

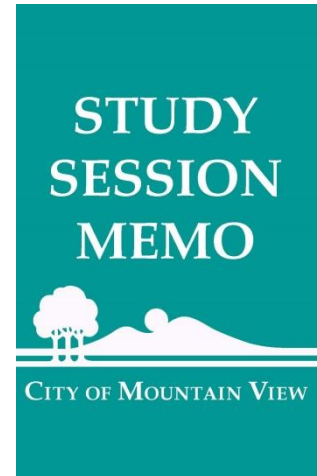
DATE: February 12, 2019

TO: Honorable Mayor and City Council

FROM: Matthew VanOosten, Senior Planner
Wayne Chen, Assistant Community
Development Director

VIA: Daniel H. Rich, City Manager

TITLE: 1696 Villa Street – Public Multi-Use Path



PURPOSE

The purpose of this Study Session is to provide the City Council with an update on the proposed residential project at 1696-1758 Villa Street and receive feedback on the proposed public benefits, particularly the proposed public pedestrian and bicycle path along the western side of the site.

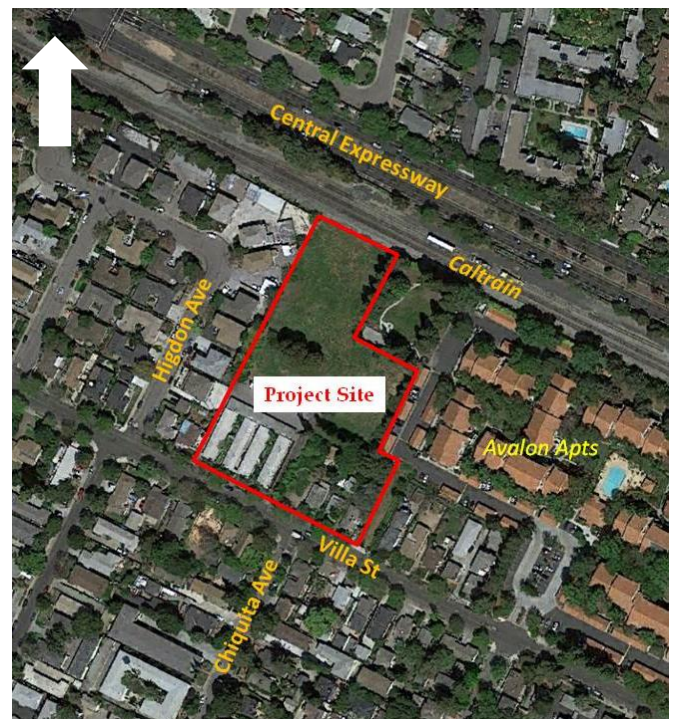
BACKGROUND

The project site is located on the north side of Villa Street, at the intersection of Chiquita Avenue. The project site is approximately 3.3 acres and consists of five parcels, which are currently developed with three single-family homes, a 16-unit apartment complex, and a large vacant parcel at the rear of the site.

The site is bounded by the Caltrain tracks and Central Expressway to the north, a three-story apartment complex (Avalon) to the east, one- and two-story single-family homes and small apartment buildings to the west, and one- and two-story single-family homes and duplexes to the south.

Project Description

The applicant, Prometheus Real Estate Group, is proposing to demolish the 19 existing units



Location Map

and construct a new five-story, 226-unit apartment community. The proposed floor area ratio (FAR) is 2.08 and the proposed density is approximately 69 dwelling units per acre. The existing General Plan and zoning allow only three stories and a maximum density of 25 dwelling units per acre. Therefore, the project would require a General Plan Amendment, a rezoning, and an amendment to the Villa-Mariposa Precise Plan.

A publicly accessible path is being considered as part of the project in response to Council input provided at a previous Study Session held in December 2017 (described further below) for this project. The path would lead from Villa Street to the Caltrain right-of-way. From there, a future tunnel could be constructed by the City to provide pedestrian and bicycle access across the Caltrain right-of-way. The rail right-of-way and Central Expressway are major impediments to north-south pedestrian and bicycle travel. The closest options for crossing are Rengstorff Avenue to the west and Shoreline Boulevard to the east. Both of these streets are auto-oriented thoroughfares and provide limited comfort for pedestrians and bikes, though significant pedestrian and bicycle improvements are planned as part of the Rengstorff Avenue grade separation. The project location is midway between these two streets. This location would also serve as a connection between the downtown Mountain View area and Farley Street, which then connects to the Permanente Creek Path. In all, a path in the vicinity of the project location adds a vital north-south pedestrian and bicyclist connection in Mountain View.



