

PLANNING COMMISSION AGENDA REPORT

Meeting Date: November 5, 2020

Subject: CUP20-0001 – New Medical Clinic Use at 4756 El Camino Real

Prepared by: Eliana Hassan, Assistant Planner

Initiated by: Jared Taylor, Applicant

Attachments:

- A. Draft Resolution 2020-02
- B. Vicinity and Notification Maps
- C. Applicant Use Description/Cover Letter
- D. Authorization Letter from Property Owners
- E. Preliminary Title Report
- F. Parking Study by Hexagon Transportation Consultants

Recommendation:

Approve Conditional Use Permit CUP20-0001 subject to the listed findings and conditions

Environmental Review:

This use permit is exempt from environmental review pursuant to Section 15301 of the California Environmental Quality Act Guidelines, as amended, because it involves the occupancy of an existing retail building.

Summary:

This is a request for a Conditional Use Permit to allow KindBody, a women's fertility clinic (medical clinic), to occupy a space in an existing retail building. The use will occupy 3,441 square feet of floor area in an existing retail space located at 4756 El Camino Real. The space for lease is one of four tenant spaces that make up The Colonnade, a mixed-use development on an approximately 112,000 square foot parcel (APN 170-01-099). The retail building at 4756 El Camino Real is zoned in the CT (Commercial Thoroughfare) District, which requires a Conditional Use Permit for Medical Clinics per Section 14.50.040.

Background

The project site, located at 4756 El Camino Real, is designated as Thoroughfare Commercial in the General Plan and is zoned as Commercial Thoroughfare (CT) in Chapter 14.50 of the Zoning Code. The building is part of a mixed-use development on a 112,000 square foot parcel known as The Colonnade (APN 170-01-099 or 4744 El Camino Real). The parcel contains several buildings, including a 4-story, 167-unit apartment complex with amenities, four retail spaces totaling 17,262 square feet, and two-stories of underground parking. The 4-story apartment, underground parking, and about 6,700 square feet of the retail space were approved by City Council in 2012 and construction

was completed in 2014. Per the eligibility requirements on the Colonnade’s webpage, the units are intended for housing of Stanford faculty, employees, and affiliates. The approximately 5,000 square foot building at 4756 El Camino Real existed on the site prior to The Colonnade development and appears to have been built as early as 1954, undergoing several tenant improvement projects in 1969, 1989, 2003, and 2014, and 2015. The space housed a Vitamin Shoppe from approximately 2006 to 2019 per business license records. A building permit for a shell upgrade was submitted in 2013 to create an exterior facade that matched the proposed buildings on the rest of the Colonnade site. The permit plans also show the interior being divided into a 1,470 square foot retail space and a 3,441 square foot retail space. A retail space was established in 2015 (Barre3 Yoga) in the 1,470 square foot space under the address 4758 El Camino Real. The 3,441 square foot site at 4756 El Camino Real is currently vacant and is proposed to house the proposed Kindbody fertility clinic, subject to approval of this conditional use permit.

The proposed project, Kindbody, was deemed to be a medical clinic use per the definitions in Section 14.02.070 of the Zoning Code. A medical clinic means a use that provides diagnostic and outpatient care in more than one medical or dental specialty but is unable to provide long term in-house medical or surgical care. Per the applicant’s use description letter in Attachment C and the included project plans, Kindbody specializes in women’s fertility care including gynecology, egg freezing, embryo banking, Intrauterine Insemination (IUI), In vitro Fertilization (IVF) and coaching/counseling. The project will contain a retail store in the front lobby as well. Although many of the medical procedures pertain to fertility care, staff determined that due to the various specialty medical services offered, the use was a medical clinic rather than a medical office.

In 2015, in response to concerns that medical and dental offices were generating a parking demand that exceeded the one space per 300 square feet parking requirement for Office-Administrative uses, the requirements for approving medical and dental clinics and offices over 5,000 square were amended per Ordinance No. 2015-406, which went into effect on March 11, 2015. The Zoning Code amendments made medical and dental clinics and medical and dental offices over 5,000 square feet a conditional use in all Commercial Zone districts with a requirement that the Planning Commission find that there is adequate on-site parking to support the facility, including staff, patients, visitors and other ancillary support services, before such a use can be approved.

Discussion/Analysis

Per the project description letter provided by the applicant, the Kindbody fertility clinic is proposed to operate Monday-Sunday from 8am-7pm. They will have 10-12 total employees, with no more than 4 to 6 employees on site at any given time, as well as 4 to 6 patients at any given time by appointment.

As outlined in the CT Zone District (Chapter 14.50) a medical and dental clinic is a conditional use that requires approval by the Planning Commission. In addition to the standard use permit findings in Chapter 14.80, Section 14.80.060.I requires the Commission to make a specific finding that there is adequate on-site parking to support the facility, including staff, patients, visitors and other ancillary support services. The determination shall be based on a parking demand analysis prepared by a qualified professional.

In August 2020, the applicants hired Hexagon Transportation Consultants to prepare a parking study of the Colonnade site. The full report can be referenced in Attachment F. The Colonnade

development has 81 total parking spaces on the ground level and in the underground garage, however 7 of these spaces are reserved for the leasing office and related staff. There are 74 shared parking spaces for both the retail spaces and residents, consisting of 19 two-hour limit retail spaces, 7 ADA spaces, 2 reserved employee spaces, and 2 clean air spaces, and 44 spaces that have no restrictions. The Colonnade provides gated parking spaces underground, which are accessible only to residents of the apartment complex. Parking is also allowed along the project frontage on El Camino Real with a 40-minute limit, however only on-site parking is considered when making findings per Section 14.80.060.I.

During their study, the consultants estimated that the clinic is expected to have a peak demand of 15 parking spaces on weekdays and weekends per the ITE weekday rate. The consultants also measured an approximation for the other retail spaces. Two of the spaces were currently vacant due to COVID-19 and were estimated to generate a maximum demand of 18 parking spaces on the weekdays and weekends if they were occupied.

The consultants also conducted parking vehicle counts for the existing conditions on the Colonnade site. The parking counts show that the residential apartments and the existing café currently occupy up to 48 of the shared parking spaces during a typical weekday and 50 of the shared parking spaces during a typical Saturday. The report mentions that that residents are likely utilizing the shared parking spaces even though residents have a separate gated parking area. Parking counts conducted for the residential development in 2017, when the residential units were at 94 percent occupancy, showed that residents only occupied 55 percent of the gated parking spaces, and one third of the total vehicles were parked overnight in the shared parking spaces. Typically, residents parked in the shared parking area would leave for work during the day, but due to COVID-19 Shelter-in-Place orders, the number of residents occupying the shared spaces is likely higher than normal from residents working from home.

Based on ITE rates used by the consultant, the total maximum parking demand calculated for the proposed clinic and retail spaces would be 33 spaces on the weekdays and weekends, which, combined with the data from the vehicle counts (48 to 50 parking space occupancy), shows that the number of vacant shared parking spaces would not accommodate the estimated maximum parking demand for the proposed clinic if all retail spaces are occupied. However, the consultant mentions that this is due to many of the shared parking spaces being used by residents even though there are available parking spaces in the residential-only gated parking area.

To ensure that the parking demand for the proposed clinic and retail stores is accounted for, the consultants recommend that the property manager designates more 2-hour parking spaces for customers and reserves more parking spaces for medical clinic and retail employees as needed. Redesignation of existing parking spaces would restrict residents from using the shared parking spaces as long-term spaces. The property manager should work with commercial tenants to obtain the potential parking demand from each tenant and adjust the number of 2-hour and reserved parking spaces as the retail spaces get occupied.

