



## City Council Staff Report

**From: City Manager**

**Report Type: STUDY SESSION**

**Lead Department: Planning and Development Services**

**Meeting Date: August 7, 2023**

Report #:2306-1664

### **TITLE**

4075 El Camino Real (23PLN-00391): Request for Prescreening of a Proposal to Modify an Existing Planned Community (PC) to Allow 14 Additional Senior Convalescent Units, Including an Increase in the FAR, Lot Coverage, Density, and Height Within the Daylight Plane. Environmental Assessment: Not a Project. The Formal Application Will be Subject to California Environmental Quality Act (CEQA) Review.

### **RECOMMENDATION**

Staff recommends that Council conduct a prescreening and provide informal comments regarding the applicant's request to add 14 additional units to 4075 El Camino Way (Palo Alto Commons). Comments provided during the prescreening process are not binding on the City nor the applicant.

### **EXECUTIVE SUMMARY**

This prescreening is a request by the applicant to amend the existing Planned Community (PC) zone by creating a new PC with revised development standards to accommodate the proposal. The project site consists of two Senior Living communities, Avant providing 44 Independent Living units and approved in 2011 (PC 5116), and Palo Alto Commons, providing 121 Assisted Convalescent units and approved in 1987 (PC 3775). The existing Palo Alto Commons building is three stories tall and tapers down to two and one stories closest to the adjacent single-family (R-1) neighborhood.

This project proposes adding 14 additional convalescent units to Palo Alto Commons by building on top of the existing footprint, adding second and in some locations third stories to the "step backs", and a two-story single unit-sized ground floor addition. The total height of the building would not increase from the existing, however, it would protrude into the daylight plane.

The project would require a formal rezoning application consistent with Palo Alto Municipal Code (PAMC), Zoning Regulations, Chapter 18.38 to allow for a Development Plan with encroachment into the R-1 daylight plane and an increase in lot coverage, FAR, and density. These convalescent units are not considered housing units towards the Regional Housing Needs Assessment (RHNA) allocation, but do provide an important service to the community.

### **BACKGROUND**

#### *Project Description*

A location map of the proposed site is included in Attachment A. The preliminary schematic drawings, included in Attachment D, are conceptual, as is appropriate at this stage of project consideration. As shown in these schematic drawings, the applicant is proposing to add a 300 sf ground floor addition with

a height of two stories, increasing the height in one location from one story to two stories, increasing the height in three locations from one story to three stories, and increasing the height in five locations from two stories to three stories. These parts of the building currently modulation the height next to single-story residences and keep the building outside of the daylight plane. The proposed additions will encroach into the daylight plane by approximately 6-12 ft depending on the location. No additional parking spaces are proposed for the 14 units.

#### *Surrounding Uses*

Adjacent zoning and uses include The Avant Independent Living facility on the same parcel, and multi-family residential (RM-20) to the (approximate) west, single-family (R-1) residential to the north, and the Goodwill store (CN) to the east. Across El Camino Way and El Camino Real to the southwest includes other multi-family and commercial uses. Heights in the area range from 1-3 stories and include a variety of architectural styles.

#### **ANALYSIS**

Staff will prepare a thorough analysis of the Zoning and Comprehensive Plan compliance upon submittal of a formal application, if filed. A review of the conceptual plans, however, highlights key policy considerations associated with the applicant's request.

#### *Comprehensive Plan Compliance*

The Comprehensive Plan designation includes both Multiple-Family Residential, for a portion of the site adjacent to single-family, and Neighborhood Commercial for the portion central to the site and towards El Camino Way.

Multiple-Family Residential is described as: The permitted number of housing units will vary by area, depending on existing land use, proximity to major streets and public transit, distance to shopping and environmental problems. Net densities will range from 8 to 40 units and 8 to 90 persons per acre. Density should be on the lower end of the scale next to single-family residential areas. Densities higher than what is permitted may be allowed where measurable community benefits will be derived, services and facilities are available, and the net effect will be consistent with the Comprehensive Plan. Population densities will range up to 2.25 persons per unit by 2030.

Neighborhood Commercial is described as: Includes shopping centers with off-street parking or a cluster of street-front stores that serve the immediate neighborhood. Examples include Charleston Center, Edgewood Center and Midtown. Typical uses include supermarkets, bakeries, drugstores, variety stores, barber shops, restaurants, self service laundries, dry cleaners and hardware stores. In locations along El Camino Real and Alma Street, residential and mixed use projects may also locate in this category. Non-residential FARs will range up to 0.4. Consistent with the Comprehensive Plan's encouragement of housing near transit centers, higher density multi-family housing may be allowed in specific locations.

