



DATE: June 22, 2021

CATEGORY: Public Hearing

DEPT.: Community Development

TITLE: **400 Logue Avenue Residential Development Project**

RECOMMENDATION

1. Approve the Initial Study of Environmental Significance for the 400 Logue Avenue residential project, pursuant to Section 15168 of the California Environmental Quality Act, and find the project within the scope of the East Whisman Precise Plan Final Environmental Impact Report (Attachment 1 to the Council report).
2. Adopt a Resolution of the City Council of the City of Mountain View Conditionally Approving a Planned Community Permit and Development Review Permit for a New Eight-Story, 408-Unit Residential Development, a 36,000 Square Foot Transfer of Development Rights, and a Heritage Tree Removal Permit to Remove Five Heritage Trees Located at 400 Logue 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 Ordering the Vacation of Public Easements at 400 Logue Avenue, to be read in title only, further reading waived (Attachment 3 to the Council report).

BACKGROUND

Project Site

The approximately 2.54-acre project site is located on the west side of Logue Avenue, at the terminus of Maude Avenue, in the East Whisman Precise Plan (EWPP) area. Surrounding land uses include office and industrial buildings to the north, south, and east and the light rail tracks to the west. The project site is currently developed with a single-story, 42,000 square foot office building and parking lot, which would be demolished for the project.

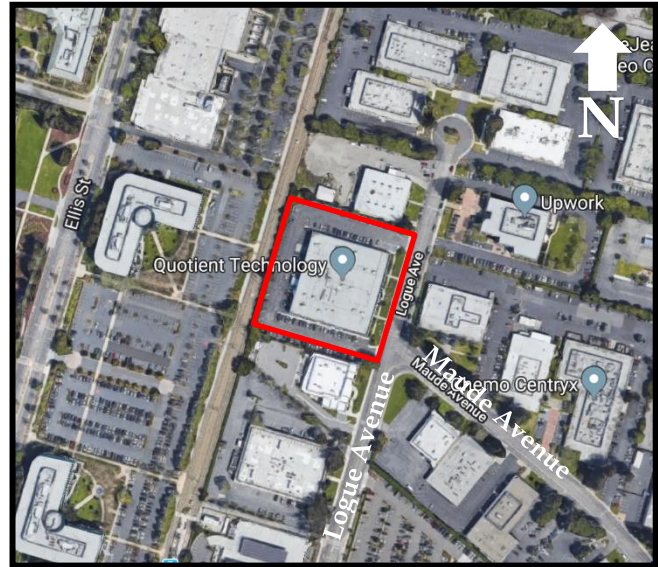


Figure 1: Location Map

The project includes a request to redevelop the project site by demolishing the existing office building and constructing a new eight-story, 408-unit residential development with three levels of underground parking (see Attachment 4—Project Plans).

Prior Meetings and Hearings

Gatekeeper Authorization

The Los Altos School District (LASD) transfer of development rights (TDR) program stems from years of coordination between the City and LASD on opportunities to support a new school site in the San Antonio Precise Plan (SAPP) area, including adopted policies in the SAPP for measures like the TDR program.

On January 16, 2018, the City Council authorized the City Manager to execute a Memorandum of Understanding (MOU) between the City and LASD establishing the framework for the TDR program, comprised of up to 610,000 square feet of transferable development rights.

This proposed project received Gatekeeper authorization in May 2018 to use up to 72,000 square feet of available TDR square footage (see Attachment 5—[Council Report](#)—

[May 22, 2018](#)). As part of the Gatekeeper application review, staff was supportive of the request since the City Council had endorsed 5,000 residential units in the draft EWPP area, and this project would help implement that vision as one of the first residential development proposals in the new Precise Plan area. Council authorized the Gatekeeper request, allowing the applicant to submit a development application prior to final consideration of the EWPP.

