



COUNCIL REPORT

DATE: October 24, 2023
CATEGORY: Public Hearing
DEPT.: Community Development
TITLE: **918 Rich Avenue Residential
Condominium Project**

RECOMMENDATION

1. Adopt a Resolution of the City Council of the City of Mountain View Adopting the Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the 918 Rich Avenue Condominium Project, a Five-Story, 32-Unit Residential Condominium Project Located at 918 Rich Avenue, Pursuant to the California Environmental Quality Act, to be read in title only, further reading waived (Attachment 1 to the Council report).
2. Adopt a Resolution of the City Council of the City of Mountain View Approving a Development Review Permit to Construct a Five-Story Condominium Project with 32 Residential For-Sale Units, Including Four Below-Market-Rate Affordable Units, with One Level of Underground Parking, a 27.5% State Density Bonus with One Concession and Waivers/Reductions from Development Standards, and a Heritage Tree Removal Permit to Remove Two Heritage Trees on a 0.71-Acre Site Located at 918 Rich Avenue, to be read in title only, further reading waived (Attachment 2 to the Council report).
3. Adopt a Resolution of the City Council of the City of Mountain View Approving a Vesting Tentative Map for Condominium Purposes for 32 Residential Units at 918 Rich Avenue, to be read in title only, further reading waived (Attachment 3 to the Council report).

BACKGROUND

- Project Location: 918 Rich Avenue, on the west side of Rich Avenue (a dead-end street), between Rich Place and West El Camino Real.

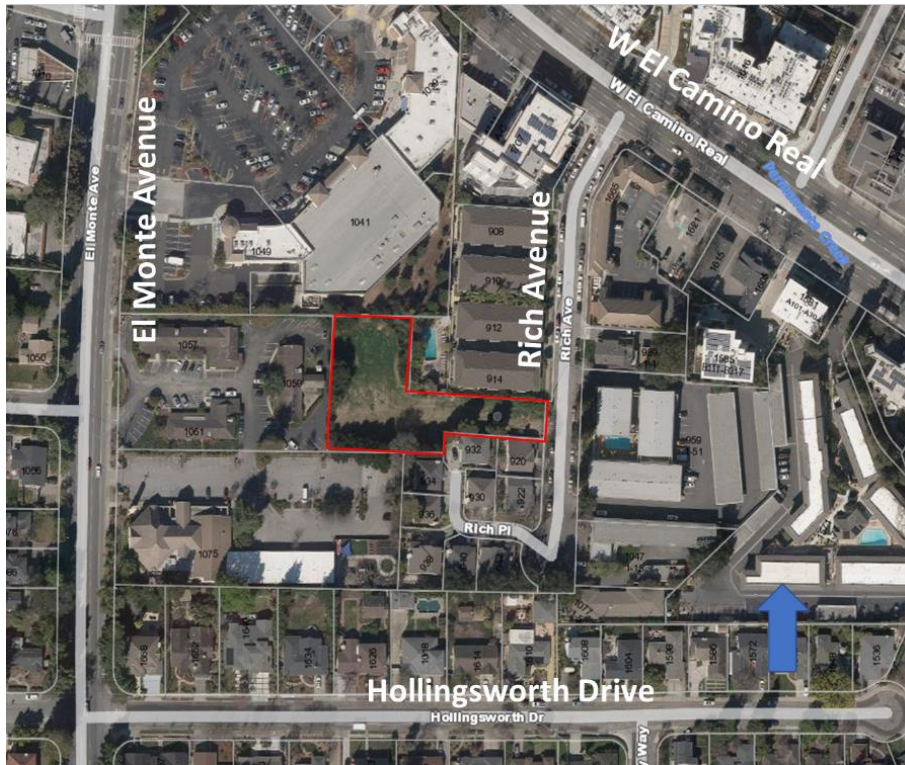


Figure 1: Location Map

- Project Site Size: Approximately 0.71 acre.
- General Plan Designation: Medium High-Density Residential (26 to 35 dwelling units/acre (du/ac)).
- Zoning Designation: R3-1 (Multiple-Family Residential) Zoning District.
- Surrounding Land Uses: North—two-story apartment buildings along Rich Avenue and a one-story retail shopping center; south—two-story single-family homes along Rich Place, a one-story church with surface parking, and one- and two-story homes located further to the south along Hollingsworth Drive; east—two-story apartment buildings across the street along Rich Avenue; and west—one-story office uses, but recently approved for future construction of a four-story senior living facility along El Monte Avenue.
- Current Site Conditions: Vacant lot.
- Applicant/Owner: Greg Xiong, Ardenview Homes LLC.

