



# COUNCIL REPORT

**DATE:** September 27, 2022

**CATEGORY:** Public Hearing

**DEPT.:** Community Development

**TITLE:** **870 East El Camino Real Residential Project**

## **RECOMMENDATION**

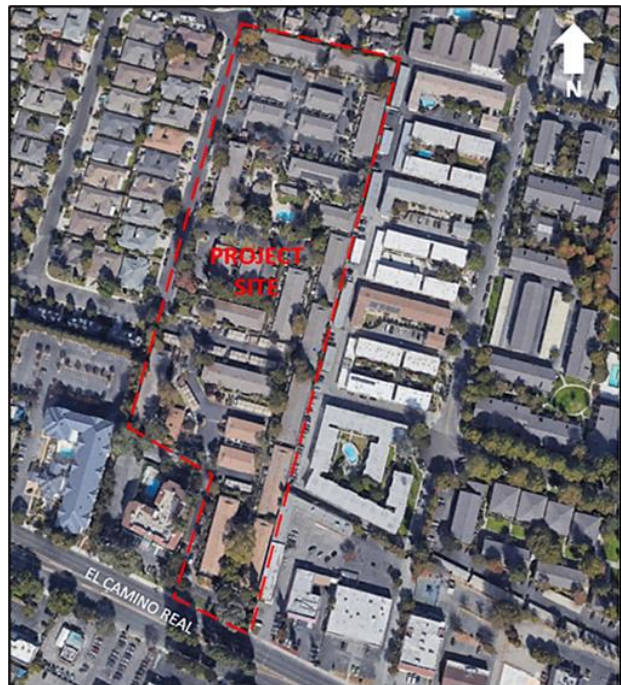
1. Adopt the Initial Study of Environmental Significance for the Reserve at Mountain View II Project and determine the project is consistent with the El Camino Real Precise Plan Final Environmental Impact Report and Mountain View 2030 General Plan and Greenhouse Gas Reduction Program Final Environmental Impact Report, pursuant to Sections 15162 and 15183 of the California Environmental Quality Act Guidelines (Attachment 1 to the Council report).
2. Adopt a Resolution of the City Council of the City of Mountain View Approving a Planned Community Permit and Development Review Permit to Construct Two, Six-Story Apartment Buildings Comprised of 233 Units and a Two-Level Underground Parking Garage, with a Density Bonus, Concession, and Waivers Under State Density Bonus Law, and to Make Site and Facade Improvements to Existing Buildings; a Provisional Use Permit to Allow Rooftop Amenities Above the Third Floor; and a Heritage Tree Removal Permit to Remove 15 Heritage Trees and Relocate One Heritage Tree on a 9.14-Acre Project Site Located at 870 East El Camino Real, 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 870 East El Camino Real, to be read in title only, further reading waived (Attachment 3 to the Council report).

## **BACKGROUND**

- **Project Location:** 870 East El Camino Real, on the north side of East El Camino Real, between Sylvan Avenue and Acalanes Drive.
- **Project Site Size:** Approximately 9.14 acres.
- **General Plan Designation:** Mixed-Use Corridor and Medium-Density Residential (13 to 25 dwelling units per acre (du/ac)).
- **Zoning Designation:** P(38) El Camino Real Precise Plan.
- **Surrounding Land Uses:** East—residential and auto-related uses (in the City of Sunnyvale); west—hotel and residential uses; north—residential uses; and south—residential and commercial uses (across El Camino Real).
- **Current Site Conditions:** 180-unit apartment complex (Reserve at Mountain View) comprised of 20 residential buildings, a leasing office, swimming pool, and associated carports, storage, and surface parking spaces.
- **Applicant/Owner:** Equity Residential.