Path Location and Connections (Yellow = Ramps; Orange = Tunnel)

Gatekeeper Request

On December 8, 2015, the City Council authorized a Gatekeeper request for a General Plan Amendment, rezoning, and an amendment to the Villa-Mariposa Precise Plan to accommodate the project. Council also directed all Gatekeeper projects to provide a minimum of 10 percent affordable units (the requirement is now 15 percent based on 2017 Council action).

Previous Council Study Session

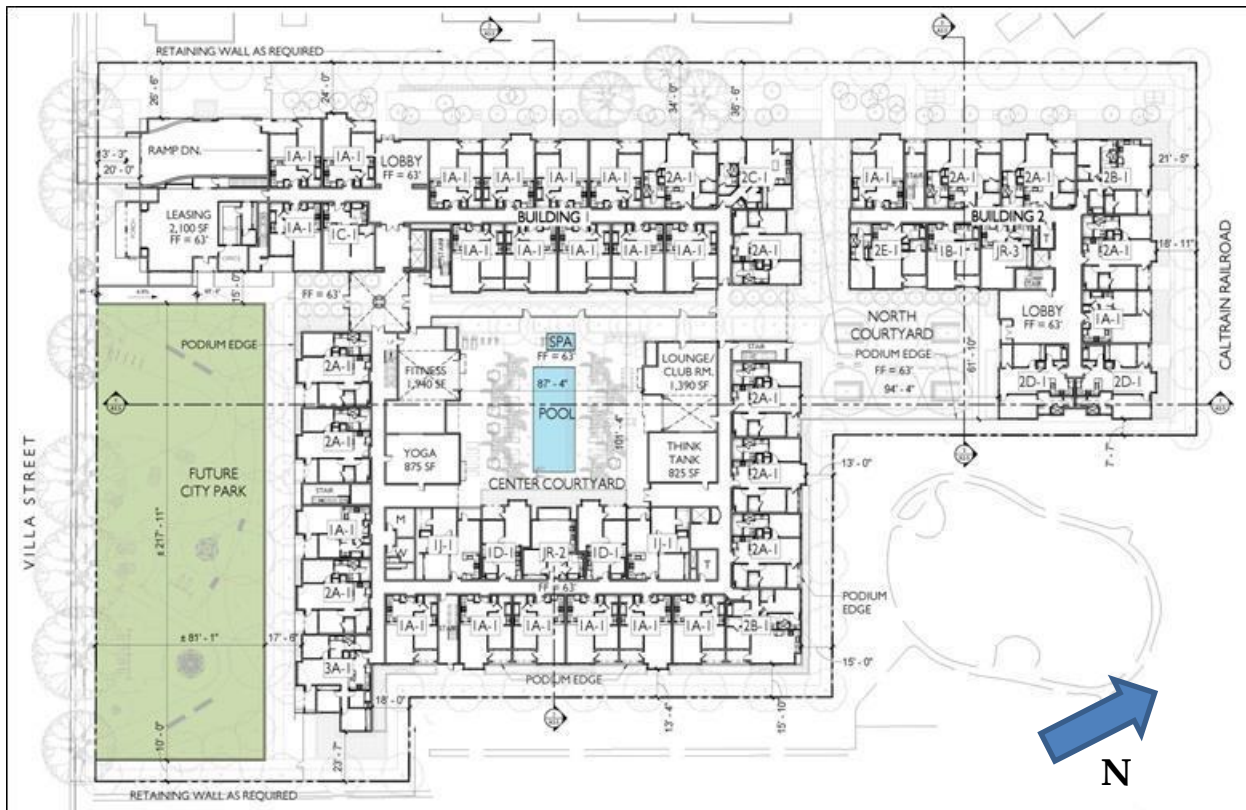
The City Council reviewed the project at a Study Session on December 5, 2017 (see Attachment 1 – December 5, 2017 Study Session Memo). The following is a summary of the comments received at this Study Session:

- Council supported revised building transition to the Higdon Avenue properties to the west.
- Council supported the proposed setbacks and transitions to the Avalon property to the east.
- Council supported further study of a public pathway to be located on the western side of the project and stated that an underpass design was favored over an overpass. Some Councilmembers stated that the first priority is for the community benefits to directly serve the neighborhood through traffic calming and pedestrian improvements like crosswalks.
- Council supported the public benefits go toward transportation improvements and not affordable housing.
- Council supported 15 percent affordable units and that prefunding of affordable housing should not be considered a community benefit.