Therefore, based on the positive findings outlined in Resolution No. PC 2020-02 (Attachment A), along with implemented conditions based on the traffic consultant's recommendation, staff

Subject: CUP20-0001 – New Medical Clinic Use at 4756 El Camino Real

recommend approval of the conditional use permit to allow a medical clinic at 4756 El Camino Real, subject to the written findings and conditions.

ATTACHMENT A

RESOLUTION NO. PC 2020-02

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF LOS ALTOS GRANTING A CONDITONAL USE PERMIT TO OPERATE “KINDBODY”, A MEDICAL CLINIC USE, AT 4756 EL CAMINO REAL

WHEREAS, the City of Los Altos received a conditional use permit application (CUP20-0001) from Jared Taylor for a medical clinic use (“Kindbody”) to be located in the existing retail building at 4756 El Camino Real; and

WHEREAS, the use permit is exempt from environmental review pursuant to Section 15301 of the State Guidelines implementing the California Environmental Quality Act of 1970 (CEQA), as amended, because it involves the occupancy of an existing building; and

WHEREAS, the location of the proposed medical clinic use is within the CT District on the El Camino Real corridor which is a mixed commercial, office, and multiple-family environment that includes many larger office buildings and businesses; and

WHEREAS, the conditional use permit application 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 use permit on November 5, 2020 and considered the written record and all public comment; and

WHEREAS, the location and custodian of the documents or other materials which constitute the record of proceedings upon the Planning Commission’s decision was made are located in the Community Development Department.

NOW THEREFORE, BE IT RESOLVED, that the Planning Commission of the City of Los Altos hereby grants and approves Conditional Use Permit Application No. CUP20-0001 for “Kindbody”, a medical clinic, use to be located at 4756 El Camino Real subject to the findings and conditions attached hereto as Exhibit “A” and incorporated by this reference.

EXHIBIT A

FINDINGS

With regard to Conditional Use Permit Application No. CUP20-0001 for “Kindbody”, a medical clinic, use to be located at 4756 El Camino Real, the Planning Commission finds in accordance with Section 14.80.060 of the Municipal Code that:

1. The proposed location of the use is desirable or essential to the public health, safety, comfort, convenience, prosperity or welfare because it is a medical clinic that offers fertility care, gynecology, and mental health/nutrition coaching services to members of the public;
2. The proposed location of the use is in accordance with the objectives of the zoning plan as stated in Chapter 14.02 of this title because the CT District and the El Camino Real corridor allow for a range of commercial, office, and multiple-family uses and a medical clinic use would be consistent with the diverse mix of uses in the Colonnade development and adjacent properties;
3. The proposed location of the use, under the circumstances of the particular case, will not be detrimental to the health, safety, comfort, convenience, prosperity or welfare of persons residing or working in the vicinity or injurious to property or improvements in the vicinity because the medical clinic is located within an existing building, has relatively few visitors and employees at any given time, and proposes minimal changes to the exterior with the exception of a sign permit;
4. The proposed conditional use will comply with the regulations of the CT District and the general provisions of Chapter 14.02, because the proposed medical clinic is occupying an existing retail space in a mixed-use development and follows off-street parking requirements based on recommendations from the traffic consultant.
5. The proposed conditional use will provide adequate on-site parking to support the facility, including staff, patients, visitors and other ancillary support services because the medical clinic use is anticipated to create a peak parking demand of up to 15 spaces of the total 74 parking stalls available on site. The recommendations proposed by the traffic consultant will help alleviate excess residential long-term occupancy of the shared parking spaces, allowing for the peak 15 spaces to be utilized by patrons of the medical clinic.

CONDITIONS

1. **Use Permit**

This use permit is for the Kindbody women’s fertility clinic (medical clinic use) to operate in the existing 3,441-square-foot building at 4756 El Camino Real and is based upon consistency with the applicant’s project description in Attachment C of the staff report and plans received on October 23, 2020 except as modified below.

2. **Hours of Operation**

The hours of operation shall be limited to 8:00 am to 7:00 pm, 7 days a week (Monday through Sunday)

3. **Operational Conditions**

Per the “Medical and dental clinic” use description in Section 14.02.070, the medical clinic shall not provide long term in-house medical or surgical care

4. **Off-Street Parking**

Applicant shall work with the property manager to designate additional 2-hour parking spaces or other retail-specific signage on parking spaces to discourage use of the spaces as long term or overnight parking.

5. **Building and Fire Code**

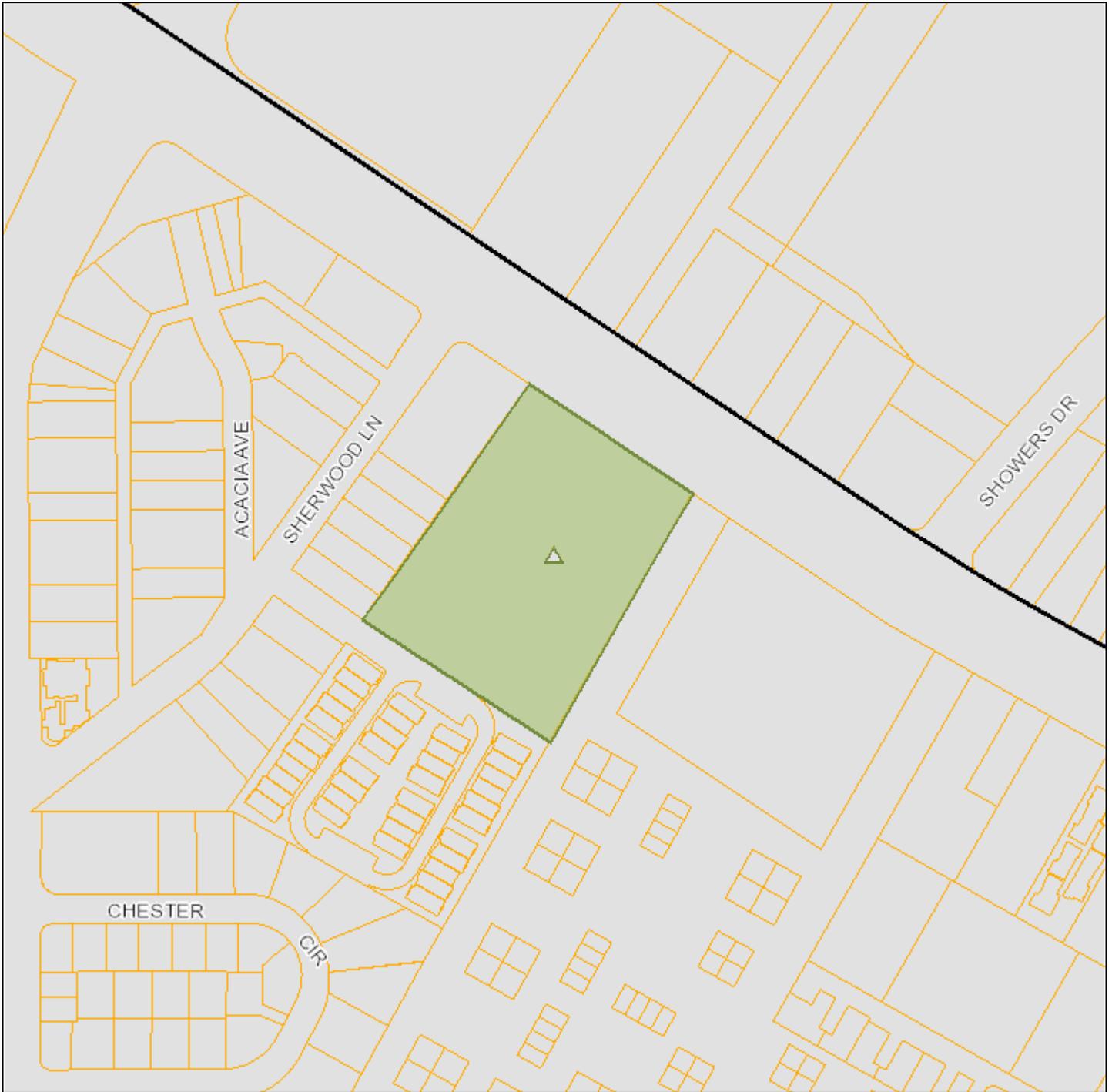
The building shall meet applicable City and State Building and Fire Code requirements. Per the approved fire review comments from the Santa Clara County Fire Department, if the proposed tenant improvement work or use is determined by the Building Official to be an I-2.1 Occupancy, further review will be required.