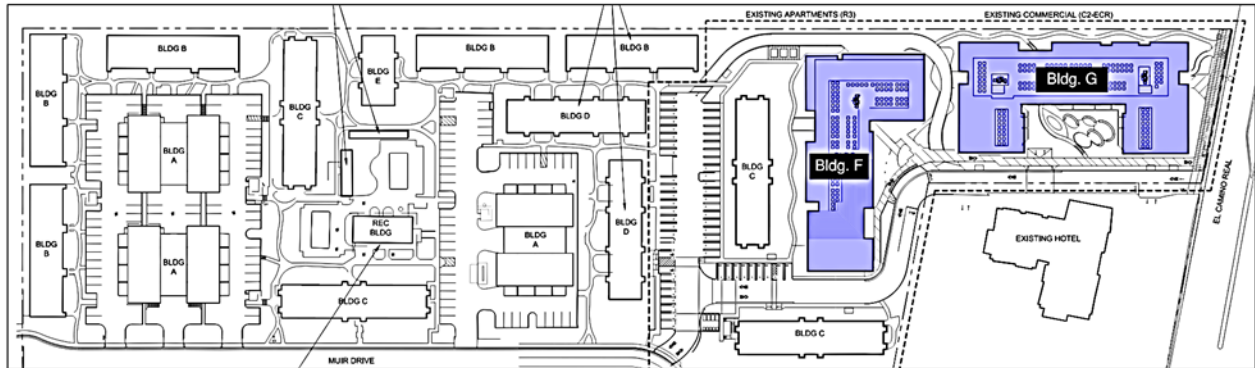
## **Project Overview**

The project includes the redevelopment of approximately 3.4-acres of the southern portion of the project site closest to El Camino Real with two new six-story apartment buildings (Figure 1). The project would require the demolition of five of the existing 20 residential buildings containing 42 units and one leasing office building. The two new buildings (Figure 2) will provide 233 apartment units for a new total of 371 units for the entire site (191 net new units). The proposed unit mix in the two new buildings includes 44 studios, 139 one-bedroom, and 50 two-bedroom apartment units. No substantial changes to the remaining portion of the project site are included (see Attachment 4—Project Plans).



**Figure 1: Location Map**

Site access remains via a main entry drive located off East El Camino Real and an existing driveway located off Muir Drive. The architectural design of both proposed residential buildings can be described as contemporary, consisting of a rectilinear facade program, large-pane glazing framed in black anodized aluminum window frames, and continuous linear roof forms, interspersed with warm traditional design elements, including composite wood cladding and vertically oriented fiber cement-board siding.



**Figure 2: Project Site Plan (Buildings F and G)**

Building F (Figure 3) is the 109,169 square foot, L-shaped building located toward the interior of the lot and is the smaller of the two new proposed new buildings, providing 103 rental apartment units. A Provisional Use Permit is included in the requested entitlements to allow for a clubroom and rooftop terrace located on the sixth floor. A tree-lined courtyard featuring wood bench seating areas, fixed tables for communal dining, and other flexible furnishings front the new lobby at the ground floor that will serve as the new leasing lobby for the entire apartment complex.



**Figure 3: Building F (Left) Perspective from New Driveway**

Building G (Figure 4) is the 126,520 square foot, U-shaped building partially fronting on East El Camino Real, providing 130 rental apartment units. A 2,250 square foot fitness room is proposed along the ground floor fronting East El Camino Real, which is intended to activate the ground-floor frontage.



**Figure 4: Building G Courtyard Perspective**

### **Prior Meetings and Hearings**

#### *Environmental Planning Commission*

The project was reviewed by the Environmental Planning Commission (EPC) on August 17, 2022, providing input and recommendation to the City Council ([see Attachment 5—EPC Staff Report, August 17, 2022](#)). The EPC’s discussion covered various aspects of the project, including the following (staff comments in italics):

- Improving access for tenants of Building F to the bike storage lockers located underneath Building G—*The underground garage extends beneath both Building G and Building F, providing direct access to the bike/personal storage lockers located underneath Building G.*
- Supported the applicant voluntarily providing additional tenant relocation benefits for qualifying tenants (based on household income level)—*A detailed discussion regarding the City’s tenant relocation requirements and additional benefits provided by the applicant is provided in the Relocation Assistance section of this report.*
- Discussed the City’s and State’s inclusionary housing requirements with staff to determine whether there is opportunity to modify the City’s existing requirements to ensure projects replacing existing housing units are adding (i.e., *net new*) to the City’s affordable housing

*inventory—A detailed discussion regarding the City’s and State’s inclusionary housing requirements is provided in Requirements for Affordable Units section of this report.*

The EPC voted 6-0-1 (one Commissioner absent), recommending the City Council adopt both the Initial Study of Environmental Significance and Project Resolution.

#### *Development Review Committee*

The project was reviewed by the Development Review Committee (DRC), which provided design recommendations on several iterations of the project design. The project received a final recommendation of conditional approval in April 2022.

Staff and the DRC worked with the applicant team to refine the overall design, including reducing uninterrupted horizontal elements, improving the pedestrian experience along the entry driveway, enhancing the residential character of the development by reducing the boxy mass and softening the modern building and landscape design, and improving integration between the existing and new development.

The DRC recommended approval with design conditions for the applicant to continue to work with staff on the following items as part of the building permit review process:

- Refresh and extend understory planting area along Muir Drive;
- Provide a more cohesive paving concept along the driveway connecting Muir Drive to El Camino Real;
- Provide additional landscaping/trees along El Camino Real near the entry driveway;
- Refine the curved entry wall along Muir Drive;
- Consider other paint colors;
- Incorporate further accents to bring more character to the building entries and active-use locations at corners;
- Study different applications of wood composite material along the main entry facing El Camino Real; and
- Refine the detailing of the balconies.



