



## STUDY SESSION

### Agenda Item # 1

## AGENDA REPORT SUMMARY

**Meeting Date:** October 22, 2019

**Subject:** CT Zone District Study Session

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

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

**Attachment(s):**

1. El Camino Real Corridor Zoning Designations Diagram
2. El Camino Real Corridor Use and Development Potential Diagram

**Initiated by:**

City Council

**Fiscal Impact:**

Undetermined

**Environmental Review:**

This is exempt from environmental review pursuant to CEQA Guidelines Section 15061(b)(3) because there is no possibility that reviewing and taking no action to amend or modify the CT zoning regulations will have a significant effect on the environment. As a separate and independent basis, this report is also exempt under CEQA Guidelines Section 15378(b) and 15262.

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

- What constitutes appropriate development for the CT District (Commercial Thoroughfare) and the El Camino Real Corridor – both from a land use and site development standards perspective?

**Summary:**

Based on recent City Council direction, a study session has been agendized to review current regulations and policies that guide development in this area of the City and provide the basis for a discussion on whether the regulations and policies should be amended, or new regulatory programs developed

**Staff Recommendation:**

Discuss and provide direction as appropriate



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### **Purpose**

Provides the City Council an opportunity to review and discuss the CT Zone District regulations.

### **Background**

There are number of regulations and policies that guide development of properties along the El Camino Real corridor, the majority of which are in the CT zone district. The most overarching guidance comes from the City's General Plan. The Land Use Element of the Los Altos General Plan provides the following concepts, opportunity, and information language:

#### ***El Camino Real Corridor***

*El Camino Real forms the northern boundary of the City, supporting a mix of low- to medium-scale offices, retail stores, personal services, restaurants, and lodging. The corridor borders the adjacent Cities of Mountain View and Palo Alto, which have encouraged intensive retail, office, lodging, and residential development on their sections of the roadway.*

*The lower-intensity nature of uses found on the Los Altos side of the road works well to ensure compatibility with adjacent residential neighborhoods, to minimize additional traffic flow from and onto El Camino Real, and provide a suitable location for small office-based businesses. However, the corridor as currently configured does not provide much in the way of affordable housing and is gradually becoming more of an office district and less of a retail area. Moderate intensification of uses fronting the corridor offers an opportunity to create additional affordable housing, sustain diversity within the City's commercial centers, and control the amount of office space developed on the Corridor to ensure that sales tax revenue is maximized.*

*To achieve these objectives, the City will consider amending the Thoroughfare Commercial zoning regulations for the El Camino Real corridor. Allowable uses may include any combination of residential, office, retail, lodging, and personal services. The ground floor of all new mixed-use development may be limited to retail, hotel, motel, or restaurant uses only.*

*In terms of floor area ratio, projects that are entirely office use could be limited to a maximum FAR of 0.5:1 to discourage this type of development exclusively. All other uses could be allowed a maximum FAR of 1.5:1. However, the amount of floor area that exceeds a 0.5:1 ratio should be for retail, housing, or lodging use. The height limit for this area is 30 feet and two stories. However, projects with residential components could be allowed up to a maximum height of three stories as a further incentive to encourage mixed-use projects and obtain affordable housing.*

This language, along with the CT zoning code and a variety of other policies or programs, has been relied on to guide development along the El Camino Real.



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The El Camino Real Corridor is zoned CT (Commercial Thoroughfare), and this set of zoning regulations provides the land use and site development standards (Attachment 2). Other regulations that are relied on to guide development include the City’s Inclusionary Housing requirements and the Density Bonus Regulations. These provide for the creation of affordable housing and requirements tied to their development. The inclusionary housing regulations require that certain development projects include affordable housing as part of the project’s housing mix, while the density bonus regulations provide incentives to developers who include more affordable housing units in their project than required by the inclusionary housing regulations. A city can determine the level or number of inclusionary housing units; however, it must be mindful that these inclusionary housing units count towards the number of affordable units needed to receive density bonus units and other development incentives or waivers.