6. **Indemnification**

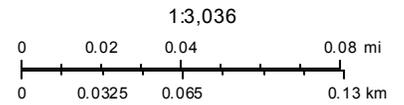
The applicant agrees to indemnify, defend, protect, and hold City harmless from all costs and expenses, including attorney's fees, incurred by the City or held to be the liability of City in connection with City's defense of its actions in any proceeding brought in any State or Federal Court, challenging any of the City's action with respect to this use permit.

ATTACHMENT B

4756 El Camino Real Vicinity Map



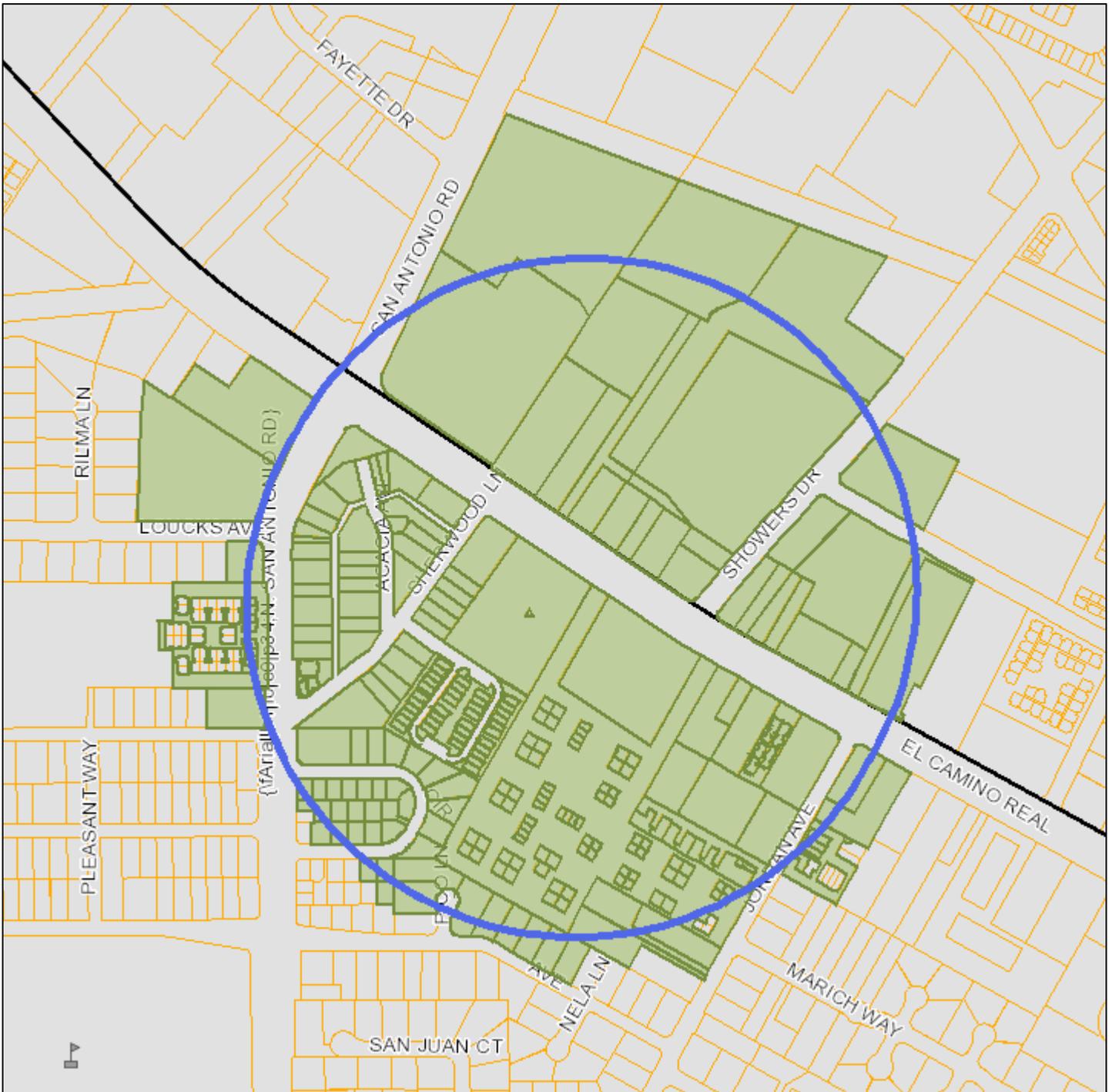
Print Date: July 28, 2020



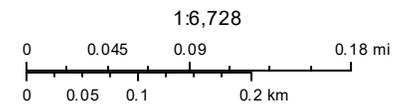
-  Schools
-  Park and Recreation Areas
-  City Limit
-  Waterways
-  Situs Label
-  TaxParcel

The information on this map was derived from the City of Los Altos' GIS. The City of Los Altos does not guarantee data provided is free of errors, omissions, or the positional accuracy, and it should be verified.

1000-foot Notification Map (Current Tenant)



Print Date: October 22, 2020



-  Schools
-  Park and Recreation Areas
-  City Limit
- Road Names
-  Waterways
-  Situs Label
-  TaxParcel

The information on this map was derived from the City of Los Altos' GIS. The City of Los Altos does not guarantee data provided is free of errors, omissions, or the positional accuracy, and it should be verified.

ATTACHMENT C

August 19, 2020

City of Los Altos
Department of Planning
1 N San Antonio Road
Los Altos, CA 94022

Re: Proposed Use Description
Kindbody Medical Clinic
4756 El Camino Real
Los Altos, CA 94022

To Whom It May Concern:

Kindbody (<https://kindbody.com/>) is a new kind of fertility clinic specializing in fertility consultations, egg & embryo freezing and getting pregnant. Kindbody proposed street level tenant improvement will include a retail storefront and retail offerings at the front lobby of the space. The tenant improvement will also include exam rooms for fertility consultations, IVF laboratory for egg and embryo freezing, procedure room, nurses station, and recovery bays. Hours of Operation will be Monday-Sunday from 8am-7pm. The number of employees will be 10-12. The site will be used for fertility consultation and services and will be by appointment.

In response to COVID-19 Kindbody is additionally implementing the following social distancing and sanitation measures:

- Stickers placed on floor to facilitate with 6' distance between individuals from our Entry and through our Lobby
- Sneeze guards placed at Reception Desk and Consult tables in Exam rooms
- Check in via personal Mobile device upon arrival and verbal confirmation
- Hand sanitizer stand at Lobby Entrance

Kindbody services include:

Virtual Fertility Consultation For those looking to better understand their fertility from the comfort of their homes. You will meet with a fertility specialist to discuss the fertility fundamentals and a plan for your fertility journey.

Fertility Assessment For those looking for a full overview of their fertility health. This one-hour in-clinic appointment includes a 1:1 consultation with a fertility specialist, fertility hormone testing, an ultrasound of your ovaries, and a personalized plan for your next step.

