TO: PLANNING & TRANSPORTATION COMMISSION
FROM: RUSS REICH
ASSOCIATE PLANNER
DEPARTMENT: Planning and Community Environment

AGENDA DATE: JULY 30, 2003

SUBJECT: 2701 EL CAMINO REAL (03-DPR-01) – REQUEST BY SUNRISE DEVELOPMENT INC. FOR A PRELIMINARY REVIEW FOR A PROPOSED PLANNED COMMUNITY ZONE CHANGE TO ALLOW AN 80,500 SQUARE FOOT SENIOR ASSISTED LIVING FACILITY COMPRISED OF 81 LIVING UNITS ON AN APPROXIMATE ONE ACRE LOT.

RECOMMENDATION
Staff requests that the Planning and Transportation Commission review and comment on the proposed project concept for an approximate one acre parcel located at 2701 El Camino Real and provide policy guidance.

The Planning and Transportation Commission has the opportunity at this early point in the Preliminary Review process to comment on a residential project and whether or not it accomplishes the objectives of the Housing Element and site design objectives intended to foster a quality of life development that includes sustainable design and building practices, pedestrian facilities, open space and site amenities, shared parking, public benefits, and whether or not the proposed development meets the goals and objectives of the Comprehensive Plan.

As provided for by Chapter 18.97 of the Zoning Ordinance, the purposes of a Preliminary Review are:
a) To maximize opportunities for meaningful public discussion of development projects, at the earliest feasible time, for the guidance of the public, project proponents and city decision makers.

b) To focus public and environmental review of development projects on the issues of greatest significance to the community, including, but not limited to, planning concerns, neighborhood compatibility, Comprehensive Plan consistency, economics, social costs and benefits, fiscal costs and benefits, technological factors, and legal issues. These procedures are not intended to permit or foreclose debate on the merits of approval or disapproval of any given development project.

c) To provide members of the public with the opportunity to obtain early information about development projects in which they may have an interest.

d) To provide project proponents with the opportunity to obtain early, non-binding preliminary comments on development projects to encourage sound and efficient private decisions about how to proceed.

e) To encourage early communication between elected and appointed public officials and staff with respect to the implementation of city policies, standards, and regulations on particular development projects.

f) To facilitate orderly and consistent implementation of the city’s Comprehensive Plan and development regulations.

BACKGROUND
This Preliminary Review application has not been reviewed by the City Council or any other City boards or commissions. Therefore, this report provides details on planning and site development considerations that are relevant to the application at this early stage of the process.

Site Information
The approximate 1-acre project site is a corner lot fronting El Camino Real and Sheridan Avenue. The project site is a vacant flat parcel that was previously developed and utilized by Greenworld Nursery.

The site is served by one major thoroughfare, El Camino Real, and one local street, Sheridan Avenue. It has good pedestrian access, is within 2,000 feet of a transit station, and is adjacent to a transit corridor with bus service. The site is close to existing jobs, parks, schools and libraries (see Vicinity Map, Attachment A). This is an infill site and is adequately served by sewer, water and other utilities. Adequate police, fire and emergency services are also available in the area.

The project site has been identified in the Housing Element of the Comprehensive Plan, along with the adjacent park and ride lot owned by the Valley Transportation Authority (VTA), as a housing opportunity site on the Housing Site Inventory (Attachments B and C). On the Housing Site Inventory the property is listed for rezoning to RM-40, Mixed
Use, or Transit Oriented Zone District (being considered as part of the zoning ordinance update), and could result in 30-35 residential units. The Housing Site Inventory also notes that the project site could be combined with the VTA site for development and could provide 15-18 additional housing units.

The zoning uses of the site and surrounding parcels are:

**Project Site:** Zone CN Neighborhood Commercial (El Camino Real frontage) and RM-40 High Density Multiple Family (rear 2/3 of site)

**Southeast:** Zone PF Public Facility- Surface parking lot operated by the VTA.

**Northeast:** Zone PC-4463 – Three story, 35 unit condominiums.

**Southwest:** Zone CN Neighborhood Commercial – Don Sherwood Golf & Tennis World

**West:** Zone: PC-2293 Banking, financial or related business offices.

**Northwest:** Zone RM-40 High Density Multiple Family – Condominium complex.

**Proposed Project**

Sunrise Assisted Living is a provider of senior living services. Sunrise facilities offer a full range of personalized senior living services, from help with activities such as eating, bathing, dressing and medication management, to a specially designed program for residents with Alzheimer’s disease and other forms of memory impairment. The facility is not a nursing home for the elderly, but a facility that provides assistance for seniors who can no longer live on their own, but do not need complex medical care.

Sunrise Development Inc. is proposing a Planned Community (PC) for the construction of an 80,500 square foot four-story building with a below grade parking lot. The senior assisted living complex would have 81 units dispersed among the four stories. All floors would have common areas with the first floor having the largest area designated for communal use. The third floor would be specifically for residents afflicted with Alzheimer’s and dementia.

The 81 units are comprised of four different unit types, ranging in size from 310-680 square feet. The various units would be distributed throughout the floors with the exception of the Small Studio units, which would be located only on the third floor. The living units are as follows:

<table>
<thead>
<tr>
<th>Unit Type</th>
<th>Square Footage</th>
<th>Number</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Studio</td>
<td>310-325</td>
<td>3</td>
<td>4%</td>
</tr>
<tr>
<td>Large Studio</td>
<td>325-415</td>
<td>43</td>
<td>53%</td>
</tr>
<tr>
<td>Denver</td>
<td>450-500</td>
<td>15</td>
<td>18%</td>
</tr>
<tr>
<td>2 Bedroom</td>
<td>425-680</td>
<td>20</td>
<td>25%</td>
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</tbody>
</table>
The proposed units, some of which can be single or double occupancy, would not have cook tops. All meals would be provided to the residents in a central dining room.

Nine of the ground floor units would have private patios for a total of 840 square feet of private open space. There is approximately 16,200 square feet of common open space proposed throughout the project site.

The project would include a full underground basement used for parking and other facility management functions. The underground parking garage would provide 36 spaces. Two additional accessible parking spaces are proposed at grade in the main entry courtyard, which would also be utilized for shuttle bus passenger loading/unloading.

