



DATE: November 7, 2016

CATEGORY: Public Hearing

DEPT.: Community Development

TITLE: **Rowhouse Development at 2044 and 2054 Montecito Avenue**

RECOMMENDATION

1. Adopt a Resolution Conditionally Approving a Planned Unit Development Permit and a Development Review Permit to Construct a 52-Unit Rowhouse Development to Replace a 52-Unit Apartment Complex and a Heritage Tree Removal Permit to Remove 35 Heritage Trees at 2044 and 2054 Montecito Avenue, to be read in title only, further reading waived (Attachment 1 to the Council report).
2. Adopt a Resolution Conditionally Approving a Vesting Tentative Map to Create 52 Residential Lots and 13 Common Lots at 2044 and 2054 Montecito Avenue, to be read in title only, further reading waived (Attachment 2 to the Council report).
3. Adopt a Resolution Ordering the Vacation of Public Utility Easement and Wire Clearance Easement at 2044 and 2054 Montecito Avenue, to be read in title only, further reading waived (Attachment 3 to the Council report).

BACKGROUND

Project Site

The 2.8-acre project site is located on the north side of Montecito Avenue, between Rengstorff Avenue and Sierra Vista Avenue. The project site is surrounded on all sides by residential land uses.



Location Map

The site is currently developed with a 52-unit, two-story apartment building containing three- and four-bedroom apartments constructed in the 1960s.

There are two projects approved for construction directly adjacent to the project site to the north (2025 and 2065 San Luis Avenue) and to the east (1998-2024 Montecito Avenue). The applicant has a 31-unit rowhouse development proposed directly to the west of the site (333 Rengstorff Avenue) which is anticipated to be scheduled for a public hearing next year.

Area Amenities

The Monta Loma/Farley/Rock neighborhood offers a wide range of amenities for residents. It has several schools and parks, including Monta Loma Elementary School and Park, Theuerkauf Elementary School and Park approximately one-quarter mile to the west and to the east respectively, and Crittenden Middle School and Whisman Sports Center (a school district park less than one mile away). It is also in close proximity to the recreation and jobs in the North Bayshore Area. North Rengstorff and Montecito Avenues have a Class III bike path, and North Rengstorff Avenue is considered a transit corridor, connecting to U.S. Highway 101, Central Expressway, and Highway 82 (El Camino Real), and public transit is available.

A small shopping center is located at the corner of North Rengstorff Avenue and Central Expressway approximately one-quarter mile to the south and another small shopping center is the same distance to the north which provide a supermarket, retail stores and services, restaurants, and a gas station. The nearest full-service grocery store is located at North Rengstorff Avenue and Middlefield Road one-quarter mile away. Fire Station No. 3 is on the corner of Montecito and Rengstorff Avenues.

Project Description

SummerHill Homes is requesting approval to demolish the existing 52 apartment units on-site and construct 52 ownership rowhome units. The proposal includes eight 3-story buildings (five to seven units each) located around a large common open space area at the center of the site (see Attachment 4 – Project Plans).

Public Meetings and Comments

Community Meeting

The applicant held a community meeting on March 15, 2017. Approximately eight people attended the meeting and asked questions to get familiar with the project. No issues were raised.

Development Review Committee

The project was reviewed by the Development Review Committee (DRC) on May 3, 2017 and August 16, 2017, when they recommended approval of the project.

Zoning Administrator/Subdivision Committee

The project was reviewed by the Zoning Administrator and Subdivision Committee on October 11, 2017, where it was recommended for approval. No one spoke at the meeting regarding the project but two letters were received prior to the meeting which object to the tree removal associated with the redevelopment of the site (see Attachment 5—Letters from the Public). Staff read into the record a change to Public Works Subdivision Condition of Approval No. 14 regarding the location of totes for pickup. This Condition of Approval replaced the standard condition since it better reflects the requirements of the City Code.