A condition of approval (Condition No. 17) is included to ensure the applicant continues to work with staff on the aforementioned items prior to issuance of the building permit should the project be approved.

### *Neighborhood Meetings*

The applicant held one neighborhood meeting and created a project informational video. Early in the development process, the applicant created a website ([ReserveatMountainView.com](http://ReserveatMountainView.com)), which provided project information and a link to submit questions and comments. The applicant team also created a video, which provided an overview of the project, answered questions that were submitted via the website, and covered frequently asked questions. The responses addressed a range of topics, including questions regarding potential traffic-related impacts, continuance of rent control for existing apartment units, provision of new affordable units, construction noise, building height, pedestrian access, retention of the existing pool, and discussion of next steps for the project.

On March 3, 2022, a virtual neighborhood meeting was held via Zoom. The meeting had seven attendees from the public.

Key issues raised by the public at these two meetings are included below (staff comments in italics):

- Concern regarding construction timing and notification of construction—*The Planning Division includes standard conditions of approval for construction activities that address required noticing of construction and construction schedule in writing (prior to construction), work hours, construction site signage, and designation of a disturbance coordinator by the applicant for all local complaints regarding construction noise.*
- Concern regarding whether the new units will be rent-controlled—*A discussion of this topic is provided in this report.*
- Concern regarding parking for existing tenants—*The project provides a total of 505 parking stalls which exceeds the on-site parking requirement (451 stalls) per the Precise Plan's reduced parking ratio for multi-family developments. These stalls will serve the residents of both the existing and proposed development. The property owner is responsible for determining parking management on-site. Project plans detailing the parking layout and count are attached as Attachment 4 to this report.*
- Concern regarding building access and security—*The two new buildings will have secured access control; there are no plans to replace individual locks of the existing apartment units to remain. Common area amenities will be accessible to residents of both the existing and new developments.*

- Concern about the proposed building heights—*A discussion regarding the requested waivers for additional building height to allow the project to build to the permitted density provided via the State Density Bonus Law is provided in this report.*
- Concern regarding impacts on nearby schools—*The City regularly provides the school district with updates on development projects and population projections. Per State law, the City cannot deny housing projects that comply with General Plan and zoning on the basis of school impacts.*
- Concern regarding traffic impacts to Devoto Street—*The project does not propose any new driveway near Devoto Street. Access to the new development will be from the existing driveway located off the elbow of Moraga Drive and Muir Drive and a driveway entry off El Camino Real. The project's Multi-Modal Transportation Analysis indicates the project is not expected to substantially increase traffic on Devoto Street due to the driveway's location being directly off Moraga Drive.*
- Concern regarding handling of asbestos during demolition—*The Planning Division includes a standard condition of approval for construction activities, which requires an asbestos building survey and lead-based paint survey to be completed by a qualified professional to determine the presence of asbestos-containing materials (ACMs) and/or lead-based paint on the structures proposed for demolition. Additionally, the condition requires a registered asbestos abatement contractor shall be retained to remove and dispose of all potentially friable ACMs, in accordance with the National Emissions Standards for Hazardous Air Pollutants (NESHAP) guidelines, prior to building demolition that may disturb the materials.*