Egg Freezing Assessment For those looking to preserve their fertility. This one-hour in-clinic appointment includes the same work-up as the Fertility Assessment but will be catered to your egg freezing journey and creating a personalized plan.

Conception Assessment For those looking to, or trying to, conceive. This one-hour in-clinic appointment includes the same work-up as the Fertility Assessment but will be catered to your conception journey and creating a personalized plan. Partners are welcome.

Reciprocal IVF Assessment For those looking to get pregnant as part of a same-sex female-assigned-at-birth couple. This 90-minute in-clinic appointment includes a fertility workup for both partners, a review of the reciprocal IVF process, and plan for your next steps.

Egg Freezing Egg freezing is a 10-14 day cycle in which your ovaries are stimulated to grow mature eggs. The eggs are harvested during a short out-patient procedure and then frozen for future use. Please see below for detailed explanation of pricing.

Embryo Banking Embryo banking is a 10-14 day cycle in which your ovaries are stimulated to grow mature eggs. The eggs are harvested during a short out-patient procedure, fertilized with pre-determined sperm to create embryos, and then frozen for future use.

Embryo Banking + Genetic Testing Embryo banking process with the addition of performing genetic testing (PGS/PGD) via biopsy on all embryos to determine genetic viability prior to freezing.

Annual Storage: Storage of eggs or embryos is done in liquid nitrogen tanks, and stored on-site at Kindbody labs and/or lab partners.

IUI Intrauterine Insemination (IUI) involves directly placing sperm inside the uterus. This includes ovarian stimulation (usually with oral medications), monitoring, and the IUI procedure. In rare cases, injectable medication is involved which has an additional fee.

IVF IVF is about a month long cycle where your ovaries are stimulated, eggs are retrieved, fertilized, and transferred. Please see below for detailed explanation of pricing.

IVF + Genetic Testing IVF with genetic testing is a two-month long cycle where your ovaries are stimulated, eggs are retrieved, fertilized, and then viable embryos are tested for genetic normality. After testing, a genetically normal embryo is thawed and transferred. Please see below for detailed explanation of pricing.

Frozen Embryo Transfer FET is the process of thawing embryos and transferring them into the uterus.

Egg Thaw & Transfer Egg Thaw & Transfer is the process of thawing frozen eggs, fertilizing them (conventionally or through ICSI), and insemination.

Nutrition Coaching Designed to address your women's health goals and diagnoses, our wellness coaches tailor a plan to suit your needs, whether it's nutrition, stress management, or exercise. We highly recommend our patients with PCOS, endometriosis, or any hormone imbalance to work with a wellness coach as a complement to fertility planning.

Counseling & Support We believe strongly in integrating physical and emotional health, and know that sometimes maintaining a sense of well-being and balance is best optimized with support from someone outside your friends and family. This virtual therapy session offers support and guidance from experienced therapists for life transitions and stressful events, whether involving fertility, identity issues, career, adulthood, grief, anxiety, depression, relationships or parenting. We will prioritize what you want to cover, and at your own pace. You are not alone!

Transition Coaching In this one-on-one, 60-minute virtual session, we'll discuss your goals and work to unlock what's holding you back from getting unstuck. Our patients find it beneficial to discuss topics such as time management, what balance looks like, imposter syndrome, fear, self-doubt, and more. Sessions are designed to empower patients to move through change and transition with clarity and confidence, which helps them to feel in control and grounded moving forward.

Please do not hesitate to call with any questions or clarifications required regarding the proposed use description. My office phone number is 805 440 7537.

Sincerely,

Jared Taylor

ATTACHMENT D

August 4, 2020

City of Los Altos
Department of Planning
1 N San Antonio Road
Los Altos, CA 94022

Re: Proposed Kindbody Medical Clinic
4756 El Camino Real
Los Altos, CA 94022

To Whom It May Concern:

The Board of Trustees of the Leland Stanford Junior University (“Stanford”), the owner of record of the property located at 4756 El Camino Real, Los Altos, California (the “Premises”), hereby authorizes KBI Services, Inc., dba Kindbody (a potential tenant of the Premises) to submit a Conditional Use Permit application to the City of Los Altos for the City’s approval of a conditional use of the Premises as a Kindbody medical clinic. Please note that KBI Services, Inc. is not the agent of Stanford and does not have the authority to bind Stanford in any way. Communications regarding this matter shall be sent to the following:

For Prospective Tenant:

Jared Taylor
Golden Property Development LLC
5847 Brace Road
Loomis, CA 95650
email: _____

Kindbody
120 Fifth Avenue
5th Floor
New York, NY 10011
email: _____

Sincerely,

The Board of Trustees of the Leland Stanford Junior University

By:  _____
4E21094943374B1...
Nora Dahr, Director, Residential Housing Planning and Acquisitions

Updated to March 8,
2017

First American Title Insurance Company
National Commercial Services
1737 North First Street, Suite 500
San Jose, CA 95112

Sares/Regis
901 Mainers Island Boulevard, 7th Floor
San Mateo, CA 94404
Phone: (650)377-5730

Escrow Officer: Carol M. Herrera
Phone: (408)451-7829
Email: cmherrera@firstam.com
Title Officer: Mike D. Hickey
Phone: (408)451-7905
Email: mhickey@firstam.com
Property: 4750 El Camino Real, Los Altos, CA

PRELIMINARY REPORT

In response to the above referenced application for a policy of title insurance, this company hereby reports that it is prepared to issue, or cause to be issued, as of the date hereof, a Policy or Policies of Title Insurance describing the land and the estate or interest therein hereinafter set forth, insuring against loss which may be sustained by reason of any defect, lien or encumbrance not shown or referred to as an Exception below or not excluded from coverage pursuant to the printed Schedules, Conditions and Stipulations of said Policy forms.

The printed Exceptions and Exclusions from the coverage and Limitations on Covered Risks of said policy or policies are set forth in Exhibit A attached. *The policy to be issued may contain an arbitration clause. When the Amount of Insurance is less than that set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties.* Limitations on Covered Risks applicable to the CLTA and ALTA Homeowner's Policies of Title Insurance which establish a Deductible Amount and a Maximum Dollar Limit of Liability for certain coverages are also set forth in Exhibit A. Copies of the policy forms should be read. They are available from the office which issued this report.

Please read the exceptions shown or referred to below and the exceptions and exclusions set forth in Exhibit A of this report carefully. The exceptions and exclusions are meant to provide you with notice of matters which are not covered under the terms of the title insurance policy and should be carefully considered.

It is important to note that this preliminary report is not a written representation as to the condition of title and may not list all liens, defects, and encumbrances affecting title to the land.

This report (and any supplements or amendments hereto) is issued solely for the purpose of facilitating the issuance of a policy of title insurance and no liability is assumed hereby. If it is desired that liability be assumed prior to the issuance of a policy of title insurance, a Binder or Commitment should be requested.

Dated as of March 8, 2017 at 7:30 A.M.

The form of Policy of title insurance contemplated by this report is:

- ALTA Extended Loan Policy
- ALTA Extended Owner Policy

A specific request should be made if another form or additional coverage is desired.

Title to said estate or interest at the date hereof is vested in:

4740 ECR-LOS ALTOS, LLC, A DELAWARE LIMITED LIABILITY COMPANY

The estate or interest in the land hereinafter described or referred to covered by this Report is:

FEE

The Land referred to herein is described as follows:

(See attached Legal Description)

At the date hereof exceptions to coverage in addition to the printed Exceptions and Exclusions in said policy form would be as follows:

1. General and special taxes and assessments for the fiscal year 2017-2018, a lien not yet due or payable.
2. General and special taxes and assessments for the fiscal year 2016-2017.