ANALYSIS

This report outlines the project's consistency with the General Plan and Rowhouse Guidelines; describes the proposed development; covers issues related to open space, parking, height transitions, and architectural design; and provides a summary of the environmental review that was completed for the project.

General Plan Designation

The site's General Plan designation is Medium-Density Residential (13 to 25 du/acre) and is located in the Monta Loma/Farley/Rock Planning Area, which is composed of a mix of different land uses, including single-family and multiple-family residential, industrial, office, public facilities, and parks.

In general, the proposed project is consistent with the General Plan’s vision for the site, including a residential project at 18 units per acre and complies with the following General Plan Policies:

- **LUD 6.1: Neighborhood character.** Ensure that new development in or near residential neighborhoods is compatible with neighborhood character.
- **LUD 6.3: Street presence.** Encourage building facades and frontages that create a presence at the street and along interior pedestrian paseos and pathways.
- **LUD 9.1: Height and setback transitions.** Ensure that new development includes sensitive height and setback transitions to adjacent structures and surrounding neighborhoods.
- **LUD 10.1: Sustainable design and materials.** Encourage high-quality and sustainable design and materials.

Zoning Designation

The proposed project is located in the R3-2.2 (Multiple-Family Residential) District. The R3 zoning designation allows rowhouse developments consistent with the Rowhouse Guidelines. The project complies with all of the Rowhouse Guidelines and no exceptions are requested. The following table shows the project’s compliance with the Rowhouse Guidelines:

Standard	Requirement or Maximum Allowed	Proposed
Maximum Units	Per R3-2.2 Zoning: 52	52
Floor Area Ratio	1.05	0.9
Front Setback	15’ (not including porches)	15’
Side Setbacks	10’ for 1st and 2nd floors 15’ for 3rd floor	14’1” 15’9” +
Building Coverage	35%	35%
Height	45’ 36’ to wall plate	37’0” to 37’2” 30.3 to 32’11”
Open Area	35% 100 s.f. per unit private 100 s.f. per unit common	38% 187 s.f. per unit (avg.) private 365 s.f. per unit common
Private Storage	80 s.f./164 c.f./unit	80 s.f./164 c.f./unit
Minimum Parking	2 covered spaces per unit + 0.3 guest spaces, 16 additional 50% of parking may be tandem + 1 temporary space per 10 tandem spaces	2-car garages and 20 units with tandem spaces (38%) + 16 guest spaces and 4 additional spaces

Project Design

The project proposes to demolish the existing 52 apartment units on-site and construct 52 ownership rowhome units. The proposal includes eight buildings (five to seven units each) located around a large common open space area at the center of the site. The unit mix includes 20 two-bedroom units and 32 three-bedroom units, which range in size from approximately 1,400 to 1,700 square feet.

The two buildings along Montecito Avenue have front doors facing the street and pedestrian routes include a sidewalk along the entry driveway and the center paseo which leads to the units and common space within the interior of the site, which connects all the units to each other, the public sidewalks, and the common open area. Most of the buildings open onto the central common open space.

The architectural style of the development is traditional with Craftsman elements, such as porches and balconies, wood shingles, railings and porch columns with stone bases, gable and shed roof forms, architectural details include variations in roof forms, trellises, corbels, and brackets. Units are differentiated through massing, varied roof forms, projections and offsets, porch elements, exterior materials, and color, including the rear side and rear elevations for visual interest.



Site Plan

Parking and Circulation

The site's driveway access to Montecito Avenue is on the southwest side of the property and is designed as an internal loop street. Each unit has a two-car garage and 16 parallel guest parking spaces are provided along the driveway. Twenty (20) units (38 percent) have tandem garages and the project is providing four additional uncovered parking stalls as required to help support the tandem units. Bicycle parking spaces are provided in each garage, plus four guest bike racks in the common area.

Paseos and pathways within the development provide pedestrian connectivity within the development and to Montecito Avenue. The City is requiring an access easement between the project site and the adjacent development project to the west at 333 Rengstorff Avenue as a Condition of Approval, should both projects be approved. The two projects are both proposed for redevelopment by SummerHill Homes and the access easement would allow residents of the two developments to walk through the two developments either to Montecito Avenue or Rengstorff Avenue. Public access through the sites would not be allowed by this easement.