Project Overview

The proposed project includes a request for a Development Review Permit to construct a five-story, 32-unit residential condominium building with four affordable housing units and one level of underground parking, a 27.5% State Density Bonus with one concession and waivers from development standards, a Heritage Tree Removal Permit to remove two Heritage trees, and a Vesting Tentative Map to create 32 residential condominium lots and one common lot on a 0.71-acre vacant lot. The unit mix includes 29 two-bedroom units and three one-bedroom units (see Attachment 4—Project Plans). There is a mix of residential uses in the vicinity as the site is close to the El Camino Real corridor, including retail, commercial, and office uses. Schaefer Park and Eagle Park are approximately one-half mile from the project site.

Prior Meetings and Hearings

Neighborhood Meetings

Three neighborhood meetings for the project were held by the applicant. The first two meetings were held on January 20, 2022 and February 24, 2022, with a total of 37 community members (23 at the first meeting and 14 at the second). Input received from members of the community at these meetings included the following concerns/requests:

- Whether a five-story building would be appropriate given the adjacent single-family residential neighborhood;
- Potential privacy and noise impacts to the surrounding neighborhood from patios, balconies, and the rooftop decks, particularly toward the adjacent homes along Hollingsworth Drive;
- The need for additional trees for privacy and light mitigation;
- Construction noise impacts; and
- The potential impacts on traffic and parking along Rich Avenue.

Following these two neighborhood meetings, the applicant worked with staff to address some of the concerns by modifying the plans to:

- Step back upper floors (third through fifth floors);

- Revise balconies by adding decorative metal railings and canopy covers to address noise and privacy issues; and
- Increase the total number of proposed on-site trees.

On March 20, 2023, 15 members of the community attended a third (virtual) neighborhood meeting held by the applicant. Comments raised during this meeting included the following:

- Concern over the compatibility of a five-story building in the neighborhood;
- The need for tall evergreen trees along the southern elevation of the building to reduce neighborhood views of the building from Hollingsworth Drive;
- A request to move the pedestrian walkway to the north side of the driveway;
- Reducing lighting impacts to adjacent neighbors;
- A request that garbage bins not be placed near adjacent residential neighbors; and
- One community member supported the warmer color scheme of the building.

During these neighborhood meetings, the applicant explained their reasoning for maintaining the five-story building height needed to accommodate the 32 residential units as allowed by the State Density Bonus Law. Following the third neighborhood meeting, the applicant revised their plans to add taller evergreen trees along the southern elevation of the building and relocated the pedestrian walkway to the northern perimeter of the property. The 4' wide relocated pedestrian walkway is located within the 26' wide emergency vehicle access (EVA) driveway for the project site along the northern side of the driveway. A 4" curb at the edge of the pedestrian walkway will allow emergency vehicles (fire engines) to drive over the curbing if needed in an emergency but provides a safe separation for pedestrians from standard vehicles accessing the driveway. Further, the pedestrian walkway will be shared to allow for the transport of garbage bins and totes from the residential building trash room to the screened garbage bin staging area along the driveway and to the street frontage for the totes.

Design Review

The project design was reviewed at Development Review Committee (DRC) meetings in December 2022 and May 2023. Over the course of these reviews, the applicant worked cooperatively with staff to improve the overall site and building design, with particular focus on increasing tree canopy and buffer landscaping adjacent to existing residential properties, providing a multi-purpose plaza area on a portion of the required emergency vehicle access paving, adjusting the accessible path between Rich Avenue and the building entry (requested by

a member of the community), minimizing the appearance of taller building massing, better integrating the stair tower with the rest of the building, creating a more prominent main entry, and refining the overall color and material palette.

Members of the public also provided input during the DRC meetings, including requests that the applicant consider use of natural and sustainable materials for the building and to add evergreen trees around the building. While some public comments continued to identify a desire for a smaller (shorter) building on the property, other commenters expressed appreciation for the voluntary design improvements made by the applicant in response to community concerns, including upper-floor stepbacks and landscape buffers.

