



City of Palo Alto

(ID # 6655)

Architectural Review Board ARB Staff Report

Report Type: New Business

Meeting Date: 3/17/2016

Summary Title: 429 University Avenue [14PLN-00222]

Title: 429 University Avenue [14PLN-00222] To Consider an Appeal of the Director of Planning and Community Environment's Architectural Review Approval of a 31,407 Square-Foot, Four Story, Mixed Use Building With Parking Facilities on Two Subterranean Levels on an 11,000 Square-Foot Site. Environmental Assessment: An Initial Study was prepared and a Mitigated Negative Declaration was circulated from November 17, 2014 to December 12, 2014. Zoning District: Downtown Commercial (CD-C (GF)(P)) District.

From: Christy Fong

Lead Department: Planning and Community Environment

RECOMMENDATION

Staff requests the Architectural Review Board (ARB) conduct a review of the conceptual project plans, evaluate design options, receive public testimony, and provide comments on the design to staff and the applicant.

EXECUTIVE SUMMARY

On November 30, 2015, the City Council conducted a second public hearing on the appealed project and requested the ARB to reconsider the [revised] project in its entirety for its compliance with the Context-based Design Criteria and the Architectural Review findings, and directed the ARB to make a formal recommendation on the revised project to City Council¹.

¹ The relevant City Council reports, including all attachments, and meeting records are viewable at the links provided below:

- Council November 30, 2015 report:
<http://www.cityofpaloalto.org/civicax/filebank/documents/49953>
- Council November 30, 2015 motion:
<http://www.cityofpaloalto.org/civicax/filebank/documents/50105>
- Council November 30, 2015 transcript:
<http://www.cityofpaloalto.org/civicax/filebank/documents/51167>

During the hearing, City Council remained concerned about the project's compatibility with respect to scale, massing and transition to the lower profile buildings in the area². Council referred the project back to the ARB for review of a revised project. The applicant has prepared two design options to facilitate the ARB discussion. The applicant will then return to the ARB with revised plans for formal recommendation.

BACKGROUND

A previous iteration of this project was formally reviewed by the ARB at three public hearings³. On February 19, 2015, the ARB recommended approval of the project to the Director on a 4-0 vote. The Director tentatively approved the project with conditions on February 25, 2015 to reflect the ARB recommendation⁴.

An appeal was received within the prescribed appeal period. On April 6, the City Council voted to hear the appeal. The City Council considered the matter at the public hearing on May 4, 2015⁵. Following testimony and deliberation, the City Council voted 5-4 to continue the appeal and requested the applicant redesign the project and had the Historic Resources Board (HRB) and ARB address specific issues identified by Council.

² Council comments were referring to the project plan that was last reviewed by the HRB on September 10, 2015 and the ARB on September 17, 2015 are viewable at this link provided below:

- Project Plan received on August 27, 2015:
<http://cityofpaloalto.org/civicax/filebank/documents/49669>

³ The relevant ARB reports, with all attachments, are viewable on the City's website at the links provided below:

- ARB November 7, 2013 Preliminary Review report:
<http://www.cityofpaloalto.org/civicax/filebank/documents/37588>
- ARB November 20, 2014 report:
<https://www.cityofpaloalto.org/civicax/filebank/documents/44755>
- ARB January 15, 2015 report:
<https://www.cityofpaloalto.org/civicax/filebank/documents/45512>
- ARB February 19, 2015 report:
<https://www.cityofpaloalto.org/civicax/filebank/documents/45974>

⁴ Project plans recommended by the ARB and approved by the Director of Planning and Community Environment on February 25, 2015:

- <http://www.cityofpaloalto.org/civicax/filebank/documents/37684>

⁵ The relevant Council report, with all attachments, including the appeal letter, are viewable on the City's website at the links provided below:

- Council May 4, 2015 report:
<http://www.cityofpaloalto.org/civicax/filebank/documents/47015>
- Council May 4, 2015 Transcript:
<http://www.cityofpaloalto.org/civicax/filebank/documents/49301>

A revised project plan was received on August 27, 2015². The project plan was reviewed by the HRB on September 10, 2015 and the ARB on September 17, 2015⁶. The draft verbatim transcript for the HRB and ARB meetings can be found in Attachment E and F, respectively.

On November 30, 2015, City Council reviewed the revised project and considered the feedback provided by the HRB and ARB. City Council continued to express concern about the project's inability in meeting all of the findings for Architectural Review and Context-based Design Criteria necessary to approve the revised project.

City Council requested the applicant to engage the ARB and explore design options that would address the concerns raised in the November 30th public hearing, with a focus on specific Architectural Review findings and Context-based Design Criteria as outlined in the following section.

PROJECT DESCRIPTION

Current Project

The applicant has prepared two design options that maintain the same land use and parking program as previously proposed. The project is located at 425-447 University Avenue on a 11,000 square feet (sf) parcel in the Downtown Commercial (CD-C (GF)(P)) zone district. The project will replace two existing one-story commercial building with a new 31,407 square foot (sf), four story, mixed-use building that contains 20,407 sf of commercial floor area and 11,000 sf of residential floor area (a total of 4 residential units) with two levels of subterranean parking for 40 vehicular parking spaces.

Design Options

Two design options are proposed and both options will create different land use configurations as compared to the previous plans. The current design options include retail on the ground floor, office on the second floor, residential units on the third and fourth floor, and office on the fourth floor.

These design options present a variety of architectural changes. Some of the more notable revisions include a greater differentiation on the upper floor massing to create two distinct façades along University Avenue, an increased setback of interior space at the corner of the alley and Kipling Street, and greater massing articulation on the rear façade facing Lane 30.

The predominant difference between the two design options is the elevator/stair tower on the Kipling elevation. Option A includes a single 20 feet wide and 50 feet tall tower structure; where

⁶ The relevant HRB and ARB reports, with all attachments, are viewable on the City's website at the link provided below:

- HRB September 10, 2015 report:
<https://www.cityofpaloalto.org/civicax/filebank/documents/48887>
- ARB September 17, 2015 report:
<https://www.cityofpaloalto.org/civicax/filebank/documents/49028>

option B includes a two-tier elevator/stair structure with a base of 24 feet wide and 27 feet tall below a second tier that is 15 feet wide and 23 feet tall. The upper tier is more integrated with the overall building massing as it is further setback from property lines behind eaves and projections. Other differences between the two design options involve the decorative open stairway and massing variations on the rear elevation. The applicant's description of the design options are detailed in Attachment D.

DISCUSSION

ARB Purview

The ARB in its review will want to evaluate the design options and consider whether the preferred option or certain aspects of an option meet the findings for Context-based Design Criteria (Attachment A) and Architectural Review (Attachment B). More specifically, City Council requested the ARB to ensure the project's compliance on the following provisions. The applicant has described how the design options meet these criteria and findings in Attachment D.

Context-based Design Criteria (PAMC chapter 18.18.110)

- (a)(1)(B): Contextual and Compatibility Criteria – Context
- (a)(2)(B)(i): Contextual and Compatibility Criteria – Compatibility goal in relation to siting, scale, massing and materials
- (a)(2)(B)(ii): Contextual and Compatibility Criteria – Compatibility goal in relation to rhythmic pattern of the street
- (a)(2)(B)(iii): Contextual and Compatibility Criteria – Compatibility goal in relation to pattern of roof lines and projections
- (b)(2)(B): Context-based Design Considerations and Findings – Street building facades in relation to eaves, overhang, porches and other architectural elements that provide human scale and help break up building mass

Architectural Review (PAMC chapter 18.76.020)

- (d)(1): Architectural Review Findings in relation to design's consistency and compatibility with applicable elements of the Palo Alto Comprehensive Plan⁷ (Attachment C)
- (d)(2): Architectural Review Findings in relation to design's compatibility with the immediate environment of the site
- (d)(4): Architectural Review Findings in relation to design's compatibility with areas as having a unified design character or historic character
- (d)(12): Architectural Review Findings in relation to compatibility and appropriateness in materials, textures, colors, details of construction and plant materials to the project's function and to adjacent structures, landscape elements and functions

⁷ A list of applicable elements of the Palo Alto Comprehensive Plan is in Attachment C for discussion purposes.

Zoning Compliance

The current design options were proposed to be in compliance with both the objective development standards of the Downtown Commercial zoning district as well as the more subjective criteria discussed in the architectural review and context based findings. Minor adjustments may be made in the final plan to ensure compliance with the floor area ratio, required pedestrian recessed area, setbacks on the residential open terraces and public art requirement.

ENVIRONMENTAL REVIEW

The proposed project is subject to environmental review under provisions of the California Environmental Quality Act (CEQA). Pursuant to the requirements of the CEQA, a draft Initial Study, Mitigated Negative Declaration (MND) and Mitigation Monitoring Program were prepared and circulated for this project⁸. The proposed design options will not result in any additional impacts nor require additional mitigation measures.

Attachments:

- Attachment A - Context-based Design Criteria (DOCX)
- Attachment B - Architectural Review Findings (DOCX)
- Attachment C - Relevant Comprehensive Plan Policies and Programs (DOCX)
- Attachment D - Applicant's Project Description Letter (PDF)
- Attachment E - Draft Transcript of Historic Resources Board September 10, 2015 Meeting (DOCX)
- Attachment F - Draft Transcript of Architectural Review Board September 17, 2015 Meeting (DOCX)

⁸ The project's Initial study, Mitigated Negative Declaration and Mitigation Monitoring Program, are viewable at the City's website at the link provided below:

- Initial Study and Mitigated Negative Declaration:
<http://cityofpaloalto.org/civicax/filebank/documents/49897>

- Mitigation Monitoring Program:
<http://cityofpaloalto.org/civicax/filebank/documents/46687>

ATTACHMENT A
PALO ALTO MUNICIPAL CODE CHAPTER 18.18.110
CONTEXT-BASED DESIGN CRITERIA

(a) Contextual and Compatibility Criteria

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.

(1) Context

(A) Context as used in this section is intended to indicate relationships between the site's development to adjacent street types, surrounding land uses, and on-site or nearby natural features, such as creeks or trees. Effective transitions to these adjacent uses and features are strongly reinforced by Comprehensive Plan policies.

(B) The word "context" should not be construed as a desire to replicate existing surroundings, but rather to provide appropriate transitions to those surroundings. "Context" is also not specific to architectural style or design, though in some instances relationships may be reinforced by an architectural response.

(2) Compatibility

(A) Compatibility is achieved when the apparent scale and mass of new buildings is consistent with the pattern of achieving a pedestrian oriented design, and when new construction shares general characteristics and establishes design linkages with the overall pattern of buildings so that the visual unity of the street is maintained.

(B) Compatibility goals may be accomplished through various means, including but not limited to:

- (i) the siting, scale, massing, and materials;
- (ii) the rhythmic pattern of the street established by the general width of the buildings and the spacing between them;
- (iii) the pattern of roof lines and projections;
- (iv) the sizes, proportions, and orientations of windows, bays and doorways;
- (v) the location and treatment of entryways;
- (vi) the shadow patterns from massing and decorative features;
- (vii) the siting and treatment of parking; and
- (viii) the treatment of landscaping.

(b) Context-Based Design Considerations and Findings

In addition to the findings for Architectural Review contained in Section 18.76.020(d) of the Zoning Ordinance, the following additional findings are applicable in the CD district and subdistricts:

(1) Pedestrian and Bicycle Environment

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

- A. Ground floor uses that are appealing to pedestrians through well-designed visibility and access;
- B. On primary pedestrian routes, climate and weather protection where possible, such as covered waiting areas, building projections and colonnades, and awnings;
- C. Streetscape or pedestrian amenities that contribute to the area's streetscape environment such as street trees, bulbouts, benches, landscape elements, and public art;
- D. Bicycle amenities that contribute to the area's bicycle environment and safety needs, such as bike racks, storage or parking, or dedicated bike lanes or paths; and
- E. Vehicle access from alleys or sidestreets where they exist, with pedestrian access from the public street.

(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 such as:

- A. Placement and orientation of doorways, windows, and landscape elements to create strong, direct relationships with the street;
- B. Facades that include projecting eaves and overhangs, porches, and other architectural elements that provide human scale and help break up building mass;
- C. Entries that are clearly defined features of front facades, and that have a scale that is in proportion to the size and type of the building and number of units being accessed; larger buildings should have a more prominent building entrance, while maintaining a pedestrian scale;
- D. Residential units and storefronts that have a presence on the street and are not walled-off or oriented exclusively inward;
- E. Elements that signal habitation such as entrances, stairs, porches, bays and balconies that are visible to people on the street;
- F. All exposed sides of a building designed with the same level of care and integrity;
- G. Reinforcing the definition and importance of the street with building mass; and
- H. Upper floors set back to fit in with the context of the neighborhood.

(3) Massing and Setbacks

Buildings shall be designed to minimize massing and conform to proper setbacks through elements such as:

- A. Rooflines that emphasize and accentuate significant elements of the building

- such as entries, bays, and balconies;
- B. Design with articulation, setbacks, and materials that minimize massing, break down the scale of buildings, and provide visual interest;
- C. Corner buildings that incorporate special features to reinforce important intersections and create buildings of unique architectural merit and varied styles;
- D. Building facades articulated with a building base, body and roof or parapet edge;
- E. Buildings set back from the property line to create an effective 12' sidewalk on El Camino Real, 8' elsewhere;
- F. A majority of the building frontage located at the setback line; and
- G. No side setback for midblock properties, allowing for a continuous street facade, except when abutting low density residential.

(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 through:

- A. Transitions of development intensity from higher density development building types to building types that are compatible with the lower intensity surrounding uses;
- B. Massing and orientation of buildings that respect and mirror the massing of neighboring structures by stepping back upper stories to transition to smaller scale buildings, including setbacks and daylight planes that match abutting R-1 and R-2 zone requirements;
- C. Respecting privacy of neighboring structures, with windows and upper floor balconies positioned so they minimize views into neighboring properties;
- D. Minimizing sight lines into and from neighboring properties;
- E. Limiting sun and shade impacts on abutting properties; and
- F. Providing pedestrian paseos and mews to create separation between uses.

(5) Project Open Space

Private and public open space shall be provided so that it is usable for the residents, visitors, and/or employees of a site.

- A. The type and design of the usable private open space shall be appropriate to the character of the building(s), and shall consider dimensions, solar access, wind protection, views, and privacy;
- B. Open space should be sited and designed to accommodate different activities, groups, active and passive uses, and should be located convenient to the users (e.g., residents, employees, or public)
- C. Common open spaces should connect to the pedestrian pathways and existing natural amenities of the site and its surroundings;
- D. Usable open space may be any combination of private and common spaces;
- E. Usable open space does not need to be located on the ground and may be located in porches, decks, balconies and/or podiums (but not on rooftops);

- F. Open space should be located to activate the street façade and increase "eyes on the street" when possible;
- G. Both private and common open space areas should be buffered from noise where feasible through landscaping and building placement;
- H. Open space situated over a structural slab/podium or on a rooftop shall have a combination of landscaping and high quality paving materials, including elements such as planters, mature trees, and use of textured and/or colored paved surfaces; and
- I. Parking may not be counted as open space.

(6) Parking Design

Parking needs shall be accommodated but shall not be allowed to overwhelm the character of the project or detract from the pedestrian environment, such that:

- A. Parking is located behind buildings, below grade or, where those options are not feasible, screened by landscaping, low walls, etc.;
- B. Structured parking is fronted or wrapped with habitable uses when possible;
- C. Parking that is semi-depressed is screened with architectural elements that enhance the streetscape such as stoops, balcony overhangs, and/or art;
- D. Landscaping such as trees, shrubs, vines, or groundcover is incorporated into surface parking lots;
- E. For properties with parking access from the rear of the site (such as a rear alley or driveway) landscaping shall provide a visual buffer between vehicle circulation areas and abutting properties;
- F. Street parking is utilized for visitor or customer parking and is designed in a manner to enhance traffic calming;
- G. For properties with parking accessed from the front, minimize the amount of frontage used for parking access, no more than 25% of the site frontage facing a street should be devoted to garage openings, carports, or open/surface parking (on sites with less than 100 feet of frontage, no more than 25 feet);
- H. Where two parking lots abut and it is possible for a curb cut and driveway to serve several properties, owners are strongly encouraged to enter in to shared access agreements; and
- I. Parking is accessed from side streets or alleys when possible.

