

September 18, 2015

Scott Plambaeck
Senior Planner
City of Mountain View

Dear Scott,

Prometheus Real Estate Group respectfully submits the attached Informal Application for a new apartment development located on the “400 San Antonio” property assemblage for the City’s consideration and comment. This application employs the California State Density Bonus Law in an effort to support the first stated goal of the current Mountain View City Council, specifically to “improve the quantity, diversity and affordability of housing”. A brief description of the major components of the application follows.

Development Location

This 5.75 acre proposed apartment development site is located just one quarter mile from the Caltrain “San Antonio Station” as well as stops for multiple VTA bus lines, VTA bike share, the Marguerite Shuttle (serving Stanford and Stanford Shopping Center), and the Mountain View Community Shuttle. Google occupies roughly 500,000 square feet of office space just on the other side of the Caltrain station at the old Mayfield Mall site about 1/3 mile from our proposed development. Directly across the street is San Antonio Center, a regional mixed use shopping destination where LinkedIn plans to occupy 400,000 SF of new office space in phase two of the Center’s redevelopment which is currently under construction. Currently the “400 San Antonio” property has a mix of older retail, light industrial, and office buildings both occupied and vacant which would all be replaced by the proposed redevelopment. Given the proximity to existing and future nearby employers, retail businesses, and mass transit we believe this property is positioned perfectly to provide a much needed housing balance to the other new developments planned for the San Antonio Precise Plan area. We also believe the proposed housing will provide practical opportunities for residents to bike or walk to work instead of using their cars. This potential reduction in vehicle miles travelled could in turn have a direct beneficial effect on local traffic patterns in this area not to mention the ancillary benefits to the environment.

Conceptual Development Plans

The attached conceptual development plans propose 605 apartment homes in a mix of studio, one, and two bedroom configurations. The plans include two five story buildings and one seven story buildings with two levels of subterranean parking beneath the entire site. Parking supply is consistent with the City's Model Parking Standard. The buildings will be separated by a north/south running public paseo which will provide convenient access and connectivity through the site between Miller Avenue and Fayette Drive, similar in concept to the paseo Prometheus developed at the Park Place Apartments downtown.

The development proposal also includes the dedication of one half acre (.50 acres) of land for a City park with frontage on Fayette Drive. In addition to the park land dedicated we plan to pay significant park fees to satisfy the balance of the park land dedication ordinance. We closely followed the recent Council review of the park land dedication ordinance on September 8, 2015. Our understanding is that the amended ordinance approved by the City Council included a provision for the inclusion of any park land dedicated by a development to the City to be used as buildable area for the purposes of floor area ratio (F.A.R) calculations. Our development plan submittal is consistent with the amended ordinance.

The conceptual plans include approximately 9200 +/- square feet of ground floor retail space facing San Antonio Road which are anticipated to include a mix of shops and eateries. The development will also provide significant outdoor and indoor amenities for residents. In concept we plan to include a clubroom with chef's kitchen, fitness center, rooftop patio/deck, lobbies, media room, yoga room, pet spa, outdoor pool/spa, outdoor bocce/putting court, indoor golf simulator, outdoor cooking and seating areas, a dog run, among others if feasible.

The buildings will be constructed to comply with the latest practices in resource efficient design with regard to lighting, heating, water usage, and indoor air quality, etc.. We also plan to obtain a "Green Point Rating" for the development at a minimum and will endeavor to provide the latest in sustainable products, technologies, and strategies.

We believe the architectural style of the conceptual building elevations to be thoughtful, contextual, engaging and timeless in nature. The buildings are planned to be constructed with materials and finishes of the highest quality. We understand that "beauty is in the eye of the beholder" and as a result we look forward to refining our concept design with input and feedback from City Staff and their professional consulting architects.