Based on DRC review, staff is recommending a condition of approval to address the following remaining design refinements, which the applicant has agreed to comply with:

- Refine the landscape buffers and the trash staging enclosure to coordinate with the revised accessible pedestrian pathway between Rich Avenue and the proposed building entry.
- Revise the window locations/designs and wall materials on the stair tower to coordinate with the adjacent building area.
- Refine the primary siding color to provide a warmer shade of brown, more closely reflecting the color renderings in the project plans.
- Revise the main entry awning to complement other trellis-like elements on the building.
- Provide a consistent metal screen railing around the entire rooftop deck and rooftop areas.

Administrative Zoning/Subdivision Committee Hearing

The development project and vesting tentative map were reviewed at a Joint Administrative Zoning and Subdivision Committee hearing on September 27, 2023, where the project and map were unanimously recommended for approval. No members of the public spoke on the item at the hearing, and one letter was received prior to the meeting. Staff received one comment letter from a property owner living on Hollingsworth Drive (see Attachment 6) prior to the hearing who expressed opposition to the five-story condominium project, specifically the removal of the Heritage trees, and indicated concern about the loss of privacy and the safety of the neighborhood.

One additional comment letter (see Attachment 6) was received after the September 27, 2023 hearing. The comment letter expresses the need for larger rental units to accommodate families and that lower-paid workers in Mountain View need rental housing more than ownership units.

ANALYSIS

General Plan

The proposed project has a General Plan Land Use Designation of Medium-High Density Residential (26 to 35 du/ac), which allows for multiple-family residential uses, such as apartments and condominiums, at heights up to three stories. The maximum number of units allowed is 25; however, with Density Bonus, the project is proposing an additional seven units for a total of 32 units. Additionally, while the proposed project is a multiple-family residential use and provides common open space area, the proposed building height exceeds the three-story height limit for the land use designation at five stories. The additional density and height are allowed per State Density Bonus Law as discussed later in this report.

The City's recently adopted Sixth-Cycle Housing Element 2023-2031 of the General Plan also includes goals and policies which the proposed project meets, particularly by providing ownership housing opportunities at market rate and for very low-income and moderate-income owners. These goals and policies include:

- Goal 1: An increase in the quantity and diversity of housing options, focusing on active nodes and walkable neighborhoods with amenities and services.
- Policy 1.6: Provide incentives, such as reduced parking standards and/or reductions in other development standards and fees, to facilitate the development of housing that is affordable to lower- and moderate-income households.
- Housing Goal 2: An inclusive and equitable community with available and accessible housing assistance.
- Policy 2.1: Initiate and maintain programs to assist extremely low-, very low-, low-, and moderate-income households in accessing affordable rental and ownership units.

Zoning

The project site is within the R3-1 (Multiple-Family Residential) Zoning District, which is intended for multiple-family housing. The R3-1 Zoning District allows for a maximum floor area ratio (FAR) of 1.05 and a maximum height of 45'. The proposed project does not comply with multiple development standards, including FAR, building setbacks, height limits, and minimum personal storage and parking requirements but is considered compliant in accordance with State Density Bonus Law in the form of waivers, as discussed later in this report.

Proposed Site Plan

The subject property has a flag lot configuration with a 50' wide strip of land fronting Rich Avenue that leads to an approximately 20,000 square foot rectangular area at the rear of the lot. The proposed five-story building will be constructed within the larger rectangular area at the rear of the lot, and the 50' wide strip of land fronting Rich Avenue will provide the driveway access and required emergency vehicle access (EVA) to the building. The driveway is slightly curved to accommodate five uncovered guest parking spaces on the south side of the driveway and terminates at the underground parking garage entry on the southeast side of the building.



Figure 2: Site Plan

The proposed five-story residential building will have a plaza entry along the front of the building entrance with a common open space area that will accommodate a round decorative “labyrinth” paving design, seating benches, and raised planter boxes with trees and shrubs. A pedestrian walkway will also be provided entirely around the ground floor of the building, including site enhancements, such as raised planter boxes with trees, shrubs and groundcover, private patio enclosures for units along the ground level of the site, and pedestrian access for residents and visitors of the building.

Private open space will be provided for each residential unit in the form of patios on the ground floor and balconies on nonground floors. The patio/balcony spaces per unit will range in size from 53 square feet to 476 square feet. A 2,300 square-foot common open space terrace on the roof of the five-story building will also be available for use by residents. The roof terrace is

proposed to have an electric grill, dining table, synthetic turf area, lounge sofa, raised planters, and counter space.

