

SummerHill Homes Community at 4335 & 4345 El Camino Real Project Description

SummerHill Homes proposes to redevelop a 1.35-acre site on El Camino Real in Palo Alto with a new 29-unit townhome-style condominium community. The project will take advantage of the site's proximity to the San Antonio Caltrain Station and convenient access to neighborhood shops and services at San Antonio Center. With attractive landscaping, outdoor amenities, and contemporary architecture, SummerHill expects the project to be an excellent homeownership opportunity for people living or working in Palo Alto.

Location & Setting

The project site is located at 4335 & 4345 El Camino Real. The property currently contains a commercial building on the western parcel and a motel on the eastern parcel, with associated paved parking and landscaping on both parcels. To the southeast, the site is adjacent to MV apartments in the City of Mountain View. To the northwest, the site is bordered by Homewood Suites. To the northeast of the site is a residential condominium building. To the southwest of the site is El Camino Real in the City of Los Altos.

Project Overview

- SummerHill proposes to develop the 1.35-acre site with 29 new three-story townhome-style condominiums in five buildings, with attractive landscaping and common area amenities, at an overall density of approximately 21 dwelling units per acre and a floor area ratio of approximately 1.23.
- The project will offer a variety of three- and four-bedroom home plans, with an average living area of approximately 1,727 square feet.
- The architecture is proposed as a contemporary style that combines pitched roofs and classic materials with warm colors that complement the landscape and surrounding context. The exterior materials will include a high-quality mix of clay brick and brick veneer, lap siding and 20/30 stucco with a light sand finish.
- The buildings are configured to provide an activated pedestrian-friendly street presence along El Camino Real and Cesano Court with front doors and ground-level patios facing outward.
- Vehicular circulation is provided through two entry points from Cesano Court. The project will provide 60 off-street parking spaces. Each unit will have an attached private two-car garage — side-by-side garages for 17 of the units and tandem garages for 12 of the units. Bike storage for residents is provided in the garages, and bike racks for guests will be located in the common areas for convenience.

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- Consistent with City standards for private streets, the project will provide 32-foot wide streets, including paving, sidewalks, and garage aprons. Columnar trees will be provided between garages to create a vertical green softscape with low colorful planting beneath.
- All of the units will have private balconies and roof decks, and the project will also feature several community open spaces with casual seating, dining tables and an electric grill with counters for prep space, as well as professionally maintained landscaping.
- Four of the units will be designated as Affordable units for Moderate Income households.

Requested Approvals

The site is designated Service Commercial in the 2030 Comprehensive Plan and is zoned Service Commercial (CS). The site is identified as a housing inventory site in the Housing Element adopted by the City Council on May 8, 2023. SummerHill submitted an SB330 Preliminary Application for the project on January 16, 2024, and the City acknowledged receipt on January 25, 2024. Pursuant to section 65589.5 of the Government Code, the project is subject only to the ordinances, policies, and standards adopted and in effect when the Preliminary Application was submitted.

SummerHill will request Streamlined Housing Development Project Review with a concession or incentive and/or waivers or reductions of development standards pursuant to the State Density Bonus Law and the City's Density Bonus ordinance, a tree removal permit, a Vesting Tentative Subdivision Map and CEQA compliance for the project.

Affordable Housing and State Density Bonus

SummerHill proposes to designate 4 of the 29 units as below-market rate units affordable to Moderate Income households and pay an in lieu fee for a fractional 0.35 unit, in compliance with the City's affordable housing guidelines. Consistent with the State Density Bonus Law, SummerHill expects to request the following waivers or reductions of development standards, to the extent needed to comply with applicable objective standards:

- Waiver of development standards for the preservation of retail and retail-like uses, if applicable.
- Waiver or reduction of development standards to reduce the side and rear setback requirements.
- Waiver or reduction of development standards to increase the "daylight plane" height limit, if applicable.
- Waiver of the "build-to" development standard along Cesano Court.
- Waiver or reduction of development standards to allow the removal of existing trees with reduced replacement ratios.
- Waiver or reduction of development standard to reduce the number of street trees required along the project frontage.
- Waiver or reduction of development standards to reduce the height of the ground-floor finished floor along the project frontage.

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- Waiver or reduction of development standards to reduce restrictions on windows and balconies adjacent to residential buildings.
- Waiver of development standards to allow individual private roof decks.

SummerHill reserves the right to request additional or different concessions or incentives, waivers or reductions of development standards or parking ratios as the project is reviewed.

CEQA

SummerHill anticipates that the project will qualify as a Class 32 Infill Development Project categorically exempt from project-specific environmental review. The project is consistent with the applicable Comprehensive Plan and zoning designations and regulations; the project site has no value as habitat for endangered, rare or threatened species; approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality; and the site can be adequately served by all required utilities and public services.

