



## City Council Agenda Report

**Meeting Date:** January 28, 2025

**Prepared By:** Sean Gallegos, Senior Planner

**Approved By:** Nick Zornes, Assistant City Manager

**Subject:** Vesting Tentative Map for a New Mixed-Use Project at 420 S. San Antonio Road

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### COUNCIL PRIORITY AREA

- ☐ Business Communities
- ☐ Circulation Safety and Efficiency
- ☐ Environmental Sustainability
- ☒ Housing
- ☐ Neighborhood Safety Infrastructure
- ☒ General Government

### RECOMMENDATION

Adopt a Resolution approving a Vesting Tentative Map (Application No. TM22-0003) for the creation of twenty (20) condominium lots and one common at 420 S. San Antonio Road per the recommended findings and conditions of approval; and find the project is categorically exempt from environmental review pursuant to Section 15332 (In-Fill Development Projects) of the California Environmental Quality Act (CEQA) - Attachment 1 to the report.

### FISCAL IMPACT

None

### ENVIRONMENTAL REVIEW

The project is categorically exempt from environmental review under Section 15332 (In-fill Development Projects) of the California Environmental Quality Act (CEQA) Guidelines because it is a subdivision of property to support a project that is in conformance with the City's General Plan and Zoning Ordinance except as modified by State Density Bonus Law, occurs within the urban services area on the project site of no more than five acres and will be served by all utilities and public services, does not have value as habitat for endangered, rare or threatened species; will not result in any significant effects relating to traffic, noise, air quality, or water quality, and none of the circumstances described in CEQA Guidelines Section 15300.2 apply.

### PREVIOUS COUNCIL CONSIDERATION

None

## BACKGROUND

### Property Description

The project site is located on the west side of South San Antonio Road, between Lyell Street and First Street, within the CD (Commercial Downtown) Zoning District. The site is currently developed with a one (1) story commercial structure occupied by a personal services establishment and the Original Pancake House, with surface-level parking at both the front along South San Antonio Road and the rear adjacent to the alley.

The site is bordered to the west by a one (1) story retail building (Los Altos Hardware Store), to the north by a vacant one (1) story commercial building, to the south by a three (3) story office building, and across South San Antonio Road to the east are two (2) story commercial office buildings.



**Figure 1: Site Context Map**

### Project Overview

The project involves the demolition of the existing commercial buildings to construct a four (4) story, 36,354-square-foot mixed-use development. The new building will include twenty (20) residential units and 1,495 square feet of ground-floor commercial (office) space and at-grade parking with a hydraulic parking system.

The project includes a Vesting Tentative Map for condominium purposes which would divide the site into twenty (20) individual residential condominium units, one (1) commercial condominium unit, and a common area that surrounds the units (see Attachment 2).

### Planning Commission Review

On December 5, 2024, the Planning Commission unanimously approved the Design Review Permit for the construction of the mixed-use project and recommended approval of the Vesting Tentative Map application to the City Council.

During public comment, Elias Robles, representing the Carpenter's union, advocated for area labor standards and the use of union labor. Jim Wing expressed concerns about the alleyway and supported the removal of the power poles.

The commissioners shared their perspectives on the project. Commissioner Susan Mensinger expressed general support but was disappointed with the allocation of affordable units and suggested removing the final power pole. She appreciated the parking design but recommended including a large affordable unit. Commissioner Richard Roche inquired about the traffic survey (completed June 11, 2024), liked the project overall, but raised concerns about the alley and power pole, suggesting undergrounding utilities and widening the alley. Commissioner Mehruss Jon Ahi

acknowledged improvements since April 2021, including softer materials, but noted privacy concerns with the glass railings and suggested alternative designs. He also recommended a landscape buffer along San Antonio Road while advocating for removing raised planters at the rear. Commissioner Kate Disney praised the design for being in character with the surroundings and emphasized the importance of maintaining a consistent street tree pattern with large canopy trees. She opposed the upper-story setback, citing regulatory constraints, and supported undergrounding utilities. Commissioner Eric Steinle liked the project but objected to the rooftop deck, urged better allocation of affordable units, and supported utility undergrounding. Commissioner Joe Beninato echoed concerns about affordable units and landscaping. He questioned staff on conditions for undergrounding power poles and enhancing landscaping, receiving clarification that certain constraints, including transmission pole limitations and WELO standards, apply.

The Commission provided the following direction, not included in the motion: The staff is directed to collaborate with applicant to consider enhancing the planters along San Antonio Road, including exploring the incorporation of raised planters. Additionally, the staff is directed to work with the applicant to potentially improve the street trees along San Antonio Road by selecting species that provide the largest and most robust canopy, consistent with the established pattern and layout of trees along San Antonio Road.