DISCUSSION

Comprehensive Plan
The Comprehensive Plan land use map designation for this site is split. The El Camino Real frontage is designated CN Neighborhood Commercial and the rear 2/3 of the site is MF Multiple Family Residential. In order to accommodate the proposed project, the existing Comprehensive Plan land use map designations must be changed to a designation that is consistent with the proposed project.

The proposed project is not defined within the current Comprehensive Plan or Zoning Ordinance. It is not a commercial use such as a nursing home or a traditional residential project such as an apartment building. The proposed use provides both services and housing and could fall within a commercial or residential designation.

The Multiple Family Residential land use designation allows for densities up to 40 units per acre and up to 90 persons. The proposed project is 81 units and approximately 100 persons on a site slightly less than an acre. The Comprehensive plan does stipulate that the standards for population density are guidelines. While the number of persons per acre is only slightly greater than the guideline, the number of dwelling units is much greater.

The Comprehensive plan does not specifically address density for housing types such as congregate housing, SRO housing, or assisted living housing. The proposed density does not fit within the units per acre density limitations of the Multiple Family Residential land use definition. This is due to the fact that the proposed project does not consist of traditional dwelling units. The units in the proposed project are single and double occupancy depending on the unit. The people living in these units traditionally do not drive and will not impact traffic. These factors are very important when trying to determine the appropriate density for the site. A Multiple Family Residential land use designation would not allow the density of this specific type of housing.
The most appropriate land use designation appears to be Service Commercial because it allows the residential density and floor area that are proposed by this project. The Comprehensive Plan defines the Service Commercial designation as follows:

**Service Commercial**

Facilities providing citywide and regional services and relying on customers arriving by car. These facilities do not necessarily benefit from being high volume pedestrian areas such as shopping centers or Downtown. Typical uses include auto services and dealerships, motels, lumberyards, appliance stores, and restaurants, including fast service types. In almost all cases, these uses require good automobile and service access so that customers can safely load and unload without impeding traffic. In some locations, residential and mixed-use projects may be appropriate in this land use category. Examples of Service Commercial areas include San Antonio Road, El Camino Real, and Embarcadero Road northeast of the Bayshore Freeway. Non-residential floor area ratios will range up to 0.4.

This designation allows for residential projects. The proposed assisted living facility is an exclusively residential project that has a significant service component to it because it provides much needed services to the elderly population.

The City of Palo Alto has many polices and programs identified in the Housing Element of the Comprehensive Plan which support and encourage housing for all income levels. The City is open to creative strategies in order to increase housing and diversity in the housing stock, while maintaining a strong commitment to the preservation of the various neighborhood characteristics in the city. The project complies with the following Comprehensive Plan Housing Element policies for increased housing density and diversity:

**Policy H-1:**

Meet community and neighborhood needs as the supply of housing is increased. Ensure the preservation of the unique character of the City’s existing neighborhoods.

**Policy H-2**

Identify and implement a variety of strategies to increase housing density and diversity in appropriate locations. Emphasize and encourage the development of affordable and attainable housing.

**Policy H-18**

Support housing that incorporates facilities and services to meet the health care, transit, or social service needs of households with special need, including seniors and persons with disabilities.
Below Market Rate (BMR) Housing Units
The City’s BMR Program requires that at least fifteen percent of all housing units in projects of five units or more to be provided at below market rates to very low, low, and moderate-income households. Projects on sites of five acres or larger must set aside 20 percent of all units as BMR units.

The existing project site is approximately one acre in size. Based on the 15% requirement (15% x 81 units = 12.15 BMR units required), Sunrise would be required to designate at least 12 units as BMR units. The additional 0.15 units could be met by paying a partial in-lieu fee or by providing a comparable amount of larger units than would otherwise be required.

Due to the unique nature of assisted living and its pricing structure, BMR program policies are challenging to apply to this housing product. In the past, Palo Alto has applied its BMR requirement to senior assisted living projects but has permitted developers to pay an in-lieu fee or provided independent living apartment units off-site. With the growing population of persons over 75 years in Palo Alto (now almost 5,000 persons, a 32% increase since 1990) and the limited supply of affordable assisted living housing, staff has devoted considerable effort to working with the developer to negotiate an agreement for BMR housing within this project.

There are a number of key differences between assisted living rental housing such as Sunrise’s developments and independent living apartments for seniors. Assisted living units are smaller and usually have very limited facilities for food preparation within the unit. Sometimes, two unrelated seniors share the larger units. However, residents are provided with extensive common rooms for dining, socializing and recreation. The operators of an assisted living project require that residents purchase at least a basic package of housing, all three meals and certain services that typically include housekeeping, recreational activities and events and some transportation. Other services are offered for an additional cost depending on one’s need for assistance with daily living such as medication management or help with bathing. Basic monthly charges for residency in a newer assisted living project in this area ranges from approximately $2,500 to $4,000. The housing portion of the package is not separately priced. Residents cannot just rent a unit without purchasing the meals and other basic services. In independent senior rental housing, the cost of the monthly rent for the unit is separately stated from the charges for meals. A full kitchen is provided in the unit and the purchase of meals is often optional or can be limited to one meal per day. No other services may be offered or they may be much more limited than in assisted living.

If the Sunrise project includes BMR units, it could provide a valuable addition to the City’s housing stock. It does present some new management issues for the BMR program. An alternative to providing units and services on site would be to calculate a
payment to be made to the BMR fund in lieu of providing those units. The City generally favors construction of actual units over payment of fees.

**Assisted Living vs. General Purpose Housing**

As previously mentioned, this site, as well as the adjacent (0.458 acre) VTA site, has been identified in the Housing Element as a housing opportunity site. Under existing Comprehensive Plan and zoning designations the development of the project site could potentially provide 37 housing units (5.55 BMR units). If developed with the VTA site, a total of 55 units (8.25 BMR units) could be developed. These two sites are planned in the Housing Element for transit-oriented high density housing due to the close proximity (2,000 feet) to a public transit station and adjacency to a transit corridor with significant bus service.

The proposed assisted living project would offer a unique type of housing specifically designated for frail or disabled senior citizens. The facility would provide 81 units to accommodate approximately 100 residents. At this point 11 of the units along with basic services are proposed for the BMR program.