The conceptual project presented as part of the Gatekeeper authorization included up to 412 residential units in two buildings, seven and 11 stories in height, a mixture of ownership and rental units split between the two buildings, and a shared underground garage. The project composition has changed since Gatekeeper authorization because of changing economic conditions which made construction of the 11-story building economically infeasible. The current project plans include one eight-story building with 408 rental units. The switch to one structure with rental-only units reduced the amount of LASD TDR square footage necessary for the project from 72,000 square feet to 36,000 square feet due to smaller unit sizes and efficiencies with common building space areas.

Environmental Planning Commission Study Session

The Environmental Planning Commission (EPC) reviewed the project at a Study Session on October 16, 2019 (see Attachment 6 – [EPC Staff Report – October 16, 2019](#)). The EPC provided input on topics identified by staff based on inconsistencies with the Draft EWPP and Development Review Committee (DRC)/design review, including usable open space requirements, key corner elements, and creating a high-quality pedestrian environment for on-site service streets and paseos. The EPC supported staff's recommendation to include and design the emergency vehicle access (EVA) space within the open space, which would allow the project to comply with the EWPP open-space standards and improve the pedestrian experience. The EPC also recommended improving the key corner with distinctive architectural expression coordinated with frontage improvements, providing an enhanced visual feel with activating the ground-level uses and enhanced pedestrian entries.

Neighborhood Meeting

A neighborhood meeting was held on April 1, 2021 via Zoom. One person attended the meeting and was supportive of the project.

Development Review Committee

The project was reviewed by the DRC twice and received a final recommendation of conditional approval in January 2021. Since that meeting, staff has worked with the

applicant to incorporate the DRC's recommendations into the current plans, which include enhancing the key corner, reducing the bulkiness of the building with massing breaks, offsets and recesses, staggered walls, varied rooflines, and articulation refinements to achieve an improved residential rhythm and scale.

Environmental Planning Commission Public Hearing

The EPC held a public hearing to review the project on May 19, 2021 (see Attachment 7 – [EPC Staff Report – May 19, 2021](#)) where the EPC unanimously recommended approval of the project to Council. Three people spoke in support of the project and expressed the project provides housing in the EWPP area, does not displace residents from existing housing, and provides on-site Below-Market-Rate (BMR) housing units. Several letters of support were also received for the project (see Attachment 8 – Public Comments).

