



**CONSENT CALENDAR**

**Agenda Item # 4**

**AGENDA REPORT SUMMARY**

**Meeting Date:** September 10, 2019

**Subject:** Ordinance No. 2019-462: Commercial Retail Sales District amendments

**Prepared by:** Jon Biggs, Community Development Director

**Approved by:** Chris Jordan, City Manager

**Attachment(s):**

1. Ordinance No. 2019-462: Commercial Retail Sales District amendments

**Initiated by:**

City Council

**Previous Council Consideration:**

August 27, 2019

**Fiscal Impact:**

No direct fiscal impact is anticipated

**Environmental Review:**

This Ordinance is exempt from environmental review, pursuant to Section 15061(b)(3) of the State Guidelines implementing the California Environmental Quality Act of 1970, as amended (“CEQA Guidelines”), and CEQA Guidelines Section 15378(b)(5) because the Ordinance implements, clarifies, and provides minor changes to the CRS District that will not result in a direct or indirect physical change in the environment and, it can be seen with certainty that there is no possibility of a significant impact to the environment.

**Policy Question(s) for Council Consideration:**

- Do the proposed code amendments result in appropriate uses in the CRS zone district?

**Summary:**

- The ordinance amends several sections of Chapter 14.48, CRS Commercial Retail Sales District, and modifies the list of permitted and conditional uses. There are also a few additional edits that contemporize the code.

**Staff Recommendation:**

Adopt Ordinance No. 2019-462 amending the list of permitted and conditional uses in the CRS (Commercial Retail Sales) Zone District

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**Reviewed By:**

City Manager

CJ

City Attorney

CD

Finance Director

SE

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### **Purpose**

The purpose of the proposed amendments is intended to provide greater flexibility for the use of building spaces in the CRS zone district in the present and future and are intended to support the enhancement of vitality within the Downtown area.

### **Background**

The CRS zone district encompasses the core of the Los Altos Downtown. Current regulations provide for a variety of uses with retail establishments the principal business type.

In response to an increasingly challenging retail market, there have been requests over the past several years for an amendment to allow greater flexibility of potential tenants within CRS zone district. This flexibility will provide a wider array of commercial establishments in the Downtown to serve the community.

In 2018, the City Council adopted a Vision Plan for Downtown Los Altos, which notes the City of Los Altos is committed to a community-focused, economically viable, and village scaled Downtown. One of the Vision's listed Elements is:

*Enhancing economic vitality through expanded dining, shopping, service, office, hospitality, and residential uses accessible to the entire community.*

The ordinance under consideration is the first step towards fostering this Vision for Downtown Los Altos.

The Planning Commission considered the proposed amendments on July 18, 2019. There was a unanimous vote of those present to recommend adoption of the ordinance to the City Council.

### **Discussion/Analysis**

At its meeting on August 27, 2019 the City Council held a public hearing on the proposed amendments to the CRS district and voted to introduce the ordinance subject to amendments to the lists of permitted and conditional uses. The amendments directed by the City Council are reflected in the highlighted sections below, with some other adjustments made by staff for consistency.

14.48.030 - Permitted uses (CRS).

The following uses shall be permitted in the CRS District:

- A. Business, professional, and trade schools located above the ground floor;



**Subject:** Ordinance No. 2019-462: Commercial Retail Sales District amendments

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- B. Office-administrative services, which include medical and dental clinics or offices having less than 5,000 gross square feet of floor area and animal clinics having less than 5,000 gross square feet of floor area, except when located in a ground floor building space that fronts directly onto Main Street or State Street; ~~located above the ground floor;~~
  - C. Parking spaces and loading areas incidental to a permitted use;
  - D. Personal services, ~~except when located in a ground floor building space that fronts directly onto First Street, Main Street or State Street;~~
  - E. Private clubs, lodges, or fraternal organizations located above the ground floor;
  - F. Restaurants, excluding drive-through services;
  - G. Retail; and
  - H. Uses which are determined by the community development director ~~city planner~~ to be of the same general character;

**I. Cocktail lounges.**

14.48.040 - Conditional uses and structures (CRS).

