hook grey accents. Glass would be high performance, insulated, low-e glazing that is bird safe.
- Preserve the horizon line with low and horizontal elements: The building would be 36-43'-0" in height for the parapets with the stair and elevator towers being between 48 and 50'. The building's mass is articulated and appears to have a horizontal orientation with the exception of the elevator and stairwell shafts which are vertical.
- Mount fences, enclosures, and identity signs low to the ground: The project includes some general details on signs, however, no application for a sign permit has been submitted. When a sign application is submitted, staff will ensure the any approved signs are low lying, and that all wall signs are located below the roof line so as not to puncture the horizon line.

- Reduce the size and mounting heights of regulatory signs: Specific detail on the site signs were not provided.
- Design for practicality: The proposed dealership with an integrated sales, service and inventory building is efficient and innovative.

Early in the review of the project, staff discussed and encouraged the applicant to provide some architectural screening on the rear of the Audi service building to provide better interface with the Baylands. Staff seeks comment and direction from the Board regarding the design of the rear of the building as they relate to these guidelines.

#### Multi-Modal Access & Parking

The site will have one driveway entrance on East Bayshore Road and two driveway entrances along Embarcadero Road with a continuous on-site driveway around the site. A City of Palo Alto Shuttle stop is located directly in front of the Audi showroom. No bicycle lanes are currently provided along the street frontage of the site. However, the applicant is exploring the opportunity of including bicycle lanes along the frontage of the project. The project does include a rest area with benches and a water fountain along Embarcadero Road in the front of the Mercedes-Benz showroom. This component could complement the bike lane concept.

Attachment C describes the project's conformance with PAMC Chapter 18.52 regarding off-street parking spaces, bicycle parking and off-street loading spaces. The project complies with the parking requirements.

The project also includes an automated parking system within the building with a capacity of 300 inventory vehicles. No customer vehicles are proposed to use the system.

#### Consistency with Application Findings

The project is subject to a number of applications as described previously. Each application requires the City Council to make findings for any approval. The Board is tasked with recommending findings for the AR and the DEE. A list of the findings is included as Attachment B.

### **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 requires the completion of an Initial Study, which is currently ongoing. A traffic study will be completed for the project.

### **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 [September 7, 2018], which is 13 days in advance of the meeting. Postcard mailing occurred on September 20, 2018], 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.

### **Alternative Actions**

In addition to the recommended action, the Architectural Review Board may:

1. Approve the project with modified findings or conditions;
2. Continue the project to a date (un)certain; or
3. Recommend project denial based on revised findings.

#### **Report Author & Contact Information**

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#### **ARB<sup>4</sup> Liaison & Contact Information**

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#### **Attachments:**

- Attachment A: Location Map (PDF)
- Attachment B: Required Findings (DOCX)
- Attachment C: Zoning Comparison Table (DOCX)
- Attachment D: Project Plans (DOCX)

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<sup>4</sup> Emails may be sent directly to the ARB using the following address: [arb@cityofpaloalto.org](mailto:arb@cityofpaloalto.org)

## Attachment E

### **Project Plans and Initial Study/Mitigated Negative Declaration**

Hardcopies of project plans and the Initial Study are provided to Board members. These plans and environmental documents are available to the public online and/or by visiting the Planning and Community Environmental Department on the 5<sup>th</sup> floor of City Hall at 250 Hamilton Avenue.

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

1. Go to: [bit.ly/PAPendingprojects](http://bit.ly/PAPendingprojects)
2. Scroll to find “1700 and 1730 Embarcadero Road” and click the address link
3. On this project specific webpage you will find a link to the Project Plans, Initial Study and other important information

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

<https://www.cityofpaloalto.org/news/displaynews.asp?NewsID=4367>