Open Space and Trees

The project contains approximately 22,500 square feet (150'x150') of common open space in the middle of the site, in excess of the minimum requirement of 5,200 square feet. The common open space includes amenities such as tables and seating, a grill, a fire pit, and a children's play area in addition to landscaped open space. The landscape is well-designed with a variety of tree types.

A tree survey was completed for the project site by HortScience. The tree survey identified, measured, mapped, and rated the trees for preservation, which took into consideration the trees' age, health, structural condition, and proximity to the proposed structures and site development. The project proposes to retain 24 healthy trees (including a significant 44" diameter box elder tree in the center open space area), transplant two trees on-site, and remove 35 Heritage trees. The typical replacement ratio for the removal of Heritage trees is 2:1 and the applicant is proposing 132 replacement trees, which represents a replacement ratio of approximately 3.5:1. The proposed tree removal is necessary for the buildout of the project with the same number of units as the existing apartment complex and achieve the site planning design requirements of the Rowhouse Guidelines. These organizing principles include maximizing the number of units facing the public street, centralized common open space, and a connected internal development circulation network with a loop circulation wherever possible rather than dead-end cul-de-sacs. The existing trees were planted in the landscape areas surrounding the buildings proposed to be demolished

and are located in the proposed project’s building footprints, loop circulation street, and guest parking spaces.

The following table shows the existing and proposed tree canopy coverage. Within 10 years of planting, the tree canopy is expected to be the same as the current canopy of 39 percent of the site.

Tree Canopy Coverage

	Canopy Coverage
Existing Trees	39 Percent
Retained + New At Planting	8 Percent
Retained + New After 5 Years	21 Percent
Retained + New After 10 Years	40 Percent

Tenant Relocation

The existing apartments on-site are covered under the Community Stabilization and Fair Rent Act (CSFRA). The project has begun implementation of the City’s Tenant Relocation Assistance Ordinance (TRAO). Thus far, the following has taken place per the TRAO requirements:

- Notice of Intent went out to tenants on November 28, 2016 via First-Class and Certified Mail.
- An on-site community meeting was held on February 22, 2017. Ten (10) households attended this meeting.
- All tenants received an application and information detailing the City’s Tenant Relocation Ordinance (TRAO), eligibility requirements, and benefits. These were hand delivered, mailed, or e-mailed, per their request.
- To date, 12 households have applied for a TRAO payment. All were determined to be eligible and TRAO payments have been made (50 percent or in full, depending on vacancy).
- Of the 12 households that have applied for a TRAO payment, none have vacated the property.

- Enhanced benefits have been offered to tenants in conjunction with this development proposal.
 1. Income eligibility requirement under the TRAO has been waived for all tenants in occupancy as of the date of the NOI.
 2. No rent increases for existing tenants as of the date of the NOI.
 3. No less than 120 days' notice of the termination date.
 4. A one-year notice to vacate was provided in August 2017.
 5. Additional payment, in excess of the TRAO payment. Once the written Notice of Vacate Date is issued by the landlord to tenants, those tenants that meet the following criteria will be eligible for an additional payment:
 - a. Legally occupied the unit on the date of the NOI and remain in legal residence of the unit; and
 - b. Vacate the unit no later than the indicated termination date and no earlier than 60 days before the termination date.

Tentative Subdivision Map

The proposed Tentative Subdivision Map (Map) for the project includes 52 residential condominium lots and 13 common lots for private streets and open space. Staff finds that the project is consistent with the requirements of the Subdivision Map Act and the General Plan and recommends approval of the Map based on the draft Conditions of Approval (see Attachment 2 – Resolution for Vesting Tentative Subdivision Map).