**Public Benefit**

The planned community district is particularly intended for unified, comprehensively planned developments which are of substantial public benefit, and which conform with and enhance the policies and programs of the Palo Alto Comprehensive Plan. One of the three findings that must be met for approval of a planned community is the public benefit requirement. Palo Alto Municipal Code, Section 18.68.060 (b), states that development of a site under the provisions of the PC planned community district will result in public benefits not otherwise attainable by application of the regulations of general districts or combining districts. In making the findings required by this section, the planning commission and city council, as appropriate, shall specifically cite the public benefits expected to result from use of the planned community district.

The public benefit that is proposed by Sunrise is the project and use itself. Sunrise has made the following assertions with regard to the public benefit provided by maintaining a senior assisted living facility in Palo Alto:

- Sunrise of Palo Alto will provide state of the art assisted living housing for that segment of the Palo Alto community that requires assistance with activities of daily living, having lost their ability to function independently in a loving, residential environment. Housing needs for this segment of the population will continue being impacted as the senior population continues aging in an ever-increasing percentage of the total population. The Sunrise concept allows seniors to age with dignity, grace and choice.
• Sunrise has pioneered many programs dealing with Alzheimer's and dementia. By providing a Reminiscence Neighborhood within the Sunrise home, Sunrise will be providing important housing opportunities for this special needs segment of the senior population.
• Sunrise will cooperate with various senior groups to utilize potential meeting space within the Sunrise home due to short supply of meeting space in Palo Alto for seniors and senior organizations.
• Sunrise will utilize its current programs along with designing additional programs for seniors in the area. The Sunrise home can become a focal point for Palo Alto seniors.
• Sunrise will cooperate with the Palo Alto Housing Coordinator to design a Below Market Rate (BMR) Housing plan in keeping with Palo Alto's current guidelines.
• Sunrise of Palo Alto maximizes the housing stock on the site for seniors requiring assistance with activities of daily living. At the same time, it can free up existing housing stock by freeing up apartments, homes and condominiums by people who have given up those modes of shelter when they move into the Sunrise home.
• By providing a van for transportation, Sunrise of Palo Alto will reduce future car trips from what would have been allowed under current zoning.

The City, with a few exceptions for specific uses, has historically not recognized the uses in a proposed PC project as a fulfillment of the public benefit requirement. The public benefit has traditionally been an element or feature that will benefit the general public, not just those that use the project. While few details have been presented by the applicant thus far, there are three items that the applicant has proposed that staff believes would be in keeping with the finding for public benefits.

• Sunrise has proposed to work with Avenidas Senior Center and make available meeting space within the proposed Sunrise home and would schedule events that would be open to all seniors in the Palo Alto area.
• The applicant has expressed the desire to work with the Trees for El Camino Project to enable street improvements along El Camino Real.
• The applicant has indicated that they will present a plan to provide a pedestrian and bus-rider friendly area between the building and the sidewalk facing El Camino Real. This would entail greenery, benches, and a sun shelter.

Traffic and Parking
Staff has reviewed the Traffic Analysis submitted by the applicant and has determined that there are no significant impacts created by the project. The applicant has explained that in their experience most assisted living residents do not typically have vehicles and that the parking lot is primarily for visitors and staff. The applicant has indicated that no more than 21 employees will be on site at one time. With 38 parking spaces provided,
this would leave 17 parking spaces available for residents and guests. While the auto
court will provide a user-friendly location for pick up and drop off, visitors may have a
difficult time locating the ramp down to the underground parking.

Zoning Ordinance Compliance
The site is currently zoned Neighborhood Commercial (CN) and High Density
Multifamily Residential (RM-40). The applicant has requested to amend the zoning to a
Planed Community (PC). The table below is a comparison of the proposed PC with the
RM-40 zoning limitations:

<table>
<thead>
<tr>
<th></th>
<th>RM-40</th>
<th>Proposed Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Front Setback</td>
<td>25 feet</td>
<td>20 feet</td>
</tr>
<tr>
<td>Side Setback</td>
<td>10 feet</td>
<td>20 feet</td>
</tr>
<tr>
<td>Rear Setback</td>
<td>10 feet</td>
<td>20 feet</td>
</tr>
<tr>
<td>Height</td>
<td>40 feet</td>
<td>48’-9”</td>
</tr>
<tr>
<td>Lot Coverage</td>
<td>18,425.7 square feet</td>
<td>17,744 square feet</td>
</tr>
<tr>
<td>FAR</td>
<td>40,946 square feet</td>
<td>63,347 square feet</td>
</tr>
<tr>
<td>Common Open space</td>
<td>8,189.2 square feet</td>
<td>16,207 square feet</td>
</tr>
<tr>
<td>Private Open Space</td>
<td>4,500 square feet</td>
<td>840 square feet</td>
</tr>
<tr>
<td>Density</td>
<td>37 units</td>
<td>81 units</td>
</tr>
<tr>
<td>Parking</td>
<td>127 spaces</td>
<td>38 spaces</td>
</tr>
</tbody>
</table>

RESOURCE IMPACT
The processing of the PC development application is on a cost/recovery basis and staff
time is charged to the applicant. The proposed project, with 81 living units (below 900
square feet in size), would result in $283,500 in Impact Fees. The breakdown of the fees
is as follows: Parks - $213,354, Community Centers - $51,030, Libraries - $19,116. At
this level of preliminary discussion, a detailed cost/benefit analysis has not been
performed

POLICY IMPLICATIONS

Comprehensive Plan
The proposed project is consistent with the Comprehensive Plan as explained in the
discussion portion of the staff report.

El Camino Real Design Guidelines
The El Camino Real Guidelines encourage development along El Camino to be oriented
to the street. Large sidewalks with double rows of trees are recommended. The
Guidelines call for the buildings to be moved up to the sidewalk along the street frontage.
This is encouraged for the El Camino street frontage as well as the side streets of a corner lot. Corner lots are encouraged to place prominent entries and architectural elements at the street corner. The guidelines emphasize that the buildings detail and scale should be appropriate to the Boulevard scale of El Camino Real.