(7) Large (Multi-Acre) Sites

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

- A. New development of large sites maintains and enhances connectivity with a hierarchy of public streets, private streets, walks and bike paths (integrated with Palo Alto's Bicycle Master Plan, when applicable);
- B. The diversity of building types increases with increased lot size (e.g., <1 acre = minimum 1 building type; 1-2 acres = minimum 2 housing types; greater than 2 acres = minimum 3 housing types); and

- C. Where a site includes more than one housing type, each building type should respond to its immediate context in terms of scale, massing, and design (e.g., Village Residential building types facing or abutting existing single-family residences).

(8) Sustainability and Green Building Design

Project design and materials to achieve sustainability and green building design should be incorporated into the project. Green building design considers the environment during design and construction. Green building design aims for compatibility with the local environment: to protect, respect and benefit from it. In general, sustainable buildings are energy efficient, water conserving, durable and nontoxic, with high-quality spaces and high recycled content materials. The following considerations should be included in site and building design:

- A. Optimize building orientation for heat gain, shading, daylighting, and natural ventilation.
- B. Design landscaping to create comfortable micro-climates and reduce heat island effects.
- C. Design for easy pedestrian, bicycle, and transit access.
- D. Maximize onsite stormwater management through landscaping and permeable pavement.
- E. Use sustainable building materials.
- F. Design lighting, plumbing, and equipment for efficient energy and water use.
- G. Create healthy indoor environments.
- H. Use creativity and innovation to build more sustainable environments. One example is establishing gardens with edible fruits, vegetables or other plants to satisfy a portion of project open space requirements.
- I. Provide protection for creeks and riparian vegetation and integrate stormwater management measures and open space to minimize water quality and erosion impacts to the creek environment.
- J. Encourage installation of photovoltaic panels.

ATTACHMENT B
PALO ALTO MUNICIPAL CODE CHAPTER 18.76.020
FINDINGS FOR ARCHITECTURAL REVIEW

(d) Findings

Neither the director, nor the city council on appeal, shall grant architectural review approval, unless it is found that:

- (1) The design is consistent and compatible with applicable elements of the Palo Alto Comprehensive Plan;
- (2) The design is compatible with the immediate environment of the site;
- (3) The design is appropriate to the function of the project;
- (4) In areas considered by the board as having a unified design character or historical character, the design is compatible with such character;
- (5) The design promotes harmonious transitions in scale and character in areas between different designated land uses;
- (6) The design is compatible with approved improvements both on and off the site;
- (7) The planning and siting of the various functions and buildings on the site create an internal sense of order and provide a desirable environment for occupants, visitors and the general community;
- (8) The amount and arrangement of open space are appropriate to the design and the function of the structures;
- (9) Sufficient ancillary functions are provided to support the main functions of the project and the same are compatible with the project's design concept;
- (10) Access to the property and circulation thereon are safe and convenient for pedestrians, cyclists and vehicles;
- (11) Natural features are appropriately preserved and integrated with the project;
- (12) The materials, textures, colors and details of construction and plant material are appropriate expression to the design and function and whether the same are compatible with the adjacent and neighboring structures, landscape elements and functions;
- (13) The landscape design concept for the site, as shown by the relationship of plant masses, open space, scale, plant forms and foliage textures and colors create a desirable and functional environment and whether the landscape concept depicts an appropriate unity with the various buildings on the site;
- (14) Plant material is suitable and adaptable to the site, capable of being properly maintained on the site, and is of a variety which would tend to be drought-resistant and to reduce consumption of water in its installation and maintenance;
- (15) The project exhibits green building and sustainable design that is energy efficient, water conserving, durable and nontoxic, with high-quality spaces and high

recycled content materials. The following considerations should be utilized in determining sustainable site and building design:

- (A) Optimize building orientation for heat gain, shading, daylighting, and natural ventilation;
 - (B) Design of landscaping to create comfortable micro-climates and reduce heat island effects;
 - (C) Design for easy pedestrian, bicycle and transit access;
 - (D) Maximize on site stormwater management through landscaping and permeable paving;
 - (E) Use sustainable building materials;
 - (F) Design lighting, plumbing and equipment for efficient energy and water use;
 - (G) Create healthy indoor environments; and
 - (H) Use creativity and innovation to build more sustainable environments.
- (16) The design is consistent and compatible with the purpose of architectural review as set forth in subsection (a).

ATTACHMENT C
REVELENT COMPREHENSIVE PLAN POLICIES AND PROGRAMS
429 UNIVERSITY AVENUE
14PLN-00222

Some of the Comprehensive Plan goals, programs and/or policies related to the project are outlined as follows:

Goal L-1: A well-designed, compact city, providing residents and visitors with attractive neighborhoods, work places, shopping districts, public facilities and open spaces.

- **Policy L-5:** Maintain the scale and character of the City. Avoid Land Uses that are overwhelming and unacceptable due to their size and scale.

Goal L-4: Inviting, pedestrian-scale centers that offer a variety of retail, commercial services and provide focal points and community gathering places for the city's residential neighborhoods and employment districts.

- **Policy L-18:** Encourage the upgrading and revitalization of selected centers in a manner that is compatible with the character of surrounding neighborhoods.
- **Policy L-19:** Encourage a mix of land uses in all Centers, including housing and an appropriate mix of small-scale local businesses.
- **Program L-19:** Support implementation of the Downtown Urban Design Guide. The Downtown Urban Design Guide is not mandatory but provides useful ideas and direction for private development and public improvement in the Downtown area.
- **Policy L-20:** Encourage street frontages that contribute to retail vitality in all Centers. Reinforce street corners with buildings that come up to the sidewalk or that form corner plaza.
- **Program L-21:** Improve the University Avenue/Downtown area by adding landscaping and bicycle parking and encouraging large development projects to benefit the public by incorporating public art.
- **Policy L-23:** Maintain and enhance the University Avenue/Downtown area as the central business district of the City, with a mix of commercial, civic, cultural, recreational and residential uses. Promote quality design that recognizes the regional and historical importance of the area and reinforces its pedestrian character.

- **Policy L-24:** Ensure that University Avenue/ Downtown is pedestrian-friendly and supports bicycle use. Use public art and other amenities to create an environment that is inviting to pedestrian.

Goal L-6: Well-designed buildings that create coherent development patterns and enhance city streets and public spaces.

- **Policy L-48:** Promote high quality, creative design and site planning that is compatible with surrounding development and public spaces.
- **Program L-49:** In areas of the City having a historic or consistent design character, design new development to maintain and support the existing character.
- **Policy L-49:** Design buildings to revitalize streets and public spaces and to enhance a sense of community and personal safety. Provide an ordered variety of entries, porches, windows, bays and balconies along public ways where it is consistent with neighborhood character; avoid blank or solid walls at street level; and include human-scale details and massing.

Goal L-9: Attractive, inviting public spaces and streets that enhance the image and character of the City.

- **Policy L-67:** Balance traffic circulation needs with the goal of creating walkable neighborhoods that are designed and oriented towards pedestrians.
- **Policy L-73:** Consider public art and cultural facilities as a public benefit in connection with new development projects. Consider incentive for including public art in large development projects.
- **Policy L-75:** Minimize the negative physical impacts of parking lots. Locate parking behind buildings or underground wherever possible.

Goal H-2: Support the construction of housing near schools, transit, parks, shopping, employment and cultural institutions.

- **Policy H-2.2:** Continue to support the redevelopment of suitable lands for mixed use containing housing to encourage compact, infill development. Optimize the use of existing urban services and support transit use.

Goal T-1: Less reliance on single-occupant vehicles.

- **Policy T-1:** Make land use decisions that encourage walking, bicycling and public transit use.

- **Program T-1:** Encourage infill, redevelopment, and reuse of vacant or underutilized parcels employing minimum density requirements that are appropriate to support transit, bicycling and walking.
- **Program T-2:** Promote mixed use development to provide housing and commercial services near employment centers, thereby reducing the necessity of driving.

Goal T-3: Facilities, services, and programs that encourage and promote walking and bicycling.

- **Policy L-19:** Improve and add attractive, secure bicycle parking at both public and private facilities, including multi-modal transit stations, on transit vehicles, in City parks, in private development, and at other community destinations.
- **Policy T-23:** Encourage pedestrian-friendly design features such as sidewalks, street trees, on-street parking, public spaces, gardens, outdoor furniture, art and interesting architectural details.

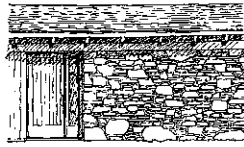
Goal T-8: Attractive, convenient public and private parking facilities.

- **Policy T-45:** Provide sufficient parking in the University Avenue/Downtown and California Avenue business districts to address long-range needs.

Goal B-5: Attractive, vibrant business centers, each with a mix of uses and a distinctive character.

- **Policy B-20:** Support and enhance the University Avenue/Downtown area as a vital mixed use area containing retail, personal service, office, restaurant, and entertainment uses. Recognize the important of an appropriate retail mix, including small local businesses, to the continued vitality of Downtown.

TOPOS



ARCHITECTS

Attachment D

16 February, 2016

Christy Fong
Palo Alto Planning Department
250 Hamilton Avenue, Fifth Floor
Palo Alto, CA 94303

Received

FEB 18 2016

Department of Planning
& Community Environment

re: 429 University Avenue: Options A & B

Dear Ms Fong:

We would like to provide a more detailed explanation of the differences between the two design options we have provided for our project at 429 University Avenue.

The primary difference between the options is in the treatment of the building corner at Kipling Street and Lane 30.

Vertical circulation elements (compare images on sheets A3 and A6)

Option A provides a fifty foot tall circulation core, with the staircase wrapped about the elevator, set on the property line on Kipling Street. This vertical element is finished with a warm colored, smooth textured natural limestone and offers corner glazing at all levels to allow a strong visual connection with Kipling Street and the alley. The vertical core is an important compositional element for the entire side of the structure, as both the two-story commercial structure and the residential roofs above terminate into the side of the core. While larger in scale, this combination of horizontal and vertical massing references several of the older residential style structures on Kipling Street, most notable at 421 Kipling, where the horizontal front porch roof element intersects the taller adjacent vertical element. Visually, the vertical core anchors the entire building to the ground and provides references for the residential entrance.

Option B provides a two-story entrance foyer set back three feet from Kipling Street, with an offset staircase (the stairs down to the parking levels closer to Kipling and the stairs to the upper levels on the interior side). The elevator shaft, finished in a warm limestone, still rises the full height of the building, as it must, but is considerably more recessed into the structure and is a less pronounced vertical compositional element.

Upper level elements along University (compare images on sheet A6)

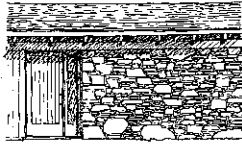
While Option A creates a single vertical element that is prominent from Kipling Street, it serves to conceal the upper level of the building on the University side, enhancing the effort to make the building appear as a two story commercial structure with a floor of residential units above. The stepped back massing of the entry and elevator shaft in Option B allow the upper terrace to look over Kipling Street.

Upper level elements along Lane 30 (compare images on sheets A6 and A7)

The upper levels of both options are exclusively residential on the Lane 30 side of the structure. However, Option A has a somewhat less wide two story commercial mass along the alley, and a correspondingly smaller residential unit above. Additionally, the fourth floor residential element at the Kipling/Lane 30 corner is set at an angle to the rest of the building, further breaking up the building massing. In contrast, the residential units on the alley in Option B have a continuous, and thinner, roof eave line which serves to unite the back residential units to the now visible upper units on the University side.

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Kipling Street/Lane 30 corner (compare images on sheet A8)

At the corner, Option A provides a generous exterior staircase to the second floor commercial offices, creating additional pedestrian activity on the alley corner, and allowing the commercial windows to be deeply recessed, thus unshaded, offering further visual connection to Kipling Street. The exterior staircase also offers a strong connection to the bicycle garage area, which is directly adjacent to the bottom of the stairs. The commercial space, tucked under the stairs is compromised, however, as the headroom and display area is reduced, and the main entrance to the vertical circulation core is from the small plaza, not Kipling Street. At the same corner, Option B eliminates the exterior staircase and offers a more serviceable commercial space, with good frontage onto the small plaza since the main entrance is shifted to Kipling Street.

Lane 30 composition (compare images on sheet A7)

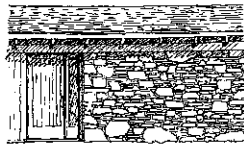
From the alley, Option A presents a recessed two bay element for the garage ramp and trash/utility/service entrance. The residential units above have balconies further set back from the alley, Option B replicates the architectural scheme from the University Avenue façade, with a single wider garage and service bay and a residential balcony out the to the perimeter of the building.

Sincerely,

Jeremy Freeman
TOPOS Architects

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TOPOS



ARCHITECTS

16 February, 2016

Christy Fong
Palo Alto Planning Department
250 Hamilton Avenue, Fifth Floor
Palo Alto, CA 94303

Received

FEB 18 2016

Department of Planning
& Community Environment

re: 429 University Avenue: Specific City Council code references

Dear Ms Fong:

We would like to provide a more detailed explanation of how our project at 429 University Avenue addresses concerns raised by the City Council at their meeting Nov. 30, 2015. The City Council specifically requested that the project be considered in regard with the following code sections.

18.76.020 (4) In areas considered by the board as having a unified design character or historical character, the design is compatible with such character;

The project site has two distinct characteristics; the larger scale commercial nature of University Avenue, and the older residential style and small scale commercial developments along Kipling Street. Kipling Street receives a substantial amount of pedestrian traffic due to the nature of several of the commercial establishments (yoga studio, hair salon, courtyard restaurant, small street level offices in former residences). The former Varsity Theater is located on University Avenue, directly across from the project site.

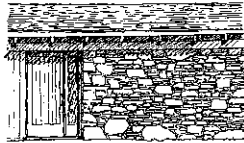
The University Avenue frontage consists entirely of ground floor retail with second floor commercial space, which is compatible with many other buildings along university Avenue. The proposed building at the Kipling/Lane 30 corner is pulled back from the property boundary and stepped down in height, reducing the apparent mass and allowing the building to relate to the smaller neighboring structures. The main commercial and residential entrance is located at the Kipling/Lane 30 corner, enhancing and supporting pedestrian traffic in the area. Many windows and balconies, both commercial and residential, overlook the Kipling/Lane 30 corner, further enhancing the pedestrian nature of the neighborhood and providing a strong visual connection. The broad roof eaves at the University/Kipling corner reference the Varsity Theater marquee across the street, linking the new building to the existing built environment.

18.76.020 (12) The materials, textures, colors and details of construction and plant material are appropriate expression to the design and function and whether the same are compatible with the adjacent and neighboring structures, landscape elements and functions;

The building has been designed to appear as a broad two-story commercial masonry structure, with a third floor penthouse of residences above. Fourth floor units are set back from University Avenue and Kipling Street so as to only be visible from afar. The masonry base has articulated bays approximately 25' wide, repeating the predominant rhythm of University Avenue. The two story base structure is finished with a smooth natural stone and recessed glazing, which is in keeping with to numerous other commercial buildings in the area. The residential units are finished with pigmented cement plaster, flush windows and broad roof eaves with a wood finish, in keeping with other residential architectural styles in Palo Alto, and intentionally in contrast to the commercial masonry base below.

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18.18.110 (a)(1) (B) The word "context" should not be construed as a desire to replicate existing surroundings, but rather to provide appropriate transitions to those surroundings. "Context" is also not specific to architectural style or design, though in some instances relationships may be reinforced by an architectural response.

18.18.110 (a)(2)(B) Compatibility goals may be accomplished through various means, including but not limited to:

- (i) the siting, scale, massing, and materials;*
- (iii) the pattern of roof lines and projections;*

The scale and massing of the building is broken up, both horizontally, as with the twenty-five foot wide storefronts on University Avenue, and vertically, with the two-story masonry base and set-back residential units above. The proposed materials reinforce the various massing components.

Numerous recessed and projecting balconies, terraces and outdoor spaces on all levels of the building are appropriate for the residential and small scale commercial nature of the building and the neighborhood. The broad roof eaves reinforce the residential nature of the upper floors, offer a strong visual three story 'cap' for the building and relate to other broad eaves in the area (Varsity Theater marquee, Walgreens building awning).

18.18.110 (b)(2)(B) Facades that include projecting eaves and overhangs, porches, and other architectural elements that provide human scale and help break up building mass (Figure 2-2);

The proposed designs include numerous projecting roof eaves and balconies, on every corner and façade of the structure, that provide a human scale to the building and break up the apparent mass.