## **DISCUSSION/ANALYSIS**

### General Plan Consistency

The project is consistent with the General Plan's Downtown Commercial (DC) Land Use Designation, which supports a broad range of uses, including general retail, service, commercial, recreational, cultural, and office uses that serve local residents. It also encourages higher-density residential development to enhance the village character of the area. The project will divide the site into twenty (20) individual residential condominium units, one (1) commercial condominium unit, and a common area that surrounds the units. The project is found aligned with the following General Plan polices:

- LU Policy 1.1: *Maintain flexibility of standards and procedures to accommodate changing trends in retail, housing, and office uses.*
- LU Policy 2.2: *Encourage a variety of residential housing opportunities by allowing residential uses with adequate parking in appropriate commercial areas, including sections of the Downtown area, Foothill Plaza and along El Camino Real.*
- LU Policy 2.3: *Continue to conduct design review of residential and non-residential development applications to ensure compatibility with surrounding property and neighborhoods.*
- LU Policy 3.1 *Encourage residential development above the ground floor that includes affordable housing units.*

- LU Policy 3.5 *Continue to review development plans to ensure compliance with the Downtown Urban Design Plan.*

The subject site has a gross lot area size of 0.297 acres and a net lot area size of 0.28 acres. This lot area difference is caused by a right-of-way access easement area along South San Antonio and the rear alley behind the site which will be dedicated to the City's public right-of-way. Per the California Government Code Section 65915 et. Seq. (hereby referred to "Density Bonus Law"), the density shall be calculated by the gross lot area that shall supersede any conflicted local standards.

The Downtown Commercial (DC) Land Use Designation does not establish a maximum dwelling unit density. In the absence of such a limit, LAMC Section 14.28.050.2 requires the calculation of a base density based on a hypothetical development that adheres to all applicable development standards. The base density is determined by calculating the maximum number of units that can be provided in a hypothetical development, where the average unit size is at least as large as that of the proposed units.

The base density for this project was calculated using a hypothetical development in compliance with all relevant development standards. This results in a base density of 53.9 dwelling units per acre, or sixteen (16) base units for the site. Consistent with Government Code Section 65915, one (1) very-low-income unit qualifies the Project for a 22.5 percent density bonus under state and local regulations, allowing the addition of four (4) units, resulting in a total of twenty (20) units on the project site.

#### Subdivision Consistency

The project includes a Vesting Tentative Map for condominium purposes. The subdivision will divide the site into twenty (20) individual residential condominium units, one (1) commercial condominium unit, and a common area that surrounds the units. The subdivision conforms to the General Plan, Subdivision Ordinance, and provisions of the Subdivision Map Act as substantiated in the Draft Resolution for approval of the Vesting Tentative Map (see Attachment 1).

#### Bankers Hill 150 v. City of San Diego

Bankers Hill 150, the developer (Greystar), submitted an application to construct a 20-story mixed-use project, at a building height of 223 feet, that would include 204 dwelling units, office space, a large courtyard, and underground parking. The proposed project qualified as a Density Bonus project because it set aside 18 dwelling units as affordable for very low-income residents. Accordingly, the City of San Diego granted Greystar a density bonus to exceed the zone's maximum density of 147 units, as well as incentives to exceed the City's 65-foot building height limit, eliminate requirements for a 15-foot setback and on-site truck loading and reduce private storage areas.

Two community groups, Bankers Hill 150 and Bankers Hill/Park West Community Association, filed a petition for writ of mandate challenging the City's approval of the project application, alleging that the project is inconsistent with the City's development standards for that

neighborhood. The trial court denied the Association's writ petition because it fatally failed to address the application of the Density Bonus Law.

The Court of Appeal affirmed the trial court's denial of the writ petition. The court emphasized that, under the Density Bonus Law, absent very limited exceptions, the project is entitled to the waiver of any development standards that would have precluded the project's construction as designed, including those with which the Association alleged the project is inconsistent. Furthermore, the waiver or reduction in development standards is in addition to the incentives and concessions mandated by the Density Bonus Law.

The Association argued that the project could be redesigned to yield a shorter and less bulky building by eliminating a courtyard. Reaffirming the holding in *Wollmer v. City of Berkeley* (2011) 193 Cal.App.4th 1329, the court rejected the Association's argument. According to the court, the City could not demand that Greystar redesign its building to better meet City development standards even if a design existed that would allow fewer deviations from the City's requirements.

### Housing Accountability Act (HAA)

The Housing Accountability Act (HAA) (Government Code Section 65589.5), establishes the state's overarching policy that a local government may not deny, reduce the density of, or make infeasible housing development projects (projects resulting in more than two (2) housing units or resulting parcels) which includes subdivision of land that are consistent with objective local development standards. Before doing any of those things, local governments must make specified written findings based upon a preponderance of the evidence that a specific, adverse health or safety impact exists. Legislative intent language indicates that the conditions that would give rise to such a specific, adverse impact upon the public health and safety would occur infrequently.

The proposed project is protected under the Housing Accountability Act (HAA) as it creates additional housing stock within the City of Los Altos. Additionally, the proposed project meets all objective design standards that are applicable.

## **PUBLIC NOTIFICATION**

A public meeting notice was mailed to property owners and commercial business tenants within (300) feet of the project site and published in the newspaper. The applicant also posted the site with a public notice sign in conformance with the Planning Division posting requirements.

At the time of preparation of this report, the Planning Division has not received comments on the proposed project.

## **ATTACHMENTS**

1. Resolution
2. Vesting Tentative Map
3. [December 5, 2024 Planning Commission Staff Report](#)