The proposed plan does not include the large sidewalks and the double row of trees as recommended in the guidelines. The proposed project has no building mass at the street corner. The building has been moved back from the sidewalk edge with a landscape buffer in between. At the corner, landscaping and an auto court have been proposed. The applicant has stated that they intend to alter the El Camino Real street frontage as part of the public benefit proposal to include a more interactive pedestrian environment.

ENVIRONMENTAL REVIEW
No environmental review is required for a Preliminary Review application. In the review of the formal PC application, staff will develop the Initial Study in compliance with the California Environment Quality Act (CEQA) guidelines.

ATTACHMENTS/EXHIBITS:
Attachment A: Vicinity Map and Location Map
Attachment B: Housing Site Inventory – Summary Sheet for Site # 8-09(a)
Attachment C: Housing Site Inventory – Summary Sheet for Site # 8-09(b)
Attachment D: Applicant’s Project Development statement
Attachment E: Aerial Photo
Attachment E: Project Plans (Commission packet only)

COURTESY COPIES:
Daniel F. Zemanek, Senior Vice President, Sunrise Development, Inc.

Prepared by: Russ Reich, Associate Planner

Reviewed by: Amy French, Manager of Current Planning

Department/Division Head Approval: ___________________________
Lisa Grote, Chief Planning Official
Site Number: 8-09(a)

Site Name: Greenworld Nursery

Site Address(es): 2701 El Camino Real at Sheridan Avenue

Site Size: 0.98 acres

Number of Parcels and Ownership: 1 parcel, 1 owner.

Comprehensive Plan Designation: MF – Multiple Family Residential.

Existing Zoning: RM-40, CN

Proposed Zoning: RM-40 or Mixed Use

Existing Uses: Operating, small scale nursery; rear two-thirds of site vacant.

Status of Site and Existing Improvements: Site is vacant. Several large trees located on site. Site is level and would be easy to redevelop.

Access, Infrastructure and Services Availability: Site served by one major thoroughfare and one local street with good pedestrian access, is within 2,000 feet of a transit station, and adjacent to a transit corridor with major bus service. Site is close to existing jobs, parks, schools and libraries. This is an infill site adequately served by sewer, water and other utilities. Adequate police, fire and emergency services are available in the area.

Redevelopment and Reuse Potential: Site is vacant and ripe for development. Site is near a major, key intersection in Palo Alto (El Camino Real and Page Mill Road) and would be very attractive for more intensive development. The site is currently for sale and is being marketed for housing although mixed use would also be appropriate. Site could be combined with Site 8-09(b) and jointly developed.

Potential Dwelling Unit Yield and Mix of Housing Types: Maximum density of 40 DU/AC anticipated. Potential yield would be 30-35 apartments in a 3-4 story building.

Compatibility with Adjacent Uses: A multi-story apartment or mixed use complex would be compatible with existing mix of commercial and office uses.
Some of the many awards received by Sunrise:

Sunrise of San Mateo (CA)
Exhibition/Publication – AIA/AHSA Design for Aging, 2001
Best of Home, Medium New Construction – ALFA, 2001

Sunrise of Bellevue (WA)
Exhibition/Publication – AIA/AHSA Design for Aging, 2001
Best of Home, Medium New Construction – ALFA, 2001
Order of Excellence in Assisted Living – Contemporary Long Term Care Magazine, 1999

Sunrise of Mercer Island (WA)
Gold Award in Assisted Living – NAHB National Council on Seniors’ Housing, 1993
Sunrise Senior Living

Sunrise Senior Living Homes in Northern California:

Sunrise of Belmont

Forum at Rancho San Antonio (Cupertino)

Sunrise of Danville

Sunrise of Napa

Sunrise of Oakland Hills

Sunrise of Petaluma
• 2001-2002, NAHB *Gold Nugget Award, Gold Nugget Grand Award, AIA Award of Merit, Sunrise of Pacific Palisades.*

• 2001 Exhibition/Publication – AIA/AAHSA Design for Aging, Sunrise of San Mateo.

• 2001 Best of Home, Medium New Construction – ALFA.

• 2001 Exhibition/Publication – AIA/AAHSA Design for Aging, Sunrise of Bellevue.

• 2001 Best of Home, Medium New Construction – ALFA.

• 2000-2001, *Gold Nugget Grand Award, City of Claremont Architectural Commission Award of Excellence, Senior Achievement and General Excellence Award of Merit from Seniors Housing Council, Sunrise of Claremont.*

• 2000, City of Alta Loma Architectural Commission Award of Excellence, Sunrise of Alta Loma.


• 2000 Assisted Living Federation of America, *Design Award, Small Size Category, Sunrise of Richmond.*

• 2000 Assisted Living of America, *Innovation Award, Innovation Category, Sunrise of Frognal.* (England)

• 2000 National Association of Home Builders, Best of Seniors Housing Awards, *Gold Seal Award, Assisted Living, Sunrise of Richmond.*

• 1999 Contemporary Long Term Care, Order of Excellence Awards Program, Renovation Category, Sunrise of Norwood.

• 1999 Contemporary Long Term Care, Order of Excellence Awards Program, Assisted Living Category, Sunrise of Bellevue.

• 1999 Assisted Living Federation of America, *Design Award, Assisted Living – Medium size category, Sunrise of Bellevue.*

• 1999 NAHB, *Gold Nugget Award of Merit, Sunrise of Hermosa Beach.*

• 1998 Assisted Living Federation of America, *Award for Dementia Assisted Living, Sunrise (Karrington) of Gahanna.*

• 1998 National Association of Home Builders, Best of Seniors Housing Awards, *Gold Seal Award, Renovated Seniors Housing, Sunrise of Norwood.*
• 1998 National Association of Home Builders, Best of Seniors Housing Awards, Merit Award, Assisted Living/Special Needs Housing, Sunrise of Severna Park.

• 1998 Gold Nugget Award, Sunrise of Mission Viejo

• 1997 Assisted Living Federation of America, Award for Dementia Assisted Living, Sunrise of St. Francis Place (Karrington).

• 1997 Assisted Living Federation of America, Design Awards Program, Merit Award, Sunrise of Columbia.

• 1997 Contemporary Long Term Care, Order of Excellence Awards Program, Best Practices Citation, Sunrise of Petaluma.

• 1997 Contemporary Long Term, Issues and Trends Citation, Sunrise of Englewood (Karrington).