Sincerely,

Jeremy Freeman
TOPOS Architects

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Attachment E



HISTORIC RESOURCES BOARD EXCERPT OF DRAFT MINUTES

**Thursday, September 10, 2015, Meeting
8:30 A.M., Council Chambers**

Call to Order

Roll Call

Present: Vice Chair Michael Makinen, Board Members Martin Bernstein, David Bower, Beth Bunnenberg, Patricia DiCicco (arrived late), Margaret Wimmer

Absent: Chair Roger Kohler

Staff: Jonathan Lait, Assistant Director; Jodie Gerhardt, Interim Current Planning Manager; Matthew Weintraub, Planner; Diana Tamale, Administrative Associate III; Christy Fong, Planner

Public Hearings

- 1. 425-429 University Avenue [14PLN-00222]:** Request To Consider an Appeal of the Director of Planning and Community Environment's Architectural Review Approval of a 31,407 square-foot, Four Story, Mixed Use Building with Parking Facilities on Two Subterranean Levels on an 11,000 square-foot Site in the Downtown Commercial (CD-C (GF)(P)) Zone District located at 425-429 University Avenue; and the Approval of a Mitigated Negative Declaration. Environmental Assessment: A Draft Mitigated Negative Declaration has been prepared.

Vice Chair Makinen: Do we have a presentation from Staff or the applicant?

Board Member Bernstein: Excuse me, Vice Chair Makinen. I have to disclose an issue first.

Vice Chair Makinen: Okay.

Board Member Bernstein: In April of this year, I provided the applicant, Ms. Wong, responding to her request for information about the Secretary of Interior Standards and Guidelines, so I provided information for her on that. I talked with the City Attorney. To avoid a continual appearance of a conflict of interest, I'll be recusing myself and not participating in this agenda item. I'll be back after the item is complete.

Vice Chair Makinen: Okay. Thank you, Martin. Proceeding.

Matthew Weintraub: Thank you, Chair Makinen. The item before you is a request for the HRB to review the historic resource evaluation for the subject buildings on the project site as well as to review and comment on the proposed CEQA analysis, and lastly to comment on the Architectural Review Finding 4

which is required to be made for this application. Staff is available to answer any questions. I believe the applicant is here to present information as well.

Vice Chair Makinen: Okay. The applicant will be making a presentation at this time.

Board Member Bunnenberg: Just one question to get on the record. Does the City of Palo Alto have a height limit for buildings?

Christy Fong: This project is zoned CD-C ...

Board Member Bunnenberg: Speak right into your mike; don't look at us.

Vice Chair Makinen: Yes, speak up please. Real loud.

Ms. Fong: This project is zoned as Downtown Commercial CD-C (GF)(P), and the height limit is 50 feet maximum.

Vice Chair Makinen: Fifty feet. If you'd please state your name clearly so we can have it for the record.

Jaime Wong: Good morning. Is this live? Good morning, Board Members. My name is Jaime Wong. My family owns the properties at 425 and 429 University. Starting in March of 2013, in consultation with the City's Planning Staff, we commissioned a historical analysis and report from Preservation Architecture to learn what historical resources we had to deal with. The report was submitted to Planning Staff and the environmental contractors, Dudek and Associate, who agreed that there were no concerns regarding the properties in question or nearby historic resources. Planner Matthew Weintraub and Assistant Planning Director Jonathan Lait agreed. The proposed project went through several hearings at the ARB level, and they recommended approval on February 19th, 2015. The Director of Planning issued an approval letter February 25th, 2015, which was then appealed. At the City Council hearing on the appeal on May 4th, 2015, Council agreed to continue the appeal by directing us to complete a historic resource analysis, a shadow study, and a traffic circulation analysis of Lane 30 to supplement the extensive traffic reports. It also directed redesign of the project to address specific issues of concern to the Council. On the historic resources issues, the City's Planning Staff contracted the respected architectural preservation firm of Carey & Co. to respond to Council's specific issues. The consultants reported back to Staff on August 14th, 2015. We are here to answer any questions you may have as you review our proposed development project. We respectfully request that the HRB affirm the findings of the Staff report from Palo Alto City Planner Matthew Weintraub to the HRB dated September 10th, 2015 with the supporting attachments. In his report, Mr. Weintraub concludes that the proposed project would not cause a substantial adverse change in the significance of a historical resource as defined in CEQA Guidelines, the California Environmental Quality Act Section 15064.5. I will now review the Council's issues and the Staff report findings. Issue A. The Preservation Architecture report focuses on whether there are criteria for historic district. There is no need for existence of a district for there to be historic considerations. The HRB should determine whether there are other factors that should be considered. The Staff report agrees that specific other factors have been considered by the City's consultant, Carey & Co., in its report and concurs with the Carey & Co. findings that there are no negative impacts based on historic considerations and other factors. The Carey & Co. report says, "the larger setting of the Kipling Street properties has been previously compromised. While the group of buildings on Kipling Street may impart character to the street, as described in the Downtown Urban Design Plan, they do not appear to constitute a potential historic district whose resource setting may be affected." And then it adds, "[a]lthough a number of individual historical resources are located on the avenue, they do not form a historic district. Similar to Kipling Street, the proposed project will not substantially alter the physical environment of the individual historic resources on University such that their integrity would be compromised to the degree that they would lose their historic significance." This is a quote from the Carey & Co. report, page 10. Issue B. What is the applicable area of potential effect under CEQA analysis? In its study, Carey & Co. defined an equivalent study area as shown in Figure 1 and on this slide, consisting of the proposed project site and immediately adjacent properties. Three of the properties are identified as historic resources, 423 University, 436-452 University and 443 Kipling. The

others are not, 428-432 University, 451 University and 440-444 Kipling. Issue C. There are a number of historic structures near, that is, on Kipling, one next to the proposed project and several across the street. How will the project impact these structures? Within the study area recommended in Issue B, just discussed, Carey & Co. agrees that the proposed project would not have any impacts on historic resources within the boundaries of the study area. Specifically, it would have no direct or indirect impacts on the three historic resources just mentioned. Issue D. Whether the mass, scale and compatibility of the proposed project has an impact on the existing historic properties should be analyzed. Quoting from the City's Draft Initial Study, updated August 2015, page 8, "[t]he use of lighter stone and cast concrete in the building façade and substantial setbacks on the third and fourth floors would help to reduce the apparent massing of the building and improve compatibility with neighboring structures." Carey & Co. evaluated how the historic resources within the study area may be affected by the proposed project under recognized seven aspects of integrity. On six of the seven aspects, location, design, materials, workmanship, feeling and association, it found the following, "[t]he proposed project's design, mass, scale, and use of materials could have an indirect impact on the integrity of historic resources." This is from Carey & Co. report, page 2. The seventh aspect, setting, is considered in Issue E following. Issue E. Whether the proposed building would change the setting of the historic properties on Kipling Street or University Avenue and have an impact under CEQA. The setting of the historic resources has already been compromised. Carey & Co. found that "the proposed project will not adversely impact the setting of the existing individual resources on Kipling, including 443 Kipling Street. Similar to Kipling Street, the proposed project will not substantially alter the physical environment of the individual historic resources on University such that their integrity would be compromised to the degree that they would lose their historic significance." This is from Carey & Co. report, page 10. Moreover, the Staff report from the City of Palo Alto states that under CEQA "no new, avoidable significant effects have been identified as a result of the text and project changes." From the City of Palo Alto Draft Initial Study, updated August 2015, page 2. In conclusion, we, the applicants, would greatly appreciate the HRB reporting to Council your concurrence that the independent preservation architecture consultants chosen by the City, Carey & Co., the environmental CEQA consultants, Dudek and Associates, and Staff all agree that from a historic resources standpoint there is no direct or indirect effect that would harm any historic resource or cause them to compromise their integrity to the degree that they would lose their historic significance. Thank you.

Vice Chair Makinen: Do we have any comments from the public on this particular project? I guess that we can close the meeting then for Board deliberations.

Board Member Bower: We need to ask questions of Staff (crosstalk).

Vice Chair Makinen: Okay, yeah. Excuse me. We'll have questions from Staff. Questions to Staff I guess.

Board Member Bower: Yeah. I've a couple of questions for Staff. In reviewing these materials, I noted that the Architectural Review Board uses the land use requirements in their evaluations. Specifically in Policy No. 5, it says that these projects should maintain scale and character of their surroundings. I'm wondering how—first of all, if I'm understanding this correctly. Does Staff report feel that this project does that?

Mr. Weintraub: Thank you, Board Member Bower. The analysis that's provided to the HRB is not necessarily a full Architectural Review analysis. In other words, all the findings related to the Architectural Review have not been necessarily completed or presented to the HRB. I don't necessarily have the answer to your question. Your comment is certainly a comment that could be relayed to the Architectural Review Board. Specifically in reference to the ARB findings, Staff believes that ARB Finding Number 4 is the most relevant to the subject matter that the HRB reviews. Architectural Review Finding 4 relates to whether or not there is an existing area of unified historical or architectural character. If there is such an area, whether or not the project is compatible. Staff recommends that the HRB may provide comments to the ARB in relation to that specific finding.

Board Member Bower: Let me follow that with another question. In Policy Number 6, it says where possible avoid abrupt changes in scale and density between residential and nonresidential areas, and between residential areas of different density. This corner property is effectively a transition between the Downtown commercial uses on University Avenue and what used to be residential uses on Kipling. Now Kipling is primarily used as commercial space in their original buildings, mostly original. I couldn't tell whether one of them was actually replaced or not. I'm still wondering how this building doesn't violate or doesn't qualify as a meeting of that requirement. Maybe that's not a question; that's a statement. Let me go one step further. Why does the Planning Department allow climate screening to exceed the 50-foot height limit? Why wouldn't that be under the height limit? Why shouldn't it be under the height limit? Is there an exemption?

Ms. Fong: Do you mind to clarify your questions a little bit? You're talking about the equipment screening?

Board Member Bower: Right, on top of the building.

Board Member Bunnenberg: Talk into your mike.

Ms. Fong: Yep. So ...

Board Member Bower: Let me just, for clarity, on page A02.1, these are elevations from University Avenue showing a 36-foot 6-inch height limit at the lower part on Elevation Number 1. Elevation Number 2 is a 50-foot height limit. It's very clear that the building exceeds the 50-foot height limit, and I'm assuming that's equipment screening.

Ms. Fong: To your questions, for equipment including elevator shaft can exceed the height limit by no more than 15 feet. That is allowable height exception under the Code for this particular zoning.

Board Member Bower: We don't really have a 50-foot height limit; we have a 65-foot height limit. Is that what you're saying?

Ms. Fong: For utility and mechanical equipment, yes.

Board Member Bower: Last question. In the residential side of the Planning Department, we have, what, a 30-foot height limit on houses? I think. It's my understanding, at least in the last ten years when I was building houses, that you couldn't even approach that height. It simply wasn't allowed. You could try, but your project would always be cut down. I don't think any house is built to 30 feet at all, unless it's a historic house or it's a remodel. Why does the City allow commercial buildings to not only meet the maximum height limit, but actually exceed it by 15 feet for things that could be incorporated in the design, when on the residential side it doesn't begin to allow that?

Jodie Gerhardt: Good morning. This is Jodie Gerhardt, Interim Current Planning Manager. I think we're coming to you this morning to discuss this project. We have not approved this project as of yet, and so we are asking for your comments on this project. We will also be going in front of the ARB to have this further discussion about design, scale, massing, stepping down to the neighborhood, things of that nature. We're very much in the middle of this discussion. For the HRB, we would ask that you focus on the motion that the Council has set forward. I think to the point that you're getting to is Letter D which is whether the mass, scale, compatibility of the project has an impact on the existing historic properties. We would appreciate your comments related to that. It is very possible that the project may change based upon your comments.

Board Member Bower: One more question. If it changes, does it come back to us or is this our only opportunity to do commenting about a project that may morph into something else and not be what we've reviewed today?

Ms. Gerhardt: The current process right now is that we're asking the HRB to review the Council's motion. We will be going forward to the ARB to have them do the same thing, and then we will be going to Council. Council will make the final decision or, like they did previously, they will send it back through the system.

Board Member Bower: Great. Thank you.

Vice Chair Makinen: Beth, do you have questions of Staff?

Board Member Bunnenberg: I'm wondering why the Carey report did not look carefully at the architect involved in a number of these historic properties. Birge Clark was the architect for quite a number of these buildings, among them the Varsity Theater, the 452. 436 was Birge Clark; that's the one next to the new Apple building. The former Apple building at 452 to 436 is also a Category 2 Birge Clark, and then that very charming little building, 423 University, is a Category 3 Birge Clark. Do we have any answer to why this sort of heart of the City was not considered in the Carey report?

Mr. Weintraub: Thank you, Board Member Bunnenberg. The historic analysis provided by the consultant actually does look at the properties both within the project site and adjacent, nearby. It does identify that one of the buildings on the project site is actually a Birge Clark work; however, it does not retain integrity according to the consultant's analysis. It does no longer retain integrity to convey that significance. In other words, it's been altered significantly.

Board Member Bunnenberg: I know that on the site there was a Birge Clark, but I was talking about the surrounding properties.

Mr. Weintraub: Thank you. Yes, there are known to be a number of Birge Clark works as well as other types of historic resources in the vicinity of the project site. Those have been included in the analysis of whether or not this project could have potential impacts to those off-site historical resources.

Board Member Bunnenberg: Are those all based on its being a district? That's not a particular requirement as far as I know in our historic ...

Mr. Weintraub: There currently is not an identified district in this area, either on the project site or nearby, in the vicinity. The environmental review analysis did look at whether or not there's a district that could be impacted and determined that there is not an identified district that could be impacted. It also does look at whether or not individual off-site historical resources, such as the Birge Clark works, could be potentially impacted. The consultant's analysis recommends that the setting on University Avenue has been altered over time such that, while we may have individual historic resources, there's not a potential district and that the individual historic resources that are in existence, their setting would not be compromised to a degree that would affect the integrity of those particular resources.

Board Member Bunnenberg: That would be one of our possible responses that it might or might not.

Mr. Weintraub: Yes. Yes, Staff is asking for the HRB's review and comment on those specific findings. Thank you.

Vice Chair Makinen: Okay. Do we have any additional questions of Staff?

Board Member Wimmer: I want ...

Board Member DiCicco: I have ...

Board Member Wimmer: Go ahead, Pat.

Vice Chair Makinen: Go ahead, Pat.

Board Member DiCicco: I just have a—is kind of piggy-backing on David's question about the height. You have spoken that it can be up to 15 feet above the 50 for what? Air conditioning or things like that? How far above is that equipment right now? I mean is it up to 65 feet or—I didn't see where it exactly says what is the actual, absolute height of the building including any equipment.

Ms. Fong: Right now, the height for the elevator shaft is less than 15 feet. When you look at the sheets, 0.2.1, it will give you an estimate of how high above the 50-foot limit.

Vice Chair Makinen: Perhaps the applicant would know the answer to that question.

Mr. Wong: I don't have an exact dimension, but the screen height would depend ultimately on how much you want the screen. I mean from the street you can't see anything because it's set so far away from the edge of the building. If you want to have a total screening from a building next door, that is 50 feet. Then you'd have it the same height as the equipment. I don't know what that number would be, but 10 feet or whatever. If you don't want total screening, you can lower that. It's just a screen.

Elizabeth Wong: I'd like to know when I can make a comment.

Vice Chair Makinen: Please state your name when you're at the podium.

Ms. Wong: Yes. My name is Elizabeth Wong. I am Jaime's wife, and we are the owners of 425-429 University. I wanted to bring an issue concerning a comment that Board Member Bower made and Board Member Bunnenberg. Early on I had approached Mr. Bernstein concerning an issue which ...

Board Member Bunnenberg: (inaudible) mike.

Ms. Wong: I'm sorry?

Vice Chair Makinen: Could you speak up a little bit please?

Ms. Wong: Yes. I have a letter from Martin Bernstein because early on I had a question about the design and the style of the building. He wrote a letter for me that I would like to share with you. Could I do that?

Board Member Bunnenberg: But ... 0.21, there's clearly a 50-foot height limit shown, and portions of the building and it must be the elevator shaft are clearly above that 50-foot height limit.

Ms. Wong: Concerning the 50-foot limit, no portion of the building is above 50 feet high except for the HVAC which is screened. That is above the 50-foot height. That is permissible under the Code. We are not asking for any exceptions to the Building Codes. Can I comment on this letter? Basically, I was concerned also about the flow of the building on University Avenue and anywhere as a matter of fact. Mr. Bernstein says that the Standards and Guidelines of the National Park Service, Department of Interior, allow for new buildings with contemporary architectural styles to be located near neighboring properties that are listed on a local historic register. We did a lot of research before we embark and 2 1/2 years of very, very large cost in order to come up with this building.