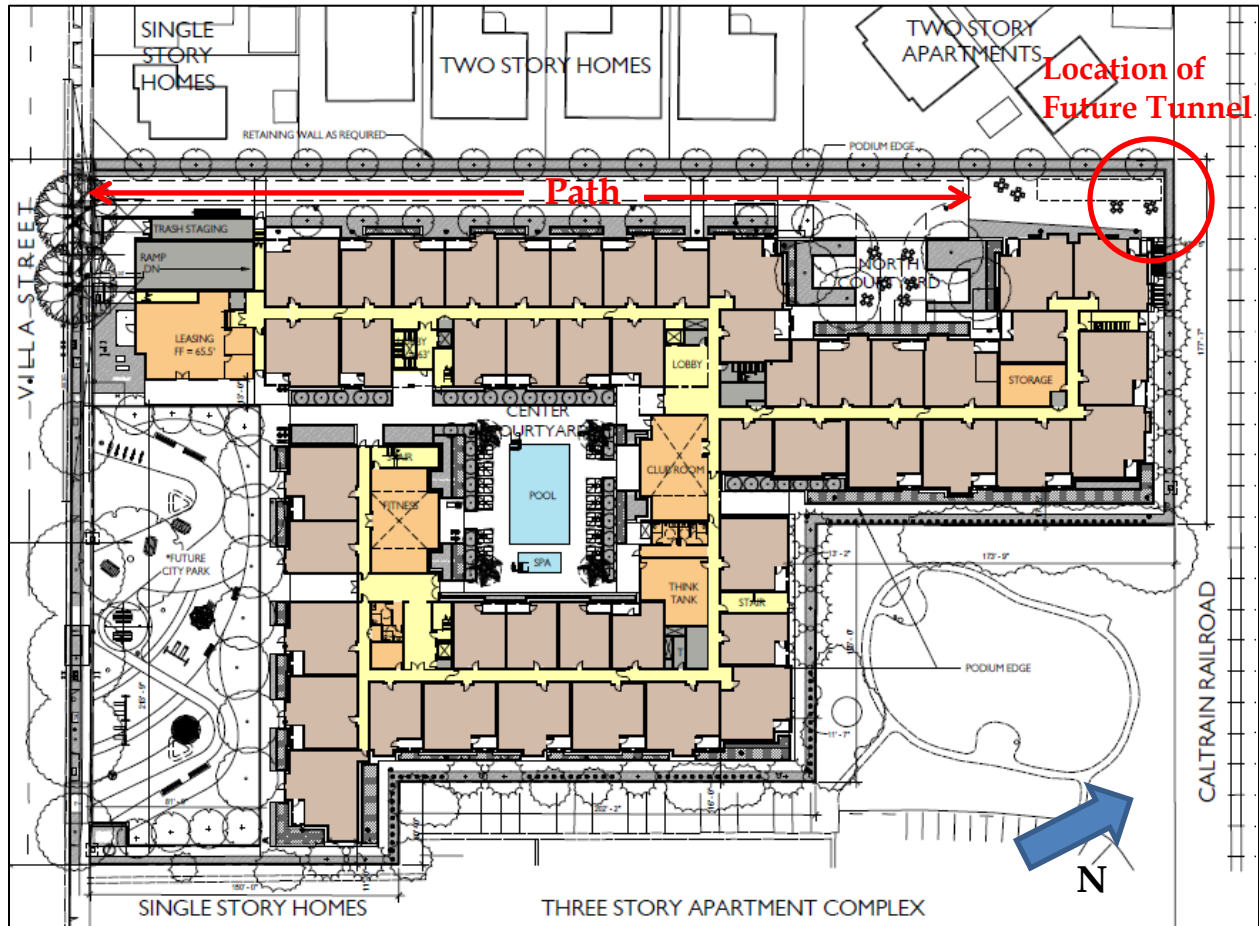
The applicant resubmitted revised plans based on Council's direction. Staff and the applicant are seeking feedback on the revised project. The key differences between the submittal reviewed in December 2017 and this submittal include:

- A public pedestrian/bicycle path was added to the western portion of site and a new public park was moved to the southern portion of the site along Villa Street.