• 1997 Nursing Homes – Long Term Care Management, Best of Homes Design Competition, Honorable Mention, Sunrise of Columbia.

• 1997 The Assisted Living Federation of America, Best of Home Design Competition, Honorable Mention, Sunrise of Hickory Ridge.

• 1997 Contemporary Long Term Care, Best Practices Evoking Long-Term Memory, 1997 Award, Sunrise of Petaluma.

• 1996 Montgomery County Planning Commission, Land Development Awards, Planning Merit Award, Sunrise of Blue Bell.


• 1994 National Association of Home Builders, Outstanding Assisted Living Design Award, Sunrise of Towson.


• 1994 National Association of Home Builders, Outstanding Assisted Living Architectural Design Award, Sunrise of Falls Church.

• 1994 National Association of Home Builders, Outstanding Affordable Senior Housing Architectural Design Award, Sunrise at Kensington Park.

• 1993 National Association of Home Builders, Outstanding Assisted Living Architectural Design Award, Sunrise at Mercer Island.

• 1991 Contemporary Long Term Care Magazine, Architectural Design Competition Winner, Sunrise of Fairfax.


• 1991 Master Builder’s Association, *Marketing & Merchandising Award, Sunrise Assisted Living.*

• 1990 Associated Builders and Contractors, *Most Outstanding Project Award, Institutional III Category, Sunrise at Bluemont Park*

• 1990 Cornerstone, *Cornerstone Awards, Best Mixed-Use Project, Sunrise at Bluemont Park.*

• EXCELLENCE IN DESIGN AWARD
  Awarded to Sunrise of Severna Park (Severna Park, Md.) in the assisted living category and to Sunrise of Norwood (Norwood, Mass.) in the renovation category. Awarded by the Council on Seniors’ Housing of the National Association of Home Builders.

• McKNIGHT’S 100 LONG-TERM CARE NEWS AWARD
  Mr. Paul Klaassen has been voted as one of 100 most influential people in long-term care during 1996.

• FASTTRACK AWARD
  Winner for fastest growing healthcare business in Greater Washington, D.C. area
  Award sponsored by the *Washington Business Journal* and Arthur Andersen.

• OUTSTANDING ASSISTED LIVING ARCHITECTURAL DESIGN
  Awarded to Sunrise Assisted Living of Towson (Towson, Md.). Awarded by National Association of Home Builders.

• OUTSTANDING ASSISTED LIVING ARCHITECTURAL DESIGN
  Awarded to Sunrise Assisted Living of Falls Church (Falls Church, Va.).
  Awarded by National Association of Home Builders.

• OUTSTANDING AFFORDABLE SENIOR HOUSING ARCHITECTURAL DESIGN
  Awarded to Sunrise Assisted Living at Kensington Park (Kensington, Md.)
  Awarded by National Association of Home Builders.

• GREATER WASHINGTON ENTREPRENEUR OF THE YEAR AWARD
  Presented to Sunrise Founder Teresa Klaassen.

• OUTSTANDING ASSISTED LIVING ARCHITECTURAL DESIGN
  Awarded to Sunrise Assisted Living of Mercer Island (Mercer Island, Wash.).
  Awarded by National Association of Home Builders.
• SECOND HIGHEST-RANK
  Private Company jobs creation Inc. Magazine

• ARCHITECTURAL DESIGN COMPETITION WINNER
  Contemporary Long Term Care Magazine

• INTERIOR DESIGN COMPETITION WINNER
  Contemporary Long Term Care Magazine

• NATIONAL EXCELLENCE AWARD
  Presented for management service at The Lincolniian Senior Residence
  (Alexandria, Va.). Awarded by National Association of Counties.

• MARKETING AND MERCHANDISING EXCELLENCE AWARD
  Master Builder's Association,

CORNERSTONE AWARD
  For best mixed-use project at Sunrise Assisted Living at Bluemont Park (Arlington, VA.)
APPENDIX E
HOUSING SITE INVENTORY
INDIVIDUAL SITE DESCRIPTIONS AND DEVELOPMENT POTENTIAL

Site Number:  8-09(b)

Site Name:  VTA Park and Ride Lot

Site Address(es):  2755 El Camino Real at Page Mill Road

Site Size:  0.48 acres

Number of Parcels and Ownership:  1 parcel, 1 owner.

Comprehensive Plan Designation:  MISP – Major Institution/Special Facilities.

Existing Zoning:  PF – Public Facilities

Proposed Zoning:  RM-40

Existing Uses:  Small parking lot operated by the Santa Clara Valley Transportation Authority (VTA).

Status of Site and Existing Improvements:  Parking lot is relatively new and in good condition. Perimeter landscaping exists.

Access, Infrastructure and Services Availability:  Site served by two major thoroughfares with good pedestrian access, is within 2,000 feet of a transit station, and adjacent to a transit corridor with major bus service. Site is close to existing jobs, parks, schools and libraries. This is an infill site adequately served by sewer, water and other utilities. Adequate police, fire and emergency services are available in the area.

Redevelopment and Reuse Potential:  Although the site is completely occupied by the parking lot, there is an opportunity for building housing over the parking lot. The VTA has allowed joint development of such facilities in the past as a method of supporting transit use. Site is near a major, key intersection in Palo Alto (El Camino Real and Page Mill Road) and would be very attractive for more intensive development. The City believes the site is ideal for joint development and will be working with VTA on this matter. Site could be combined with Site 8-09(a) and jointly developed.

Potential Dwelling Unit Yield and Mix of Housing Types:  Maximum density of 40 DU/AC anticipated. Potential yield would be 15-18 apartments in a 3-4 story building.

Compatibility with Adjacent Uses:  A multi-story apartment or mixed use complex would be compatible with existing mix of commercial and office uses.
SUNRISE OF PALO ALTO

2701 EL CAMINO REAL

PC ZONE DEVELOPMENT PROGRAM STATEMENT

I. The Company

Sunrise Assisted Living is one of the nation’s oldest and largest providers of senior living services. Founded in 1981 by Paul and Terry Klaassen, the McLean, Va.-based Company, which employs more than 13,000 people, has over 220 senior living communities either open or under construction in the United States, the U.K. and Canada with a combined resident capacity in excess of 17,000. Sunrise communities offer a full range of personalized senior living services, from help with activities such as eating, bathing, dressing and medication management, to a specially designed program for residents with Alzheimer’s disease and other forms of memory impairment. Sunrise’s senior living services are delivered by staff trained to encourage the independence, preserve the dignity, enable freedom of choice and protect the privacy of residents in a totally residential environment.