Board Member Wimmer: Hi. Can we go back to the specific buildings that are noted in the report that are of historic substance in this adjoining district? I think it's in the report, the Carey report. It seems like that was just really briefly gone over. I know that there's a slide that you had that had sort of the plan review. Can we just briefly go back to this and identify those buildings that had historic merit and talk about those specific buildings? I don't know if on some of your graphics, do some of those neighboring historic buildings show up on these graphics? One of our tasks is to compare how the new building might impact some of these historic buildings. It would be nice to have—let's just go back to that point of your presentation and talk about specifically those historic buildings and the nature of those buildings so we can take a look at that. I know you have them in plan view. Maybe we can identify each one of those. If we have any visual images of those, do you think.

Mr. Wong: I may have, but it was not a part of the presentation, so I'd have to look for that.

Ms. Wong: On the rendering of University Avenue, to the left is 423 University.

Board Member Wimmer: Is that this one?

Ms. Wong: It is, yes. Basically the front of the building is historical, but the rest of the building has no historical character. Nevertheless, that building is historical. Whatever renovations are done to that building has to follow all the historical mandates. The building to the right of 429 University is not a historical building. It's the 451 University is the former Apple building.

Board Member Wimmer: Across from (crosstalk).

Ms. Wong: Yes. That one will become a restaurant with a rooftop. The height on that building will be 36 feet 6 inches high. Unfortunately, I don't have pictures of the other building, but the Carey report does say that there is a separation between our building and the historical buildings on Kipling and by the alley and the street, and also notes that there is no negative impact from our building into the historic building there. Let's see what other buildings are there. 436 and 452 University, they are the charming—well, actually that, yeah, that is shown in Rendering 2, in Rendering 2. Across University Avenue to the left of the rendering, you see 436 and 452 University. Those buildings are historical and very, very charming. Let's see what other buildings we have. I don't have a picture of 443 Kipling. It looks like a home; it was a former residence. Jaime says it is a residence. We believe that 429 University complements the area and connects and talks to the area. It fits well in the context in the area.

Board Member Wimmer: The most adjacent—I mean, I guess it's this little building which is right on University.

Ms. Wong: Yes.

Board Member Wimmer: That's the most critical connection between the new building and this historic building.

Ms. Wong: Yes.

Board Member Wimmer: That's the most sensitive; we should look at that. I mean, I think that's what we're trying to focus on, is how this new structure impacts these surrounding and specifically the ones that are named in the report. This is the one that is the most impacted, because it's adjacent to it.

Ms. Wong: It is so, but I want to point out that there's another building on University Avenue that has the retail store Flor, F-L-O-R. I think it's at 351 University. Right next to it, actually that building and the modern building next to it are one. In developing it, because—I think it was 351—it was historical, that building had a 25-foot setback, but the building right next to it is modern. Inside of the two structure it is their common areas. I mean it is one building. It is ...

Mr. Wong: Here you have this building and (inaudible).

Ms. Wong: Yeah. What Jaime points out also is that right next to 436-452 University, you have 428 and 432 University which is over 50-foot modern building. They are ...

Mr. Wong: As shown on Rendering No. 2.

Ms. Wong: As shown in Rendering No. 2.

Board Member Wimmer: Which is this one?

Mr. Wong: Yeah. The 432-452 University is a Inventory Category 2 building. That's the Sushirrito and the little, one-story ...

Board Member Wimmer: The one across ...

Mr. Wong: Right, across the street.

Board Member Wimmer: ... on University.

Mr. Wong: Right next to it is the over-50-foot tall ...

Board Member Wimmer: This one?

Mr. Wong: ... Lululemon/Accel Partners building which was completed this century, I'd say.

Board Member Wimmer: Okay.

Board Member Bunnenberg: May I answer Margaret's question?

Vice Chair Makinen: Sure, Beth, go ahead.

Board Member Bunnenberg: Let's see. Margaret, the Varsity Theater is in there, and it is a Category 2 building. On that same side of the street, 452, 436 are Category 2 Birge Clark buildings. Those are the charming little groupings of—it used to be an ice cream store and things of that kind. Then you get the new Apple building which is right there at the intersection of Kipling. Then next to the small building you were talking about at 423, that one is a Category 3 and Birge Clark designed that terra cotta front of that little building. Then across the street, across Kipling, the old Apple building is a Category 2 and it is a Birge Clark building. Also 460, 476, which would be next to the Apple building headed toward Middlefield, is another Birge Clark, and it's a Category 3. There is a real grouping ...

Ms. Wong: I want to make a correction. I believe that the Carey report does not identify 451, the old Apple building, as a historical building; although, it has a lot of charm.

Board Member Bunnenberg: Pardon?

Ms. Wong: 451 ...

Board Member Bower: 451 (inaudible).

Ms. Wong: ... University. Do you have a list? Anyway.

Ms. Gerhardt: Board Members, if I may. I just want to clarify whether we've closed the public hearing or not. If so, then we need some additional deliberation from the HRB. The applicant has a chance to speak if you have direct questions for her.

Board Member Bunnenberg: That 451 was the one I was talking about.

Ms. Gerhardt: Board Member Bunnenberg, I appreciate the conversation, and this is exactly what we need. The Carey & Co. report has a study area in it. That is the best study area that we believe—and that's what we studied. If for some reason that study area needs to include additional buildings, then we certainly would like to hear that.

Vice Chair Makinen: Do we have further questions of the applicant? If not, we'll close the public meeting and go on to deliberations with the HRB. Okay. Public meeting is closed, and we're deliberating.

Board Member Bower: I started the other (inaudible).

Vice Chair Makinen: Okay. Margaret.

Board Member Wimmer: Well, I mean I just think that our task is just to sort of be sympathetic towards the surrounding historic buildings, and we've named those more clearly which has helped me a lot. I mean I think that the mass and scale could be a little bit more sensitive. I think this is the most extreme case, because this building is right adjacent to the proposed project. I think this seems—I mean just in mass and scale, maybe it could be a little bit more sympathetic to the building. However, I do understand that the applicants always try to maximize the height that they can, so I understand that as well. I guess my only thing is—I guess I just wish that there was some historic reference that could be applied to this building. Maybe it's in the material. I know there's a real modern theme that's going on right now, and everyone wants a lot of glass and clean lines. I think also—I just was thinking how with this existing mass and structure this could be more sympathetic. Maybe it is in the materials, or maybe there's something going on at the street level that has a little bit more texture that responds to pedestrians. I remember at one time in Palo Alto we were trying to infuse an art element; maybe there could be an art element that's attached to the building or a medallion or something. I mean I'm just throwing things out, but it just seems like there could be a layer of historic art or something that could be incorporated into this project that could be sensitive to the location but also mark this time and place which is all very modern. My comment.

Vice Chair Makinen: Do we have additional deliberation comments from the Board? Beth.

Board Member Bunnenberg: Well, I definitely would recommend expanding the study area. I feel that it is not considering all of the cumulative impacts of this kind of building, this massing. As we allow buildings to exceed the 50-foot height limit and they become extremely massive, we are setting the pattern and the cumulative effects will be felt all down the street, that it's okay, you can take out these buildings and build something that is massive, that exceeds the height limit and it'll go through all right. I think that it is in its present form very large. Now then, just to check. There was reference to stone on the front of the building. I did not ask about that outer cladding, but Margaret has brought up that. What is the cladding on the front of the building?

Vice Chair Makinen: Here's a sample board here.

Ms. Fong: There is the material board in the front here. That has reference to that stone material.

Board Member Bunnenberg: Is it this stone mill class, White Portland? Then there's a very shiny one. What is at the ground-floor level, which one of these is at the ground-floor level?

Ms. Fong: I would direct this question to the applicant so they can further explain their design for the façade treatment.

Board Member Bunnenberg: Sorry, I didn't ask earlier.

Ms. Wong: Okay. This material board has been changed, but the neo paris which is the white crystallized material, is mostly the first floor. This has been approved by the ARB. I wanted to add that this building, that we own the Apple building at 340 University Avenue. We are very much sensitive to the requests that retailers have for buildings. This building is made in the modern style. We did ask many people including Mr. Bernstein if we can put a modern building there, and we were assured that we could. Furthermore, the building meets every Code. It does not exceed the building height; it abides by every building height. As a result of the City Council hearing on May 4th, 2015, we revised the building so that the third floor is 9 feet away from University Avenue. It is 7 feet 9 inches from Kipling Street. The fourth floor is 39 feet from University Avenue and over 12 feet from Kipling Street. There is no other commercial building that has been approved and built that—that's this. This is the first building that sets the setbacks at the upper floors. I want also to remind you that there are many examples Downtown where historical buildings coexist next to each other with modern buildings.

Mr. Weintraub: Pardon for the interruption. We would ask the applicant to just respond to the direct questions of the Board. Thank you.

Board Member Bunnenberg: Yeah. Where is this matte finished stone, this (crosstalk)?

Ms. Wong: Yeah. The matte finish is on the second floor. This building is a play on different shades of white. It has chrome doors. It just to me screams elegance.

Board Member Bunnenberg: Let's see. Other sorts of things. There is a kind of rhythm on the street of columns and then a bit inset, small businesses and then another column. You have picked up that rhythm, but whether there is a way to then emphasize the horizontal lines and make them different or have some pattern to them, something that would tie in more with the historic character. I have still major concerns about the massing and the scale.

Vice Chair Makinen: You're through with your questions to the applicant here? Okay. Back to deliberations of the HRB.

Board Member DiCicco: May I ask one more question?

Vice Chair Makinen: Oh, one more question. Hold it.

Board Member DiCicco: If I can understand this, maybe I can't, so I'd like if you could embellish. On the fourth floor, this is where the height limit we were talking about. It's for whatever mechanical, the elevator, if it shows that there's 2,000 square feet of residential and 2,000 square feet of commercial, can I presume that only the 500 and something square feet, where it says that it's the stairs and the shaft, is that the only area that exceeds 50 feet? I mean ...

Ms. Wong: Yeah.

Board Member DiCicco: ... is the rest ...

Ms. Wong: As I mentioned before, I think I have the ...

Board Member DiCicco: Because that's a small area compared to ...

Ms. Wong: Yeah. The only area that exceeds is for the HVAC and utilities.

Board Member DiCicco: The what?

Ms. Wong: The air conditioning, heating, equipment that is up in the roof. That is above the 50 feet. There's nothing else above 50 feet.

Board Member Wimmer: Actually on your drawings, there is—I mean there is a section of the mechanical screening ...

Ms. Wong: Elevator shaft. You're right, because that is also allowed by Code.

Board Member Wimmer: There is, yeah, this section here that is above, which is part of the building.

Ms. Wong: Right. You're absolutely right. The stairs is not above 50 feet, but the elevator shaft is above 50 feet, and that is allowed by Code.

Board Member Bower: Could I make a comment and ask Board Members to look at page A3.1 and A3.2, because this is relevant to the particular discussion. If you look at A3.1, the Elevation Number 1 at the bottom of the page is the University Avenue front elevation. There is a 50-foot height limit, and all of the

screening that is above 50 feet, it's in the darker area. I don't know if you can get that up there. That's more than half the building it looks like; I'm not scaling it. Now, when you look at the Elevation Number 2 above, which is from Kipling Street, that is a screened portion still above 50 feet but much smaller. Then if you look at the following page, which is essentially the same so we don't need to look at that. The reason I bring this up is that's a substantial amount above the 50-foot elevation. That's what the question was I think.

Board Member DiCicco: Yes, thank you.

Ms. Wong: May I make a comment? If we refer to page A2.7, that is the roof plan. The area that is above the 50 feet is just the little area where you see the circles. The equipment is shown. It's just that in the rendering of the front of the building, you have to show the entire thing.

Board Member Bower: No, no. I understand. That's where elevation drawings of this particular building help us see what the building looks like. That's all. I know exactly what's going on. I'm not arguing one side or the other; I'm just trying to point out to the Board Members just exactly what the scope of that screening which exceeds the 50-foot limit is.

Board Member Wimmer: You probably from University wouldn't see the screening just in the perspective, even if you were across the street. I think it's further away from University, and it is allowed by the City.

Board Member Bower: I perfectly understand all of the parameters of this discussion. It's just that—well, I'll make that comment later.

Vice Chair Makinen: We're returning to closing the public comment portion of the meeting, which we had reopened. We're back to Board deliberations.

Board Member DiCicco: I agree with (inaudible) that I'd like to see a little more detail. When we're sitting here and we say 423, 452, 4-, that all of these are Category 2 and 3 buildings. It would be good to actually see these buildings and are they still enough original, not altered, that they truly are Category 2 and 3 buildings. It seems like there's a lot more than have been previously identified. There was so much material. In one part of the Carey report, it said this one's no longer—it's been too altered, this one's been too altered. It didn't sound like there are as many near this project, but I think that needs more close review from us. Also the building that was Swain's Music, the old Apple building, has that building remained in—it was not altered that greatly before Apple went in there. I can't remember. When it was Swain's and it was more ...

Board Member Bunnenberg: It is—in fact I would like to compliment you on the Apple building that used to be Swain's Music Store with the colored tile. You added a portion at the very back. It left the building, as far as I can tell, very intact. That building is in, to my mind, very good shape. I remember when it was reviewed. To get that same kind of sensitivity to the street, would in my mind be a great asset.

Ms. Wong: Can I make a correction?

Vice Chair Makinen: Yeah. I had one additional comment to add to this discussion about study area or area of potential effect as it's known in Federal Historic Preservation Areas. My opinion is it's pretty unduly limited in this analysis right here. I think it could be legitimately characterized as being a much larger area than it currently is described here. I would say that any historic buildings within eye sight of this should be included in the area of potential effect or the study area. We've let some of these buildings—with the definition that the consultant has provided is not necessarily what I would agree with. I think it should be looked at again. I would say that it probably should be expanded to include some of the historic structures that have been mentioned by the other members of this Board. Generally, things that are within eye sight of this project should be considered to be within an area of potential effect for further review by the Historic Board.

Board Member DiCicco: I don't know if anybody else has this feeling, but the building, I think, from the color board of the materials that have been selected, I think it even stands out—it is stunning, but it's such bright, light colors that aren't seen on much of Downtown Palo Alto, other commercial buildings, original buildings, and even some of the newer ones. The building would even stand out more.

Ms. Wong: Just like the Apple building ...

Vice Chair Makinen: We are back into deliberations ...

Ms. Wong: Sorry. Sorry.

Vice Chair Makinen: ... right now. We're not into comments in the public meeting, so you'll have to ...

Ms. Wong: Sorry.

Vice Chair Makinen: Does the Board want to ...

Board Member Bower: I'd like to make some (inaudible).

Vice Chair Makinen: We're still commenting, so hold off on your comments.

Board Member Wimmer: Sorry, I might be taking a step backwards here. I just wanted to review the process and where we're at. It looks like the reason why this project has been brought to us, because it was appealed. It looks like it had been through an ARB meeting and approval, and then it says that an appeal was received. Can we get a little bit more information on that? Sorry, I should have asked that already.

Ms. Fong: This is a major ARB project. The subject property is not a category building, so that's why it never get deferred to the HRB for comments and review. The reason why it is present to you today is as per Council directions responding to an appeal for this tentative approval. That's why you are here today to discuss specifically what Council asked for, which is listed in the report. There is a list of items that Council weighs as concerns and would like the HRB to discuss and provide recommendations to Staff to proceed. Then we will share your findings with Council for their final decision.

Board Member Wimmer: What's been presented today was the same project that was appealed or has the project evolved since the appeal came in?

Ms. Fong: Just to provide a little bit more history. The project was tentatively approved before, and the appeal was filed concerning four specific issues, including massing and scale, compatibility with the historic context nearby, traffic as well as the loss of retail space. Council conduct a public hearing on May 4th, 2015 and, as a motion of that hearing, it directed the applicants to redesign the project and also referred the revised project to the HRB and ARB for comments before it presents to Council. You are here today to look at the revised project, because the applicants provide a design response to the appeal as well as to Council's comments.

Vice Chair Makinen: I would like to read off the questions that have been asked of the HRB, so that we can make sure that we're clear here. [phone ringing] Nobody home right now.

Board Member Bower: Just lift it up and hang it up.

Vice Chair Makinen: Lift it up.

Board Member Bower: Continue Chair Makinen.

Vice Chair Makinen: What is being asked of us: the Preservation Architect report, Attachment B, focuses on whether there are criteria for a historic district. There is no need for existence of a district for there to

be historic considerations. The HRB should determine whether there are other factors that should be considered. "B," what is the applicable area of potential effect under CEQA analysis, also known as study area. "C," there are a number of historic structures nearby, e.g., on Kipling, one next to the proposed project and several across the street. How will the project impact these structures? "D," whether the mass, scale and compatibility of the proposed project has an impact on the existing historic properties should be analyzed. "E," whether the proposed building would change the setting of historic properties on Kipling Street or University Avenue and have an impact on CEQA. That's what's being asked of us. Those things. There is questions about the definition of the study area a/k/a area of potential effect. There is questions about adjacent and historic properties. Just so everybody's on the same page here.