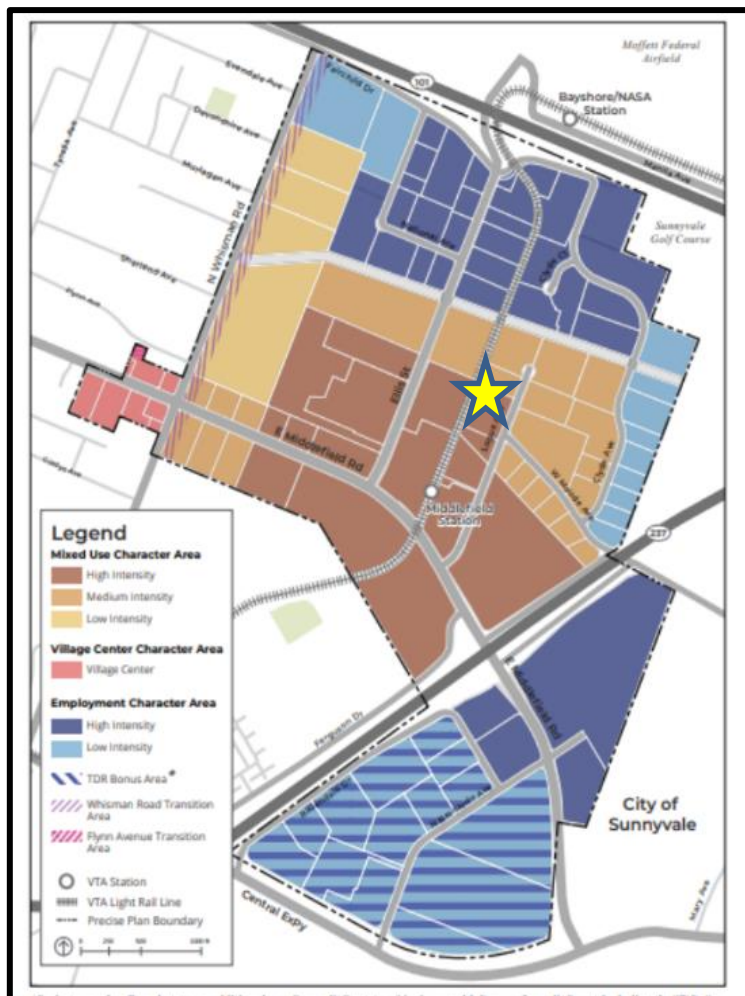


Figure 2: EWPP Character Area Map

ANALYSIS

East Whisman Precise Plan

On November 5, 2019, the City Council adopted the EWPP and incorporated this property into the boundaries of the Precise Plan.

The project site is located in the High-Intensity portion of the Mixed-Use Character Area, which allows a base floor area ratio (FAR) of 1.0 and up to 3.50 FAR for residential projects.

The project is requesting a total FAR of 3.82 with a Bonus FAR of up to 3.50 and an additional 0.32 FAR with the inclusion of the 36,000 square feet being purchased through the LASD TDR program. The EWPP Bonus FAR program requires benefits to the project beyond those required for a base project, and the current community benefit value for

Bonus FAR in the EWPP is \$5 per “bonus” square foot. The estimated public benefit contribution for this project’s net Bonus FAR of 277,450 square feet is approximately \$1.3 million.

The project complies with the development standards and guidelines of the Precise Plan, including height and FAR (with TDR), streetscapes and frontages, building massing, and open space.

Transfer of Development Rights

This project is one of the LASD TDR projects authorized by the City Council to participate in the program. In exchange, the applicant received authorization to proceed through the development review process and apply prior to the adoption of the EWPP and the option for development exceptions as identified in the Precise Plan.

The project is not proposing to invoke any specific exceptions to development standards identified in the Precise Plan for TDR projects but is requesting a deviation from the current BMR requirements, as discussed later in this report. A condition of approval of the project requires the applicant to provide proof of purchase for the TDR square footage prior to the issuance of the building permit, and the TDR square footage will be memorialized through a legal agreement recorded on the property.

Project Overview

The project proposes to redevelop the project site by demolishing an existing office building and constructing an eight-story residential building with a total of 408 apartment units. The unit mix consists of 139 studio units, 201 one-bedroom units, and 68 two-bedroom units. The building would be constructed over a three-level underground parking garage containing 420 parking spaces with access from Logue Avenue (see Attachment 4 – Project Plans). The project incorporates several roof-top open-space amenity areas and pedestrian open-space paths, including pedestrian paths through the project connecting Logue Avenue to the pedestrian path along the VTA tracks. The project also contributes to a connected network of pedestrian/bike access through the site and a setback along the northern property lines for a designed elevated pedestrian/bike trail across the VTA tracks.

The architectural design of the proposed building is contemporary, and the site layout and massing composition were designed to respond to the site’s context, orientation, and boundaries. The ground floor along Logue Avenue is activated as a pedestrian corridor with lobbies, leasing, and workspace areas facing the street. The building is elevated above grade, allowing for stoops and private patios with direct path access. Extensive landscape areas are available throughout the site as well as the central corridor.



Figure 3: Site Plan



Figure 4: View from Logue Avenue

- *Key Corner.* The project is located on a prominent corner in the East Whisman area, where Maude Avenue terminates and provides views of the project. Per the EWPP, projects should design key corners with enhanced landscape design and/or enhanced architectural features, such as emphasized entries, distinctive corner articulation, visually interesting materials, etc.

The project is in compliance with these requirements. The applicant has worked to make the key corner appear distinctive and welcoming by activating the frontage with the leasing office and office work areas, adding sculptural seating, pedestrian-scaled landscaping, and special paving material.