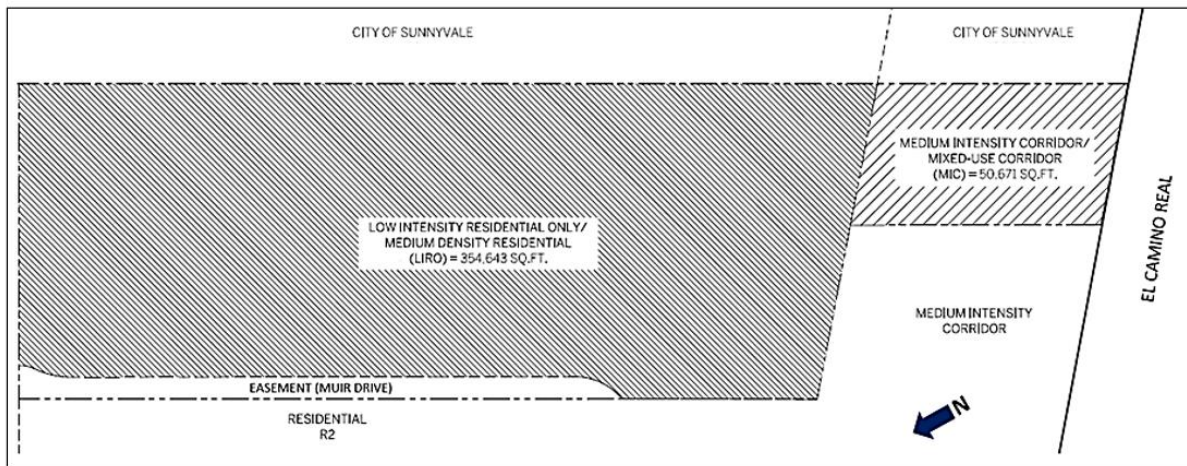
## **ANALYSIS**

### **General Plan**

The project site spans two General Plan Land Use Designations. A portion of the southern part of site fronting El Camino Real is designated as Mixed-Use Corridor, and the remainder of the site is designated as Medium-Density Residential. The Mixed-Use Corridor in which Building G is located permits building heights up to four stories, up to 60 du/ac, and maximum 1.85 floor area ratio (FAR). Building G is proposed as a six-story building with 130 units (equal to 112 du/ac) and 2.497 FAR. The Medium-Density Residential designated portion of the project in which Building F is located permits 13 du/ac to 25 du/ac and up to three stories in height. Building F, when combined with the existing units to remain, proposes 30 du/ac and a six-story building. The proposed additional building height, density, and FAR of both buildings are permitted through the provisions of the State Density Bonus Law as discussed later in this report.

## **Zoning**

The project site is zoned P(38), El Camino Real Precise Plan, and is situated between two corridor areas within the Plan area—a small southern portion of the lot is in the “Medium-Intensity Corridor” (MIC), and the larger lot portion is located in the “Low-Intensity Residential Only” (LIRO) Precise Plan area (Figure 5). The Precise Plan specifies that when a project site spans two areas in the Precise Plan, any part of the proposed structure must comply with the land use, setback, and height standards of the area. As such, Building F is subject to the standards of the LIRO corridor area, and Building G is located in the MIC area. The MIC allows a maximum building of four stories or up to 55’ and governs density via FAR, allowing up to 1.85 FAR through the Precise Plan’s Tier 1 process and contribution of public benefits. The LIRO allows a maximum building height of three stories or up to 45’ and utilizes traditional residential density controls, allowing 13 du/ac to 25 du/ac as permitted by the General Plan’s Medium-Density Residential Land Use Designation.



**Figure 5: Low-Intensity Residential Only (LIRO) and Medium-Intensity Corridor (MIC) Area Map**

The Precise Plan provides flexibility in meeting the development standards provided it results in a superior project design which meets the intent of the Precise Plan. The project complies with the development standards of both respective areas of the Precise Plan with the exception of the requested concession and waivers via the provisions of the State Density Bonus Law, as discussed in detail later in this report, and a setback exception to the Precise Plan’s 25’ maximum setback distance along El Camino Real to preserve a healthy eucalyptus Heritage tree (Tree No. 201). The footprint of Building G is designed to accommodate the tree’s root system and provide necessary canopy clearance. Staff is supportive of the requested exception to accommodate the existing Heritage tree to remain as part of the development.



## **Trees and Landscaping**

A total of 202 trees were inventoried across the entire site, and 162 trees are proposed for preservation, including 101 Heritage trees. A total of 39 trees, including purple leaf plum, black locust, Coast redwood, Monterey pine, honey locust, camphor, London plane, silver maple, almond, holly oak, spruce, and European white birch species, are proposed for removal within the project area, including 15 Heritage trees to accommodate construction of the two new residential buildings and underground parking garages. The Heritage trees proposed for removal include Coast redwood, Monterey pine, camphor, London plane, silver maple, and holly oak species and are categorized predominantly as being in moderate to vigorous health; however, the request for removal of the trees is due to their location within proposed building footprints and/or necessary site improvements, which support the new buildings. One additional Heritage tree (London plane, No. 339) was evaluated by the project arborist as a candidate for transplantation and is proposed for relocation elsewhere on-site. Of the 15 Heritage trees proposed for removal, five were initially listed as possible candidates for transplantation but were ultimately determined to be either too large or located in areas lacking sufficient root mass, which cannot be captured in the transplanting process.

A total of 153 new tree plantings of at least 24" box size are proposed as on-site replacements, including California hazelnut, honey locust, London plane, California sycamore (native), paperbark, scarlet oak, European hornbeam, Japanese maple, and western redbud (native) species. The proposed tree removals meet the City's required findings for removal as demonstrated in the project resolutions as well as exceeds the typical Heritage tree replacement requirement of 2:1 by providing a replacement ratio of approximately 5:1. Additionally, the new tree plantings are expected to increase the projected on-site tree canopy coverage during all growth phases as shown in Table 1.

**Table 1: Tree Canopy Coverage**

<b>Canopy</b>	<b>Site Coverage</b>
Existing	15%
Existing + New After 5 Years	42%
Existing + New After 15 Years	54%

In addition to new trees, the project proposes to plant approximately 13,000 new plants across the entire project site. Approximately 84% of the proposed landscape plant coverage will be native plant species.