Jonathan Lait: Acting Chair, if I may? I'd like to first introduce myself. I'm Jonathan Lait; I'm the Assistant Director for the Planning Department. I appreciate the conversation that you're having. I want to make sure that we're crystal clear in what we're giving back to the Council, so that ...

Male: (inaudible)

Mr. Lait: You absolutely did. When we talk about expanding the study area, it would be helpful if some guidance was given. I heard a comment about every potentially historic structure in visual range. I didn't know if there was some other perspectives about what that boundary ought to include. If there can be some—otherwise, we're going to go back and we'll study some areas. If we came back, you'd say, "Well, you didn't see the right areas. We want it to go to this street." If we can understand what that expansion of the range needs to be, that would be helpful in our further analysis. Maybe that's a conversation that the Board can have. As you read off each of those areas, I just want to make sure that we're in agreement that for some of these areas, like the first one, does the Board agree that there's no basis for a district at this location? If there is agreement about that, the second part of that question is are there other features or criteria that ought to be considered? I heard mentioned the architect. The architect of some of the buildings in the area might be a consideration for us to look at, the Birge Clark architecture. If there's agreement on that, that's the kind of feedback that we would like. It might be worthwhile just to kind of go point by point with that discussion.

Vice Chair Makinen: I don't think we should be putting words into the mouth of the Council. This is exactly what they asked us for, right here. There's no further need for elaboration.

Mr. Lait: We want to respond to the question though. We want to give them a response to the question.

Vice Chair Makinen: That's what we're trying to do. We're trying to form a consensus here.

Mr. Lait: Fantastic.

Board Member Bower: I wasn't going to make any comments about districts, because I thought the other Board Members had. I would, in light of your suggestion, I would think that the study area should be from 432 University which is the new, completely inappropriately scaled building next to the Birge Clark buildings, then run the entire length of that side of the street, all the way down to Cowper. I think Beth just articulated that Birge Clark was involved. Certainly it's in the Birge Clark style. The other side of the street from Cowper working back on University, I don't think has much significance in terms of our history as a City until you get to the Swain Music building, which was the old Apple building. Then going down Kipling, I would go all the way down to Lytton. Not all those buildings are original buildings, but many of them are. One of them I was dragged to as a child by my mother so that she could purchase buttons and notions at Irma Schwabel's place. Those people who have been here a while, we have to be here for quite a while, but she was a fixture of Downtown Palo Alto. That building still exists pretty much untouched on the outside. Coming back the other way, there's obviously nothing in the parking lot that would make any sense to consider. The parking lot's new. There is the building that the former Zibibbo restaurant is in. I don't know if that was considered historic. It was certainly wrapped with a lot of new construction when they created that restaurant. Coming back down on University, the subject property would obviously be in this district. Then you come down to whatever, I don't know what this building is. We reviewed this building here, I think. Didn't we? I think these two buildings, one of them—well,

anyway. That would sort of be the space that I would consider, because this property really overlooks all of that space. When I was walking around the street yesterday and looking at these properties, I was dumbfounded. I never did like 432 University; I didn't understand why a 50-foot building would be built immediately adjacent to these historic buildings. You can see from this rendering just how awful that is and how overwhelming it is to the Birge Clark buildings. That's exactly what, I think, the Council is asking us to consider. I think it's a long overdue consideration. Does that give you enough scope for at least my sense of the district? I can talk to you afterwards just ...

Mr. Lait: Yeah. No, I think I have a sense for it. It might be helpful just to refine it. I guess I'd ask the other Board Members if there's general agreement to that boundary that you've contemplated.

Board Member Bower: Well, we could get to that in a motion.

Mr. Lait: Okay.

Board Member Bower: Which is where I think we're going.

Board Member Bunnenberg: In terms of general agreement though, there is one more Birge Clark which is next to the old Apple building which is 460-476. We can't see that on our diagram, so I'd certainly include that.

Vice Chair Makinen: Is there general consensus amongst the Board that the consultant's definition of the study area of potential effect is not accurate?

Board Member Bower: It's not inclusive enough, is the way I would describe it.

Vice Chair Makinen: Not inclusive enough.

Board Member Wimmer: Yeah, I agree that even on that diagram, I mean, there's that intersection of Kipling and University, but it really cuts out the area that's diagonal, which is University Theater, excuse me, the Varsity Theater.

Board Member Bower: Then all the way down to the President Hotel.

Board Member Wimmer: Yeah. For me that area for some reason is being excluded, and I think it should be considered.

Board Member Bower: Can I continue?

Vice Chair Makinen: Sure.

Board Member Bower: All right. As I have said earlier, my most serious concern about this project is that its mass and scale is not compatible and sympathetic to the surrounding buildings. I started by reading Land Use Number 5—I don't know what you call that, suggestion, definition—should maintain scale and character. Even when I looked at the old Apple building yesterday and imagined this building, there's a 50 percent height increase over that, at least on these plans where we have a 36.6-foot elevation. I don't know whether that's the current elevation or whether that's the proposed new elevation when the restaurant goes in. We're going 19 feet over that roughly to the top of the screening. Did you want to comment?

Mr. Lait: Yeah, please, if I may. Part of the reason we're looking at the study area is to understand under CEQA if there's an impact of the proposed building to the adjacent, potentially historically significant properties. I want to come back to the study area in a moment. Your more recent comments about how the proposed project, the mass and the scale of it, you find it detrimental to—I don't want to put words in your mouth and so tell me if I'm wrong—detrimental to the adjacent ...

Board Member Bower: Overwhelming. Overwhelming ...

Mr. Lait: Overwhelming to the adjacent structures.

Board Member Bower: ... is the word that I was thinking of.

Vice Chair Makinen: The words are dominant.

Mr. Lait: Okay.

Vice Chair Makinen: The other words are feeling and association, that they're (inaudible) to the historic properties.

Board Member Bower: Exactly.

Vice Chair Makinen: That's the aspects of historic integrity that are impaired.

Board Member Bower: In this rendering you can see that on the opposite side of the street, this 50-foot building minimizes the historic structures.

Vice Chair Makinen: Sure.

Board Member Bower: It shrinks them in value, in size. I would say—there's another comment I wanted to make—that it encourages the overwhelming increase in the size of buildings. We have seen this all along University Avenue.

Mr. Lait: Okay. If I can interject right there. I want to make a distinction between a broader policy conversation about development, the scale of development to adjacent structures, which is a community conversation that we're having now, and this particular project as proposed to historic resources. I heard the comment that there is a feeling and association that due to the size and the scale of the proposed structure that it minimizes that impact. Is that an impact to a historic resource under CEQA? Our finding with our consultant is that the proposed project does not result in a significant impact under CEQA which is a distinction that I think needs to be made to a broader compatibility conversation which the ARB and the City Council will be having. We're looking to this Board as our historic professionals to comment on the historic impact. If it's helpful, we can have our consultant speak more to the conclusions from the CEQA perspective, if that informs the Board. I clearly hear a concern about the compatibility of the proposed project to the adjacent structures. As a corollary to that conversation, as we talk about the study area—we tried to define the study area as those buildings that would most likely be potentially impacted by the proposed building. If we expand the study area and we're going to Lytton, for example, now, what we're trying to figure out is how does the proposed building impact the buildings down by Lytton on Kipling from a CEQA historic impact perspective. What our conclusion has been—I apologize for being long-winded about this—our base conclusion is we're not able to find a historic impact under CEQA. We're asking you did we look at everything right. Maybe if we looked at something else, maybe we would conclude that there's a historic impact. That's what we need your expertise on and your guidance on. Did we cover everything to definitely rule out that there is not a CEQA impact? There's a whole other conversation about compatibility that I understand, but I think that's for the ARB and the City Council.

Board Member Bower: If we're not here to address compatibility of a new building to an historic structure which is what this Board does the last nine years I've been on it—I'm the second youngest person on this Board—I'm, I guess, confused. I understand CEQA. I've been to a couple of seminars; in fact, I think I've been to three now. It's a very complicated law. I am reluctant to visit that on any property owner, because I think it's expensive and I don't think it benefits us. If that's the only tool we have in the City of Palo Alto—it's not the only question the Council's asking us, it's just one of the questions—then I guess I would answer that by saying that the area considered was too small and that the impact of this new building on the historic structures wasn't adequately analyzed. Let me point out

exactly what I mean by that. On page P7 of the Preservation Architecture report, they list four, six characteristics that the California Register for Historic Resources uses to analyze a building or a property or a historic structure, could be a park too. Under Number 3, the structure or site is an example of a type of building which was once common but is now rare. They say this is a kind of building that is common, and so it should be exempt. This kind of building in Palo Alto is becoming almost extinct. It is rare in my opinion, and I think you could consider that even though it's completely modified from its original shape. The single-story, single full-depth retail, really commercial space doesn't exist very many places in the City of Palo Alto in the Downtown area. I have a problem with that. That wouldn't by itself make this an historic structure. Number 4, the structure or site is connected with a business use which was once common but is now rare. Again, I think you could argue that these small businesses—Shady Lane has been in this building forever, I mean since the early '70s. That's a substantial number of years in anybody's record. I have problems with this analysis. Everybody can write their opinion, and that's what this is. Under these two categories, I think you could come to a different conclusion.

Mr. Lait: Thank you for that, because that's exactly the kind of feedback, that precise feedback, that we're looking for. If it's okay with the Acting Chair, I'd like to give Staff an opportunity to respond to that so that there can be an understanding of why we reached the conclusions that we reached.

Vice Chair Makinen: Proceed.

Mr. Lait: I'd like Matt to respond to that. Thank you.

Mr. Weintraub: Thank you, Board Members. Just in terms of the criteria that you are looking at, those are actually the local ordinance criteria. Those are not actually required to be considered under CEQA. CEQA does not require resources to be evaluated at the local criteria if they're not already designated such. That information is provided, I believe, for your benefit, for information, but those criteria don't actually define historical resources under CEQA. Also, just to clarify that there are two regulatory frameworks that apply here, that the Board is being asked to look at the compatibility of the project in relation to historic resources. Those two frameworks are CEQA and the Architectural Review findings, specifically Architectural Review Finding 4. The question was put forth, what is the Board being asked to do in terms of evaluating the compatibility. It is in relation to the thresholds and the review requirements of those two frameworks, what's being asked of the Board. In relation to the CEQA study area, I'd like to provide some clarification on that. I would refer you to the Carey & Co. report that was produced. The study area that was—I should say a preliminary study area that was looked at includes all of the areas that the Board has mentioned. It looked at a two-block stretch of University from corner to corner. It looked at a full one-block stretch of Lytton from University to the next street over; I apologize for not having that in my mind. The bottom line is the Carey & Co. report actually does include an analysis of that larger area and, from that analysis, concludes that a more detailed study area is the appropriate study area that's been put forth, which is the adjacent properties. I just want to put out there that the analysis does include those areas, and it steps through it in a certain way that screens out certain resources from having no potential impact from the property. I would point out that the purpose of CEQA analysis is not necessarily to identify and evaluate every historical resource within X distance of a project. It's to gather enough information to come to a conclusion for environmental review purposes, and that's what we feel the Carey & Co. report has done successfully. Thank you.

Vice Chair Makinen: I think, Beth, you had a—you're up.

Board Member Bunnenberg: Are we allowed to respectfully disagree?

Mr. Weintraub: We are definitely asking for your comments.

Board Member Bunnenberg: I was looking and thinking since we've been talking about Kipling. We really have in some ways not discussed Kipling that much. Looking at the rear of the building, there are balconies and pieces very, very near the alley or whatever name you choose to give it. All those places would be definitely very visible from Lytton, because they're low buildings on that. There's not much

stepping back from the alleyway to begin to make that part of the building attempt to disappear like the front part of the building. It's pretty well built out to that back alley. Is that correct?

Ms. Fong: To response to your comments, when you look at the renderings, which is the ones you have in hand, for Lane 30 and the intersections ...

Board Member Bunnenberg: I'm sorry, I can't hear you.

Ms. Fong: The intersections between Lane 30 and Kipling Street, the building strategically put a lower massing and transitions into the nearby lower density buildings. The intent is to respect the nearby smaller structures. Also there are some differentiations in color to differentiate or lighten up that corner. As you are approaching to Lane 30, there is a landscape planters and the lobby area with great transparency that trying to address interactions between the block. The building itself is set back from Lane 30 by approximately 4 feet which is not required, but the applicant's intent to do so to respect the smaller buildings nearby. This is the design approach that the applicant choose to do, and I'm pretty sure he or she is here to add to it. What I described above is the rationale that was provide to Staff when this proposal was moving forward.

Vice Chair Makinen: Are we ready to summarize our findings on this in the form of a motion?

Ms. Wong: Is there a moment that I can make some comments after hearing all that?

Vice Chair Makinen: Would the Board care to reopen the public hearing? Okay.

Ms. Wong: Okay. I feel that this project is being evaluated as all the other projects that come before you that are historical in nature. This project is only here because there was an appeal. Many of the things that you are raising about changing the guidelines for development, I do appreciate and I think that, as Mr. Weintraub said and Mr. Lait said, is being taken in the Comprehensive Plan and many discussions in the City. I think that for a person who has put three years of my life into this project and hundreds of thousands of dollars into this project, I have to conform with the existing Codes. The existing Codes allow me to build a modern building, 50-foot height, and trying to make as much as I can to respect the flow of the street to make it pedestrian friendly, to have a transition from Kipling to University. My second comment is that University Avenue is very, very different from one building over, one alley over. This building fits into University Avenue. It would not fit into Ramona Street which is a historic district. We have a building, a historic building, at 532-536 Ramona which is a very charming historic building, and we would never do this to the Ramona address. We understand what the laws are, and we conform per every law that was imposed on us and that was reviewed by the City. The City gave its formal approval to this project after one pre-ARB hearing, three ARB hearings where there was extensive changes to the project. At every stage we responded and gave to the City what they have asked us to do. Even at this moment, we responded to Council's request to set back the third and the fourth floor. We had Preservation Architecture look at this. We had Dudek, which is a City consultant, look at this. We had the City's historic planner look at this. We had the City's Director look at this. Yet, after all this, only after all this, the project was approved. It was appealed. As a result of the appeal, they made us do shadow studies, circulation analysis studies, in context historical analysis, all of which we have done. I think it's punitive. I think Mr. Bower in other HRB meetings, I have heard him say that he was concerned about the cost that each one of these projects and each one of these requests burdens on the project. I mean, this is insane. This project should have never come here. If it comes here, it should not be analyzed as a historical project. We did every analysis. We did not choose the historian except for Preservation Architecture. That was the norm that we do. The first one, it was our consultant. After that, the City chose the consultant. We have nothing to do with it. The consultants came back and said this building has insignificant impact. As I mentioned to you before, there are many examples in the City where there are modern structures next to historical structures. If you would like to reset the development environment, I have no problems with that at all. But this project started in 2013 and it has to go under the laws, the Codes, that were present from then until now. I think it's totally unfair for the project to be submitted to the strict historical guidelines that you are putting forth at this time. Furthermore, I don't think that Council is asking you to go beyond what they have requested, the

Kipling Street buildings as far as studies are concerned and to make it beyond what it is. I should have my lawyer here. It borders on the illegal. Thank you.

Vice Chair Makinen: Thank you. I think our charter here is to respond to the five questions that the Council has asked of us. We're pretty much adhering to that guideline. There are questions that Council asked us about what is the area of applicable potential effect, so we're legitimately responding to those questions that have been asked of us. We're not trying to make up stuff that adds to this. We're just responding to what we've been told to give to the Council. We're close in deliberations right here. I'd like to have a motion somewhere from one of the Board Members that responds to the five questions that Council has asked of us, which are on the front page of the Staff report. We can take them one-by-one or we can do them all as a total.

Board Member DiCicco: I think that we've concurred that it doesn't have to be a district, but there are a significant number of historic properties within what's Number 2, the area of potential effect. I believe we have concurred that that area should be at least more closely defined or specifically mentioned that they still are on the Register for the City.