- *Building Massing.* The EWPP provides direction on building massing. Buildings should be designed with a defined base, middle, and top. Ground floors should provide a solid base and strong frontage design and have a minimum 15' plate height. Massing needs to be broken up into regular increments through smaller breaks and, per the EWPP, the major massing break needs to occur roughly every 25' across approximately every 200' of block face and should be at least 15' behind the front facade.

The building mass was previously adjusted based on initial feedback from the DRC to better emphasize the horizontal massing (the building "middle" on the southwest elevation) to provide a more open and airy appearance. Notching in the balconies gives

the sense of splitting the larger mass into smaller segments, like the east and north facades. The project does meet the essential building components of the EWPP, base, middle, and top. Modifications to the building, including providing a strong base and frontage design with a minimum 15' plate height, have been incorporated.



Figure 5: Southwest Elevation

- *Residential Ground-Floor Frontages.* As discussed in the EWPP, buildings should provide moderate transparency, unit articulation, and clear distinction between public and private space. Building entries should provide a distinctive architectural expression and should be coordinated with the frontage improvements. Building entries should be clearly articulated and include an inviting, well-lit, transparent, and secure lobby that is clearly visible from the outside, both day and night.

The entrance portal from Logue Avenue is designed with a shaped soffit, human-oriented features with interesting seating, public art, colors, and lighting. To achieve a clear distinction of public and private areas, the main entry/drop-off and service road/trash-loading area provides landscaping and enhanced paving with patterned concrete bands to provide visual interest and delineates the service road from the entry, which is also defined by a rolled curb.

Open Space and Trees

The project proposes 48,965 square feet of open space, which conforms to the minimum 48,960 square feet open space requirement (120 square feet/per unit). The proposed

project includes common usable open areas in multiple locations, including common open areas at ground level and on upper levels (roof decks). The outdoor common areas would include amenities, such as a pool, lounge areas, and an outdoor kitchen.

The project site contains 38 trees, including five Heritage trees. The project proposes the removal of all 38 on-site trees (including the five Heritage trees) and the planting of 196 new trees within the project site and on Logue Avenue.

An arborist report was prepared by HortScience, dated December 27, 2018, to review the existing trees. The report concludes that no on-site trees can be preserved due to their health and location within the building footprint and construction of the subterranean garage. The five Heritage trees (one Coast redwood, one Italian stone pine, two holly oaks, and one Evergreen ash) proposed for removal are in fair condition with structural defects with moderate suitability for preservation. However, three of the Heritage trees proposed for removal (two holly oaks and Evergreen ash) are located between the rear lot and the light rail tracks in the public utility easement. One of the Heritage trees, the Coast redwood, is in conflict with the future pedestrian/bike overpass, and the Italian stone pine has a significant lean and is located in the future sidewalk improvements.

The typical replacement ratio for the removal of Heritage trees is 2:1, and the applicant is proposing 196 24" box replacement trees, which represents 39.2:1. The replacement trees proposed exceed the requirements in the ordinance (2:1), comply with the City's updated landscape requirements to provide more drought-tolerant and native planting, and will significantly increase the tree canopy coverage of the site over the long term.

The existing tree canopy coverage is approximately 11% of the site. After project construction and the planting of the proposed landscape improvements, the anticipated tree canopy coverage will be approximately 22.1% at five years, and approximately 37% at 15 years (full maturity).

Transportation

As part of this project, a transportation study was prepared by Hexagon Transportation Consultants, Inc. (Hexagon). According to the transportation study prepared for the proposed project, the Mountain View Vehicle Miles Traveled (VMT) Policy establishes screening criteria for developments that are expected to cause a less-than-significant transportation impact under the California Environmental Quality Act (CEQA) and are not required to prepare further VMT analysis. The proximity to transit screening criterion was developed based on the CEQA guidelines, which state that lead agencies generally should presume that certain projects proposed within one-half mile of an

existing major transit stop or an existing stop along a high-quality transit corridor will have a less-than-significant impact on VMT.