First Installment:	\$514,700.31, PAID
Penalty:	\$0.00
Second Installment:	\$514,700.31, OPEN
Penalty:	\$0.00
Tax Rate Area:	11-001
A. P. No.:	170-01-099

(Portion of Community Facilities District included)

3. The lien of special tax assessed pursuant to Chapter 2.5 commencing with Section 53311 of the California Government Code for Community Facilities District No. 2013-1, as disclosed by Notice of Special Tax Lien recorded January 22, 2014 as Document No. 22502535 of Official Records.
4. The lien of supplemental taxes, if any, assessed pursuant to Chapter 3.5 commencing with Section 75 of the California Revenue and Taxation Code.

5. An easement for storm drainage and sanitary sewer lines and incidental purposes, recorded October 4, 1957, as Book 3905, Page 370 of Official Records.
In Favor of: City of Los Altos, a municipal corporation
Affects: as described therein
6. The terms and provisions contained in the document entitled "Declaration of Restrictive Covenant" recorded September 21, 2012, as Instrument No. 21866975 of Official Records.
7. A Deed of Trust to secure an original indebtedness of \$41,250,000.00 recorded September 21, 2012, as Instrument No. 21868377 of Official Records.
Dated: September 19, 2012
Trustor: 4740 ECR-Los Altos, LLC, a Delaware limited liability company
Trustee: JPMorgan Chase Bank, N.A., a national banking association
Beneficiary: JPMorgan Chase Bank, N.A., a national banking association

The above deed of trust states that it is a construction deed of trust.

A document recorded August 23, 2013 as Instrument No. 22362908, of Official Records provides that the Deed of Trust/Mortgage or the obligation secured thereby has been modified.

A document recorded DECEMBER 24, 2015 as INSTRUMENT NO. 23181266, of Official Records provides that the Deed of Trust/Mortgage or the obligation secured thereby has been modified.

8. Terms and provisions of an unrecorded lease dated September 21, 2012, by and between 4740 ECR-Los Altos, LLC, a Delaware limited liability company as lessor and VS Direct Inc., a Delaware corporation as lessee, as disclosed by a Memorandum of Lease recorded January 25, 2013, as Instrument No. 22064555 of Official Records.

Defects, liens, encumbrances or other matters affecting the leasehold estate, whether or not shown by the public records are not shown herein.

9. An easement shown or dedicated on the map of Tract 10166 Colonnade, recorded June 13, 2013, and on file in Book 862, Pages 17 through 20 of Tract Maps.
For: public utility, emergency vehicular access, private storm drain, pedestrian access and incidental purposes.
10. An easement for distributing broadband services and incidental purposes, recorded September 12, 2013 as Instrument No. 22384628 of Official Records.
In Favor of: Comcast of California X, Inc., it successors and assigns
Affects: as described therein

The location of the easement cannot be determined from record information.

11. An easement for water line and incidental purposes, recorded November 13, 2013 as Instrument No. 22442346 of Official Records.
In Favor of: California Water Service Company, a California public utility water corporation
Affects: as described therein

12. An easement for broadband communications system and incidental purposes, recorded April 18, 2014 as Instrument No. 22572120 of Official Records.
In Favor of: Comcast of California X, Inc., it successors and assigns
Affects: as described therein

The location of the easement cannot be determined from record information.

13. An easement for public utility and incidental purposes, recorded June 27, 2014 as Instrument No. 22632588 of Official Records.
In Favor of: Pacific Gas and Electric Company, a California corporation
Affects: as described therein

14. An unrecorded lease dated December 17, 2014, executed by 4740 ECR-Los Altos, LLC as lessor and Board of Trustees of the Leland Stanford Junior University as lessee, as disclosed by a Memorandum of Lease and Option recorded January 26, 2015 as Document No. 22835966 of Official Records.

Defects, liens, encumbrances or other matters affecting the leasehold estate, whether or not shown by the public records are not shown herein.

15. Terms, conditions and provisions as disclosed by the Notice of Affordability Restrictions on Transfer of Property executed by 4740 ECR-Los Altos, LLC ("Developer"), a Delaware limited liability company, and Neighborhood Housing Services Silicon Valley dated January 22, 2015, recorded January 28, 2015 as Instrument Number 22838886 in the Office of the County Recorder No insurance will be given to either the contemplated transaction or to any resale or refinance in the future until satisfactory evidence of compliance with the provisions of said covenant or agreement, in the form of written and specific certification of compliance, has been furnished to the Company.
16. The terms and provisions contained in the document entitled "Stormwater Inspection and Maintenance Agreement and Deed" recorded September 03, 2015 as Document No. 23072440 of Official Records.
17. The terms and provisions contained in the document entitled "MEMORANDUM OF COMMENCEMENT DATE RE DECLARATION OF RESTRICTIVE COVENANT" recorded NOVEMBER 10, 2015 as INSTRUMENT NO. 23139369 of Official Records.
18. This item has been intentionally deleted.
19. Any facts, rights, interests or claims which would be disclosed by a correct ALTA/NSPS survey.
20. Rights of parties in possession.

INFORMATIONAL NOTES

NOTE to proposed insured lender only: No Private transfer fee covenant, as defined in Federal Housing Finance Agency Final Rule 12 CFR Part 1228, that was created and first appears in the Public Records on or after February 8, 2011, encumbers the Title except as follows: None

1. According to the latest available equalized assessment roll in the office of the county tax assessor, there is located on the land a(n) Multiple Family Residence known as 4750 EL CAMINO REAL, LOS ALTOS, CA.
2. According to the public records, there has been no conveyance of the land within a period of twenty-four months prior to the date of this report, except as follows:

None
3. It appears that a work of improvement is in progress or recently completed on the land. The Company will require various documents and information, including but not limited to a completed mechanics' lien risk analysis, construction contract(s), lien waivers, loan agreement, disbursement information, executed indemnity agreement and current financial information from proposed indemnitors, in order to determine whether mechanics' lien insurance can be issued. Other requirements may be made following the review of such documents and information.
4. This preliminary report/commitment was prepared based upon an application for a policy of title insurance that identified land by street address or assessor's parcel number only. It is the responsibility of the applicant to determine whether the land referred to herein is in fact the land that is to be described in the policy or policies to be issued.
5. Should this report be used to facilitate your transaction, we must be provided with the following prior to the issuance of the policy:
 - A. WITH RESPECT TO A CORPORATION:
 1. A certificate of good standing of recent date issued by the Secretary of State of the corporation's state of domicile.
 2. A certificate copy of a resolution of the Board of Directors authorizing the contemplated transaction and designating which corporate officers shall have the power to execute on behalf of the corporation.
 3. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
 4. Requirements which the Company may impose following its review of the above material and other information which the Company may require.
 - B. WITH RESPECT TO A CALIFORNIA LIMITED PARTNERSHIP:
 1. A certified copy of the certificate of limited partnership (form LP-1) and any amendments thereto (form LP-2) to be recorded in the public records;
 2. A full copy of the partnership agreement and any amendments;
 3. Satisfactory evidence of the consent of a majority in interest of the limited partners to the