Upon the granting of a conditional use permit in accordance with the provisions of Chapter 14.80 of this title, the following uses shall be permitted in the CRS District, ~~except when they displace a retail business located in a ground floor building space that fronts directly onto First Street, Main Street or State Street:~~

- A. Any new building that has an area greater than seven thousand (7,000) gross square feet, and any addition to an existing building which would result in the total building area exceeding seven thousand (7,000) gross square feet, including additions to buildings which presently exceed seven thousand (7,000) gross square feet in area;
- ~~B. Cocktail lounges;~~
- ~~C. B.~~ Commercial recreation;
- ~~D. C.~~ Day care centers, except when located in a ground floor building space that fronts directly onto ~~First Street~~, Main Street or State Street;
- ~~E. D.~~ Hotels;
- F. ~~E.~~ Housing located above the ground floor;



**Subject:** Ordinance No. 2019-462: Commercial Retail Sales District amendments

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- ~~G.~~ Medical and dental clinics, except when located in a ground floor building space that fronts directly onto First Street, Main Street or State Street;
- H E. Medical and dental **clinics or offices that area having five thousand (5,000) gross square feet of floor area or more and animal clinics having five thousand (5,000) gross square feet of floor area or more**, except when located in a ground floor building space that fronts directly onto ~~First Street~~, Main Street or State Street; and
- I. G. Uses which are determined by the planning commission to be of the same general character.

At the City Council's direction, animal clinics have been included in the list of permitted (having less than 5,000 square feet) and conditional (having 5,000 or more square feet) uses. Animal clinics are defined in Title 14, Zoning, of the Los Altos Municipal Code as:

... a place where the public may obtain examinations, prescriptions, and treatment for small animals. Major surgery or confinement overnight shall be limited to emergency cases only.

This definition clarifies that animal clinics are for the treatment of small animals with any overnight stay limited to emergency situations only.

In addition, the City Council directed that cocktail lounges be moved from the list of conditional to permitted uses. A cocktail lounge is defined in Title 14, Zoning, of the Los Altos Municipal Code as:

... a business establishment which has, as its primary business, the sale of alcoholic beverages for consumption on the premises and where, if food is served, it is incidental to the sale of beverages.

The City Council introduced and waived further reading of Ordinance 2019-462 and the ordinance will go into effect 31 days from September 10, 2019 if adopted.

## Options

- 1) Adopt the draft ordinance.

**Advantages:** Expands the types of uses that can occupy buildings in the CRS zone district and prevents extended vacancies

**Disadvantages:** Results in less control over uses in the Downtown



**Subject:** Ordinance No. 2019-462: Commercial Retail Sales District amendments

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2) Deny the draft ordinance

**Advantages:** Prevents service businesses from operating on Main and State Street

**Disadvantages:** Limits flexibility that will allow adequate response to current and future economic situations

**Recommendation**

The staff recommends Option 1.

**ORDINANCE NO. 2019-462**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS  
AMENDING THE LIST OF PERMITTED AND CONDITIONAL USES IN  
THE CRS (COMMERCIAL RETAIL SALES) ZONE DISTRICT AND  
MAKING FINDINGS OF CEQA EXEMPTION**

**WHEREAS**, the City of Los Altos initiated an application (19-CA-\_\_\_) to amend Title 14 of the Los Altos Municipal Code, the Zoning Ordinance, in order to update the permitted and conditional uses in the CRS District (Chapter 14.48), referred herein as the “CA” or the “amendments”; and

**WHEREAS**, Chapter 14.48 of the Los Altos Municipal Code, the CRS, Commercial Retail Sales, zone district provides for the retention, enhancement, and attraction of commercial establishments that reflect the characteristics a village atmosphere that is desired in the downtown Los Altos village; and

**WHEREAS**, the characteristics of a downtown village, as listed at Subsection 14.48.020(A) of the Los Altos Municipal Code, include a mix of uses emphasizing retail businesses and services that meet the needs of community residents and visitors, and with housing located above ground floor businesses; and

**WHEREAS**, The City Council has recently accepted a community-based vision for downtown Los Altos that encourages a mix of retail and service uses that enhance the character of downtown Los Altos and meet the needs of residents and visitors; and

**WHEREAS**, Chapter 14.48 allows personal service uses except when located on the ground floor building space that fronts directly onto First Street, Main Street, or State Street; and

**WHEREAS**, Given that on-going changes to the retail industry have resulted in a decreased demand for commercial retail space and an increased demand for personal service space; and

**WHEREAS**, Vacant commercial space does not add, enhance or promote a vibrant village atmosphere and detracts from a desirable downtown; and

**WHEREAS**, This Council seeks to provide flexibility in its zoning code so that adjustments in response to commercial space market fluctuations can be accomplished and a desirable and vibrant downtown can be maintained.

