



DATE: March 10, 2015

AGENDA ITEM # 5

**TO:** City Council  
**FROM:** Marcia Somers, City Manager  
**SUBJECT:** First Street development moratorium

**RECOMMENDATION:**

Receive additional information regarding a potential development moratorium in the CD/R3 district along First Street and direct staff accordingly

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**SUMMARY:**

**Estimated Fiscal Impact:**

**Amount:** None

**Budgeted:** Not applicable

**Public Hearing Notice:** Not applicable

**Previous Council Consideration:** February 24, 2015

**CEQA Status:** Not applicable

**Attachments:**

1. Downtown Zoning Map
2. First Street Map

## **BACKGROUND**

At the February 24, 2015 City Council meeting, Mayor Pepper and Councilmembers Mordo and Prochnow directed the City Attorney to draft a 45-day moratorium and urgency zoning ordinance for development on First Street. First Street was identified since this is the zoning district that was the focus of the 2010 rezoning efforts and has seen the most recent redevelopment activity. This rezoning effort resulted in the following:

- The CD/R3 form-based zoning changes in 2010 allowed greater building heights and intensities Downtown, particularly along First Street.
- Increasing allowable building intensities promoted redevelopment which was desired at the time, including public amenities such as sidewalks, and street trees, as well as bringing more residents and workers downtown.
- Since then, there has been mixed reaction to the design and intensity of the new buildings along First Street and the City Council desires to have a public process to re-evaluate the level of building intensity that is occurring.

Members of the public spoke at the February 24, 2015 meeting, including the owner of Draeger's Market, who was concerned about the moratorium and the impact it would have on the pending store remodel application. A resident also spoke concerned about the lack of public discussion to date regarding this subject. It was noted by Councilmembers that recent property sales along the CD/R3 corridor could indicate a desire to continue to redevelop this district. The City Council subsequently directed the City Attorney to draft the moratorium for consideration at the March 24, 2015 regular Council meeting.

## **DISCUSSION**

The purpose of this report is to provide Council with additional information to review prior to the planned 45-day moratorium agenda item at the March 24, 2015 Council meeting. It was agreed at the February 24, 2015 meeting that the scope of the moratorium would include only those properties abutting First Street that were zoned CD/R3, excluding the properties zoned CRS as identified in the Downtown Zoning Map (Attachment 1). This moratorium would allow for a public process to re-evaluate the level of building redevelopment that is occurring in this district, but would not affect those properties outside of the CD/R3 district. The Draeger's Market property is predominantly in the CRS zoning district, though a small southern parcel would need to be merged into the large property and rezoned from CD/R3 to CRS regardless of a development moratorium or not. The Council's motion excluded the Draeger's Market redevelopment project.

The moratorium could be in effect until the Downtown buildings tour and resident survey are completed and the Downtown Buildings Committee has completed its evaluation of any Downtown development recommendations to the City Council. The benefit of a moratorium is that no development applications will enter the review pipeline until certain decisions have been made by Council. It also gives property owners a clear indication that there may be concerns with existing development regulations and allowances. The drawback to a moratorium is that it does stop redevelopment and sends a message that redevelopment and investment may not be desired.

The First Street Maps (Attachment 2) represents properties that have sold as of 2014 highlighted in yellow. Contiguous properties that are owned by the same individual or group are indicated with cross-hatching. This information was obtained from publicly available tax assessor office information and the City of Los Altos is not responsible for its accuracy. It is current as of today's date, but there is a delay between when a property may transfer and when it will appear on the tax assessor's updated database. The only sales identified for 2015 were for the new condominium units at either 100 First Street or 396 First Street.

It had been reported that an auto repair business was being forced to leave its First Street location because that property had sold. The site's owners subsequently clarified that they have not sold the subject property.