The project includes a new 26' wide driveway and a new 4' wide sidewalk along Rich Avenue to align with the existing sidewalk in front of the adjacent properties. Landscape planter areas will be located along the north and south perimeters of the site that will allow for trees, shrubs, and ground cover to enhance the entrance of the site. The driveway will consist of decorative paving at the entrance and includes a 4' wide pedestrian walkway access that will run along the entire northern perimeter to provide pedestrian/accessible access from Rich Avenue to the residential building at the rear of the site. The walkway will be separated from vehicular access by a rolled curb. This will allow the full width of the driveway/walkway to be utilized for emergency access by fire trucks while still providing a visual separation for pedestrian circulation. The applicant incorporated the walkway along the northern side of the driveway in response to concerns raised by an adjacent property owner to the south regarding potential noise and privacy impacts.

The project also includes a proposed Vesting Tentative Map to create 32 residential condominium lots and one common lot on the existing 0.71-acre parcel (see Attachment 3).

Los Altos Storm Drain Easement

In addition to the irregular lot shape, the project site is also encumbered by an easement of the City of Los Altos' 48" storm drainpipe that extends west under the proposed driveway from Rich Avenue then turns south at the end of the "panhandle" of the property to an adjacent property along Rich Place. The storm drain easement does not affect any portion of the site where the residential building will be constructed.

The applicant has been working with the City of Los Altos to obtain approval to construct the driveway within the storm drain easement. The City of Los Altos has required the applicant to obtain necessary permits from the City of Los Altos prior to the issuance of a City of Mountain View building permit, which are included in Condition Nos. 5 and 199 in Attachment 2.

Architecture and Design

The five-story building has been designed with a contemporary architectural style with a variety of exterior building materials, including brown shiplap siding along the first three stories of the building, beige stucco along the recessed first through fourth floors of the building, and cream stucco along the fifth floor. Additional ornamentation is provided with bronze-colored slatted-board guardrails for the balconies, bronze metallic canopies and horizontal accents, and bronze aluminum windows and doors. The staircase tower along the front (east elevation) of the building facing Rich Avenue will have a metallic screening material along the first three floors of the building and the cream stucco on the fourth and fifth floors. The same metallic screening

material will also be used as fencing around the rooftop terrace and at the building entrance along the first floor.



Figure 3: View to the West from Rich Avenue

In addition to the exterior building materials and colors, the proposed project also incorporates a variety of building articulations to reduce the visual massing and height of the building. These include stepping back the fourth and fifth floors, projection of balconies where building walls are inset, and inclusion of a horizontal trim to reduce the visual height of building walls. As noted earlier in this report, the applicant has worked cooperatively to revise the design to address community concerns.

Trees and Landscaping

The site currently contains four trees, two of which are Coast live oaks which qualify as Heritage trees (see Page L2 of Attachment 4). The other non-Heritage trees include a 13" diameter at breast height (DBH) Chinese elm tree and a 4" DBH London plane tree. These two trees are in poor and moderate health, respectively. The Chinese elm is in poor health and has no dominant lead or structure. The London plane tree is small and recommended for removal due to its location where future utility development will occur. The Chinese elm is also located in the area where future utility development will occur. The project proposes the removal of all four trees due to the moderate and poor health of the trees, including structural defects, decline and stress, and conflicts with the location of future utilities. The applicant proposes to replace the Heritage trees at a ratio of three new trees for every one tree removed for a total of six replacement trees. In addition, protection measures are required surrounding two trees on the adjacent property to the west (future site of the senior assisted-living building).

The proposed development will plant 49 new trees on-site, inclusive of the six required replacement trees. The new trees are drought tolerant Mediterranean trees mixed with California native trees and biotreatment plants. The native trees include golden wattle, common manzanita, and Coast live oak trees, along with other trees, including Australian willow, olive trees, bronze loquat, columnar red maple, and marina strawberry trees.

The project will significantly increase the number of trees on site by planting of the 49 new 24" box trees. This will also significantly increase the tree canopy on-site as the current tree canopy provides only 9% coverage of the site. Within five to 10 years, the tree canopy will provide 14.6% coverage over the site, and at full growth, the tree canopy will provide 23% coverage of the site. Essentially, at full growth, the tree canopy will be more than double of the existing tree canopy. See Table 1 for the proposed tree canopy coverage on the project site.