On December 30, 2002, Sunrise Assisted Living, Inc. announced it has signed a definitive purchase agreement with Marriott International, Inc. to acquire all of the outstanding stock of Marriott’s wholly owned subsidiary, Marriott Senior Living Services, Inc., which owns and operates senior independent full-service and assisted living communities.

In acquiring Marriott Senior Living, Sunrise will assume management of 126 operating properties with a resident capacity of 23,157, which is expected to consist of 120 management contracts and six operating leases. Sunrise will also acquire 12 land parcels as well as certain other assets of Marriott Senior Living. At closing, Marriott Senior Living’s approximately 15,000 employees will become Sunrise employees and with a resident capacity of over 39,548, will then make Sunrise the nation’s largest senior living provider.

J.W. Marriott, Jr. will join Sunrise’s Board of Directors; Sunrise will change its name to Sunrise Senior Living.

II. Existing Conditions and Zoning

The proposed site at 2701 El Camino Real (intersection of El Camino Real and Sheridan Avenue) is currently a vacant property consisting of 41,000 square feet that years ago contained two residential units with garages and a gas station fronting El Camino Real. El Camino Real is a major public street with three lanes of traffic plus a bus lay by in the north direction and three lanes of traffic in the south direction. (For purposes of clarity,
this report assumes El Camino Real as running north and south.) A concrete median separates the two directions of traffic. Sheridan Avenue is a residential street with one lane of traffic in each direction plus on-street parking on both sides of the street.

The site is essentially flat with a slight slope from south to north. Currently, the property does not have any built structures upon it, except for an existing masonry fence along the south property line. The majority of the site is covered with grass and bare soil with the exception that about one fourth of the site on the western side is paved with asphalt. There are six existing trees along the east property line with two trees along Sheridan Avenue.

In 1985 the site consisted of several parcels that were combined into the current single parcel. However, the current zoning is split with the western approximately one third zoned CN and the remaining approximately two thirds zoned RM-40. The adjacent sites are zoned PC (4463) (condominium development) to the east and southeast and PF (Valley Transit Authority parking lot) to the southwest. The remaining parcel within the square block consisting of Page Mill, El Camino, Sheridan and Ash is also zoned PC (4354). Across Sheridan Avenue, north of the site, fronting El Camino Real, is a Don Sherwood Golf & Tennis store which is zoned CN. To the east of Don Sherwood is a PC (2293) zoned site and the remainder of that square block is zoned RM-40. (See attached zoning map.)

Under the current zoning, the CN portion allows a Floor Area Ratio of .9 and the RM-40 portion allows 1.0. Maximum height is 35 feet and 40 feet respectively. Maximum site coverage under CN zoning is 50% of the site area. In RM-40 the maximum coverage is 45% in addition 5% of the site can include covered patios and overhangs.

As described in the following section, Sunrise proposes to construct a building of approximately 65,000 square feet plus approximately 16,580 square feet of underground parking. FAR for this building (underground parking is excluded from FAR calculations) would be about 1.6. In addition, the height of the building would not exceed 44 feet 8 inches. Based upon a building footprint of 18,984 square feet, the site coverage is 46.36%.

Based upon the current zoning allowances versus the proposed building specifications, it will be necessary to request a change of the present zoning to a PC District zone.

II. The Proposed Building and Its Uses

By this application Sunrise proposes to develop a building with 81 units containing two, three and four story elements designed for use as a state-of-the-art assisted living facility for seniors who have lost their independence. Parking will be provided in an underground parking garage. Within this Sunrise home will be an area called the Reminiscence Neighborhood which will be devoted to the care of residents afflicted with Alzheimer's and dementia.
A Sunrise unit is not to be confused with an apartment unit. Approximately 40% of a Sunrise building is devoted to common areas which allows for adequate activity areas. The average Sunrise resident is between 83 and 84 years. Most, if not all of the residents will be single. Unit types, some of which will be either single or double occupancy, will range from 9% small studios (310 to 325 square feet), 43% large studios (325 to 415 square feet), 24% Denevers (450 to 500 square feet) and 24% two bedroom units (425 to 680 square feet). None of these types contain a cook top in the kitchen. It should be noted that minor percentages of each type unit may change prior to final approval. Three meals a day are provided each resident in a central dining room. The Reminiscence Neighborhood, catering to Alzheimer’s and dementia residents, will comprise approximately 27% of the home. Depending upon the type of unit, all residents will live in either single or double accommodations. (See attached breakdown.)

It is important to note that an important aspect of an assisted living home is that it does not negatively impact traffic nor is it parking intensive. According to a recent traffic study for the proposed building by Fehr & Peers Associates, Inc. and included in this application, it concludes that the Sunrise building based on the City of Palo Alto significance criteria would not significantly impact any of the five study intersections, would not significantly impact Sheridan Avenue and would ensure sufficient parking supplies during periods of peak demand.

The proposed development is consistent with neighboring buildings with respect to scale and residential use. Street trees and upgraded sidewalks offer a pedestrian-oriented connection with the surrounding street activity. Landscaped courtyards, residential patios and an accessible walk path around the building encourage pedestrian activity. An auto court would provide an area for pick-up and drop-off to minimize impacts on the flow of traffic on Sheridan. A screening landscape buffer to soften the interface between pedestrian and auto traffic surrounds this arrival area.