Board Member Bower: May I speak? I think it might be helpful to take these one at a time. Let's do a resolution for "A," "B," "C." If we find that a couple of them can be combined, that's fine. For the first question, should the HRB determine whether there are other factors that should be considered, I think we've heard today from all of us that we think there are other factors that should be considered. Those factors are the effect of this project on other historic properties even those not on a Register. When I say "effect," I'm not talking about architecture because there's no issue for me and I probably think any of the Board Members about what the architecture of the proposed building is, that it has to be if it were a project. If this were a historic building we were considering an addition or modification to, it would have to be differentiated. I think this is certainly differentiated, so there's no issue for me and I didn't hear any issue from any other Board Members about the style of architecture. That's not an issue here. I think what I have heard is that the massing and the volume of the building will have a distinct impact on the historic structures, if for no other reason when you're in this new building, you will be looking down on all the others. It's overwhelming. I felt overwhelmed by the building at 432 University.

Male: (inaudible)

Board Member Bower: I think that's a significant issue. I don't know how you put that into a motion, but I guess that we do feel that there are—the motion is that the Board feels there are other factors as I maybe articulated one.

Mr. Lait: I think that's right. As far as your motion, I like your idea of taking each point, "A" through "E," and talking about that. We can get your comments on that. It'd be helpful at the end if we can just get a general nod of the Board Members that captures your sentiments and then we can transmit that to the Council.

Board Member Bower: Maybe a discussion of the five points?

Mr. Lait: Yeah. Unless there's any further to add on—I thought I heard mentioned something about the architect for those buildings as maybe being another criterion. That's one that I heard.

Board Member Bower: Right. The buildings we're concerned about are primarily Birge Clark designed buildings. Birge Clark is a significant presence, had a significant role in Palo Alto's building history and development. On the second one, I'm not sure what the applicable area of potential effect is. I think we talked about how we would like to see the number of buildings evaluated be expanded, the area. I made a suggestion. Maybe Board Members have other thoughts, but it's basically Cowper to—on the southeast side of University, it would be the present building all the way down to 532, which is clearly not historic. On the other side of the building, I think, Beth, you had ...

Board Member Bunnenberg: Yeah. If it was from 476 ...

Board Member Bower: 476, no, that's the southeast side. That's the Varsity. It's the other side, the odd-numbered buildings. Odd addresses.

Board Member Bunnenberg: Oh, you're still talking about that side. Yeah, from the President Hotel to ...

Board Member Bower: 432 which is the new building. Now, on the other side of the street is the old Apple building/Swain's Music building. Is that the northeastern extent?

Board Member Bunnenberg: Well, no. On that side there is 476 which is also a Birge Clark.

Board Member Bower: Okay. We go 476—well, no, that's still on the even side. We need to be on the odd side. Talking about ...

Vice Chair Makinen: (inaudible)

Board Member Bower: What's Swain's address? 451.

Board Member Bunnenberg: It's 451.

Board Member Bower: You could leave 451 on University down to 423. I can't remember what the next building, the building next to 423 is.

Board Member Bunnenberg: Well, let's just put it in.

Board Member Bower: All right. Then down Kipling to this building second from the corner of Lytton. I don't think the corner building on Lytton would be considered an original. It's effectively the, again, northwestern side of Kipling Avenue, 443, 51 and down. If you look at Zibibbo, I don't know whether that would qualify. Just look in the planning records. I doubt that it does. That's where the potential effect would be. I think that actually answers "C" as well. Potential effect and then number of historic structures. "D," mass, scale and compatibility the proposed project has on the existing historic properties, I think we've beaten that one to death. Does ...

Mr. Lait: I'm sorry. Just to be clear on that comment on "D." Where some of our other points that the Council's asked us to consider are a CEQA-related threshold, "D" is not. It's a comment about whether the mass and scale is compatible with the existing historic properties that are analyzed or in this area. Your comments about compatibility and dominating, I think, are focused mostly on this particular item, "D."

Board Member Bower: Does anybody else want to chime in?

Board Member Wimmer: I guess in terms of massing and scale, I mean I definitely think that this building is more sensitive than the bad example across the street. Also, I think there's just this ongoing conflict about what the zoning laws allow in these situations. I mean, any building owner wants to max it out just for economic reasons. They want to go as high and as big as they can. We struggle with that, because we want these buildings to be more pedestrian friendly and less looming over the single-story historic buildings, but that's not what's written in the Code. It's a conflict; it's an internal conflict within all the entities under the umbrella of the City of Palo Alto. We want to fight for these historic buildings and have everything be sensitive to it, but that's not necessarily what's described and what the realm of possibility is in these projects. Just speaking to that, I think that's our duty, is to try to be extreme in wanting everything to be sensitive to these buildings, knowing that that's not in reality always going to happen. At least we can make the scale tilt a little bit that way. That's what I think we have to do.

Board Member Bower: Sure. I actually agree with you. I think that we have a difficult task here, because we're trying to evaluate this development project as it affects the historic properties that surround it. We have a planning ordinance that is applied, I think is the right word, in what I would

consider a rather peculiar way. I again said earlier, I've been in the residential building business my entire career. We can't begin to build to the height limit in a residential area, but in the commercial areas you can build over it. I just don't understand that. I don't understand why it doesn't—maybe it says you can put HVAC equipment, elevator shafts through that limit. Obviously you're doing it because it's legal, but why can't we build houses up to the height limit? It doesn't say anywhere in the planning or zoning ordinance that you can't do it. It's just impossible to get a permit to do it. The message I'd like to send to the Council is let's start applying the zoning ordinances in an absolutely even-handed way. I looked at the elevations of this building. The first floor is 15-foot ceilings. You don't need 15-foot ceilings in a building. You could take this building down below the 50-foot height limit with modest changes to the interiors of these structures. We do houses with basements, and we put everything in 9-foot spaces, all the plumbing, all the electrical. You could do it in a commercial building. I don't want to get distracted here, but this is why we're talking about mass and applicability to the historic structures. It's because there's a feeling in the community, I think, based on the last City Council election, that we need to start paying attention to the ordinances that are in place and maybe change them. This building isn't going to be changed substantially, I think. It would be unfair to the owners if it was. You don't start a process and then have to redo it in the middle. The time to do this and the reason the Council has come to us is to get information that will help them, I hope, change these ordinances and start downsizing the buildings which the community seems to want. Now, that's way too much and I apologize for going on.

Vice Chair Makinen: Sure. Just to add to that. The cumulative effects that Beth brought up are a consideration too that should be included in this, the Planning Department. I think that's totally overlooked.

Board Member Bower: Did we get close to giving the Council something to think about?

Mr. Lait: Thank you. I appreciate the Board's attention to this. I don't know that we had any concluding comments on Item E or maybe they're already incorporated in the remarks that you've already made. I just want to make sure that we're not missing that. If you wanted to speak to that issue.

Board Member Bower: Pat, did you want to say something?

Board Member DiCicco: I think you were discussing "A," "B" and "C."

Board Member Bower: Well, "D." I was actually on "D."

Board Member DiCicco: "D" as well.

Board Member Bower: Which is mass, scale and compatibility.

Board Member DiCicco: I even think the use of the materials should be looked at with compatibility with the other surrounding buildings on University. I think the answer to Number E is yes, it does change the setting for the many historic properties surrounding this project. It does have an impact.

Board Member Bower: When you get to "D," "E," Number E, whether the proposed building would change the setting of the historic properties on Kipling or University and—this is the important part—have an impact under CEQA. I think actually that's a coupler.

Board Member DiCicco: It does..

Board Member Bower: I don't know that that actually would be the case. CEQA has its own requirements; it's very tough, very specific. I don't know whether this Board can make that connection. I think we all feel it would change the setting, but when you add that "under CEQA" part ...

Mr. Lait: That changing of the setting, I think, is captured under Letter D of the Council's direction to the HRB. I think what I'm hearing—correct me if I'm wrong—is that of the Board Members present there's a

unanimous perspective—correct me if I'm wrong—that the proposed building is overwhelming, it dominates the adjacent structures. I heard a comment about the materials not being compatible with the adjacent structures. From that perspective, there's an impact. It may not be a CEQA-level impact, but there is an impact and there is a concern about the proposed building to the setting and the adjacent buildings. Is that a fair representation of the Board?

Vice Chair Makinen: Yeah. Feeling, association, setting, dominance, those are the key words.

Mr. Lait: Okay. The reason I didn't use those key words is because those relate to, I think, an analysis under CEQA.

Vice Chair Makinen: Well, they relate to the seven aspects of historic integrity. Secretary of Interior ...

Mr. Lait: Which is a (crosstalk) criteria under CEQA. Yes, we can forward that perspective as well. I was making a distinction between the technical CEQA and the other aspects of it, but we can incorporate that comment as well. Did that capture your perspective as well?

Board Member Wimmer: In terms of the dominance of the building and the materials?

Mr. Lait: Yeah, to the adjacent buildings.

Board Member Wimmer: I think I've sort of expressed my opinion, but I think also that's something that the ARB tends to look at more critically than our Board does. I would just defer to their expertise. I know that the applicant has worked hard on the exterior and thinks that this is a good solution for the building. I mean I always like to have it a little bit less streamlined and modern, but that just seems to be the theme of the day. I do think, I mean, I hope that the ARB studies that a little bit closer.

Vice Chair Makinen: I think as you brought out, David, some of these buildings that are affected are examples of buildings once common but now rare.

Board Member Bunnenberg: Also in terms of thinking about the Secretary of Interior Standards as well, it certainly affects the setting in a major kind of way for a much larger area, because it is so tall, so much bigger that the setting is affected. I think that anything that could mitigate or make it look smaller, such as emphasizing the horizontal banding, as you said more like the streamlined moderne, could help a bit, but it's still very massive and will greatly change this whole end of University Avenue.

Vice Chair Makinen: Do you need that put in the form of a motion?

Mr. Lait: I guess if we can just get—it would be nice to be able to report to the Council that the comments that you have just articulated in going through "A" through "E" is reflective of the Board's comments. If you can just vote to that and ...

Vice Chair Makinen: I'll pose that question to the Board right now.

Mr. Lait: Fantastic.

Vice Chair Makinen: Does everybody support those comments?

Board Member Bunnenberg: (crosstalk) all say aye.

Board Member Wimmer: Do we need to like formalize a sentence or a paragraph or is ...

Mr. Lait: If I can assist. Let's do that, and let me see if I can help you with that. The motion would be—and if you agree ...

Board Member Wimmer: Should we just say I move to expand the study area of the potential effect to include towards the end of University ...

Board Member DiCicco: We've gone over that.

Board Member Wimmer: I know, but we're trying to formulate it all in one. To include to Cowper Street and then also have the ARB take a closer look at the materials in terms of the context. I don't know.

Mr. Lait: Thank you for that. Before we get too far from the conversation that we just had, because we're not looking for a specific—what we want to do is report back to the Council. They gave you some five points to consider. You've just had a conversation about those five points specifically. Perhaps a motion could be a motion to forward those comments on to the City Council as articulated just a few moments before when we were detailing "A" through "E." If you are okay with that, you can say so moved and have a vote on that and move it forward. The ARB will certainly cover the issues that they need to cover.

Vice Chair Makinen: Sounds good to me.

Board Member Bower: I would like to make a motion that we ask Staff to summarize the conversation we have just had in regards to those five items and forward that to the Council. I will rely on Staff's record keeping, because it's been good in the past, to do that. That's my motion, that we ask Staff to summarize our comments and send them to the Council as representative of the Board. That could be a yea or nay.

Board Member Bunnenberg: One question. Could those be reviewed perhaps by our Chair, our Co-Chair of this Board?

Board Member DiCicco: Why don't we have Matthew ...

Mr. Lait: What we do with the PTC is, when we have a discussion like this, we involve the Chair and the Vice Chair in a chance to review the Staff's summation of that. Perhaps Acting Chair would review those. If you want to also appoint somebody else to review, we can share that to make sure that we've captured the Board's comments.

Vice Chair Makinen: Is that okay with the Board?

Board Member Bower: Sure.

Vice Chair Makinen: Okay.

Mr. Lait: I'm sorry. Who would be the other person that we'd be sharing the comments with? Is it Board Member Bower or who? We'll send it to you, and who's the other ...

Board Member Bower: (inaudible) I will volunteer to (inaudible).

Vice Chair Makinen: We'll have David and myself.

Mr. Lait: Okay, fair enough. And if ...

Board Member Bunnenberg: Will we vote on that (inaudible).

Board Member Bower: We need a second.

Board Member DiCicco: No, we're all set.

Vice Chair Makinen: Yeah. Do we have a second?

Board Member Bunnenberg: Second.

Board Member Wimmer: I'll second.

Vice Chair Makinen: All in favor of the stated motion?

Board Member Bower: Aye.

Board Member Bunnenberg: Aye.

Vice Chair Makinen: Aye.

Board Member Wimmer: Aye.

Board Member DiCicco: Aye.

Vice Chair Makinen: Motion stands approved.

Board Member Bower: I think unanimously.

Vice Chair Makinen: Unanimously with all present.

Board Member Bower: Chair Makinen, could I make a comment?

Vice Chair Makinen: Sure.

Board Member Bower: I'd like to thank Staff. This is obviously a difficult project. Also, thank the owners for all the time and obvious money they've spent on this. Hopefully we can make a somewhat clearer path in future projects based on this conversation.

Board Member Bunnenberg: Thank you for the Apple building.



ARCHITECTURAL REVIEW BOARD EXCERPT OF DRAFT MINUTES

**Thursday, September 17, 2015, Meeting
8:30 AM, Council Chambers**

Call to Order

Roll Call

Present: Chair Robert Gooyer; Vice Chair Alexander Lew, Board Members Kyu Kim, Wynne Furth

Absent:

Staff Present: Jodie Gerhardt, Interim Current Planning Manager; Diana Tamale, Administrative Associate III; Sheldon Ah Sing, Contract Planner; Christy Fong, Planner

- 5. 429 University Avenue [14PLN-00222]:** Request for ARB consideration of an appeal of the Director of Planning and Community Environment's Architectural Review Approval of a 31,407 square-foot, four-story, mixed use building with parking facilities on two subterranean levels on an 11,000 square-foot site located at 425-429 University Avenue. Zoning District: Downtown Commercial (CD-C (GF)(P)) District. Environmental Assessment: A Mitigated Negative Declaration has been prepared.

Chair Gooyer: Can we have the Staff report?

Board Member Furth: Excuse me. Before ...

Chair Gooyer: Yeah.

Board Member Furth: Before we can proceed with the Staff report, I will not be participating in this matter. I do not have a conflict of interest under the FPPC rules, but the applicant has accused me of bias. The applicant is, of course, entitled to have the application heard by an unbiased body that will make a decision based on the evidence before it. The accusation is based upon a letter I wrote asking the City Council to hear the appeal of this item previously. I don't share the applicant's view that I'm biased, but I also do not believe it's in the interest of the City to have this already complicated review process complicated by those allegations. I will step down in this case. Thank you.

Chair Gooyer: Okay.

Board Member Furth: I should say that notoriously we are not good judges of our own bias.

Chair Gooyer: Okay, thank you. Why don't we go ahead with the Staff report.

Christy Fong: Thank you for the introduction. This project as described in the project description was formally reviewed by the ARB at three public hearings. In the last hearing on February 19, 2015, the ARB recommend approval to the project on a 4-0 vote with one member absent. The Director tentatively approved the project to reflect the ARB recommendation. Within the prescribed period an appeal was

received. In response to that, the City Council held a public hearing on May 4, 2015. The City Council vote 5-4 to continue the appeal requesting the applicant to redesign the project and remand the revised project to the HRB and ARB. In the hearing, Council articulated they have challenges to make the ARB findings to approve the project. In particular, the Council was concerned with the project's compatibility to nearby building and its relationship to the historic character in the area. The Historic Resources Board reviewed the revised project on September 10, 2015. Their comments will be forward to Council for consideration. In general, the HRB have not unanimously support that there will be CEQA environment-related impact as the result of this project. The Board did express concerns on the project's compatibility with the surrounding context. In this meeting, Staff requests the ARB to review the project revisions and additional study and respond to the Council motion and to make recommendation point-by-point as reference in page 3 of the Staff report as to whether the revisions address the issues outlined on that list. The applicant has prepared a presentation to detail the project revisions.

Chair Gooyer: Thank you. Okay. Then why don't we start with the applicant. You have ten minutes.