Density Bonus Law Explanation

The purpose of the State Density Bonus Law (DBL) is to encourage cities to offer bonuses and incentives to housing developers that will “contribute significantly to the economic feasibility of lower income housing in proposed housing developments.” (Gov. Code § 65917.) The State Density Bonus Law has four distinct primary components: (1) Density Bonuses; (2) Incentives/Concessions; (3) Development Standard Waivers; and (4) Parking Standards. Although interrelated, each component serves a different purpose and is governed by unique standards as follows:

- 1) Section 65915(b)(1) of the State Density Bonus Law provides that requests for a density bonus *must* be granted “when an applicant for a housing development seeks and agrees to construct a housing development” that meets one or more of the statute’s thresholds. Our proposed development will provide 11% of the General Plan allowed apartment density to households that meet the “Very Low” income qualification, which would entitle it to receive a 35% density bonus over and above what is allowed in the General Plan. We believe 400 apartments would be allowed on this property under the current General Plan while still meeting the Precise Plan guidelines. As a result our proposal includes the provision of forty four (44) apartments (11% of 400 apartments) to households that meet the “Very Low” income qualification.
- 2) The number of Incentives and Concessions to which a project applicant is entitled depends upon the percentage of Very Low, Low-, or Moderate-income units provided. The project applicant may receive two incentives for projects that include at least 10% for very low income households, as is the case here. (§ 65915(d)(2)(B).) At this time the proposed conceptual development does not request any specific incentives or concessions but reserves the right do so at a future date should necessity dictate, subject of course to the City’s review.

3) The third component of the State Density Bonus Law, Development Standard Waivers, is separate from and in addition to requests for incentives. The law states that a density bonus applicant may request a waiver or reduction of development standards that would have the effect of physically precluding the construction of the project at the densities or with the incentives permitted under the statute. (§ 65915(e)(1).) The definition of a “development standard” includes a site or construction condition, including, without limitation, local height, setback, floor area ratio, onsite open space, and parking area ratio requirements that would otherwise apply to residential development pursuant to ordinances, general plan elements, specific plans, charters, or other local condition, law, policy, resolution, or regulation. (§ 65915(o)(1).) A request for a development standard waiver neither reduces nor increases the number of incentives to which the developer is otherwise entitled. (§ 65915(e)(2).) Furthermore, there is no limit on the number of waivers that may be issued. The proposed development will specifically require the following Development Standards Waivers in order to physically achieve a 35% Density Bonus on the 5.75 acre subject site, however we reserve the right to request other waivers consistent with the DBL should necessity dictate, subject to review by the City:

- 1) FAR Waiver: The current General Plan as well as the San Antonio Precise Plan limits the development intensity for this site to 1.85 FAR. The development is physically precluded from achieving the 35% density bonus commensurate with the provision of 11% affordable housing units available to households that meet the “Very Low” income qualification unless the development intensity is increased as demonstrated by the attached “proposed” development site plans and FAR calculations.
- 2) Height Waiver: The San Antonio Precise Plan limits the height of buildings in this area to 4 stories. The development is physically precluded from achieving the 35% density bonus commensurate with the provision of 11% affordable housing units available to households that meet the “Very Low” income qualification unless the height limit for the building on San Antonio Rd. is increased to 7 stories, and the height limit for the other two buildings with frontages on Miller and Fayette are increased to 5 stories as detailed in the development site plans and FAR calculations.

4) The fourth component of the State Density Bonus Law concerns the project parking ratio. In addition to the incentives allowed under Section 65915(d), an applicant may request that the city not require a vehicular parking ratio for a density bonus project that exceeds the following: 1 onsite space for 0-1 bedroom; 2 onsite spaces for 2-3 bedrooms; and 2.5 onsite spaces for four or more

bedrooms. (§ 65915(p)(1).) At this time the proposed development does not request any parking modifications but plans to comply with the City’s Model Parking Standard. However the applicant reserves the right to request parking standard modifications in the future consistent with the provisions found in the DBL Section 65915(d) should necessity dictate, subject of course to review by the City.

Conclusion

This application responds directly to the primary stated goal of the current City Council to “improve the quantity, diversity and affordability of housing” in the City. The San Antonio Precise Plan area is vital to the City’s continued economic success and vibrancy and we believe our proposed development will provide a wonderful balance to the recently approved plans to greatly intensify the retail and office presence within the Plan area. Providing as much housing as possible within close proximity to the City’s wonderful retail, office, and mass transit resources makes sense to us and we commend the City for planning with wise purpose in this area of town.

Prometheus has been a long term Developer, Owner, and Manager of quality rental housing in the City of Mountain View for more than three decades and we hope to continue to be a part of the fabric of the community for decades to come. We hope you will look favorably on our application and we appreciate the opportunity to work with you and other Staff members and the community to help realize the City’s vision for the San Antonio Precise Plan area.

Respectfully submitted,



Nathan Tuttle
Development Director
Prometheus Real Estate Group

CC: Randy Tsuda, Terry Blount