

May 31, 2017

Diana Pancholi
Assistant Planner
City of Mountain View
500 Castro Street
Mountain View, CA 94041

Re: 2700 W. El Camino Real (206-16-PCZA & 303-16-PM)
"Tier 1" Public Benefit Program

Dear Ms. Pancholi:

SummerHill Apartment Communities has submitted an application to develop a new 211-unit residential apartment community at 2700 W. El Camino Real with parking, amenities, landscaping, a plaza and a 2,000-square foot ground-floor commercial space. To qualify as a "Tier 1" project under the El Camino Real Precise Plan, SummerHill proposes to provide a program of public benefits that meets the requirements of the Precise Plan and Council Resolution No. 17914. The proposed program of public benefits includes (1) a new on-site public bike path and (2) a payment to the City's affordable housing program fund.

"Tier 1" Density and Public Benefits

The Precise Plan allows the project site to be developed at a "Tier 1" density of 1.85 FAR, subject to the contribution of a public benefit that provides public improvements or equivalent resources to improve the quality of life for the community and to help implement the Precise Plan.

The City is required to maintain a prioritized list of public benefits that may be contributed to qualify for "Tier 1" density. Table 15 of the Precise Plan identifies affordable housing and pedestrian and bicycle amenities as desired public benefits. Project applicants may choose to construct the proposed public benefit improvements themselves, if they can demonstrate to the satisfaction of the City that the value of the benefits provided meets the requirements of Council Resolution No. 17914.

Public Benefit Program

To qualify as a “Tier 1” project, SummerHill proposes to provide (1) a new on-site public bike path and (2) a payment to the City’s affordable housing program fund.

Public Bike Path

At the City’s request, SummerHill proposes to provide a new public bike path along the northeast edge of the site to help connect between Del Medio Avenue and Cesano Court in Palo Alto. The bike path is not needed to offset any impacts of the project, but it will help give children a safe route to school from the existing and recently approved residential communities along Del Medio Avenue, Fayette Drive and San Antonio Road. The path will be 12 feet wide, including an 8-foot-wide A/C-paved travel surface and two 2-foot-wide unpaved shoulders, with lighting and signage. Separate from the project, the City will work with the City of Palo Alto to connect the existing bike boulevard along Cesano Court in Palo Alto to the proposed bike path on the project site.

The City has asked SummerHill to maintain, inspect and monitor the bike path and indemnify the City in the event of negligence. As an added benefit to the City, SummerHill as the property owner will indemnify the City and maintain, inspect and monitor the bike path at SummerHill’s own expense, as requested.

SummerHill proposes that the public benefit value of the public bike path be based on the cost that SummerHill will incur to design, engineer and construct the bike path and the additional costs that SummerHill will incur to construct the facilities that had to be modified to accommodate the bike path. SummerHill estimates the costs as follows, based on cost estimates from BKF Engineers and Deacon Construction (attached):

Bike Path

Signage, Chase Drain, U-Channel, 6” Storm Drain, Area Drain, Wheel Stops, Deepened Curb, Bollards, 3.0” A.C., 7” A.B.	\$40,546
Design, Engineering and Construction Management	\$25,000
<i>Subtotal</i>	<i>\$65,546</i>

Stormwater Treatment Facilities, Modification

Silva Cells, Inlet Control Structure	\$129,400
Bioretention (avoided cost)	(\$16,800)
<i>Subtotal</i>	<i>\$112,600</i>

Dog Park, Modification

Turf Flooring System and Pavers, Structural Doors, Carpentry/Structural Framing, Plumbing and Electrical, Metal Fabrication and Glass	\$137,100	
At-Grade Fencing and Decomposed Granite (avoided cost)	(\$17,400)	
	<i>Subtotal</i>	\$115,000
	<i>Total</i>	\$293,146

Contribution to Affordable Housing Program Fund

In addition to providing the public bike path, SummerHill proposes to make a monetary contribution to the City's Affordable Housing Program Fund. The amount of the contribution would be calculated according to the Council Resolution No. 17914, minus credit for the value of the bike path, as discussed above.

The Precise Plan allows the property to be developed at a "Tier 1" floor area ratio (FAR) of 1.85 and four stories/55 feet in height, subject to the approval of a Major Planned Community Permit and a contribution of public benefits. (In addition to the "Tier 1" density, SummerHill proposes to qualify for a 22.5% density bonus under the State Density Bonus Law by providing 11 below-market rate units for Very Low Income Households.)

Resolution No. 17914 requires the value of the public benefit program to be \$20 per applicable square foot, adjusted annually based on the Consumer Price Index. The fee per square foot applies to "Tier 1" building square footage, which is the additional square footage allowed by the Precise Plan in excess of 1.35 FAR.