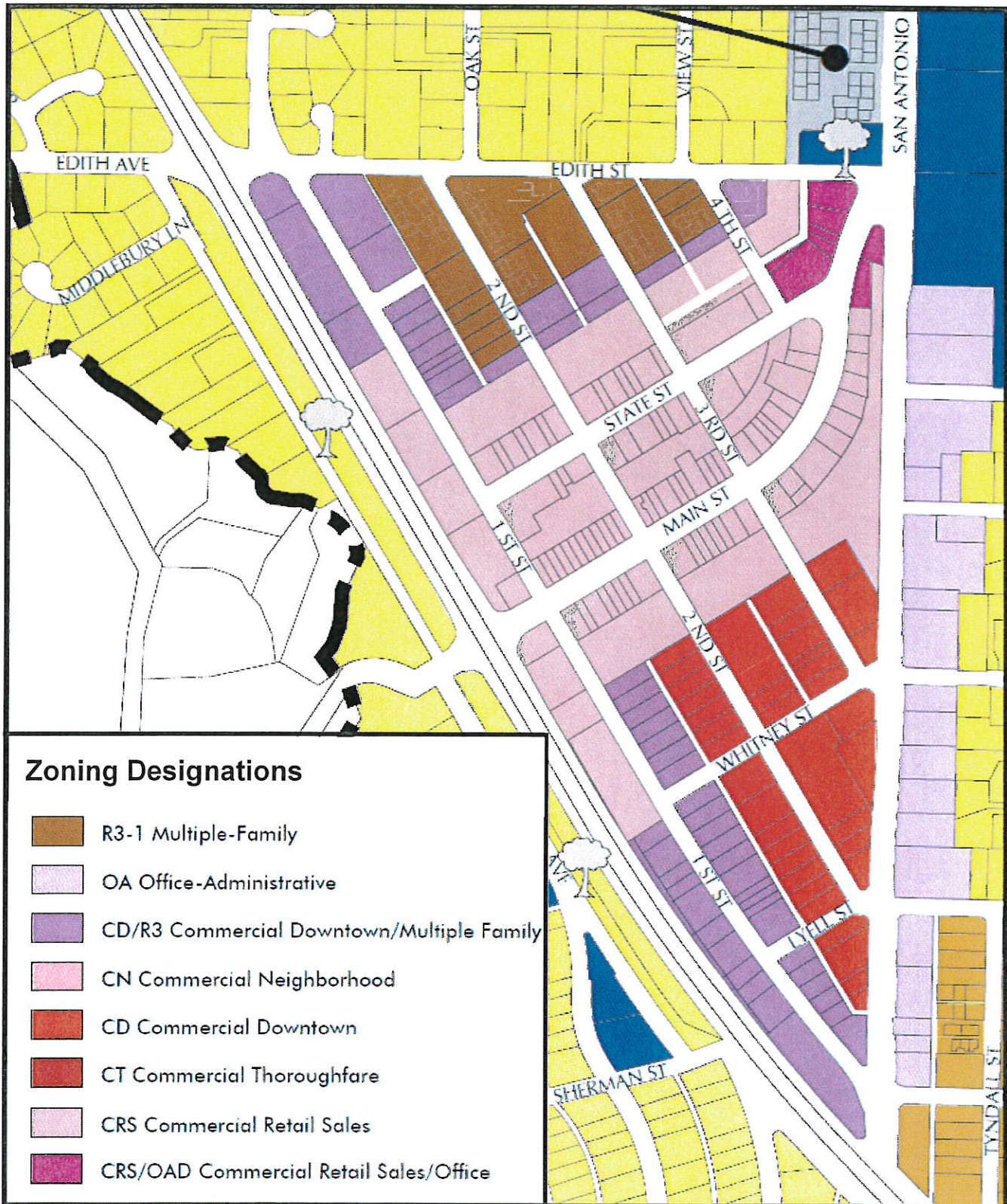
**FISCAL IMPACT**

None

**PUBLIC CONTACT**

Posting of the meeting agenda serves as notice to the general public.