- contemplated transaction;
4. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
 5. Requirements which the Company may impose following its review of the above material and other information which the Company may require.
- C. WITH RESPECT TO A FOREIGN LIMITED PARTNERSHIP:
1. A certified copy of the application for registration, foreign limited partnership (form LP-5) and any amendments thereto (form LP-6) to be recorded in the public records;
 2. A full copy of the partnership agreement and any amendment;
 3. Satisfactory evidence of the consent of a majority in interest of the limited partners to the contemplated transaction;
 4. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
 5. Requirements which the Company may impose following its review of the above material and other information which the Company may require.
- D. WITH RESPECT TO A GENERAL PARTNERSHIP:
1. A certified copy of a statement of partnership authority pursuant to Section 16303 of the California Corporation Code (form GP-1), executed by at least two partners, and a certified copy of any amendments to such statement (form GP-7), to be recorded in the public records;
 2. A full copy of the partnership agreement and any amendments;
 3. Requirements which the Company may impose following its review of the above material required herein and other information which the Company may require.
- E. WITH RESPECT TO A LIMITED LIABILITY COMPANY:
1. A copy of its operating agreement and any amendments thereto;
 2. If it is a California limited liability company, a certified copy of its articles of organization (LLC-1) and any certificate of correction (LLC-11), certificate of amendment (LLC-2), or restatement of articles of organization (LLC-10) to be recorded in the public records;
 3. If it is a foreign limited liability company, a certified copy of its application for registration (LLC-5) to be recorded in the public records;
 4. With respect to any deed, deed of trust, lease, subordination agreement or other document or instrument executed by such limited liability company and presented for recordation by the Company or upon which the Company is asked to rely, such document or instrument must be executed in accordance with one of the following, as appropriate:
 - (i) If the limited liability company properly operates through officers appointed or elected pursuant to the terms of a written operating agreement, such documents must be executed by at least two duly elected or appointed officers, as follows: the chairman of the board, the president or any vice president, and any secretary, assistant secretary, the chief financial officer or any assistant treasurer;
 - (ii) If the limited liability company properly operates through a manager or managers identified in the articles of organization and/or duly elected pursuant to the terms of a written operating agreement, such document must be executed by at least two such managers or by one manager if the limited liability company properly operates with the existence of only one manager.
 5. A certificate of revivor and a certificate of relief from contract voidability issued by the Franchise Tax Board of the State of California.
 6. Requirements which the Company may impose following its review of the above material and other information which the Company may require.
- F. WITH RESPECT TO A TRUST:
1. A certification pursuant to Section 18100.5 of the California Probate Code in a form satisfactory to

the Company.

2. Copies of those excerpts from the original trust documents and amendments thereto which designate the trustee and confer upon the trustee the power to act in the pending transaction.
 3. Other requirements which the Company may impose following its review of the material require herein and other information which the Company may require.
- G. WITH RESPECT TO INDIVIDUALS:
1. A statement of information.

The map attached, if any, may or may not be a survey of the land depicted hereon. First American Title Insurance Company expressly disclaims any liability for loss or damage which may result from reliance on this map except to the extent coverage for such loss or damage is expressly provided by the terms and provisions of the title insurance policy, if any, to which this map is attached.

LEGAL DESCRIPTION

Real property in the City of Los Altos, County of Santa Clara, State of California, described as follows:

LOT 1, AS SHOWN AND DESIGNATED UPON TRACT 10166 COLONNADE, FILED JUNE 13, 2013, IN BOOK 862 OF TRACT MAPS, AT PAGES 17 THROUGH 20, INCLUSIVE, SANTA CLARA COUNTY RECORDS.

APN: 170-01-099

NOTICE I

Section 12413.1 of the California Insurance Code, effective January 1, 1990, requires that any title insurance company, underwritten title company, or controlled escrow company handling funds in an escrow or sub-escrow capacity, wait a specified number of days after depositing funds, before recording any documents in connection with the transaction or disbursing funds. This statute allows for funds deposited by wire transfer to be disbursed the same day as deposit. In the case of cashier's checks or certified checks, funds may be disbursed the next day after deposit. In order to avoid unnecessary delays of three to seven days, or more, please use wire transfer, cashier's checks, or certified checks whenever possible.

If you have any questions about the effect of this new law, please contact your local First American Office for more details.

NOTICE II

As of January 1, 1991, if the transaction which is the subject of this report will be a sale, you as a party to the transaction, may have certain tax reporting and withholding obligations pursuant to the state law referred to below:

In accordance with Sections 18662 and 18668 of the Revenue and Taxation Code, a buyer may be required to withhold an amount equal to three and one-third percent of the sales price in the case of the disposition of California real property interest by either:

1. A seller who is an individual with a last known street address outside of California or when the disbursement instructions authorize the proceeds be sent to a financial intermediary of the seller, OR
2. A corporate seller which has no permanent place of business in California.

The buyer may become subject to penalty for failure to withhold an amount equal to the greater of 10 percent of the amount required to be withheld or five hundred dollars (\$500).

However, notwithstanding any other provision included in the California statutes referenced above, no buyer will be required to withhold any amount or be subject to penalty for failure to withhold if:

1. The sales price of the California real property conveyed does not exceed one hundred thousand dollars (\$100,000), OR
2. The seller executes a written certificate, under the penalty of perjury, certifying that the seller is a resident of California, or if a corporation, has a permanent place of business in California, OR
3. The seller, who is an individual, executes a written certificate, under the penalty of perjury, that the California real property being conveyed is the seller's principal residence (as defined in Section 1034 of the Internal Revenue Code).

The seller is subject to penalty for knowingly filing a fraudulent certificate for the purpose of avoiding the withholding requirement.

The California statutes referenced above include provisions which authorize the Franchise Tax Board to grant reduced withholding and waivers from withholding on a case-by-case basis.

The parties to this transaction should seek an attorney's, accountant's, or other tax specialist's opinion concerning the effect of this law on this transaction and should not act on any statements made or omitted by the escrow or closing officer.

The Seller May Request a Waiver by Contacting:

Franchise Tax Board
Withhold at Source Unit
P.O. Box 651
Sacramento, CA 95812-0651
(916) 845-4900

Privacy Policy

We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our parent company, The First American Corporation, we have adopted this Privacy Policy to govern the use and handling of your personal information.

Applicability

This Privacy Policy governs our use of the information which you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its *Fair Information Values*, a copy of which can be found on our website at www.firstam.com.

Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies, and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies, or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's *Fair Information Values*. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

**CLTA/ALTA HOMEOWNER'S POLICY OF TITLE INSURANCE (02-03-10)
EXCLUSIONS**

In addition to the Exceptions in Schedule B, You are not insured against loss, costs, attorneys' fees, and expenses resulting from:

- 1. Governmental police power, and the existence or violation of those portions of any law or government regulation concerning:
 - (a) building;
 - (b) zoning;
 - (c) land use;
 - (d) improvements on the Land;
 - (e) land division; and
 - (f) environmental protection.

This Exclusion does not limit the coverage described in Covered Risk 8.a., 14, 15, 16, 18, 19, 20, 23 or 27.

- 2. The failure of Your existing structures, or any part of them, to be constructed in accordance with applicable building codes. This Exclusion does not limit the coverage described in Covered Risk 14 or 15.
- 3. The right to take the Land by condemning it. This Exclusion does not limit the coverage described in Covered Risk 17.
- 4. Risks:
 - (a) that are created, allowed, or agreed to by You, whether or not they are recorded in the Public Records;
 - (b) that are Known to You at the Policy Date, but not to Us, unless they are recorded in the Public Records at the Policy Date;
 - (c) that result in no loss to You; or
 - (d) that first occur after the Policy Date - this does not limit the coverage described in Covered Risk 7, 8.e., 25, 26, 27 or 28.
- 5. Failure to pay value for Your Title.
- 6. Lack of a right:
 - (a) to any land outside the area specifically described and referred to in paragraph 3 of Schedule A; and
 - (b) in streets, alleys, or waterways that touch the Land.
 This Exclusion does not limit the coverage described in Covered Risk 11 or 21.
- 7. The transfer of the Title to You is invalid as a preferential transfer or as a fraudulent transfer or conveyance under federal bankruptcy, state insolvency, or similar creditors' rights laws.