The project is located in a transit proximity area because it is located within one-half mile of the Middlefield Light Rail Station, which is considered a major transit stop. Therefore, the project is expected to have a less-than-significant impact on VMT. Furthermore, although implementation of the proposed Transportation Demand Management (TDM) program, described below, would reduce project generated vehicle trips, spread demand across time, and make efficient use of the alternative circulation system, project-generated VMT would remain less-than-significant. For these reasons, the project would not result in new or more severe impact than was identified in the Precise Plan Final Environmental Impact Report (FEIR). The project is consistent with the EWPP FEIR.

Transportation Demand Management

The Precise Plan specifies that all new residential development with at least 100 units are required to provide a TDM plan with programs and measures to reduce 9% of vehicle trips. A monitoring program will be established for the site to ensure the long-term effectiveness of the TDM plan and its ability to provide trip reduction as outlined in the conditions of approval. The project's TDM program include the following measures:

- Bicycle Parking;
- Dedicated Parking Spaces for Car-Share Vehicles;
- Electric Vehicle Measures;
- Membership in the Mountain View Transportation Management Association (TMA);
- Carpool Link;
- TDM Coordinator;
- Alternative Transportation Information and TDM Marketing;
- Rideshare Matching Services;

- Commuter Promotional Programs; and
- Transit Passes (a free one-year VTA SmartPass and \$25 monthly transit subsidy for resident's first year of occupancy).

Parking

The parking requirement for the project is defined as a parking maximum per the EWPP. For residential developments, this is a maximum of one parking space for studios and one-bedroom units and two parking spaces for two-bedroom units and up. The project is proposing 139 studio units, 201 one-bedroom units, and 68 two-bedroom units. Based on this breakdown, the project can provide up to a maximum of 476 parking spaces. The project's proposed 420 parking spaces meet the EWPP off-street parking standards by being below the maximum of 476 spaces.

A parking analysis was conducted by Hexagon to evaluate whether the proposed parking would be sufficient to serve the project. Based on the average parking demand observed at similar sites in the Bay Area, the proposed residential development is estimated to generate peak parking demand of 374 parking spaces. The proposed residential parking supply (420 spaces) would exceed the peak residential parking demand estimated using Hexagon parking surveys at comparable sites by 46 spaces. Staff supports the amount of parking proposed on-site as sufficient for the project based on the distribution of parking, results from the parking analysis, and the proximity to transit.

The required bicycle parking for residential developments per the EWPP is one bicycle space per 10 units for short-term parking and one bicycle space per unit for long-term parking. The project's proposed 41 short-term bicycle parking spaces and 408 long-term bicycle parking spaces meet the EWPP Bicycle Parking Standards.

Below-Market-Rate Units

The project is subject to the City's BMR Ordinance (Phase II), which requires 15% affordable units on-site. As a result, 62 BMR units, equivalent to 15% of the project's total units, are proposed as on-site affordable housing units for low- to moderate-income households based on the State's Department of Housing and Community Development income limits and inclusive of utilities. The project will include three income levels – 50% area median income (AMI), 65% AMI, and 100% AMI – to create a range of housing opportunities, and the AMI levels will be proportionately distributed across unit sizes.

The project is not in compliance with the BMR Phase II guidelines in regard to the required weighted average, and the proposed affordability mix is above the maximum

65% AMI requirement. However, the project is in keeping with prior Council direction regarding the affordability mix for TDR Gatekeeper projects and approval of the residential TDR project located at 355 East Middlefield Road, which used a similar alternative for BMR compliance.