III. How the Sunrise Project is Complementary to the Comprehensive Plan

As is stated in the Vision Statement of the Housing element: (Palo Alto) will place special emphasis on family housing and housing that addresses the health care, child care, transit, recreation and social service needs of all Palo Alto residents. The Population section under Existing Conditions states: The increase in median age has been accompanied by an increase in Palo Alto’s senior population; the number of persons over 65 increased from 10 to 16 percent of the population between 1970 and 1990. The number of older adults is expected to increase in the future. In light of the fact that the fastest growing segment of the population is with seniors who are 80 years old, assistance for seniors who lose their independence and can no longer live alone will become increasingly more dependent upon cities for their housing needs. To put this in perspective, in the year 2000 approximately 150,000 assisted living beds existed in the United States by the fifty largest suppliers of assisted living facilities. It is currently estimated that by the year 2010, 450,000 beds will be needed and that by the year 2020, 600,000+ beds will be required. If Palo Alto’s senior population continues to age as it did
between 1970 and 1990, then by the year 2010, at least 22% of the population would be over 65 years of age. With land today in short supply and very expensive, it will become even scarcer and more expensive as each year passes. The site at 2701 El Camino Real represents an opportunity today to contribute to the housing stock for those seniors needing assistance with various activities of daily living tomorrow.

Policy H-1: Meet community and neighborhood needs as the supply of housing is increased. The City of Palo Alto is underserved as it pertains to available assisted living units. With senior population percentages and numbers increasing, it is important to meet the needs of the frail senior population. The Sunrise of Palo Alto home will contribute to the care of approximately 100 frail senior residents. It is often times very sad when the sons and daughters of frail seniors discover that because of a lack of choice, they are faced with placing their aging parent in a facility outside the area where their parent has lived and paid taxes for most or all of their life in support of schools, police, fire and parks besides leaving family and friends located in the area. Also, in keeping with the Policy, this type of housing neither diminishes the quality of City services nor surpasses the capacity of infrastructure and transportation facilities.

Policy H-2: Consider a variety of strategies to increase housing density and diversity in appropriate locations. Sunrise of Palo Alto will allow the City to provide twice as many housing units on the site than is currently allowed under its present zoning.

Program H-1: Allow for increased density immediately surrounding commercial areas and particularly near transit centers. The site at 2701 El Camino is ideal to fulfill this Program. Much of the surrounding area in the El Camino corridor is commercial and the property is adjacent to a VTA parking lot. Because the Sunrise building fits in with the surrounding neighborhood buildings, it will not represent a physical impact on lower density areas since most of the immediate area is comprised of multi-family condominium and rental properties. Needless to say, the building will not cause any air quality problems.

Program H-2: Consider enacting minimum density requirements in multiple family zones. The Sunrise project by being zoned PC will assure that the density on this site is optimized to assure desired densities.

Program H-20: Continue implementation of the City’s “Below Market Rate” (BMR) Inclusionary Housing Units......... Sunrise is currently working with the Palo Alto Housing Coordinator and the Palo Alto Housing Corporation to design a Below Market Rate (BMR) Housing plan in keeping with Palo Alto’s current guidelines.

Policy H-16: Support housing that incorporates facilities and services to meet the health care, transit, or social service needs of households with special needs, including seniors and persons with disabilities. Since Sunrise caters to the needs of frail seniors who have lost the ability to live alone and require assistance with certain activities of daily living and that a Sunrise home contains a special area called the Reminiscence Neighborhood caring for residents with Alzheimer’s and dementia, and
that Sunrise provides a van for transportation for its residents and also provides a rounded activities program allowing them to age in place with dignity and grace, Sunrise of Palo Alto will fulfill all of the desires of this Policy.

IV. The Sunrise of Palo Alto Provides Substantial Public Benefits

- Sunrise of Palo Alto will provide state of the art assisted living housing for that segment of the Palo Alto community that requires assistance with activities of daily living, having lost their ability to function independently in a loving, residential environment. Housing needs for this segment of the population will continue being impacted as the senior population continues aging in an ever increasing percentage of the total population. The Sunrise concept allows seniors to age with dignity, grace and choice.

- Sunrise has pioneered many programs dealing with Alzheimer’s and dementia. By providing a Reminiscence Neighborhood within the Sunrise home, Sunrise will be providing important housing opportunities for this special needs segment of the senior population.

- Because meeting space for seniors and senior organizations is in very short supply in Palo Alto, Sunrise will cooperate with various senior groups to utilize potential meeting space within the Sunrise home.

- Sunrise will utilize its current programs along with designing additional programs for seniors in the area. The Sunrise home can become a focal point for Palo Alto seniors.

- Sunrise will cooperate with the Palo Alto Housing Coordinator to design a Below Market Rate (BMR) Housing plan in keeping with Palo Alto’s current guidelines.

- Sunrise of Palo Alto will be an aesthetically pleasing structure that will contribute to the beauty of the surrounding neighborhood and will enhance the streetscape along both El Camino Real and Sheridan Avenue.

- Sunrise of Palo Alto is complementary with Palo Alto’s Comprehensive Plan in many aspects as has been put forth in this Development Program Statement.

- Sunrise of Palo Alto maximizes the housing stock on the site for seniors requiring assistance with activities of daily living. At the same time, it can free up existing housing stock by freeing up apartments, homes and condominiums by people who have given up those modes of shelter when they move into the Sunrise home.

- By providing a van for transportation, Sunrise of Palo Alto will reduce future car trips from what would have been allowed under current zoning.
July 22, 2003

Commissioners
Planning and Transportation Commission

Re: July 30 Agenda: 2701 El Camino Sunrise Senior Living, Inc. Pre-Screening

Dear Commissioners:

The purpose of this letter is to provide a brief introduction to the senior living project proposed by Sunrise Senior Living, Inc. ("Sunrise") for the 41,000 sf parcel located at 2701 El Camino. This project is coming to P&TC for a pre-screening before finalizing an application for a Planned Community Zone change. The information in this letter highlights materials in the Program Development Statement that is included in the Staff Report.

1. The Project Sponsor – Sunrise Senior Living.

Sunrise, founded in 1981 is one of the nation's oldest and largest providers of senior living services. Sunrise operates nearly 350 projects, and serves about 39,548 residents with 32,000 employees. Sunrise communities offer a full range of personalized senior living services, from help with activities such as eating, bathing, dressing and medication management, to a specially designed program for residents with Alzheimer's disease and other forms of memory impairment.

During the last few years, Sunrise has developed 12 projects in Northern California, including San Mateo, Belmont, and Sunnyvale. We have attached pictures of a few of our properties and a list of design awards.