**WHEREAS**, required public notices and public hearings were duly given and duly held in accordance with the applicable provisions of the California Government Code and Chapter 14.86 of the Los Altos Municipal Code; and

**WHEREAS**, the CA was processed in accordance with the applicable provisions of the California Government Code and the Los Altos Municipal Code; and

**WHEREAS**, the Planning Commission held a duly noticed public hearing on the CA on July 18, 2019, at which it recommended approval of the CA; and

**WHEREAS**, the City Council held a duly noticed public hearing on the CA on August 27, 2019; and

**WHEREAS**, the location and custodian of the documents or other materials which constitute the record of proceedings upon the City Council's decision are based in the Office of the City Clerk; and

**WHEREAS**, this Ordinance is exempt from environmental review, pursuant to Section 15061(b)(3) of the State Guidelines implementing the California Environmental Quality Act of 1970, as amended ("CEQA Guidelines"), and CEQA Guidelines Section 15378(b)(5) because the Ordinance implements an clarifies and provides minor changes to the CRS District that will not result in a direct or indirect physical change in the environment and, it can be seen with certainty that there is no possibility of a significant impact to the environment.

**NOW THEREFORE**, the City Council of the City of Los Altos does hereby ordain as follows:

**SECTION 1. AMENDMENT OF CODE:** Sections 14.48.030 and 14.48.040 in Chapter 14.48 of Title 14 of the Los Altos Municipal Code are hereby amended as follows:

14.48.030 - Permitted uses (CRS).

The following uses shall be permitted in the CRS District:

- A. Business, professional, and trade schools located above the ground floor;
- B. Office-administrative services, which include medical and dental clinics or offices having less than 5,000 gross square feet of floor area and animal clinics having less than 5,000 gross square feet of floor area, except when located in a ground floor building space that fronts directly onto Main Street or State Street; ~~located above the ground floor;~~
- C. Parking spaces and loading areas incidental to a permitted use;
- D. Personal services, ~~except when located in a ground floor building space that fronts directly onto First Street, Main Street or State Street;~~
- E. Private clubs, lodges, or fraternal organizations located above the ground floor;
- F. Restaurants, excluding drive-through services;
- G. Retail; and
- H. Uses which are determined by the community development director ~~city planner~~ to be of the same general character;
- I. Cocktail lounges.

14.48.040 - Conditional uses and structures (CRS).

Upon the granting of a conditional use permit in accordance with the provisions of Chapter 14.80 of this title, the following uses shall be permitted in the CRS District, ~~except when they displace a retail business located in a ground floor building space that fronts directly onto First Street, Main Street or State Street.~~

- A. Any new building that has an area greater than seven thousand (7,000) gross square feet, and any addition to an existing building which would result in the total building area exceeding seven thousand (7,000) gross square feet, including additions to buildings which presently exceed seven thousand (7,000) gross square feet in area;
- ~~B. Cocktail lounges;~~
- ~~C. Commercial recreation;~~
- ~~D. Day care centers, except when located in a ground floor building space that fronts directly onto First Street, Main Street or State Street;~~
- ~~E. Hotels;~~
- ~~F. Housing located above the ground floor;~~
- ~~G. Medical and dental clinics, except when located in a ground floor building space that fronts directly onto First Street, Main Street or State Street;~~
- H E. Medical and dental clinics or offices that area having five thousand (5,000) gross square feet of floor area or more and animal clinics having five thousand (5,000) gross square feet of floor area or more, except when located in a ground floor building space that fronts directly onto ~~First Street, Main Street or State Street;~~ and
- I. G. Uses which are determined by the planning commission to be of the same general character.

**SECTION 2. CONSTITUTIONALITY.** If any section, subsection, sentence, clause or phrase of this code is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this code.

**SECTION 3. CEQA.** This ordinance is not subject to review under the California Environmental Quality Act (Public Resources Code §§21000, *et seq.*, as further governed by the Guidelines for CEQA, 14 CCR §§15000, *et seq.*) because the ordinance has no potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment, per 14 CCR §15378. The ordinance amends Los Altos Municipal Code provisions pertaining to the permitted and conditional uses in the CRS District. It does not commit the City of Los Altos or any other party to any direct course of action, other than to review and approve uses within the CRS District and will not result in any physical changes in and of itself. Moreover, as a separate and independent basis, to the extent the ordinance was determined to be subject to CEQA, it would be exempt from further review pursuant to the ‘common sense’ exemption (14 CCR §15061(b)(3)), as it can be seen



with certainty that there is no possibility that the adoption of the ordinance may have a significant effect on the environment.

**SECTION 4. PUBLICATION.** This ordinance shall be published as provided in Government Code section 36933.

**SECTION 5. EFFECTIVE DATE.** This ordinance shall be effective upon the commencement of the thirty-first day following the adoption date.

The foregoing ordinance was duly and properly introduced at a regular meeting of the City Council of the City of Los Altos held on \_\_\_\_\_, 2019 and was thereafter, at a regular meeting held on \_\_\_\_\_, 2016 passed and adopted by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Lynette Lee Eng, MAYOR

Attest:

\_\_\_\_\_  
Jon Maginot, CMC, CITY CLERK