The Council direction on November 5, 2019 was to limit the project's jobs-housing linkage partnership opportunity with future office development since other TDR projects are office projects and were not required to partner with housing developments. This BMR exception creates the necessary incentive for the project to remain in the TDR program while maintaining the jobs-housing balance in East Whisman and continuing to provide 15% affordable units. In addition, the adjusted BMR weighted average would provide moderate-income units that would help meet Council's goal of creating housing for the "missing middle" and would support development feasibility allowing the successful TDR transfer.

The table below provides a summary of the proposed BMR plan.

Table 1: Housing Compliance Plan

AMI Level	Number of Units @ AMI Level	Project Units
Very Low-Income (50%)	8	
Low-Income (65%)	16	
Moderate-Income (100%)	38	
Total Affordable Units	62	
Total Project Units		408
Percentage of Affordable Units		15%

Weighted Average Calculation

$\frac{(.50)(8)}{62}$	+	$\frac{(.65)(16)}{62}$	+	$\frac{(1)(38)}{62}$	=	.85
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Easement Vacation

The applicant has requested the City vacate the existing public utility easement and wire clearance easement on the parcel to accommodate the project. The easements were established in 1961 per Tract 2917, Book 600, Page 17, Santa Clara County Records, as shown below in Figure 6. The existing overhead electric and related utilities within the easements are proposed to either be removed or placed underground as part of this

project, and new public service easements would be dedicated via separate instrument as necessary.

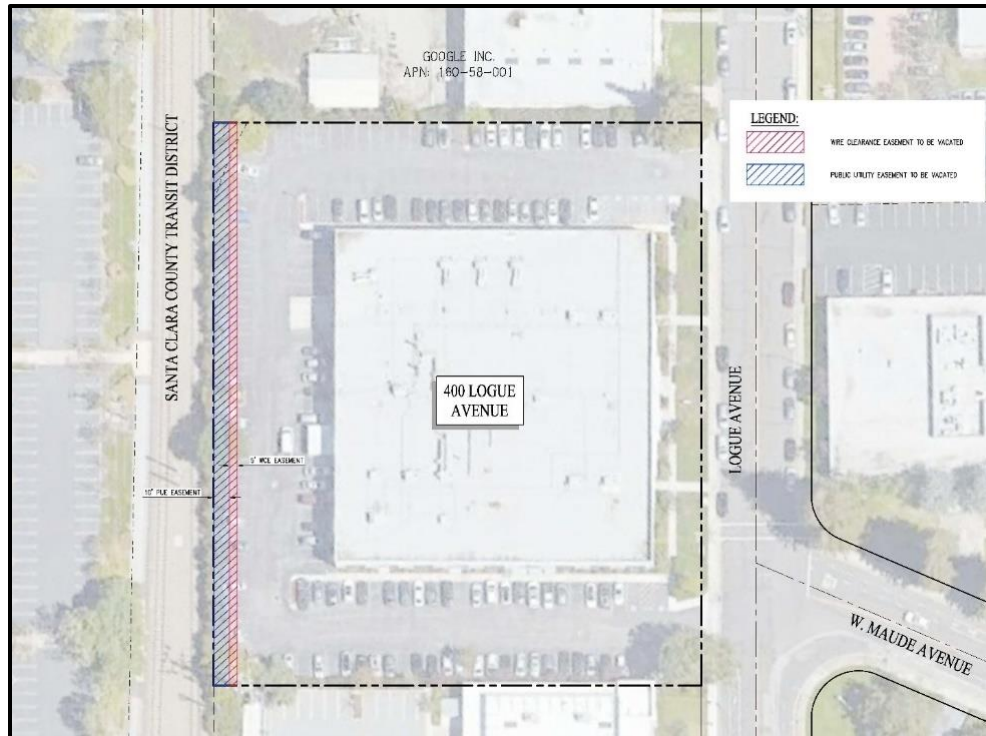


Figure 6: Easement Locations

When the City plans to vacate easements as part of a private development process, staff evaluates whether there is any value contributed to the developer by the vacation. In some cases, for example, vacating an easement will provide space for the development of additional residential units and increase the value of the development. Staff also considers how the easements were created and their intended use. Utility easements on the rear of a parcel in this area of the City are common, and the buyer of these properties would anticipate that it would be possible to relocate the easements as long as the benefit to the easement holder is the same. The easements and utilities that serve the subject property will be relocated when the property is developed.