Elizabeth Wong: Good morning, ARB members. This is the fourth time, fifth time that I'm here in front of you, the pre-ARB, three ARB meetings and this one after the City Council hearing of the appeal. I need my—this is 429 University Avenue. My name is Elizabeth Wong, and my family owns this property. Can you hear me? In addition to following all the City planning ordinances, we were guided by the Downtown Urban Design Guide book. One of the things that it says is to—what we have tried to do in our architectural goals is to create a building that is placed in time and contributes to exciting, vibrant University Avenue. "Develop and enhance the qualities of University Avenue which make it an exciting outdoor and pedestrian environment including vibrant and eclectic architecture." Downtown Urban Design, page 27. Our second goal was to increase the height at the corner to support Downtown goals of defining street corners. "Street corners are best defined by higher volumes. At mid-block locations, lower building volumes whose upper floors are stepped back from the street are often more appropriate." This is the Downtown Urban Design, page 22. Number 3, design for architectural interest using windows, articulations and setback. From the Downtown Urban Guideline, "create ground-floor architectural interest with windows and displays." In addition we tried to create architectural compatibility that encourages shopping and creates a linkage to Kipling and to Lytton commercial areas. "The Architectural Review Board, Planning Commission and the City Council should use this resource reference in reviewing proposed projects." This comes directly from the Downtown Urban Design, page 4. Our building is 429 University, and the red buildings on this slide show the buildings that are existing or approved that are over 50 feet high. All of these buildings or most, if not all, of these buildings abut to University Avenue. There are no setbacks from the street. The next thing I wanted to talk about is the changes that we have made to the plans that were approved by Planning and recommended for approval to Planning by the ARB. I could go over in detail about all of these, but I think it would take me very long. What I would like to do is to go over and to put the—next slide, this one—and point out to you where those changes occur. Number 1 is at the lower right and is the door that we added to create the rhythm on University Avenue. Number 2, we eliminated that wall, that concrete wall, in front of the building between 425 and 429 University to lighten the mass of the building. Number 3, in this place we put a window to make it more friendly and compatible to the street. Number 4, we eliminated the roof of the third-floor balcony. Number 5, we lowered what appears in the upper diagram as Number 6. We lower it on top of the second floor; it used to be on top of the third floor. Number 7, we eliminated those two columns on the third floor, again, to make the building lighter and less massive. Going to the next slide. Each one of these changes in your tables shows which concern from Council it addresses. It has the reference number and the reference number coincides with Council's concern. We are at Number 9, I believe, 8. On the Kipling side, we did something similar in response to Council's concerns. We eliminated the roof of the third floor balconies. Number 9, we lower the structure that is highlighted in the upper picture, Number 10. We lower to the second floor. In addition to that, we changed the material for the buildings, so that it would be lighter and that it would seem less massive to the passerby. Let's see. We have a Number 11. I think that Number 11 is the stairwell, the concrete stairwell. What we did there, we made it darker so that that would be possible backdrop for art. Number 12, we replaced a double door to a single door on the Kipling side to make the street less popular. One of the concerns was that we were making Kipling too populace. Number 13, we changed the windows—there used to be a row of glass—into more people-sized windows and less prominent windows. I think that

those are—okay, now we're going to go to the floor plans and see how these setbacks work. On the alley, we maintain our 4-foot setback from the alley. The entire building is set back 4 feet from the alley. There's no other building existing at the alley that has a setback from the alley. This is the first one. We also have a 6-foot 10-inch distance from the corner to the wall on the lobby. The setback from the alley to the lobby is 6-foot 10-inches. We are set back 3 feet from Kipling Street. The lobby entrance, the lobby wall is set back 3 feet from Kipling Street. In addition, there is—okay, going over to the next slide. The second floor, that's 4 feet setback of the entire building in all floors is maintained. The building is set back 10 feet from the alley. The walls of the buildings is set back 10 feet from the alley, and there is a 6-foot balcony. The setbacks from the corner of Kipling and the alley are a generous 11 feet 9 inches to the elevator. In front of the elevator, you have a total transparent wall of glass. Those are the setbacks on the second floor. (inaudible) the third floor. The third floor has the same setbacks at the rear. On the Kipling side, the setback is 7 feet 6 inches, and it is 9 feet from University Avenue. I do not know of any other building that has these generous setbacks on University Avenue. Let's go to the fourth floor. The fourth floor setbacks are even humongous. Okay, it's 12 feet 9 inches from Kipling, from 30 feet 2 inches to 39-7 inches from University Avenue. Can you go to the next slide please? We're presenting, we're offering you a beautifully designed building. It was approved before. It was recommended for approval by you before, and now it's even better. This is the view from University Avenue. The next slide shows the view from Kipling Street. Extremely pedestrian friendly, you come south, walking south on Kipling Street. The first thing you will see is this huge planter with a green wall. The planter could be the site of a modern sculpture for art. The lobby could be the site of a modern art that would have a wide-angle view.

Chair Gooyer: You're just about out of time.

Ms. Wong: Okay. I won't go over all the renderings that I have, but I do want to go over—right at the end, I want to show you some of the buildings that are prevalent in Downtown Palo Alto. Not this one, but can you go after that, after 429 University. Yeah. We have this building at 317-323 University, modern building, historical front. Even 323 University is modern at the rear. Next slide. This is 278 University, has setbacks on its third and fourth floor. It's hardly visible from the street. Next setback. Our new building is well suited for that corner. It balances the street; it's long overdue. Next one. This is another view from the street that our building will complement the street. Next, Jaime. This is the Presidential Hotel. What is the definition of massive? Our building fulfills every single Code.

Chair Gooyer: Okay, we're going to have to wrap it up.

Ms. Wong: Okay. This is another building with strong corner anchors. Next one, last one. This is the building under construction. Thank you very much.

Chair Gooyer: Thank you. Okay. We have a couple of speaker cards, so why don't we start with Michael Harbour.

Michael Harbour: Thank you, Board Members. As you know, I filed an appeal in May which the City Council heard. I gave you on a handout just the issues that I laid out which were the main concerns of the appeal, which was the incompatible size, mass and scale in relationship to the adjacent buildings both on University Avenue and Kipling Street. We talked about shadows and the traffic and safety, parking insufficiency of the proposed design, disruption of existing businesses including Stapleton Florist and YogaWorks and the overall loss of retail space. Today, I'm going to just tailor my comments to what I think the City Council has asked you to deal with, specifically the size, scale and massing of the building in relationship to the adjacent buildings. The applicant has showed you a number of buildings not even close to where the building is located on the corner of Kipling and University. Kipling is the most narrow street in Downtown Palo Alto. When she shows the Presidential building on Cowper and all these buildings on Waverley, etc., you can't compare a street that's 40 feet wide compared to one that's only 29 feet wide. Again, the effect of this scale and massing is quite huge. Those are the five storefronts that are slated to be demolished in part of this building. She listed some of the design guidelines for Downtown. She cherry-picked the statements that fit her explanation here to you. What hasn't been addressed here is that the Palo Alto Municipal Code requires harmonious transitions in scale and

character that are considerate of each other. The design should follow the Context Based Design Criteria, responsible to the context and compatible with adjacent development including street types. Specifically, Kipling Street is the major issue that we are appealing. We need to provide appropriate transitions to the surroundings, and this building does not do that. It's a four-story building at 50-foot high plus the additional height required for the HVAC and the elevator shaft, so going up an additional 10 to 15 feet. The new construction must share general characteristics and design linkages to maintain the visual unity of the street. This was the old building that they proposed she showed you. The design was not compatible. There was no shared characteristics or design linkages with neighboring buildings. The visual unity of the street was not maintained and the large scale and mass detracts from pedestrian-oriented design. The new building here is still not compatible. It just moves the third and fourth floors to the rear of the building and shifts all the massing towards the rear. It is the same amount of square footage. If the first and second floors remain the same and the overall square footage remains the same, all she has done is just push the third and fourth floors to the back which masses everything along Alleyway 30 and towards Kipling Street. This new, lighter color is just cosmetic changes. To quote Sarah Palin, it's just lipstick on a pig. Scale and massing overwhelms the view from Kipling Street and the alleyway. You can see that rearview rendering, it is just one big, flat, huge building along the alleyway. Along Kipling Street, there are some setbacks, but you can see everything going towards the back. If you're walking down Kipling Street from Johnson Park and Lytton Avenue, down Kipling Street that's the view you'll see. It is overwhelming for that little, narrow street. It is the same colossal building and footprint on the narrowest street in Downtown Palo Alto. The design that they showed you from University Avenue, it is deceptive because it minimizes the actual building size and mass effect. What's up here is this huge, ugly flat wall that you're going to see from University Avenue. They've conveniently put a very large tree hiding it there, but this is no different than what it was before. It's just huge. We have a one-story building right there, a 1 1/2 story building, and four stories plus the additional HVAC materials. You have up to 3 1/2 floors of flat wall where the edge of the building meets ...

Chair Gooyer: You've got 20 seconds left.

Mr. Harbour: Okay. The size is not compatible with the neighboring buildings. Again, from Kipling Street you have a one-story building right here and then this four-plus-story building next door to it. This is what it looks like to scale from the back of the alleyway. A one-story position right there against this four-stories. I want to just reemphasize here that the applicant has made some cosmetic changes, but has not listened to what the City Council and the appellants have asked for, which is to address the size, scale and mass and specifically from Kipling Street. The HRB has asked them to address the historic resources that are along Kipling Street, and they've shown you all the buildings that aren't there. Thank you so much.

Chair Gooyer: Thank you. Now I have Jim Trotter, and then Doria Summa. Is Jim here?

Jim Trotter: Hi. Excuse me. I'm working for Jaime and Elizabeth Wong. I'm the architect coming after Ken Hayes. I'm really basically coming on board helping with some of the follow-up work regarding revisions and the studies of the project. The presentation's already been made about all the changes in Revision 6. I think what's important to note on this is that I really think that the design itself from the beginning has been a wonderful design. I think Ken Hayes did an elegant and a beautiful project, one of the better mixed-use projects I've seen in this area, in Palo Alto. Considering the context and the complexity of the uses, I think this project has been very well integrated and well thought out, maximizing really what can be done with a site like this in terms of retail, commercial and residential as well. I mean, this really is contributing to the area and the community in ways that really are hard to measure beyond the actual details you already have shown. In response to the criticism already made, the massing has been considered more than a few times now. In Revision 6, the scaling is done appropriately for the storefronts, neighboring properties. Some of the renderings, even though they're beautiful renderings, some of the weaknesses of our renderings sometimes can be when they're two dimensional, it doesn't really show the real scale for the pedestrian walking along the street. I think it should be understood that from the street you actually have these trees already screening some of the things pointed out as being high masses above the second floor. You already have from a pedestrian angle on University and Kipling a scale that is more appropriate than is being presented right now in

criticism of the project. I'm basically just adding comments I think have been made before, but really the changes made in Revision 6 do adequate justice to really make it appropriate for the massing and keeping the function and integrity of the project intact. Much of the mass that's left, especially in the rear part of the project, is necessary and needed for the project to work. Code wise, in terms of function, without that really the integrity of the project would be lost. My opinion, really I think the project should be approved as is at Revision 6.

Chair Gooyer: Thank you. Doria, and then Jeff Levinsky.

Doria Summa: Good morning again. I'll be very brief. I'd like to say that I don't think enough improvements have been made yet to this project to move it forward. The massing has been kind of—not been reduced but rather shifted and shifted towards the back where it has the most impact on the historic resources on Kipling. I don't believe that this revision truly reflects the changes that the City Council had asked the applicant to make. I'm not sure—I may have missed it, but I don't think the shadow study that was asked for was included. I think that's pretty darn important when it comes to such a narrow street and shadows casting. Thank you very much.

Chair Gooyer: Thank you. Jeff.

Jeff Levinsky: Thank you. Good morning again. I enjoy very much walking in Palo Alto and particularly Downtown and on Kipling and so forth. I think I'd like to mention that Kipling, of course, is a treasure to our City, and we hope that it'll be preserved for many decades and maybe centuries. I wonder about the impact of this building on Kipling from a pedestrian point of view. I've studied the drawings and I don't think any of the drawings actually reflect what a pedestrian walking up and down Kipling would see. I would ask you to look carefully at the drawings to see if any of them have the correct perspectives of that sort. Many of them seem to have a perspective from a second-floor level which minimizes the massing of the building. Some of them seem to have perspectives from positions that don't seem like people could really stand at that spot normally. You were shown earlier some photographs of other buildings, and those seem to be taken from very much the ground level, so you're looking up and they look quite large. That's not been done for the renderings given to you for the proposed building. I think that's an important difference. It might help to suggest that there be story poles, so that people walking on Kipling can actually see how tall this will be. As has been previously indicated, it looks like the mass and scale from Kipling is unaltered by these plans even though the Council directed that that be addressed. I think there's a serious problem there. I would also ask you to address your attention to the traffic study. Michael Harbour's notes that were handed out to you do address that. I believe that's also a concern from the Council. Thanks very much.

Chair Gooyer: Thank you. I have one more, Ken Fong.

Ken Fong: I've been in Palo Alto for well over ten year. I enjoy the City. I walk around University Avenue, sometimes Kipling, from time to time. I have a lot of friends around here. I actually look at that building at High Street and Hamilton. That's a huge building too. It's (inaudible). My wife tell me it's about five story. Is it four story? It's huge. This one, I'm not quite sure is bigger than that one. Secondly, I noticed that—is the mike on? Is the mike on? (inaudible) he said this building ugly. I'm not quite sure why he has to mention about this kind of perception. He didn't like it, and he called it ugly. He would have designed building and then offer to ARB for the rebuild. I'm not quite sure that he would pass it either. There's a lot of (inaudible) kind of determination of what beauty and ugliness is. That's something, I feel kind of unsettled, how things are being determined. I thought the ARB had approved this building before, right? I guess you get to argue it for another few years about what is right, what is wrong, before you approve it. I'm not quite sure how you got to make decision with the City. As I told you, I love the City. I've been here for more than ten years. I'd like to have a little bit more sensible kind of a decision-making process in the City. Thank you.

Chair Gooyer: Thank you. Is there anyone else out in the audience who wants to address the Board? Seeing none, I'll close the public portion of the meeting and bring it back to the Board. Probably what we

should—I guess the main preface is to address the six or so items that we have in our report that were mandated by the City Council.

Vice Chair Lew: There are eight.

Chair Gooyer: Okay. Sorry, eight, yeah. Why don't we do that or at least sort of surmise what our view is of those items. Kyu, you want to start?

Board Member Kim: Sure. Thank you, Mrs. Wong, for coming back to the Board with your revision.

Chair Gooyer: I tell you what. Let me do one thing. It might be worthwhile—would it be worthwhile reading what the—or does everyone have, I guess, copies of—oh, there you go. Okay, never mind. All right. Why don't we do that? I'm sorry, go ahead.

Board Member Kim: That's fine. I don't know. Should we each just go through each item or should we ...

Chair Gooyer: Might as well or at least ...

Board Member Kim: ... start on the first and then maybe go around or ...

Chair Gooyer: Whatever's comfortable for you. Just as (inaudible) touch base (inaudible).

Board Member Kim: Sure. The design shall be compatible with the immediate environment on the site. I mean this is tough, because from University I'd say it's compatible. It's been compatible. Of course, the issue that's been brought to us by the members of the public that spoke this morning have to do with the Kipling side. I think it boils to is it compatible with what's there currently versus is it compatible with what's potentially allowed along Kipling. That's where I struggle to lay down a solid opinion. I think with what's allowed by the zoning restrictions, and even looking at the building with that Kipling elevation, I'd say you could technically argue that it does address the other buildings that are on Kipling. It's not like it's completely turning its back against it. I mean, it could be far worse than what we have here. At the same time, I do understand the concerns of the people that feel that it doesn't respond enough. I'm really torn there. I think we've already made a decision on the building. I stand by that decision. Maybe we can go around and kind of add to that discussion about this one.

Chair Gooyer: Okay. How about any of the other—I mean we don't have to do each individual one. We can sort of a general ...

Board Member Kim: All right. There are some comments out there about, well, the massing has been changed but the square footage of the building is the same. I think that's still an attempt to change the massing. I mean, the square footage isn't something that we can necessarily control, especially with our purview. That's a planning and zoning thing. I think they're making the efforts to mass the building such that ...

Chair Gooyer: Hold on a second, Kyu.

Jodie Gerhardt: Board Members, could you please be clear what portion of the motion you're speaking to? Thank you. Which portion of the Council's motion you're speaking to. Is it "A," "B" or "C" on the screen that we have here?

Board Member Kim: Yeah. It was "A." I mean, it does touch upon some of the other ones, but I was still sticking with "A."

Chair Gooyer: All right. Then why don't we go down to this (inaudible).