- The site plan was reorganized to accommodate the new public path and park. The northern portion of the proposed residential building was lowered and some units were placed below grade at the same depth as the path to improve path activation.
- A feasibility study and cost estimates were completed for the potential public path through the site. The total cost including of the path, including the portion on the applicant’s site as well as the remaining portion of the path that goes under Caltrain/Central Expressway, is approximately \$25.3 million. The portion of the path on the applicant’s site that would be initially completed during project construction is estimated by the applicant to be \$5.3 million, which is more than the project’s required community benefit contribution (\$3.6 million).



1696 Villa Street Project Updated Site Plan before Path Addition



1696 Villa Street Project Updated Site Plan with Path

DISCUSSION

Community Benefit

The Gatekeeper authorization in 2015 required the project to provide a community benefit contribution. The amount is calculated as \$22.40 per new square foot on-site, using the formula in the San Antonio and El Camino Real Precise Plans (though this is a Gatekeeper and another level of community benefit could be agreed to). Based on the project square footage and current methodology, it would be required to provide \$3.6 million in community benefits.

Council discussed community benefits at the December 5, 2017 Study Session, and Council consensus directed that the money should go to transportation improvements with traffic calming and an improved pedestrian and bike environment on Villa Street being the priority. Several Councilmembers stated that while a new public pathway was beneficial, improvements that directly improved the neighborhood in the short

term, such as traffic calming measures and crosswalks, should be the highest priority. Other Councilmembers left the community benefit priorities more open and stated that they should go to any transportation improvements in the neighborhood, including a potential new public pathway. In either case, Council recommended that the path and tunnel under the Caltrain/Central Expressway corridor be studied further for incorporation into the project.

In June 2018, a feasibility study completed by Hohbach-Lewin, Inc. was submitted to the City (see Attachment 2). Staff reviewed the document and agreed that a path with a tunnel under the Caltrain/Central Expressway corridor was feasible from an engineering perspective. At that time, the applicant also provided an updated plan set showing how the project site plan would accommodate the pathway (see Attachment 3 – Project Plans). The updated site plan and project design were reviewed by staff and the Development Review Committee (DRC) and received support.

The applicant has offered to construct the portion of the path on their site, and then the City would complete the remainder of the path and tunnel project at a later date when funds are available. This project is not currently funded, nor is it planned in the Capital Improvement Program. Unless another significant project is delayed, the tunnel should be considered a longer-term (5 to 10 years) project. The total cost of the project overall is currently estimated to be \$25.3 million. The applicant estimated that the costs for constructing the portion of the path on their site would cost around \$5.3 million. Staff believes this estimate is high, but even if it were to be reduced, the total estimated community benefit fee would likely not even cover the potential public pathway on their property.

If Council supports the public pathway in the current development project, the project would need to be placed on the CIP list for funding and construction at a later date. If the applicant completes a portion of the pathway as part of the project, the estimated cost to the City to complete the pathway and tunnel project is estimated at approximately \$22 million in current dollars. The CIP has an extensive project list already, so the City may not be able to complete construction of the pathway for approximately 5 to 10 years (unless the City Council wishes to reprioritize the list to allow this path project to move forward sooner). Construction costs could rise in that time, which would increase the construction estimate.

If Council decides that it would like the path but instead have the applicant dedicate the land to the City and have it constructed and completed solely by the City in the future, the project would cost more than the \$22 million estimate above. The City would be completing the whole path, and the portion of the path adjacent to the residential

project would be more difficult to complete given the proximity of the residential project.

RECOMMENDATION

Staff recommends the City Council provide feedback on the project and direction on the following questions posed in the Study Session memo:

- ***Question 1:** Does Council support the project going forward with the public pathway along the western border?*
- ***Question 2a:** Whether the initial portion of the path on the applicant's site is constructed now or later, if yes, does Council support staff placing this project on the CIP list in order to complete the path project in the future (approximately 5 to 10 years from now given current priorities and queue) at the cost of approximately \$22 million?*
- ***Question 2b:** Does the Council wish to dedicate the entire community benefit from this project to the path; a portion of it; or defer a decision on the use of community benefit funds?*

NEXT STEPS

Following feedback from the City Council at this Study Session, the applicant will submit a revised application, and the project will continue through the development review and California Environmental Quality Act process. Working with staff, the applicant will make changes as needed. The project is expected to come before Council for a final decision before summer 2019.

PUBLIC NOTICING

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

MVO-WC/5/CAM
835-02-12-19SS

- Attachments:
1. December 5, 2017 Council Study Session Memo
 2. Path Feasibility Study
 3. Project Plans