The "Tier 1" increase adds 49,751 square feet to the building area, for which SummerHill must contribute a public benefit worth \$995,020* ($\$20/\text{SF} \times 49,751 \text{ SF} = \$995,020$).

In addition to the "Tier 1" density bonus, the project will include a State Density Bonus of 22.5%, which allows the building area to increase by an additional 44,296 square feet. To the extent that the City's public benefit requirement also applies to the additional square footage to which the project is entitled under the State Density Bonus Law, the public benefit requirement for the project would increase by \$885,927* to a total of \$1,880,947* ($\$995,020 + (\$20/\text{SF} \times 44,296 \text{ SF}) = \$1,880,947$).

* Unadjusted.

Public Benefit Contribution

As described above, SummerHill proposes to contribute the following program of public benefits to the City in order to qualify for "Tier 1" density:

1. A public bike path with a public benefit value of approximately \$293,146.
2. A contribution to the City's Affordable Housing Program Fund in the amount of approximately \$701,874* ($\$995,020 - \$293,146 = \$701,874$), plus a contribution in the amount of \$885,927,* to the extent that the City's public benefit requirement applies to the additional square footage allowed by the State Density Bonus Law.

Please let me know if you have any questions.

Thank you.

Sincerely,



Kevin Ebrahimi
Vice President of Development

Attachments: 2

* Unadjusted.

BIKE PATH IMPROVEMENTS

CONSTRUCTION COST ESTIMATE

BIKE PATH IMPROVEMENTS					
#	DESCRIPTION	UNITS	QUANTITY	UNIT COST (\$)	EXTENSION (\$)
1	Signage	EA	2	400.00	800.00
2	Silva Cells	CF	7200	18.00	122,400.00
3	Silva Cells Inlet Control Structure	EA	1	7,000.00	7,000.00
4	Chase Drain w/ Accessible Grate Cover	EA	2	500.00	1,000.00
5	U-Channel (overland release)	LF	300	20.00	6,000.00
6	6" Storm Drain	LF	83	50.00	4,150.00
7	Area Drain	EA	2	1,000.00	2,000.00
8	Wheel Stops	EA	2	500.00	1,000.00
9	Deepend Curb at Parking	SF	80	50.00	4,000.00
10	Wheel Stops	EA	5	500.00	2,500.00
11	Access Restriction Bollards	EA	2	500.00	1,000.00
12	3.0 Inches A.C.	SF	2400	3.30	7,920.00
13	7" Aggregate Base	SF	2400	4.24	10,176.00

169,946.00

CONSTRUCTION COST \$169,946.00

TOTAL LANDSCAPING \$0.00
(Manual Input, Obtain number from Landscape Architect)

TOTAL CONSTRUCTION COST \$169,946.00

COST W/O BIKE PATH IMPROVEMENTS					
#	DESCRIPTION	UNITS	QUANTITY	UNIT COST (\$)	EXTENSION (\$)
1	Bioretention	SF	2100	8.00	16,800.00

16,800.00

CONSTRUCTION COST \$16,800.00

TOTAL LANDSCAPING \$0.00
(Manual Input, Obtain number from Landscape Architect)

TOTAL CONSTRUCTION COST \$16,800.00

***ADDITIONAL CONSTRUCTION COST** \$153,146.00

*Additional Construction Cost is for Bike Path Improvements



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April 28, 2017

Eric Hansen
SummerHill Apartment Communities
777 S. California Avenue
Palo Alto, CA 94304

Re: 2700 W El Camino Real Cost Estimate

Dear Eric:

Deacon has not yet executed a construction contract with SummerHill Apartment Communities for the 2700 W El Camino Real project. However, from our previous and current budgeting exercises for this project as well as our own experience with this construction type in the city of Mountain View we have estimated the increased costs due to relocating the dog park from an at grade location to the fifth-floor roof deck.

The actual determined added costs breakdown as follows:

Turf Flooring System And Pavers Increase	\$	56,000
Structural Doors	\$	6,400
Carpentry/Structural Framing	\$	23,250
Plumbing And Electrical	\$	17,850
Metal Fabrication And Glass in Lieu of Metal and Wood	\$	33,600
Removed Fencing & Decomposed Granite	\$	(17,400)
Design, Engineering And Construction Management		N/A
Total Increase	\$	119,700

In our opinion this cost estimate is in line with historical costs and appropriate for a roof deck occurring over a residential wood structure.

Please let me know if you have any questions.

Sincerely,

Joe Peterson
Preconstruction Manager