**CT Zoning Code Amendments**

In October of 2017, the City Council adopted a set of amendments to the CT zone district regulations. Following is a table that provides a comparison to the prior and current site development standards:

<b>DEVELOPMENT STANDARD</b>	<b>PRIOR REGULATIONS</b>	<b>ADOPTED REGULATIONS</b>
14.50.020 – Specific Purposes	-	Added – residential, including affordable housing development, in list of Specific Purposes
14.50.060 C. 2. - Refuse collection	No requirement for refuse collection on site.	Amended to require refuse services, including pick-up, be located on site and this standard is applicable to all projects
14.50.100 - Side yards	None required – except for those properties abutting an ‘R’ District	Side Yard Setbacks Introduced for abutting CT properties.
14.50.150 – Open Space	No Standards	Common and Private Open Space Standards Introduced
14.50.160 - Rooftop Uses	No Standards	Standards for Rooftop Uses Introduced
14.50.180 Loading Space Requirements	No Standards	Standards for Loading Spaces Introduced



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In addition to the above, the 2015-2023 Housing Element of the General Plan provides some discussion on the El Camino Real Corridor and mentions it within its discussion on future development potential. The discussion within the Housing Element is as follows:

### ***Areas with Potential for Residential Development***

**Table B-35** contains an inventory of vacant sites with residential development potential as of August 2014. A mandatory provision of below market rate (BMR) units applies to all multiple-family projects with ten or more units and to those projects within a Mixed-Use Overlay District that include housing. All of the sites listed below are located in Residential Zones and will not require a rezone. There are no visible obstructions, incompatible surrounding structures, or infrastructure capacity impediments that would prevent any of the sites listed below from being developed. **Appendix E** provides a map of the vacant sites in **Table B-35**.

### ***Realistic Capacity***

Due to the extremely high cost and limited availability of vacant land in Los Altos, developments are consistently built to the maximum allowable density. In addition, the City's zoning ordinance requires that residential developments must be built to their maximum densities when they are constructed in commercial or mixed-use districts. For example, sections 14.22.030 and 14.24.030 of the Los Altos Zoning Code require maximum densities of 24 du/ac and 38 du/ac for its primary multiple-family residential districts. Exceptions to maximum density must be based on health, safety and welfare; however, since this provision was adopted in 1995, no projects have been approved without meeting the maximum density requirements.

The City allows housing in all commercial districts as mixed-use development with residential units permitted above the ground level only, except for in the Commercial Thoroughfare (CT) District, which allows commercial, mixed-use with housing above the ground floor or residential-only development for the entire building, and in the Commercial Downtown/Multiple Family (CD/R3) District downtown where residential uses are a conditionally permitted use. In non-CT Commercial Districts, the City assumes a 20-unit per acre density as realistic capacity of the non-ground floor development capacity; however, the downtown commercial area residential projects are not limited in density. A recently entitled and permitted project at 86 Third Street developed a mixed-use of office space and 20 dwellings at a density of 40 units per acre. Another recent project in the downtown area at 100 First Street demonstrated a 48-unit project achieved a greater density of 48 units per acre for a residential-only project following key recent zoning changes that removed floor area limits and increased height limits. A recent project at 4750 El Camino Real developed a mixed-use building with 205 dwelling units at a density of 41 dwellings per acre including density bonus units. Commercial and mixed-use projects downtown are not limited in floor area or number of story limits but limited to a height of 30 or 45 feet depending on the district. Mixed-use and purely multiple-family residential development in the CT District are allowed up to a height of 45 feet. **Table B-35A** below lists recently entitled projects in commercial zones in Los Altos.



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*Recent development trends clearly show that when residential units are allowed, developers will include residential components in their projects in Los Altos.*

This discussion permits the City Council an opportunity to evaluate the CT zoning regulations. Following this review, Council can provide direction to staff on efforts it will need to undertake to evaluate the corridor further or develop new regulatory documents to accomplish Council's goals.

### **Options**

1) Discuss and provide direction as deemed appropriate

**Advantages:** Provides staff with a clear course of action.

**Disadvantages:** May introduce a level of uncertainty on how the El Camino Real corridor will change over time.

2) Decline to take up this discussion.

**Advantages:** This action could signal that the existing policies and regulations are providing appropriate guidance for development along the El Camino Real corridor.

**Disadvantages:** This may lead to development that is not in keeping with the Community's vision for the future of the El Camino Real corridor.