Table 1: Tree Canopy Coverage

Time Frame	Percentage Canopy Coverage of Site Area
Existing	9%
Construction Completion	1%
5 to 10 Years	14.6%
Full Growth	23%

Landscaping will also be provided in the landscape planters around the ground floor of the building over the underground parking garage in the form of podium planters. There are several raised podium planters that will be planted with trees around the building to provide softening of the building massing and height and to provide shade areas for residents. Additionally, raised planter boxes will be installed along the eastern and northern sides of the building on the roof around the roof-top terrace. Approximately 87% of the landscaping in the project is proposed to be native and drought-tolerant.

Density Bonus

The project is proposing a 27.5% State Density Bonus, which would allow it to exceed the base density of 25 units by an additional seven units for a total of 32 units. To qualify for a 27.5% State Density Bonus, the project has to provide 8% of the maximum base density (or 25 units) as very-low-income (VLI) units at 50% area median income (AMI), for a total of two VLI units. The applicant is, therefore, proposing two VLI units to meet the State Density Bonus law requirement.

Affordable Unit Requirements

As proposed, the project must meet the City's affordable housing requirements and comply with the State Density Bonus Law. State law requires that affordable units that meet the requirements of both programs count toward fulfilling both of these requirements (i.e., a unit that counts toward the local Below-Market-Rate (BMR) requirement may also count as an affordable unit to qualify for a density bonus).

The City's Affordable Housing Program requires ownership developments to provide at least 15% of the maximum base density (25 units) as affordable units, or four affordable units. These are required to be provided at a minimum of two income levels that result in a weighted average of 100% AMI. The applicant is proposing to provide two VLI units (which will also go toward satisfying the State Density Bonus Law as discussed above) and two moderate-income (MI) units at 120% AMI.

As noted above, the four units can be counted toward meeting the requirements of both the State Density Bonus Law and the local BMR ordinance. However, the combination of two VLI and two MI units have a weighted average of 85%, which does not meet the 100% weighted average required by the City's affordable housing requirements. The applicant is, therefore, requesting a concession under State Density Bonus Law as discussed below.

Concession

Without a concession, the project would be required to provide five affordable units (two VLI and three MI units) as discussed below:

- To meet the City's affordable housing requirement of four BMR units with a weighted average of 100%, the applicant is required to provide one VLI unit and three MI units.
- To qualify for the 27.5% Density Bonus per State law, the applicant is required to provide a minimum of two VLI units. One of the VLI units provided toward the BMR requirement can be used meet State Density Bonus Law. Therefore, the applicant would have to provide one additional VLI unit.

The 27.5% State Density Bonus entitles the applicant to one concession that results in an identifiable and actual cost reduction. The concession that the applicant is requesting (see Attachment 5—Density Bonus Letter) is to provide only four units (two VLI and two MI units) which would result in a weighted average of 85% AMI instead of the 100% AMI required by the City's BMR program. Not including a fifth affordable unit (at MI level) would result in a cost savings of \$759,198 as noted in Table 2 below.

Table 2: Concession of Identifiable and Actual Cost Reduction Table

Item	Actual Costs	Explanation of Actual Costs
Cost per unit	\$1,254,560	Cost to construct each new affordable unit
Sales price of moderate-income unit	– \$495,362	(Deduct sales price of moderate-income unit)
Balance to be covered by developer	\$759,198	Cost savings if concession allows the removal of one moderate income unit

Waivers from Development Standards

The applicant is also requesting several waivers/reductions to development standards, including increased floor area ratio (FAR), reductions in setback requirements, increases in maximum allowable height, reductions in personal storage requirements, and use of State Density Bonus Law parking provisions. Table 3 summarizes the requested waivers.