Board Member Kim: Speaking to "B," unified design character. I'd say it ties in with the neighboring buildings along University. Is it the immediate neighbor? Maybe not. When we talk about a neighborhood, when we talk about a Downtown district, it's not only referring to one or two buildings to the left and to the right. It's referring to the buildings across the street. It's referring to buildings possibly a block away. Is it unified with the character of those buildings? I would say that it is. Now again, that's where we go to the Kipling side, and it's a different story. It's so different. I think even with the existing conditions, even with the existing buildings, the character of Kipling Street is very different than the character of University. Speaking to Letter C, compatible with the approved improvements both on and off the site. That's a (inaudible) one to speak towards. I'll just move on. "D," design of rooflines, entries, setbacks, mass and scale with context-based criteria. Again context, I would argue that it's not the building to the left and to the right, but it's really the context of that neighborhood. Street building facades, this one is "E." Buildings return with greater enforcement of relationship to the street with building mass. If anything, on the University side it actually makes a larger effort to make the scale feel less. I think the building reads much more like a two-story design all the way across the University elevation. The shadow patterns. There was a shadow study that was provided to us in the packet. It seems to me that the—it was a little bit difficult to understand actually why—there was one that was site only and then one that didn't have that text. Actually for the summer solstice, I don't know if that's accurate, because I still see the tower portion, at least what I think is the existing tower portion of the building that's casting a shadow still with the new building. I don't know if maybe the other Board Members have caught onto that. That would be for summer solstice, June 21st.

Vice Chair Lew: Do you have a page? I did look at those; I didn't catch that.

Board Member Kim: There's no page number, but it's the June 21st. Kind of in the middle of the packet.

Vice Chair Lew: Yeah.

Board Member Kim: Thank you for this ...

Vice Chair Lew: It's confusing because it could be a tree. There's an existing ...

Board Member Kim: If you look towards the top of the building, so above the building, you see the mass of two kind of buildings. I don't think that's the shadow of the tree.

Vice Chair Lew: The middle diagram?

Board Member Kim: For all three of them actually.

Vice Chair Lew: (crosstalk) or all three?

Board Member Kim: Yeah, just above the building. In Alley 30, you see shadows of ...

Vice Chair Lew: Right. There are two bumps. I see what you're saying.

Board Member Kim: Right. To me, that appears to be the shadow remaining from the existing building.

Chair Gooyer: Yeah, it is.

Board Member Kim: Something's not right there.

Vice Chair Lew: I see what you're saying.

Board Member Kim: Moving on to "G," the circulation analysis including Lane 30.

Chair Gooyer: Right here. You can see it on here. See, it matches those two.

Board Member Kim: Right, exactly.

Chair Gooyer: It doesn't match that.

Board Member Kim: Right.

Chair Gooyer: It's not accurate.

Board Member Kim: As far as the circulation analysis including Lane 30, I think there's been extensive traffic analysis of this site including that main. Then "G," direction that the project shall design linkages with overall pattern of buildings so that the visual unity of the streets are maintained. Again, University, I think it does that. It's always done that to me. Kipling side, it's another story. I'm curious to hear from my other Board Members as to what comments they can provide on that.

Chair Gooyer: Thank you. Alex.

Vice Chair Lew: Okay. For "A," I think I agree with the Staff report that some of the articulation has been lost. With removal of the—which was the gray stone tile, which I had always thought was a little too dark. It actually added a layer of complexity to the façade. Now without it, I think the building is looking really too bland and doesn't have enough articulation. I walked up and down the street again yesterday. The existing buildings, I mean most of them have railings, crenellations. They have more depth to their facades than this proposed project. I think something's been lost, and I think that that could be brought back to this project. That's on the University side. On the Kipling side, I have always maintained that like adding retail windows to Kipling is a huge benefit. I think the down side is really that the bulk of the building has been pushed towards the alley. It is sort of like a fairly uniform block of gray stucco, as I see it. There's not a lot of refinement or definition or just even like filigree to it. I do think that the great effort has been made to minimize the massing in terms of like having outdoor walkways, right, instead of having like enclosed walkways. Again, I think that more could be done to give it more character. Okay, Item B. On University Avenue, I think I touched on that before in my previous comment about University Avenue, just that there's more detail on the buildings on University Avenue. With regard to the Kipling side, I'm thinking that there has to be some sort of break. I actually went to try to understand the history of the site. I actually downloaded all of the Sanborn (inaudible) maps from the site—I have them here; you can't really see much from them—just to understand how the City developed. It was really like University Avenue at the turn of the century was a Victorian—this part was large Victorian houses. There was some big huge Queen Anne/Victorian on this site. If you go forward into like the '20s, like there's one from 1924 where you can see that the concrete retail buildings on University Avenue extended down to Waverley. Then you go to like 1949, they extend all the way down, farther towards Middlefield. That's just sort of the way the City's developed. There's always been a break between University Avenue and the Kipling Street houses. If you even go to—if you look at the map, like all of Lytton was turn of the century houses. Most of those have been removed. On University Avenue, we just have one; there's one left right down near—I think it's the 500 block. We have one Victorian left. To me there is going to be some sort of distinction there. Really the issue is—with regard to style, then the issue is is the massing too much, is the way I look at it. To me, it's really a difficult thing to try to give like a Victorian character to a mixed-use building that has to meet Fire Codes and whatnot. Really it's technically possible, but it's really difficult to reproduce or even mimic like a Victorian style on a new building. It's sort of a dangerous game. We've already cut down all the old growth redwood trees that built the Victorian houses. We don't really want to cut down more of those. To me, there has to be some level of break. I think the problem I'm having though is that—it's just the new building, it's just not quite good enough to me. It doesn't meet the standards set by other buildings Downtown. Okay. That was "B." I think "C" is very similar. I don't really quite understand the onsite and offsite relationship on "C." I don't know if Staff—do you have a sense for that? You're saying like existing—I mean sometimes onsite is existing like existing street trees or existing site amenities, but I think everything is being removed. If I can move on. On "D," I think that the removal of the third floor, the roofing—basically the roof covering over the third-floor decks, I think that is actually a substantial change to the University Avenue street frontage. I did look at all of those views like onsite. I think that that's actually a significant improvement. Again, I think the—recurring comments—that the back hasn't

changed. I think that in the documents the applicant is saying that that's really the back, like the placement of the stair and the elevator core and the driveway are really fixed. Those are critical places to locate those. I would actually agree with that statement. I think the basic locations of those are sound. The Kipling side, though, is still looking like very different than the—it's still looking fairly blocky to me. On street building facades, I am okay with the setbacks on the upper floors. I think the argument is is the four floors on the alley, right, too much for the one-story commercial building on the other side of the alley. Right? That step down. It's kind of interesting that the—lots of compatibility findings for when like commercial goes next to residential, right, to sort of mirror and step down the massing. Really we actually don't really have them; we don't have specific examples in the context-based findings for commercial to commercial. I think that's sort of an interesting place for discussion. Again, to me it goes back to the transfer of development rights. This is a 3.0 floor area project which is larger than what we would normally allow which is like 2.0 floor area. Under previous zoning we do have buildings all over Downtown, right, with the 3.0 floor area. They're there and I don't—to me it's part of the context, but the Council has given us direction to give it a very narrow focus on adjacent buildings. With that focus, I would say it's not working—they're not working together in that. I would agree with the applicant in a broader context of Downtown Palo Alto, it is compatible. The shadow studies, I think, were very interesting. I mean, it really shows, I guess to me though, that the alley gives the buffer that's needed. Again, the new building is casting shadows on the one-story building on Kipling, but that building doesn't really have windows facing the alley, so it doesn't seem to be an impact. I did read the circulation analysis, and I did see that. I wasn't really quite sure—you're saying we can't tie it to this particular application. I was wondering does that mean—that doesn't mean we can't do it. I was wondering, a question for Staff is like the ARB doesn't really have jurisdiction over circulation, but the Council could, right? Okay. I guess I would support those changes recommended by the traffic report. This is kind of a different—because this is an appeal, we don't necessarily get to see this again. My recommendation would be for this to come back with some really refinements to the skin of the building and possibly smaller. If we're having a fight over this, why don't we split the difference? If the difference is between 2.0 and 3.0 floor area, then why don't we split the difference? There are some really awkward things in the massing at the moment, like there are bathrooms up on the fourth floor that are facing University Avenue. That's like the best solar location, and we're putting sort of like the least desirable use, in my mind, right up on the top corner. There are bedrooms, there are two of the bedrooms on the—one on the third floor and one on the fourth floor that just have a door out to a deck. I don't think that's going to meet the Building Code minimum requirements for like light and ventilation. I think that there's still some things that need to be worked on in the plan. I think it's headed in the right direction, but it's not ready to be approved today.

Chair Gooyer: Thank you. Yeah, I have to agree. I mean I did the same thing. I walked the site again yesterday just to double check. Considering how this project came to us originally and how it's been trimmed back and stepped back, I think at this point—I mean it's got a four-story brick straight elevation directly across from it on University that starts at the back of the sidewalk and goes straight up. The design the way it is now actually—I have to agree with you. I think it's become a lot blander than it was originally. I guess that's the problem I have, is that when the sole purpose is to cut back the bulk, then you end up getting strange things like the bathrooms and the bedrooms with no articulation on it. I think the front on University Avenue is—the two-story matches what it's next to. I think it's gotten a lot more bland and a lot less interesting than it was before. I don't know if just bringing the bulk has really helped the project as a whole. The biggest thing seems to be how it relates to Kipling. If you look at what's already there, the old Apple store basically is a three-story building across the street that goes straight up. By the time you get that metal—I know technically it's a two story, but I'm saying size-wise by the time you get that metal box that's sitting on the back, it's the height of a three-story building. I don't care whether you call it a two—in fact you could probably theoretically call it a one-story building with a storage space. Still, the bulk is there. As to directly in back of it, we're talking about the shade study. We're having to—a fairly new building is going to be there for a while, and we need it to relate to two very non-distinguished looking one-story retail buildings that over the years have been a printing outfit and I guess it's an exercise gym at this point. I mean, if any shade is going to be on anything, on the roof of that would be as viable a thing to have it as anything else. Let's face it, Lane 30 is a service lane. There may be an occasional person that walks there, but they're going to be doing it to cut across and go from Point A to Point B, not a leisurely stroll down Lane 30. The Victorians in the back are gorgeous; I

hope they never change, but we're talking three buildings back by the time you get to the first Victorian. I've always seen in many situations like this in other cities also where if you have a, let's face it, a commercial street like University, and they occur in all municipalities, what you want sometimes is a buffer from the residential area in back of it. I think a two-story in the front—I mean if you're going to—finish my sentence. It's basically that I think that's a good thing. It almost seems like what we're looking at or what we're being asked to do is to reverse it so you put the four-story bulk on the University side to match the building directly across the street and drop it down to a two-story in the back. That's not going to fly either. I think the solution that has come up was based on what is allowed these days. A lot of that is based on what the zoning is and, as you said, the whole transfer of development rights issue. As long as these things are on the books, we can't really prevent people from bringing us applications that look like this. It's our responsibility to judge what's best to make that building conform to the area around it. I think in this particular case, I have to agree that I think it does meet the requirement for the setbacks and all that actually almost to a fault. I think it works with the character of the buildings around it. I mean the reality of it is University Avenue is changing. Let's face it, a lot of the one and two-story buildings that are there now are not going to be there. The land is just too valuable that the owners of those buildings are going to want to make those taller. That's something you just can't prevent. Let's see. Approved improvements both on and offsite, I guess the answer is yes. Design rooflines, entry, setbacks with context-based criteria. Based on the areas around it, I think it's doing the thing properly. Street building facades. Actually, as I said, this reduction of massing has diminished the quality or the texture of the building that was presented to us under, I guess, Option 5 than it is now. I think this building is blander than it was the last go around. The shadow pattern, like I said, it works for the setback. Obviously it does have a problem along the back in the alley, but again based on the fact that that shade then covers a service alley and two buildings that are basically used for retail and don't have any windows really facing that area, I think it's fine for the way it is. Let's see. Direction that the project shall share design linkage. Yeah, I mean I agree it's a little tough to say you want the back of that building to have a Victorian linkage to it. Realistically, the closest Victorian building is one property back across the street or the third property behind this one. The only ones you can really relate to directly are the old rectangular box that's the old Apple store and, directly in back of it, the two one-story nondescript residences—I should say retail spaces. I think it does relate to the buildings around it. Anything else anybody else wants to add?

Vice Chair Lew: I have a question for you guys. What do you think about the glass railings? They seem to—like in the new design, they seem to be more prominent now than they were before. It seems a little out of character for the context.

Chair Gooyer: I agree. Like I said, I agree with you. If this goes further or however this leads, I think it ought to come back to us. Like I said, I'm not real thrilled about the elevations, the way they are right now based on what was needed to get the massing. Yes, I agree with you, the glass there I don't think works. I should say I think there are better solutions for that.

Board Member Kim: Yeah, I agree. I think what's lost—I appreciate you bringing that back up. One of my earlier comments from earlier reviews was that this building is replacing several smaller-looking facades. It'd be nice to kind of continue to keep that. I think removing the darker stone on the University elevation does remove that and make it a little bit more uniform. In doing that, it actually raises awareness of the horizontality of the building. I think the glass railings ...

Chair Gooyer: I agree.

Board Member Kim: ... add to that. Previously when we had the darker stone façade, at least it had some vertical elements that were emphasized to bring some relief to that as well as some contrast and breaking up the elevation as well.

Chair Gooyer: Anyone else? Does that give you what you're looking for?

Ms. Gerhardt: I think if we could make sure that all of the Board Members, that there's a group conclusion on these different motions.

Chair Gooyer: I didn't know it—does it need a motion or something? I think we're all in agreement that it does seem to fit in with the context, but it's lost something in the shrinking of the massing. Would you guys agree with that?

Vice Chair Lew: I think I'm in a slightly different position than the two of you. I think the way I'm thinking about is that if the fourth floor were eliminated, it would fit in better. I think that's where I am.

Chair Gooyer: I don't have a problem with that. The thing that always bothers me with that is then—in one respect we allow these transfer of development rights and then we say, "Yeah, but that's all fine and dandy. We let you do all these complicated mathematical formulas, but you can only put three stories on it." If that's the case, then the City or the Council needs to say we can only have three-story buildings in this area or whatever. I mean if there's going to be something like that, that's always the problem with that. I understand a lot of this stuff is taken on one at a time but, like I said, then you look at the building across the street and it's that brick four-story building that the façade goes straight from the back of the sidewalk all the way up. There's no setback, no nothing. Now, rightfully so, that may be one of those "oh, my God, we never want to see that done again," but still I think a lot of effort has been put by this particular applicant to step everything back. Yeah, I agree with you that would probably be the best solution, but again if that was done, realistically if you're walking in the alley, you never see the fourth floor or almost see nothing of it. As far as the shadow line, it really isn't affected by it considering the size of the step back. Other than looking at it from the—what is it—the President Hotel or somewhere at some unrealistic bird's eye view, it's hard to tell there's even a fourth floor up there. I mean, unless you go looking for it. I mean, the average person walking down University or Kipling isn't going to.

Vice Chair Lew: That's interesting. I did not look at the, say like from Lytton, I didn't go that far out to see what this potentially could look like.

Chair Gooyer: Okay.

Vice Chair Lew: Yeah, I can see this screen ...

Chair Gooyer: How would you like to—how do you want to—do you want to put an adjunct to that or what I stated? You can add to that, like I said. I have conflicted ways about that as far as the—if we're not going to allow the fourth floor, then we shouldn't allow all the rigmarole of the transfer of development to get it done in the first place. Just say it's FAR of whatever, and you're limited to three floors or four floors. Then you get people to come back and say, "Hey, wait a minute ...

Vice Chair Lew: I know. This is the way the rules are written. It's like it has to be compatible ...

Chair Gooyer: Right.

Vice Chair Lew: ... to get the transfer of development rights. That's why we're here.

Chair Gooyer: I understand. It's sort of a black and white situation and a very gray answer.

Vice Chair Lew. I know. I know. It's very difficult. Some people say, "Well, why can't you just put the transfer of development rights on a project on Alma where it doesn't impact anybody?" We've had big projects on Alma, and they're still controversial. There's no way around that here in Palo Alto.

Chair Gooyer: Anything else you want to add?

Board Member Kim: No.

Chair Gooyer: Okay. I think that'll do it from us then.

Ms. Gerhardt: Thank you.

Vice Chair Lew: Staff, can you tell us does this go back to the Council? Is there a date? Is it scheduled?

Ms. Fong: We are trying to coordinate a date to get back to Council the end of October or early November. We will forward your comment and the HRB comments to Council for their final decision.

Vice Chair Lew: Thank you.

Chair Gooyer: Thank you. I think that's it.

Attachment G

Hardcopies to ARB members and Libraries only

Project plans can be reviewed at

<http://www.cityofpaloalto.org/news/displaynews.asp?NewsID=2449&TargetID=319>