LIMITATIONS ON COVERED RISKS

Your insurance for the following Covered Risks is limited on the Owner's Coverage Statement as follows: For Covered Risk 16, 18, 19, and 21 Your Deductible Amount and Our Maximum Dollar Limit of Liability shown in Schedule A.

<u>Your Deductible Amount</u>	<u>Our Maximum Dollar Limit of Liability</u>
Covered Risk 16: 1% of Policy Amount or \$2,500.00 (whichever is less)	\$10,000.00
Covered Risk 18: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 19: 1% of Policy Amount or \$5,000.00 (whichever is less)	\$25,000.00
Covered Risk 21: 1% of Policy Amount or \$2,500.00 (whichever is less)	\$5,000.00

**ALTA RESIDENTIAL TITLE INSURANCE POLICY (6-1-87)
EXCLUSIONS**

In addition to the Exceptions in Schedule B, you are not insured against loss, costs, attorneys' fees, and expenses resulting from:

- 1. Governmental police power, and the existence or violation of any law or government regulation. This includes building and zoning ordinances and also laws and regulations concerning:
 - (a) and use
 - (b) improvements on the land
 - (c) and division
 - (d) environmental protection

This exclusion does not apply to violations or the enforcement of these matters which appear in the public records at Policy Date.

This exclusion does not limit the zoning coverage described in Items 12 and 13 of Covered Title Risks.

- 2. The right to take the land by condemning it, unless:
 - (a) a notice of exercising the right appears in the public records on the Policy Date

- (b) the taking happened prior to the Policy Date and is binding on you if you bought the land without knowing of the taking
3. Title Risks:
- (a) that are created, allowed, or agreed to by you
 - (b) that are known to you, but not to us, on the Policy Date -- unless they appeared in the public records
 - (c) that result in no loss to you
 - (d) that first affect your title after the Policy Date -- this does not limit the labor and material lien coverage in Item 8 of Covered Title Risks
4. Failure to pay value for your title.
5. Lack of a right:
- (a) to any land outside the area specifically described and referred to in Item 3 of Schedule A OR
 - (b) in streets, alleys, or waterways that touch your land
- This exclusion does not limit the access coverage in Item 5 of Covered Title Risks.

2006 ALTA LOAN POLICY (06-17-06)

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions, or location of any improvement erected on the Land;
 - iii. the subdivision of land; or
 - iv. environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- b. Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - a. created, suffered, assumed, or agreed to by the Insured Claimant;
 - b. not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - c. resulting in no loss or damage to the Insured Claimant;
 - d. attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - e. resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - a. a fraudulent conveyance or fraudulent transfer, or
 - b. a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

2006 ALTA OWNER'S POLICY (06-17-06)
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions, or location of any improvement erected on the Land;
 - iii. the subdivision of land; or
 - iv. environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.

b. Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - a. created, suffered, assumed, or agreed to by the Insured Claimant;
 - b. not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - c. resulting in no loss or damage to the Insured Claimant;
 - d. attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 13, or 14); or
 - e. resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law.
6. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - a. a fraudulent conveyance or fraudulent transfer, or
 - b. a preferential transfer for any reason not stated in Covered Risk 13(b) of this policy.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the Insured Mortgage in the Public Records. This Exclusion does not modify or limit the coverage provided under Covered Risk 11(b).

The above policy form may be issued to afford either Standard Coverage or Extended Coverage. In addition to the above Exclusions from Coverage, the Exceptions from Coverage in a Standard Coverage policy will also include the following Exceptions from Coverage:

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) that arise by reason of:

1. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.
2. Any facts, rights, interests, or claims that are not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
3. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
4. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.
5. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water, whether or not the matters excepted under (a), (b), or (c) are shown by the Public Records.
6. Any lien or right to a lien for services, labor or material not shown by the public records.

ALTA EXPANDED COVERAGE RESIDENTIAL LOAN POLICY (07-26-10)
EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. a. Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - i. the occupancy, use, or enjoyment of the Land;
 - ii. the character, dimensions, or location of any improvement erected on the Land;
 - iii. the subdivision of land; or
 - iv. environmental protection;

or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
- b. Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 5, 6, 13(c), 13(d), 14 or 16.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - a. created, suffered, assumed, or agreed to by the Insured Claimant;
 - b. not Known to the Company, not recorded in the Public Records at Date of Policy, but Known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - c. resulting in no loss or damage to the Insured Claimant;
 - d. attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risk 11, 16, 17, 18, 19, 20, 21, 22, 23, 24, 27 or 28); or
 - e. resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Insured Mortgage.
4. Unenforceability of the lien of the Insured Mortgage because of the inability or failure of an Insured to comply with applicable doing-business laws of the state where the Land is situated.
5. Invalidity or unenforceability in whole or in part of the lien of the Insured Mortgage that arises out of the transaction evidenced by the Insured Mortgage and is based upon usury or any consumer credit protection or truth-in-lending law. This Exclusion does not modify or limit the coverage provided in Covered Risk 26.
6. Any claim of invalidity, unenforceability or lack of priority of the lien of the Insured Mortgage as to Advances or modifications made after the Insured has Knowledge that the vestee shown in Schedule A is no longer the owner of the estate or interest covered by this policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11.
7. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching subsequent to Date of Policy. This Exclusion does not modify or limit the coverage provided in Covered Risk 11(b) or 25.
8. The failure of the residential structure, or any portion of it, to have been constructed before, on or after Date of Policy in accordance with applicable building codes. This Exclusion does not modify or limit the coverage provided in Covered Risk 5 or 6.
9. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction creating the lien of the Insured Mortgage, is
 - a. a fraudulent conveyance or fraudulent transfer, or
 - b. a preferential transfer for any reason not stated in Covered Risk 27(b) of this policy.



Memorandum

Date: August 20, 2020
To: Heather DaCorte, Kindbody Medical Clinic
From: Kai-Ling Kuo, Jocelyn Lee
Subject: Parking Study for the Proposed Kindbody Clinic at 4756 El Camino Real in Los Altos, California

Hexagon Transportation Consultants, Inc. has completed a parking study for the proposed Kindbody medical clinic at 4756 El Camino Real in Los Altos, California. The project is located in an existing residential/retail mixed-use development with two retail buildings totaling 10,983 square feet (s.f.) and facing El Camino Real. The clinic would occupy 3,346 s.f. of vacant space in the eastern building and operate a fertility clinic.

The site is currently occupied by a residential development, a café, a salon, and a fitness studio. The café is currently open from 8:00 AM to 5:00 PM daily, but the two other stores are not in operation due to Covid-19 and shelter-in-place orders. The proposed clinic would operate seven days per week from 8:00 AM to 7:00 PM. The clinic expects to have 4 to 6 employees and 4 to 6 patients on site at any given time.

Vehicle parking in the development includes a gated parking area in the underground parking garage for residents and shared parking spaces at the ground level and in the parking garage for retail uses and residential visitors.

The purpose of this parking study is to determine whether the on-site shared parking spaces are sufficient to accommodate the overall parking demand and to recommend parking management strategies.

Parking Supply

The site has a total of 81 spaces on the ground level and in the parking garage that are not gated. Seven of these spaces are reserved for leasing and staff of the residential development. Therefore, the site currently provides 74 shared spaces, including 19 two-hour limit retail spaces, 7 ADA spaces, 2 reserved employee spaces, and 2 clean air spaces. The remaining 44 spaces have no restrictions. On-street parking is also allowed along the project frontage with a 40-minute limit. The project would not increase the parking supply on site.

Parking Demand

Proposed Clinic

The City of Los Altos Municipal Code does not include an off-street vehicle parking requirement for clinics. Thus, the parking demand associated with the proposed clinic was estimated based on the 85th percentile parking rate published in the Institute of Transportation Engineers (ITE) *Parking Generation*, 5th Edition.