Staff is recommending vacating the easements without compensation for the following reasons:

1. No value is added to the development;
2. The easements were dedicated to the City and not purchased by the City; and

3. The easements were intended as a general benefit to all public utility providers and were not granted to the City for the City's exclusive use. If these easements had been acquired by the City after paying market value (rather than being dedicated at no cost) and/or if the easements were exclusively for the benefit of the City, staff would recommend compensation for relinquishing the easements, but neither of these conditions apply in this case.

ENVIRONMENTAL REVIEW

The EWPP FEIR comprehensively evaluated the environmental impacts of the EWPP. The City Council certified the EWPP FEIR and approved the EWPP on November 5, 2019. Subsequent activities, which were included in the scope of a program EIR, may be determined to be adequately evaluated under CEQA, and no further environmental documents may be required if it is determined that no new or substantially more severe environmental effects will occur and no new mitigation measures would be required for the subsequent activity.

An Initial Study of Environmental Significance was prepared to evaluate whether any new significant environmental effects would occur as a result of the project which were not already examined under the program EIR, whether any significant environmental effects disclosed in the program EIR would be substantially more severe due to the project, and whether any new mitigation measures would be required (see Attachment 1 – Initial Study of Environmental Significance for the 400 Logue Avenue Residential Project). Project-specific technical studies were also prepared to provide technical guidance in the areas of geotechnical, trees, Phase 1, utilities, and transportation. The Initial Study prepared for the project found that, with implementation of the EWPP standards and guidelines, State regulations, and mitigation measures identified in the EWPP EIR, 2030 General Plan, and Greenhouse Gas Reduction Program EIR, the proposed addition of 408 residential units and associated improvements would not result in any new or more severe environmental impacts beyond those evaluated in these EIRs.

FISCAL IMPACT

The subject site currently has a total assessed value of approximately \$37.5 million, and the City receives approximately \$60,000 annually in property taxes. If the site were developed as proposed, the City would receive approximately \$350,000 per year in additional property tax revenue.

The estimated public benefit contribution for this project's net Bonus FAR of 277,450 square feet is approximately \$1.3 million.

The project is subject to the Park Land Dedication fee estimated at \$19,203,000, in accordance with Chapter 41 of the City Code.

Finally, the project is subject to the Transportation Impact Fee (TIF) estimated at \$730,000.

CONCLUSION

The proposed development of a new eight-story, 408-unit residential development, a 36,000 square foot Transfer of Development Rights, and a Heritage Tree Removal Permit to remove five Heritage trees is consistent with the EWPP and implements a project that furthers the vision and goals for the development of the East Whisman Area. The site design and architectural design of the residential building, including colors, materials, and architectural elements, are well-designed and compatible with the surrounding area. Additionally, approval of the project would not result in significant environmental impacts with implementation of the conditions of approval; therefore, the proposed project would not have a significant impact on the environment.

ALTERNATIVES

1. Approve the project with modified conditions of approval.
2. Refer the project back to the EPC and/or the DRC for additional consideration.
3. 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 and other interested stakeholders were notified of this meeting.

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MN-SW/6/CAM
813-06-22-21CR
200722

- Attachments:
1. Initial Study of Environmental Significance for the 400 Logue Avenue Project
 2. Resolution Conditionally Approving a Planned Community Permit, Development Review Permit, and Heritage Tree Removal Permit
 3. Resolution Ordering the Vacation of Public Easements
 4. Project Plans
 5. [Gatekeeper Application Staff Report](#)
 6. [EPC Study Session Staff Report – October 16, 2019](#)
 7. [EPC Staff Report – May 19, 2021](#)
 8. Public Comment Letters