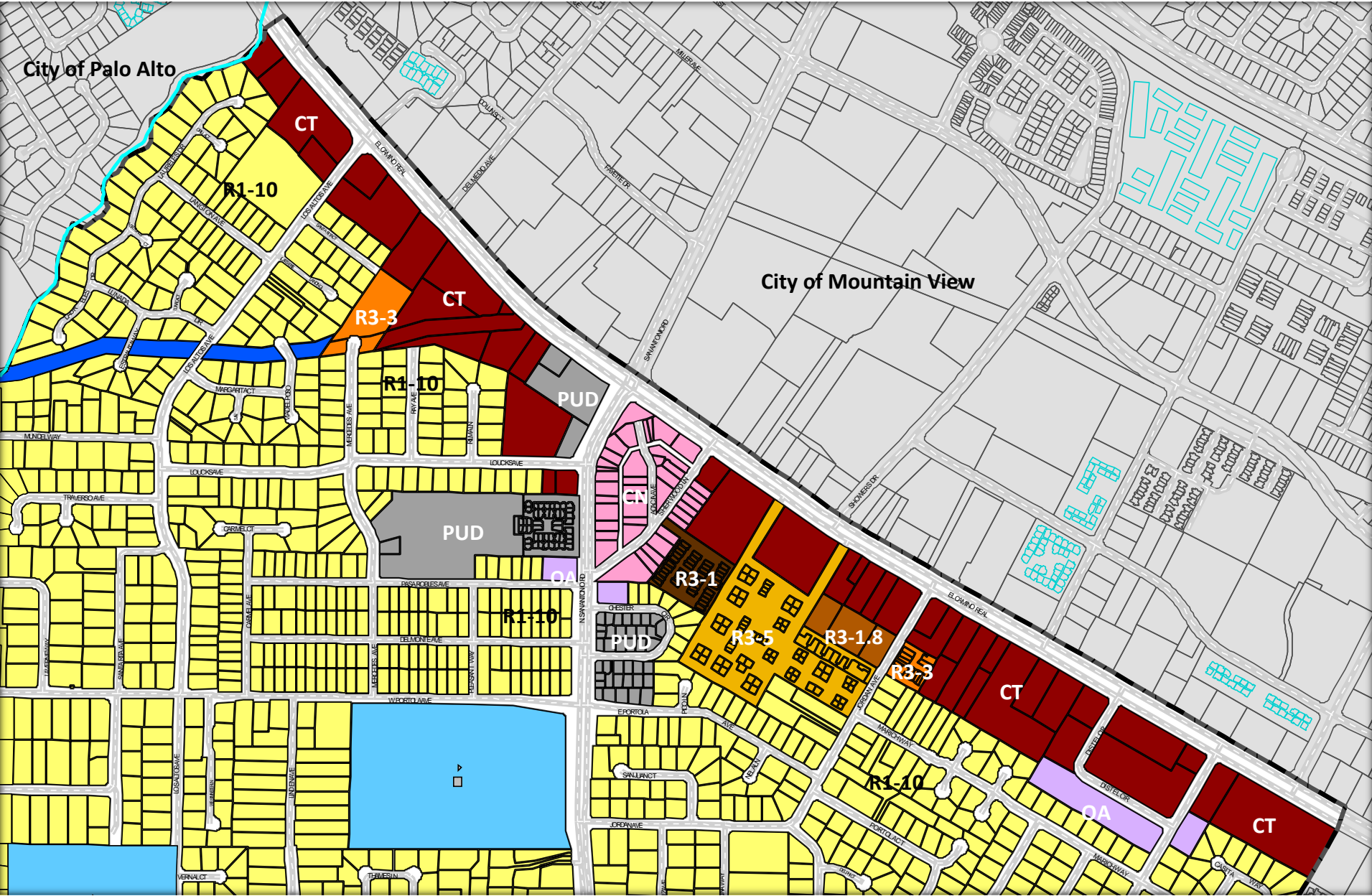
### **Recommendation**

The staff recommends Option 1.



# EL CAMINO REAL CORRIDOR

## Zoning Designations



# EL CAMINO REAL CORRIDOR

## Uses and Development Potential