2. Description of the Site.

The proposed site at 2701 El Camino Real (At the corner of Sheridan & El Camino, near the north east corner of Page Mill and El Camino.) is a vacant property consisting of 41,000 sf. The property is adjacent to the VTA Park and Ride Lot, and residential condominium project completed in 1999 under a PC Zone. The parcel has a split zone - the 1/3 western portion is CN, and the rear 2/3 portion is RM-40.

Under the current zoning, the CN portion allows FAR of 0.9% and the RM-40 portion allows FAR of 1.0. Maximum height is 35 feet for CN and 40 feet or RM-40. Site coverage is 50% for CN and 45% for RM-40, with 5% additional coverage allowed for balconies and overhangs for RM-40.

The Housing Element of November 2002 identifies the site as providing 30 residential units.
The public area along El Camino in front of the site serves as a stop for VTA Bus Line 22 that is the most important bus route in Santa Clara County with more riders than all Light Rail lines.

3. The Proposed Project.

Sunrise proposes to develop a project with 81 units containing two-story, three-story and four-story elements for use as a state-of-the-art assisted living facility for seniors who have lost their independence. A Sunrise unit is not to be confused with an apartment building. Approximately 40% of the building will be devoted to common areas for community living. Unit sizes range from 310 sf to 680 sf. Meals are provided to residents in a common dining room -- there are no cook tops in the residents' kitchenettes. The Reminiscence Neighborhood, catering to Alzheimer's and memory-impaired residents, will comprise approximately 27% of the project.

The average age of a Sunrise resident is 83 to 84.

Sufficient parking will be provided in a one-level underground garage. It is important to note that an assisted senior living project has far less traffic impacts than would other developments allowed under current CN and RM-40 zoning.

The proposed development is consistent with mass, scale and architecture of neighboring properties - note that the other residential developments adjacent to Sunrise are also PC Zones. The building will create a pedestrian-oriented connection with surrounding street activity. As with all Sunrise projects, landscaped courtyards, patios, walkways and gardens will be emphasized for the comfort of residents - creating a fine urban design for the community.

Sunrise has won dozens of design and architectural awards as listed in an attachment.

4. Compliance with the Comprehensive Plan.

The Vision Statement for the Housing Element of the Comprehensive Plan states: *Palo Alto will place special emphasis on family housing and housing that addresses the health care, child care, transit, recreation and social service needs of all Palo Alto residents.*

By serving elderly seniors, Sunrise will be providing housing opportunities for what will become the largest segment of the Palo Alto population which has grown to 15.6% of the population as of the 2,000 and will continue to significantly grow in the future. Providing housing in Palo Alto for long-time residents and parents of residents is among the highest housing priorities for Palo Alto as it is with many communities in the Bay Area.

5. Public Benefit Analysis.

Sunrise understands that review of public benefit for PC Zones has always been a challenge for policy makers because of the ad hoc nature of the benefit analysis. It may best be described as a cost-benefit analysis. Generally, the cost to the City is the extent of relief sought from current zoning --- such as increased FAR. The benefits to the City include the desirability of a proposed use, any reductions in potential impacts from a PC Zone use, and specifically defined benefits that may be located on-site or off-site that
provide genuine urban design or community enhancements that could not be required by the City were the property developed under current zoning.

A. Minor FAR Zoning Relief. The only significant zoning relief the Sunrise project seeks concerns FAR. Current zoning allows FAR of 1.0; we propose FAR of 1.5. As debated with respect to 800 High, for which a 2.3 FAR was approved, the Comprehensive Plan allows FAR of up to 3.0 for certain project locations. We believe 1.5 is appropriate FAR for the Sunrise project, particularly for senior housing. Therefore, we designed the Sunrise project to be respectful of neighbors' potential concerns and to fit within a 1.5:1.0 range rather than submitting a controversial application at a more aggressive FAR.

B. Significantly Reduced Impacts. The Sunrise project provides many fewer impacts to the neighborhood and community than would a project developed under current zoning. Under existing zoning, the site could provide approximately 35 housing units and about 4,000 square feet of commercial space.

1. Schools. The Sunrise project will not impact schools. A development under the current zoning would impact schools significantly.

2. Parks. The Sunrise project will not impact public parks due to the age and lack of independence of the resident population. A development under the current zoning would impact parks significantly.

3. Traffic. The Sunrise project generates far fewer AM Peak and PM Peak trips than would a development under the current zoning. This is a significant benefit at this Page Mill/EL Camino location.

C. Substantial Public Benefits. The Sunrise project provides substantial public benefits that are inherently associated with development of the site.

1. Increased Housing Inventory (Especially for seniors requiring assistance). The Housing Element of the Comprehensive Plan adopted in November 2002 identified the subject site as providing 30 housing units. The Sunrise project provides 81 housing units, or 51 more housing units than mandated. The 81 units constitute 10% of the total 820 units required of the City. The extra 51 units will be important to the City in balancing development densities for other sites within the City. Senior housing at this location is beneficial because of its reduced impacts.

2. Increased Affordable Housing. Were the 30 units of housing identified in the Housing Element developed, the City would receive 4.5 (15%) BMR units. Sunrise will be providing support for 11 BMR residents. Sunrise is willing to provide those units on-site rather than to pay a fee in lieu.

3. Trees for El Camino. Sunrise has met with Betty Meltzer and Susan Rosenberg of Trees for El Camino. Sunrise will become involved with this important effort with our level of participation to be determined in conjunction with Trees for El Camino during the PC Zone process.

4. Public Senior Meeting Space. Sunrise is working out an arrangement whereby the project would make available to the Avenidas senior center meeting space with events that would be open to the public. Lisa Hendrickson, Executive Director of Avenidas, has indicated the usefulness of this kind for caregiver classes, volunteer training and other seniors programs.

5. Transit Oasis. Sunrise has developed a plan to provide a pedestrian and transit friendly "oasis" between our building and the sidewalk. We are planning to provide a restful space with lots of greenery, enhanced with benches and a sun shelter. We envision a welcoming public resting spot for both walkers and bus riders along the currently stark El Camino frontage.
We thank you for your consideration of our proposed Sunrise home in Palo Alto. We look forward to the Pre-Screening session with you on July 30th.

Sincerely,

SUNRISE DEVELOPMENT, INC.

Daniel F. Zemanek
Senior Vice President