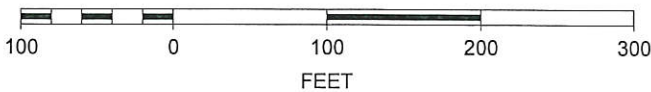
# Downtown Zoning Map



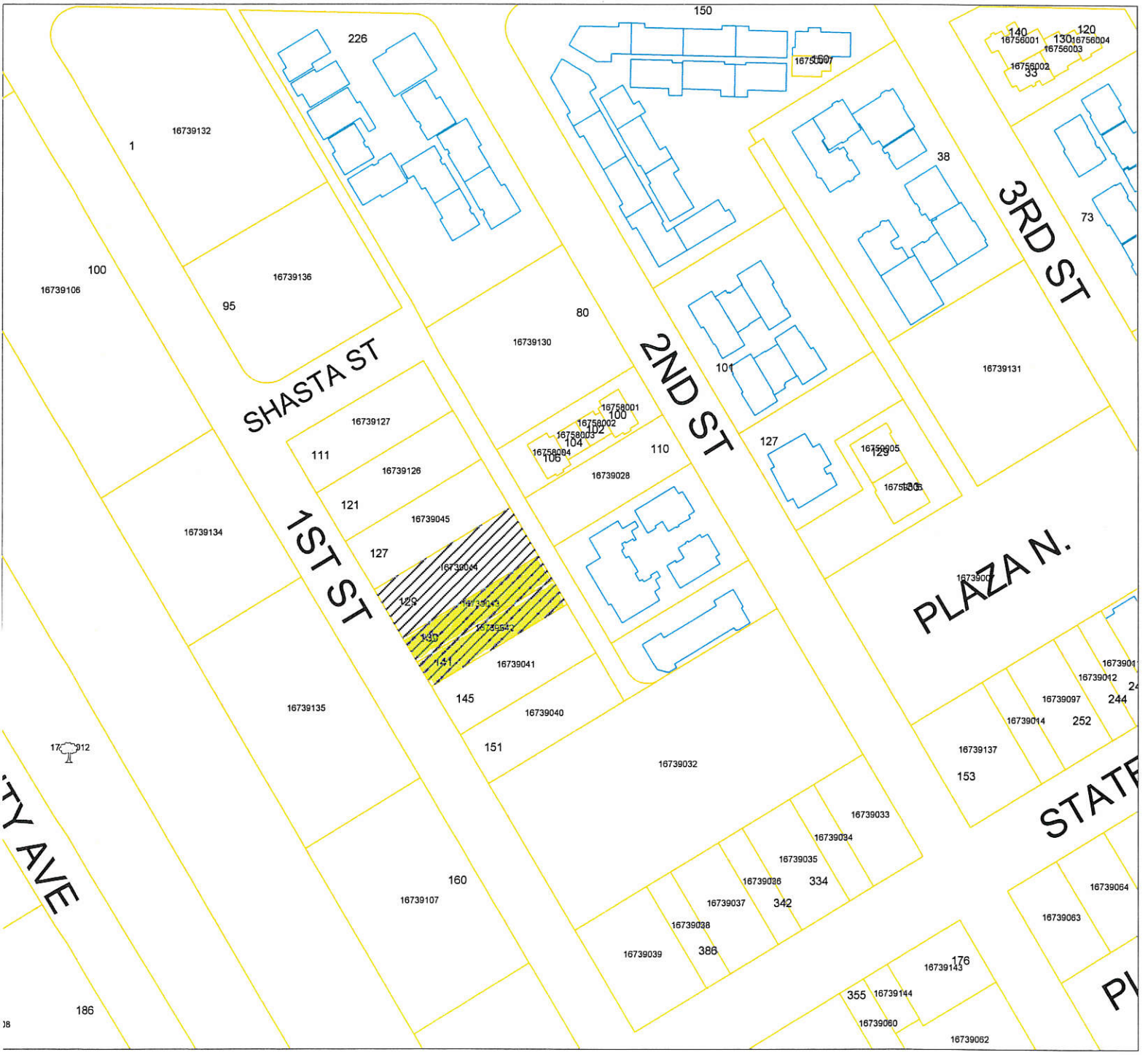
# First Street Contiguous Ownership Map



SCALE 1 : 1,500



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