Table 3: Requested Waivers from Development Standards

Development Standard	Allowed by Zoning District	Proposed with Density Bonus
Density	25 units	32 units
FAR	1.05 max.	1.41
Height	3 stories, 45'	58.5'
Setbacks		
Front Setback		
First Floor	Compliant	
Second Floor	Compliant	
Third Floor	29'	23.5'
Fourth Floor	39'	28.5'
Fifth Floor	49'	63.5'
Rear Setback		
First Floor	Compliant	
Second Floor	19'	15.66'
Third Floor	29'	15.66'
Fourth Floor	39'	17.5'
Fifth Floor	49'	22.5'

Development Standard	Allowed by Zoning District	Proposed with Density Bonus
North Side Setback		
First Floor	compliant	
Second Floor	19'	15'
Third Floor	29'	15'
Fourth Floor	39'	15.5'
Fifth Floor	49'	27.3'
South Side Setback		
First Floor	compliant	
Second Floor	19'	16.5'
Third Floor	29'	21.5'
Fourth Floor	39'	25.5'
Fifth Floor	49'	32'
Personal Storage	Minimum 500 cu. feet	330 cu. feet

Additionally, under the State Density Bonus Law, the project is not required to provide more than 46.5 (or 47 spaces) parking spaces based on the following maximum parking ratios:

Table 4: State Density Bonus Parking Ratio Maximums

Unit Type	Maximum Parking Required per Unit
Studio	1 space
One bedroom	1 space
Two bedroom	1.5 spaces
Three bedroom	1.5 spaces
Four bedroom	2.5 spaces

The proposed project is providing 45 parking spaces within the underground parking garage and five spaces for guest parking, for a total of 50 spaces. Therefore, the project meets the parking requirements based on State Density Bonus Law.

ENVIRONMENTAL REVIEW

Pursuant to the California Environmental Quality Act (CEQA), an Initial Study/Mitigated Negative Declaration (IS/MND) was prepared for this project to determine if any potential environmental impacts could result from the project. With implementation of mitigation measures described in Attachment 1 and City standard conditions of approval, the project would have a less-than-significant impact.

The Draft IS/MND was circulated for public review for 20 days from May 24, 2023 to June 13, 2023, and the City received three letters during the comment period. Comments received raised concerns about traffic, parking, building height, privacy and noise impacts, nighttime lighting impacts, and a request for additional landscaping. On August 28, 2023, a Response to Comments memorandum was prepared and provided responses to the public comments received prior to the end of the comment period (Attachment 1). In response to the comments raised, the applicant has worked with staff to make the following changes to the project:

- Additional landscaping has been added along the southern elevation of the building to create more of a privacy buffer;
- The pedestrian pathway was moved to the northern perimeter of the driveway to mitigate the privacy and noise impacts; and
- Previously proposed mechanical parking has been changed to standard ground-level parking spaces to address parking concerns.

FISCAL IMPACT

The project proposes 32 new residential condominium units, including four affordable units. The City's affordable housing requirements exempts City required affordable units from impact fees; however, affordable units provided to satisfy State Density Bonus Law are not exempt from impact fees. The four affordable units provided are required to satisfy City requirements and also meet State Density Bonus Law requirements. Therefore, the four affordable units are exempted from paying impact fees (Park Land In-Lieu Fee and Citywide Transportation Impact Fee (TIF)). The 28 market-rate units will be required to pay all impact fees.

The project will generate \$1,440,000 in Park Land In-Lieu fees and approximately \$102,840 toward the Citywide TIF.

In addition to paying the impact fees noted above, the proposed project will also result in increased property taxes. Currently, the site generates approximately \$4,000 annually in property taxes to the City. The estimated increased property tax revenue to the City from this development would be \$57,000 annually, an increase of \$53,000, based upon a revised Assessed Value of the Property at \$35.5 million.

CONCLUSION

Staff recommends the City Council approve the proposed project as it achieves goals and policies of the General Plan, is consistent with the zoning district, and is consistent with State Density

Bonus Law. The project also increases ownership housing opportunities in the City, including four affordable units, and incorporates high-quality design that is sensitive to the surrounding uses.

ALTERNATIVES

1. Approve the project with modified conditions of approval.
2. Deny the project.

PUBLIC NOTICING

The City Council’s agenda is advertised on Channel 26, and the agenda and this report appear on the City’s website. All property owners and tenants within a 750’ radius were notified of this meeting.

Prepared by:

Aki Snelling
Senior Planner

Amber Blizinski
Assistant Community Development Director

Approved by:

Aarti Shrivastava
Assistant City Manager/Community
Development Director

Kimbra McCarthy
City Manager

AS-AB/6/CAM
809-10-24-23CR
203412

- Attachments:
1. Resolution Adopting the Initial Study/Mitigated Negative Declaration
 2. Resolution Approving the Project
 3. Resolution Approving the Vesting Tentative Map
 4. Project Plans
 5. Density Bonus Letter
 6. Public Comment