**Requirements for Affordable Units**

The project is required to provide affordable units in compliance with the City’s Below-Market-Rate (BMR) Ordinance, State Density Bonus Law, and Senate Bill (SB) 330, as described below. State law expressly states that affordable units are inclusive, meaning each affordable unit can count toward State Density Bonus and local BMR Ordinance requirements; and further, SB 330 states that the affordable replacement units can be counted toward both density bonus and local inclusionary requirements. Therefore, each affordable unit counts toward meeting all three of the requirements if it satisfies the required affordability level and related eligibility requirements:

1. The City’s 15% inclusionary BMR requirement—Requires a total of 24 units at two income levels in the range of 50% to 120% area median income (AMI), with an overall weighted average of 65% AMI.
2. State Density Bonus Law requirements—Developer requests a 35% density bonus, which requires 33 very low-income units to be incorporated into the project.
3. SB 330 replacement requirements—All 42 of the apartments are rent-protected units, which must be replaced under the provisions of SB 330, which requires that the units be replaced at rents affordable to the former tenants with additional options for units occupied by tenants with incomes greater than 80% AMI. A more detailed discussion of the requirements is discussed later in this report.

*SB 330 Requirements*

Given that many of the units are vacant and/or the income levels of the former tenants are unknown, SB 330 allows for the use of local data to determine the likely income levels. Per the latest 2014-2018 U.S. Department of Housing and Urban Development Comprehensive Housing Affordability Strategy Data (CHAS), the income levels of renters in Mountain View are as outlined in Table 2.

**Table 2: CHAS Data**

<b>Income Level</b>	<b>Renter Households</b>	<b>Percent of Renter Households</b>
Less than 30% AMI	3,040	15%
30% AMI to 50% AMI	1,785	9%
50% AMI to 80% AMI	1,700	9%
80% AMI to 100% AMI	1,240	6%
Greater than 100% AMI	11,930	61%
Total	19,695	100%

In this case, at least 10 (24%) of the 42 replacement units would need to be affordable to households at 50% AMI and below, and four (a bit over 9%) of the 42 replacement units would need to be replaced at 80% AMI or below. Of the remaining nine units, one must be made affordable to another income level per the City’s BMR guidelines, which require units to be provided at two income levels.

*Applicant Proposal*

The applicant is proposing a total of 34 units at or below 80% AMI: (i) 33 units at 50% AMI and below as part of their density bonus proposal; and (ii) one unit at 80% AMI; and (iii) eight previously designated Community Stabilization and Fair Rent Act (CSFRA) units as income-restricted to no more than 120% of AMI.

Per SB 330, the City can determine whether the remaining eight units, which likely would have been inhabited by households earning above 80% AMI, should be replaced with deed-restricted affordable units at 80% AMI or below or as rent-stabilized CSFRA units.

On September 13, 2022, Council adopted a policy pursuant to SB 330 requiring CSFRA units occupied by households earning above 80% AMI be replaced as deed-restricted units at 80% AMI or below. Table 3 provides a summary of the project’s replacement units per SB 330 requirements and aforementioned City Council policy guidance.

**Table 3: Summary of SB 330 Replacement Unit Requirements**

Units	Area Median Income (AMI) Level
33	50% AMI (or wider a range compliant with BMR and SB 330 guidelines)
9	80% AMI
<b>TOTAL: 42 replacement units</b>	

**Project Density Bonus Proposal**

The project proposes to provide 33 apartment units at rents affordable to very low-income households (i.e., <50% of the AMI). The 33 very low-income units are equivalent to 11% of the 297 total base units and entitles the project to a 35% density bonus. The application of the density bonus is slightly different for Building F and Building G given that Building F (located in the LIRO) is governed by a dwelling unit limit (du/ac) and Building G (located in the MIC) is governed by maximum FAR as the density metric. A comparison table specifying the allowed base FAR and density maximums per zoning and Precise Plan requirements for Buildings F and G versus the proposed LIRO and MIC area development standards and allowances provided via the State Density Bonus Law is outlined in Table 4.

**Table 4: FAR and Density Per Precise Plan Area and State Density Bonus Law**

Project Area (Bldg.)	Allowed (Base)		Proposed (w/DB)		Maximum DB (% DB utilized)	
	FAR	du/ac	FAR	du/ac	Max. FAR	Max. du/ac
LIRO (Bldg. F)	1.05	25	0.69	30	-	<b>33.75 (20.5%)</b>
MIC (Bldg. G)	1.85	97	2.49	112	<b>2.49 (35%)</b>	-

The project qualifies for two concessions or incentives based on its provision of very low-income units as well as unlimited development standard waivers per the provisions of the State Density Bonus Law. The applicant is proposing to utilize one concession and five development waivers to accommodate construction of the affordable units in the project as described below and in the applicant’s density bonus letter (see Attachment 6—Density Bonus Request Letter).