Through empirical research, data have been collected that quantify the parking demand that can be expected to be generated by many types of land uses. The data are published in *Parking Generation*, 5th Edition, by the ITE. The 85th percentile parking rate for Medical-Dental Office Building (Land Use 720) was used to estimate the weekday parking demand. As previously discussed, the project presumes that business would operate similarly throughout the week and the weekend. Therefore, the weekday rate was applied to the weekend as well.

Based on the ITE weekday rate, the clinic is expected to have a peak demand of 15 parking spaces on the weekdays and weekends (see Table 1). Based on the project description, the clinic is expected to have a maximum of 6 employees and 6 patients at the clinic at any given time, which would generate a maximum demand of 12 parking spaces assuming every employee and patient driving to the clinic. Therefore, the parking demand estimated using the ITE rate may present an over-estimate.

Vacant Retail Space/Closed Stores

The ITE parking rates for Shopping Center (Land Use 820) were used to estimate the weekday and the weekend parking demands for the vacant retail space and the salon and fitness studio that are currently closed due to shelter-in-place orders. The “Shopping Center” ITE land use category refers to an integrated group of commercial establishments. This category includes the parking data for a wide scale of retail uses, from neighborhood centers to regional centers. The site has a total of 10,983 s.f. of retail space. With 1,949 s.f. for the existing café and 3,346 s.f. for the proposed clinic, the remaining retail space is 5,688 s.f. Based on the ITE rates, the remaining retail space may generate a maximum demand of 21 parking spaces on the weekdays and weekends. Based on the Urban Land Institute (ULI) *Shared Parking*, 3rd Edition, because the retail uses are located in a mixed-use development, the parking demand is likely to be lower due to internal trip capture between the residential development and retail uses on site. The internal trip capture rates range from 5 percent for retail to 70 percent for a fitness club in a mixed-use development. The salon is also likely to have some customers as the residents of the site. Therefore, for the study, a 15 percent internal trip capture was assumed for the vacant/closed retail spaces. With the reduction, the remaining retail space may generate a maximum demand of 18 parking spaces on the weekdays and weekends (see Table 1).

**Table 1
Parking Demand Based on ITE Rates**

Land Use	Size	ITE Parking Rate ¹		Maximum Parking Demand	
		Weekday	Weekend	Weekday	Weekend
Proposed Clinic ²	3,346 s.f.	4.59	4.59	15	15
Vacant Retail Space ³	5,688 s.f.	3.68	3.74	21	21
- Internal Trip Capture (15%)				-3	-3
<i>Total Retail Parking Demand</i>				<u>18</u>	<u>18</u>
Total Maximum Parking Demand				33	33

Source: ITE *Parking Generation Manual*, 5th Edition, 2019.

1. 85th percentile parking rates per 1,000 s.f. gross leasable area are used.

2. Medical-Dental Office Building (Land Use 720) parking rate is used.

3. Shopping Center (Land Use 820) parking rate for non-December months is used for vacant retail space and the stores are currently closed.

Existing Demand

Vehicle parking counts were conducted for the shared parking spaces during two typical weekdays and a Saturday in August 2020 (see Appendix A) to determine the parking demand of the existing uses on site. The counts were conducted from 8:00 AM to 8:00 PM, which includes the business hours of the proposed clinic. The parking counts show that the residential development and café currently occupy a maximum of 48 of the shared spaces during a typical weekday and 50 of the shared spaces during a typical Saturday. The parking demand was steady throughout the day, and the café is the only store open on site. Therefore, it is likely that residents are utilizing the shared parking spaces because it is more convenient even though residents have a separate gated section of parking. Parking counts conducted for the residential development in 2017 when the residential units were 94 percent occupied showed that residents only occupied 55 percent of the gated parking spaces, and one third of the total vehicles were parked in the shared area at night. Typically, residents parked in the shared parking area would leave for work during the day. Due to Covid-19 and shelter-in-place orders, the number of residents occupying the shared spaces is likely higher than normal.

Summary

Based on ITE rates, the total maximum parking demand for the proposed clinic and vacant retail spaces would be 33 spaces on the weekdays and weekends (see Table 1). There is a minimum of 26 spaces available on the weekdays and 24 spaces available on the weekends in the shared parking area, based on the existing counts. The number of vacant shared spaces would not accommodate the estimated maximum parking demand for the proposed clinic and vacant retail spaces if all retail spaces are occupied. However, this is due to a majority of the occupied parking spaces in the shared parking area were being used by residents for convenience even though there are available parking spaces in the residential gated parking area. Overall, there is a sufficient parking supply for residents and retail uses in the entire development.

Recommendation

To ensure that the shared parking spaces are available for the proposed clinic and the retail stores, the property manager should designate more 2-hour parking spaces for clinic and retail customers and reserve more parking spaces for the clinic and retail employees as needed. This would restrict residents from using the shared parking spaces as long-term spaces. Currently, there are 19 two-hour limit retail spaces and 2 reserved employee spaces. The property manager should work with the commercial tenants to obtain the potential parking demand from each tenant and adjust the number of 2-hour and reserved parking spaces as the retail spaces get occupied.

Conclusion

The parking study for the proposed clinic shows that the shared parking spaces in the development would be sufficient to accommodate the parking demand of the clinic, retail uses, and residents. It should be noted that a majority of the existing occupied parking spaces in the shared parking area were being used by residents even though there are available parking spaces in the residential gated parking area. Therefore, to ensure that the parking demand for the proposed clinic and retail stores is accounted for, the property manager should designate more 2-hour parking spaces for customers and reserve more parking spaces for clinic and retail employees as needed. This would restrict residents from using the shared parking spaces as long-term spaces. The property manager should work with the commercial tenants to obtain the potential parking demand from each tenant and adjust the number of 2-hour and reserved parking spaces as the retail spaces get occupied.

Appendix A

Parking Counts

20KK06- Los Altos Parking Counts

Date: August 8, 11 & 12, 2020
 Counters: Patti, Matt
 Intersection Name: 4756 ECR, Los Altos
 Weather: Fair

AUTO CENSUS
Traffic Monitoring and Analysis

5973 Larkstone Loop
 San Jose, Ca. 95123
 Phone 408-533-3398

Saturday 8/8/20				
	Shared	Lease	Staff	Street
8AM	50	0	0	0
9AM	46	2	1	1
10AM	48	1	1	1
11AM	49	1	1	0
12PM	48	1	1	1
1PM	44	3	1	0
2PM	49	2	1	1
3PM	47	3	1	0
4PM	48	3	1	2
5PM	48	3	1	1
6PM	49	3	0	0
7PM	49	1	0	0

Tuesday 8/11/20				
	Shared	Lease	Staff	Street
8AM	44	0	3	1
9AM	43	1	3	0
10AM	39	1	4	1
11AM	38	1	4	3
12PM	40	1	4	0
1PM	42	1	4	0
2PM	41	1	4	0
3PM	39	1	4	0
4PM	41	0	2	0
5PM	43	0	2	2
6PM	48	1	1	3
7PM	48	0	1	2

Wednesday 8/12/20				
	Shared	Lease	Staff	Street
8AM	43	2	3	2
9AM	40	2	3	2
10AM	44	2	3	1
11AM	43	3	3	1
12PM	40	3	3	1
1PM	45	3	3	0
2PM	42	3	3	0
3PM	39	3	3	0
4PM	39	3	1	0
5PM	43	2	0	0
6PM	45	1	1	0
7PM	47	0	1	1

Provided spaces **74** **3** **4** **3**

74 **3** **4** **3**

74 **3** **4** **3**