Vesting Tentative Subdivision Map

SummerHill will prepare a Vesting Tentative Subdivision Map and condominium plans to create separate parcels for the individual units and establish appropriate access, utility and service easements. SummerHill will include the proposed Vesting Tentative Map and subdivision improvements with the application for Streamlined Housing Development Project Review and the other project entitlements so that all aspects of the project can be reviewed concurrently.

Sustainability

The project will be constructed in compliance with the current California Green Building Standards Code (Title 24) and the 2022 City of Palo Alto Energy REACH Code. The units will be all-electric for heating and cooling, water heating and appliances. In addition, SummerHill will install a solar energy system for each unit, and each unit will have a Level 2 EV-ready parking space.

Design and Construction

The townhomes will be mapped as separate legal units pursuant to a condominium plan. The townhomes will be designed as R2 condominiums per the 2022 California Building Code with an NFPA 13 sprinkler system. Electric meters and telecommunications services will be grouped at the ends of each building, and service to the individual units will run through soffits in the garages of the units.

For the comfort of the residents, SummerHill will design the windows, doors, and exterior wall assemblies to dampen noise from El Camino Real.

Community Amenities & Landscaping

The community will be maintained by a professionally managed homeowners association. The homeowners association will be responsible for maintaining the landscaping, common area amenities, and private streets. Existing street trees along El Camino Real will be preserved, where feasible.

No Displacement

The site is currently developed for commercial use, so the project will not displace any residents.

Utilities, Public Services and Stormwater Management

- Domestic water service will connect to an existing public water main in Cesano Court through a master public meter for each parcel and individual private submeters for each unit. Irrigation service will be provided through a separate meter, and the fire sprinklers and hydrants will be served through a dedicated line.
- Sewer service is anticipated to connect to an existing public sewer main in Cesano Court.
- Stormwater will be treated on site as required to meet municipal stormwater permit requirements. Stormwater will be treated with bioretention areas and other low impact development (LID) treatment measures before being discharged to an existing public storm drain that currently serves the site.
- Overland release for 100-year storm events will be primarily directed towards Cesano Court
- Electric, cable, and telephone service is anticipated to connect to existing service lines along Cesano Court. There are no other existing overhead lines along the project frontage. New on-site utilities will be placed underground.
- Garbage and recycling service will be provided by GreenWaste of Palo Alto. There will be two trash enclosures with shared bins for waste, compost, and recycling. On scheduled collection dates, GreenWaste personnel will wheel the bins from the enclosure to the street and back for collection.

May 21, 2024, revised August 6, 2024

Via Electronic Submittal

Emily Kallas
Planner
Planning and Development Services Department
City of Palo Alto
250 Hamilton Avenue
Palo Alto, CA 94301

RE: 4335 & 4345 El Camino Real, Palo Alto
Project Request Letter and Letter of Application

Dear Ms. Kallas,

SummerHill Homes respectfully submits this Project Request Letter and Letter of Application in compliance with the City's Submittal Requirements Checklists for Major Architectural Review¹ and Major Subdivisions.

Project Summary

As explained in the attached project description, SummerHill proposes to redevelop a 1.35-acre site at 4335 & 4345 El Camino Real with a new 29-unit townhome-style condominium community. The project will offer a variety of three- and four-bedroom home plans, with an average living area of approximately 1,727 square feet. All the units will have private decks and front patios, and the project will also feature several community open spaces.

Vehicular circulation is provided through two entry drives from Cesano Court and on-site private streets. The project will provide 60 off-street parking spaces. Each unit will have an attached private two-car garage — side-by-side garages for 17 of the units and tandem garages for 12 of the units. Bike storage for residents will be provided in the garages, and bike racks for guests will be located in the common areas for convenience. Consistent with City standards for private streets, the project will provide 32-foot wide streets, including paving, sidewalks, and garage aprons.

The property currently contains a commercial building on the western parcel and a motel on the eastern parcel with associated paved parking and landscaping on both parcels. To the northeast of the site is a residential condominium building. To the northwest, the site is bordered by Homewood Suites. To the

¹ It is SummerHill's understanding that the City uses the Submittal Requirements Checklists for Major Architectural Review for applications for Streamlined Housing Development Project Review.

southeast, the site is adjacent to MV apartments in the City of Mountain View. To the southwest of the site is El Camino Real in the City of Los Altos.

Project Objectives

SummerHill's primary objectives for the project are the following:

- Develop 29 new for-sale homes, with delivery to homebuyers beginning by 2027.
- Develop three-story townhome-style condominiums to meet the demand for ownership housing with individual attached garages and individual private building entries.
- Develop three- and four-bedroom homes with an average living area of at least 1,727 square feet and average ceiling heights of at least 9 feet to meet the needs of families and other households and provide a comfortable and attractive living space.
- Provide four units at below market pricing affordable to Moderate Income households.
- Ensure that the project is financially feasible for SummerHill (as the developer currently in contract to purchase the project site).
- Ensure a cost-efficient design, including architecture and infrastructure improvements.