*Concession*

The applicant proposes to utilize a development concession to allow an approximately 2.3% (4,863 square feet) reduction to the project’s open area requirement based on the weighted average across the lot. Per the Precise Plan, projects that cross multiple areas are required to use a weighted average of the proportion of the project in each given area. Projects located in the LIRO are required to provide at least 55% open area, and those located in the MIC are required to provide at least 40% open area. As such, the weighted average (0.531%) when applied to the entire of the project site area (9.14 acres) would require 211,582 square feet of open area rather than 206,719 square feet proposed by the project. To provide the entire required open area amount, the project would need to eliminate some surface parking and correspondingly increase the number of parking stalls provided in the underground garage at an estimated cost of \$40,000 per space. As noted above, the project qualifies for this concession.

*Waivers*

The existing multi-family development spans across the entire site and is built at a lower density and heights than what is currently allowed under the Precise Plan. Of the existing development, 18 of the 24 buildings on-site are to remain. As such, the proposed two new residential buildings need to be taller to accommodate the density bonus units as there are limited alternative locations to build additional new buildings that will not result in further impacts to the buildings and amenities of the existing development. The Precise Plan development standards have a corresponding relationship to building height, such that taller buildings generally require greater setbacks. The project is seeking waivers that can be generally categorized under height and setbacks as described in Table 5.

**Table 5: Waiver Request Table**

#	Standard	Bldg.	Location	Required/or Max.	Proposed	Waiver Request
1	Building Height	F	LIRO	36'	63'1"	27'1"
2	Building Height	G	MIC	55'/4-stories	71'7"/ 6 stories	16'7"/ 2 stories
3	Max. Height Adjacent to Residential	F	LIRO	28'	68'10"	40'10"
4	Side Setback	F	LIRO	58'9"	45'	13'9"
5	Separation Between Structures on Same Lot	F & G	BOTH	47'7"	38'	9'7"

**Relocation Assistance**

The project proposes to remove 42 of the existing 180 rental apartment units on-site. All 42 of the apartments proposed for demolition are covered under the CSFRA, which stabilizes rent and controls arbitrary evictions. The 42 units will be replaced by two six-story buildings with 233 new rental units.

These units are subject to the stricter of the following tenant relocation requirements depending on the income levels of displaced tenants:

1. 2018 Tenant Relocation Assistance Ordinance (TRAO) for tenants whose incomes are greater than 80% AMI and up to 120% AMI. The 2018 TRAO applies since the application was submitted before the 2020 revisions to the TRAO. According to the TRAO, displaced households with a combined income of 120% of AMI or less are entitled to tenant relocation benefits. The developer offered extended relocation benefits beyond what is required by the 2018 TRAO, proposing to provide the cash equivalent of 4.5 months' rent, which exceeds the three-month requirements under the TRAO.
2. SB 330. SB 330 requires that relocation assistance be provided to eligible tenant households earning less than 80% AMI.

Tenant relocation requirements under SB 330 and the 2018 TRAO are provided in Table 6.

**Table 6: SB 330 and 2018 TRAO Tenant Relocation Requirements**

	SB 330	2018 TRAO
Area Median Income (AMI)	80% AMI or less	120% AMI or less
Cash Payment	42 months' rent differential <sup>1</sup>	3 months of rent
Rental Agency/Advisor Help	Personal relocation advisor	60-day subscription to a rental agency



	<b>SB 330</b>	<b>2018 TRAO</b>
Moving Expenses	Reimbursed for professional moving cost expenses	N/A
Security Deposit	N/A	Return of security deposit except for funds that may be necessary to repair tenant's damage to units that will be reoccupied prior to demolition.
Special-Circumstances Payment	N/A	Eligible special-circumstance households of \$3,584 per rental unit for households with at least one of the following characteristics: <ul style="list-style-type: none"> <li>a. At least one household member is 62 years of age or older; or</li> <li>b. At least one household member qualifies as disabled or the household has at least one legally dependent child under 18 years of age.</li> </ul>
First Right of Return	The first right to a unit in the new development at an affordable rental price.	The first right to return to the original unit if the development project is withdrawn.

<sup>1</sup> Rent differential is determined by subtracting the lower of the following two scenarios from the rent for their comparable replacement housing and multiplying that amount by 42 months: (a) 30% of the household's monthly income; or (b) the current rent the household is paying at the property.

Therefore, depending on the tenants' income, they may be eligible for different levels of relocation assistance. As noted above, the relocation requirement for each unit must meet the stricter of the requirements under TRAO and SB 330. Additionally, the TRAO ordinance allows a developer to submit an alternative mitigation strategy instead of providing relocation payments, provided it meets the goals of the TRAO. Using the above criteria, the applicant's proposal for relocation assistance and alternative mitigation strategy are detailed in Table 7 below.