As no changes to land use are proposed, this project would not substantially deviate from the existing degree of conformance with the Comprehensive Plan Land Use Designations.

This project would support the following policies:

- Policy L-1.3 Infill development in the urban service area should be compatible with its surroundings and the overall scale and character of the city to ensure a compact, efficient development pattern

- Policy L-1.6 Encourage land uses that address the needs of the community and manage change and development to benefit the community
- Policy L-2.8 When considering infill redevelopment, work to minimize displacement of existing residents.
- Policy L-2.9 Facilitate reuse of existing buildings

The proposed project may be in conflict with these policies:

- Policy L-6.8 Support existing regulations that preserve exposure to natural light for single-family residences.

#### *Zoning Compliance – Planned Community*

The proposed changes would need to be considered as new development standards under the Planned Community.

- The building setbacks would not need to be changed
- The maximum building height would not need to be changed
- The density and provided units would need to increase by 14 units
- The daylight plane could be adjusted to allow the proposed encroachments adjacent to single-family uses
- The parking ratio would effectively need to be reduced, as no additional spaces are being proposed for the new units.

#### *Multi-Modal Access & Parking*

The project is located close to high-frequency transit, including the Valley Transit Authority 22 bus line (El Camino and El Camino Way stop) but not close to any of the CalTrain stations. This project has not yet been analyzed for consistency with the City's Bicycle and Pedestrian Transportation Plan and other transportation policies such as Council's Local Transportation Impact Analysis Policy adopted on June 15, 2019 (CMR 11256). This analysis would be conducted as a part of any formal application and reviewed by the Office of Transportation. No infrastructure or right of way improvements are anticipated with this project.

No new parking spaces are being proposed with this project. Typically 14 new convalescent units would require one (1) space per 2.5 beds, or six (6) new parking spaces but the existing parking included extra spaces and the proposed beds are still in compliance with the Zoning Code requirements.

#### **POLICY IMPLICATIONS**

Pre-screenings are intended to solicit early feedback on proposed projects and, like all study sessions, cannot result in any formal action. Therefore, informal comments from Councilmembers would not impact policy. That said, there is interest among other builders and property owners to learn of the Council's initial reaction to the subject request, which may influence the filing of future prescreening requests.

Zoning Code Section 18.38 for Planned Communities (PC) requires a public benefit. In 2020, Council determined that future PC (aka PHZ) projects must meet two initial qualifying criteria: 1) provide 20% of the total units as affordable housing selected from a prescribed menu of options, and 2) provide housing units that meet or exceed the demand generated by any net new jobs. In this case, the project is not proposing any particular level of affordability, and the expansion may also create new jobs. Also, given

the lack of individual cooking facilities, these new convalescent units cannot be counted towards the Regional Housing Needs Allocation (RHNA).

Although it does not meet the PHZ criteria Council set forth, Council should note this project is unique in that: 1) it is a PC amendment to an existing PC zone, and 2) it will house seniors who are the fastest growing homeless population according to the State's Homeless Data Integration System.

#### **STAKEHOLDER ENGAGEMENT**

The Palo Alto Municipal Code requires notice of this public hearing be published in a local paper and mailed to owners and occupants of property within 600 feet of the subject property at least ten days in advance. Notice of a public hearing for this project was published in the Daily Post on July 25, which is 13 days in advance of the meeting. Postcard mailing occurred on July 28 which is 10 days in advance of the meeting.

As of the writing of this report, public comments were received from one of the adjacent single-family neighbors. The emails are included in Attachment E. Primary concerns include privacy impacts and shadows associated with a proposed taller building. Should the project move forward, staff will further review these issues and can require a shadow study.

#### **ENVIRONMENTAL REVIEW**

The prescreening is a preliminary review process in which Councilmembers may provide comment, but no formal action will be taken. Therefore, no review under the California Environmental Quality Action (CEQA) is required at this time. A full review in accordance with CEQA would be initiated with the formal filing of a development application.

#### **NEXT STEPS**

Following the prescreening review, the applicant will consider Council's comments and determine how they want to proceed. Any formal application to rezone the property to PHZ would first be heard by the Planning and Transportation Commission (PTC) and Architectural Review Board, before Council makes a final decision.

#### **ATTACHMENTS**

Attachment A: Location Map

Attachment B: Zoning Comparison Table

Attachment C: Applicant's Project Description

Attachment D: Project Plans

Attachment E: Public Comments

#### **APPROVED BY:**

Jonathan Lait, Planning and Development Services Director