Requested Approvals

SummerHill respectfully requests approval of the project pursuant to the City's Streamlined Housing Development Project Review Process with a concession or incentive and/or waivers or reductions of development standards pursuant to the State Density Bonus Law and the City's Density Bonus ordinance, a tree removal permit and CEQA review and compliance. In addition, SummerHill respectfully requests approval of a Vesting Tentative Subdivision Map for Condominium Purposes for the project.

SummerHill submitted an SB330 Preliminary Application for the project on January 16, 2024, and the City acknowledged receipt on January 25, 2024. Pursuant to section 65589.5 of the Government Code, the project is subject only to the ordinances, policies, and standards adopted and in effect when the Preliminary Application was submitted.

Streamlined Housing Development Project Review

The project is eligible for review and approval under the City's Streamlined Housing Development Project Review Process because the project, with the requested waivers or reductions of development standards, is consistent with the Comprehensive Plan, the zoning and other applicable objective standards.

The site is designated Service Commercial in the 2030 Comprehensive Plan and is zoned Service Commercial (CS). The Service Commercial zoning district allows residential use on the site with a 50-foot height limit. The site is identified as a housing inventory site in the 2023-2031 Housing Element adopted by the City Council on May 8, 2023.

Affordable Housing and State Density Bonus

SummerHill proposes to designate 4 of the 29 units as below-market rate units affordable to Moderate Income households and pay an in lieu fee for a fractional 0.35 unit. By designating at least 10% of the units as inclusionary units affordable to Moderate Income households, the project qualifies for a density bonus, an incentive or concession, waivers or reductions of development standards and parking reductions under the State Density Bonus Law. To the extent feasible, the Affordable units will be provided proportionately in the same unit type mix and in each phase of occupancy as the market-rate units, and the units will be dispersed throughout the project.

Under the State Density Bonus Law, a developer may propose waivers of development standards that have the effect of physically precluding construction of a qualifying project as proposed by the developer, at the densities or with the concessions or incentives permitted by the Density Bonus Law. The State Density Bonus Law also places a cap on the parking ratios that can be imposed on qualifying projects and allows developers to use tandem parking spaces to comply with parking requirements.

- *Waiver of the Retail Preservation Ordinance*

SummerHill respectfully requests a waiver or reduction of development standards to eliminate the replacement standards of the City's retail preservation ordinance and allow the site to be developed without a retail component. It is not physically possible to include retail or retail-like uses in the project without eliminating residential units, reducing residential floor area or substantially changing the height and design of the buildings, which is not consistent with the project as proposed or the project objectives.

In addition, after consulting with commercial real estate brokers who are familiar with the local Palo Alto market, SummerHill has determined that dedicated retail space on the project site as part of the project would not be able to generate revenue sufficient to cover the cost of land and construction. Therefore, dedicated retail space would incur a loss for the project. Furthermore, dedicated retail, office, or other commercial space would displace proposed residential uses, which would reduce the project's contribution towards meeting the City's Regional Housing Needs Allocation. Waiving the retail preservation ordinance would reduce project costs and support the development of Affordable units for Moderate Income households.

- *Waiver to Reduce the Side and Rear Setback Requirements*

SummerHill respectfully requests a waiver or reduction of development standards to reduce the requirements to provide 15-foot side setbacks and 10-foot rear setbacks. It is not physically possible to comply with the side and rear setback requirements without eliminating units, reducing floor area or substantially changing the height and design of the buildings, which is not consistent with the project as proposed or the project objectives.

- *Waiver to Increase the Height of the “Daylight Plane”*

SummerHill respectfully requests a waiver or reduction of development standards to increase the height allowed by the “daylight plane.” Section 18.16.060 of the Palo Alto Municipal Code requires that the height and slope of the daylight plane be the same as those of the most restrictive residential zoning district abutting the lot line. It is not physically possible to comply with the “daylight plane” height limit requirement without eliminating units or reducing floor area, which is not consistent with the project as proposed or the project objectives.

- *Waiver of the “Build-To” Standard Along Cesano Court*

SummerHill respectfully requests a waiver or reduction of development standards to reduce the “build-to” standard along the Cesano Court frontage. Section 18.16.060 of the Palo Alto Municipal Code requires that 33% of the Street Side frontage be built to the setback line. The Cesano Court frontage is the Street Side frontage of the project site. Since the Street Side setback line is only 5 feet from the property line, it is not physically possible to comply with the “build-to” standard without eliminating the space needed for driveways, walkways, utilities and bioretention facilities required to serve the project.