**Table 7: Tenant Relocation Assistance Comparison Table**

	CATEGORY A	CATEGORY B	OR	ALTERNATIVE C	
Area Median Income (AMI)	80% AMI or less	80% AMI up to 120% AMI			120% AMI and below
Cash Payment	42 months of rent differential	4.5 months of equivalent rent <sup>1</sup>			Alternative mitigations to Options A and B (i.e., City’s TRA0):  <b>Option 1:</b> Relocation to an existing comparable vacant unit within the current property Reserve at Mountain View at the same rent-stabilized rate, and same existing provisions.  OR  <b>Option 2:</b> Relocation to another Equity Residential apartment community in Sunnyvale and assist with reasonable moving expenses, the same rent-stabilized rate, and same existing provisions.
Relocation Assistance	<ul style="list-style-type: none"> <li>• Personal relocation advisor</li> <li>• 60-day subscription to a rental agency</li> <li>• Reimbursed for professional moving cost expenses</li> </ul>	60-day subscription to a rental agency			
Special Circumstance	Eligible special-circumstance households of \$3,584 per rental unit for households with at least one of the following characteristics: <ol style="list-style-type: none"> <li>a. At least one household member is 62 years of age or older;</li> <li>b. At least one household member qualifies as disabled; or</li> <li>c. The household has at least one legally dependent child under 18 years of age.</li> </ol>	Eligible special-circumstance households of \$3,584 per rental unit for households with at least one of the following characteristics: <ol style="list-style-type: none"> <li>a. At least one household member is 62 years of age or older;</li> <li>b. At least one household member qualifies as disabled; or</li> <li>c. The household has at least one legally dependent child under 18 years of age.</li> </ol>			
Deposit Refund	Refund of the tenant’s security deposit, except for funds that may be necessary to repair tenant’s damage to units that will be reoccupied prior to demolition.	Refund of the tenant’s security deposit, except for funds that may be necessary to repair tenant’s damage to units that will be reoccupied prior to demolition.			
First Right of Return	The first right to a unit in the new development at an affordable rental price.	The first right to a unit in the new development at an affordable rental price. <sup>2</sup>			

<sup>1</sup> Developer is voluntarily providing an additional 1.5 months’ rent beyond the standard requirement.

<sup>2</sup> Under Category B, the “First Right of Return” provision gives displaced tenants the first right to return to their previously occupied unit if the project is canceled and the original units are returned to the rental market per CSFRA requirements.

At the start of the project, the relocation consultant estimated in its scope of work that only 15 households would be income-eligible to receive relocation benefits based on data provided by the developer, including the level of monthly rental rates (between \$2,110 and \$3,700).

Table 8 provides a timeline of the communications and activity under the tenant relocation process since the start of the project.

**Table 8: Tenant Relocation Communications and Activity Process Timeline**

<b>Date</b>	<b>Activity</b>	<b>Purpose/Results</b>
November 4, 2019	Notice of Intent sent to all 42 households.	Provide notice to affected tenants.
November 12, 2019	Tenant community meeting at the Mountain View Community Center.	To discuss developer’s plans and answer questions regarding timelines and relocation benefits.
November 15, 2019	Letter sent to all 42 households.	Included Tenant Relocation Application and explanation.
May 2020	New formal application submitted to the City; project now subject to SB 330.	-
February 25, 2022	Letter mailed to 37 households. Three households were corporate leases and two households left no forwarding address.	Provide update on SB 330 benefits, including application letter.
July 2022	Nine households submitted applications.	One not financially eligible.
		Four chose option A or B and have vacated.
		Four households chose option C.
To date	Five still residing at property.	Relocation consultant will continue to contact.

**SB 330—Right of First Refusal**

SB 330 requires a project proponent to provide occupants of protected CSFRA units a right of first refusal for comparable units available in the proposed new housing development. This requirement is limited to occupants that are lower-income housing or those earning 80% AMI or below. The most recent informational letter sent to tenants described their right of first refusal and informed them to keep the landlord/developer or the relocation consultant informed of any forwarding address changes. The forwarding address of all vacated tenants is maintained and used to send project update letters and will be used to inform tenants of their option for the right of first refusal when the new units become available.

**Transportation Analysis**

A site-specific multi-modal transportation analysis (MTA) was prepared by Hexagon Transportation Consultants, Inc., for the proposed project. Potential impacts were evaluated in accordance with standards set forth by the City and the VTA Congestion Management Program (CMP).

The intersection level of service analysis indicates that all study intersections would operate at acceptable levels during both the peak a.m. and p.m. hours of traffic under background conditions, with or without the project. The MTA concludes the proposed project provides adequate site access and on-site circulation, and no adverse traffic operational issues are expected to occur at the project driveways because of the project. With the implementation of the project conditions, the proposed project was determined not to result in any intersection impacts and would not conflict with any applicable plan, ordinance, or policy-established measures of effectiveness for the performance of the circulation system (see Multi-Modal Transportation Analysis included in Attachment 1).