- *Waiver to Allow the Removal of Trees*

SummerHill respectfully requests a waiver or reduction of development standards to waive the requirements of the City’s tree protection code (chapter 8.10 of the Palo Alto Municipal Code) and the Tree and Landscape Technical Manual to the extent required to allow the removal and replacement of existing trees on site at the ratio proposed in the landscape plans. The project will require removal of all the existing trees on site, including trees that are not currently dead, nor a public hazard, nor preventing access to the site. It is not physically possible to comply with the tree protection code and the Tree and Landscape Technical Manual without eliminating units or reducing floor area, which is not consistent with the project as proposed or the project objectives.

- *Waiver to Reduce the Number of Street Trees*

SummerHill respectfully requests a waiver or reduction of development standards to reduce the number of street trees required along the project frontage. Section 18.24.020(B)(2) of the Palo Alto Municipal Code requires that public sidewalks along the project frontage include at least one street tree, within six feet of the sidewalk, for every 30 feet of linear feet of sidewalk length. It is not physically possible to comply with the street trees requirements due to the existing and proposed driveways, utilities and bioretention facilities required to serve the project.

- *Waiver to Reduce the Minimum Ground-Floor Finished Floor Height Based on Building Setback*

SummerHill respectfully requests a waiver or reduction of development standards to reduce the height of the ground-floor finished floor along the project frontage. Section 18.24.040(b)(4) of the Palo Alto Municipal Code requires that the ground-floor finished floor be at least a certain height above the sidewalk grade, calculated according to a specified formula. To comply with

the formula, the ground-floor finished floor of the units along the project frontage must be at least 1.33 feet above the sidewalk grade. It is not physically possible to comply with the minimum height for the ground-floor finished floor without introducing interior steps in the garage of the units, which would either encroach into the required clear space in the garage or necessitate a reduction in residential floor area, neither of which is consistent with the project as proposed or the project objectives.

- *Waiver to Reduce Restrictions on Windows and Balconies Adjacent to Residential Buildings*

SummerHill respectfully requests a waiver or reduction of development standards to reduce the restrictions on windows and balconies adjacent to residential buildings. Section 18.24.050(b)(2) of the Palo Alto Municipal Code restricts the size and clarity of windows and the location of balconies within 30 feet of adjacent residential uses. Since the project site is adjacent to a five-story apartment building at 2700 W. El Camino Real, it is not physically possible for Building 5 to comply with the restrictions on windows and balconies without eliminating bedrooms and private open space, which is not consistent with the project as proposed or the project objectives.

- *Waiver to Eliminate the Requirements for Rooftop Gardens and Roof Decks*

SummerHill respectfully requests a waiver or reduction of development standards to waive the requirements of section 18.40.230 of the Palo Alto Municipal Code, to the extent that the requirements apply to individual private roof decks. SummerHill proposes to provide roof decks for individual units as private open space for the respective unit, not accessible from the other units, which appears to conflict with the requirement that rooftop gardens be “accessible to all residents of dwelling units on the parcel.” Given that the proposed rooftop decks are private and accessible only through the individual units, it is not physically possible to comply with the requirements for rooftop gardens in a manner that is consistent with the project as proposed and the project objectives.

- *Further Waivers or Reductions of Development Standards*

SummerHill reserves the right to request additional or different concessions or incentives, waivers or reductions of development standards or parking ratios as the project is reviewed.

Vesting Tentative Subdivision Map

SummerHill will prepare a Vesting Tentative Subdivision Map to establish appropriate access, utility and service easements and condominium plans to define exclusive use areas and areas of separate undivided interests for the individual units. SummerHill has submitted the proposed Vesting Tentative Map at the same time as the application for Streamlined Housing Development Project Review and the other project entitlements so that all aspects of the project can be reviewed concurrently.

The proposed Vesting Tentative Map fully complies with the design standards and improvement standards in chapters 21.20 and 21.28 of the Municipal Code. Following approval of the Vesting Tentative Map, SummerHill will prepare a Final Map and condominium plans.

CEQA

SummerHill anticipates that the project will qualify as a Class 32 Infill Development Project categorically exempt from project-specific environmental review. The project is consistent with the applicable Comprehensive Plan and zoning designations and regulations; the project site has no value as habitat for endangered, rare or threatened species; approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality; and the site can be adequately served by all required utilities and public services.

We look forward to working with the City regarding the proposed project. Please let us know if you have any questions regarding this Project Request Letter and Letter of Application.

Thank you.

Sincerely,



John Hickey

Vice President of Development

cc: Jodie Gerhardt, City of Palo Alto
Kevin Ebrahimi, SummerHill Homes LLC
Austin Lin, SummerHill Homes LLC