### **Transportation Demand Management**

The Precise Plan requires all Tier 1 projects to develop and implement a Transportation Demand Management (TDM) plan to reduce vehicle trips associated with new development consistent with the Greenhouse Gas Reduction Program (GGRP). The GGRP requires a 4% reduction in peak-hour trips. The project applicant has proposed a TDM plan that is expected to provide a 15% reduction in peak hour trips. The following measures are included in the TDM plan: free transit passes (VTA SmartPass) or comparable transit pass for all residents for the first three years of occupancy; free online trip planning resources; secure Class I bicycle storage on-site; and membership in the Mountain View Transportation Management Association (TMA) for the life of the project (see TDM Plan included in Attachment 1).

### **Public Benefits**

The Precise Plan requires Tier 1 projects to provide significant public benefits for all proposed square footage above the base 1.35 FAR, up to the maximum 1.85 FAR permitted for Tier 1 development. The public benefits are to be provided in the form of public improvements or equivalent resources to improve the quality of life for the community and to help implement the Precise Plan.

For this project, only the MIC portion of the development exceeds the Tier 1 base 1.35 FAR. As such, the applicant has proposed to meet the public benefit requirement by paying the Public Benefit Value approved by the City Council for the El Camino Real Precise Plan, which is adjusted annually and is currently estimated at a total of \$637,694 for this project.

### **ENVIRONMENTAL REVIEW**

The El Camino Real Precise Plan Environmental Impact Report (EIR) is considered a program EIR and comprehensively evaluated the environmental impacts of the Precise Plan. The Mountain View City Council certified the El Camino Real Precise Plan EIR and approved it in November 2014. Subsequent activities which are analyzed in a program EIR may be determined to be adequately

evaluated under the California Environmental Quality Act (CEQA), with no further environmental documents required, if it is found that no new environmental effects will occur, and no new mitigation measures would be required for the subsequent development activity.

An Initial Study of Environmental Significance was prepared for this project to evaluate whether any new environmental effects would occur as a result of the project, which were not already examined under the Precise Plan's program EIR and whether any new mitigation measures would be required. Project-specific technical studies were also prepared to provide technical guidance in the areas of utilities and transportation (see Attachment 1). The Initial Study found that, with implementation of the El Camino Real Precise Plan standards and guidelines, State regulations, and mitigation measures identified in the Precise Plan EIR, 2030 General Plan, GGRP EIR, and City standard conditions of approval, the proposed project would not result in any new environmental impacts beyond those evaluated in these EIRs and that no further documentation is needed.

#### *Vehicle Miles Traveled Assessment*

On June 30, 2020, the City of Mountain View adopted a new transportation policy, in accordance with SB 743, establishing vehicle miles traveled (VMT) as the methodology for evaluating potential transportation impacts of new developments for the purposes of CEQA. The policy included VMT screening criteria for projects. Projects are presumed to have a "less-than-significant" transportation impact if they meet the screening criteria and further VMT analysis is not necessary. If a project is not screened out, a VMT analysis is conducted concurrently with an MTA.

Staff evaluated the project with the City's policy and found the project met the residential screening criteria and is, therefore, presumed to have a "less-than-significant" impact on VMT, and no further analysis is required.

#### **EASEMENT VACATION**

The applicant has requested the City vacate the existing public wire clearance easement on the side of the parcel to accommodate the project (see Vacation Resolution included as Attachment 3). The easements were established in 1964, Book 6621, Page 516, Santa Clara County Records. There is no existing overhead electric and related utilities within the easement. The existing easement to be vacated is shown in Figure 6 below.





**Figure 6: Easement Vacation Location**

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 easement was created and its intended use. PG&E currently has no utility facilities within the proposed 5' wire clearance easement after investigation by PG&E.

Staff is recommending vacating the easement without compensation for three reasons:

1. There are no existing utilities within the easement;
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.

### **FISCAL IMPACT**

The subject site has a total assessed value of approximately \$48.8 million, and the City's share of property tax is approximately \$78,209 per year. If the site were developed, the City would receive approximately \$251,454 per year in additional property tax revenue.

The project proposes 191 net new units from what exists on the site today and will, therefore, be required to pay Park Land Dedication In-Lieu Fees for the net new units, in accordance with Chapter 41 (Park Land Dedication or Fees In Lieu Thereof) of the City Code, estimated to be \$12,606,000.

### **ALTERNATIVES**

1. Approve the project with modified conditions of approval.
2. Refer the project back to the EPC 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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824-09-27-22CR  
201862

- Attachments:
1. Initial Study of Environmental Significance for the Reserve at Mountain View II 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. [EPC Staff Report, August 17, 2022](#)
  6. Density Bonus Request Letter