Easement Vacation

The applicant has requested the City vacate the public utility easement previously dedicated for the existing project for such uses as public utilities, cable television, and other similar uses to allow for the proposed development (see Attachment 3 – Ordering the Summary Vacation of Public Street Right-of-Way and Easements). The streets and easements have been unused for public use for more than five consecutive years and are not needed by the City for present or prospective public use. PG&E, AT&T, and Comcast have confirmed that they have no objections to the vacations.

¹ Additional Payment will be equivalent to 3 months' median rent for a similar type unit in the City of Mountain View.

In accordance with the Streets and Highways Code, if the City wishes to relinquish dedicated easement rights, they are to be vacated and all property rights returned to the underlying property owner. If the easement has not been used for their intended purpose for five consecutive years immediately preceding the proposed vacation or is superseded by relocation, a summary vacation may be ordered by the City.

When an exclusive easement, or other property right, has been conveyed or dedicated to the City and a developer requests the City to relinquish the easement, staff will determine if the relinquishment of those rights creates value to the project and obtains value for the relinquishment. However, when an easement is for the benefit of all public utilities, a nonexclusive easement (i.e., a public utility easement), and the City has not maintained utilities within the easement, then it has been generally recognized compensation is not due for the relinquishment.

ENVIRONMENTAL REVIEW

The project qualifies as categorically exempt under the California Environmental Quality Act (CEQA), Section 15332 ("Infill Development Projects") because it is characterized as an infill development which is consistent with the applicable General Plan and zoning designation and regulations; is on a project site that is less than five acres; contains no value as habitat for endangered, rare, or threatened species; would not result in any significant effects relating to traffic, noise, air quality, or water quality; and the site can adequately be served by all required utilities and public services.

FISCAL IMPACT

The subject site has a total assessed value of approximately \$23,859,466 (Fiscal Year 2016-17) and the taxes paid to the City are \$38,175. If the site were developed with 52 residential units with an average sales price of approximately \$1.4 million, the City would receive approximately \$78,304 in additional taxes per year.

The project is subject to the City's Below-Market-Rate (BMR) Ordinance, which requires 10 percent affordable units. The City Council's standard practice has been to accept in-lieu payment (3 percent of sale price) when units are priced above a threshold set by the BMR Program Administrative Guidelines. This threshold is currently approximately \$727,218. Therefore, the estimated BMR In-Lieu payment to the City for this project is approximately \$42,000 per unit or \$2,184,000 total.

Since the project does not propose any net new units from what exists on the site today, the project is not required to pay additional Park Land Dedication In-Lieu fees, in

accordance with Chapter 41 (Park Land Dedication Or Fees In Lieu Thereof) of the City Code.

CONCLUSION

The Zoning Administrator recommends approval of the proposed 52 rowhouses and the Subdivision Committee recommends approval of the Vesting Tentative Map at 2044 and 2054 Montecito Avenue. The project supports General Plan policies for neighborhood character and street presence and is consistent with the land use and development direction in the General Plan and is in compliance with the Zoning Code and the Rowhouse Guidelines. The proposal promotes a well-designed development that is compatible with and harmonious with surrounding uses and developments and is consistent with other existing, under construction, and proposed projects in the area. The project adds ownership housing but does displace tenants in rent-controlled units.

The proposed subdivision, together with the provisions for its design and improvements, is consistent with the General Plan Land Use Designation of Medium-High Density Residential, and the R3-2.2 Zoning District, including all the requirements applicable to the property. In addition, the Vesting Tentative Map meets all the requirements for Vesting Tentative Maps as specified in the Mountain View City Code.

ALTERNATIVES

1. Approve the project with modified conditions.
2. Refer the project back to the DRC for additional consideration.
3. Deny the project and/or deny the map.
4. Provide other direction.

PUBLIC NOTICING

The 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 300' radius, the Monta Loma Neighborhood Association, and other interested stakeholders were notified of this meeting.

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PB/7/CAM
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- Attachments:
1. Resolution for a Planned Unit Development Permit, a Development Review Permit, and a Heritage Tree Removal Permit with Conditions of Approval
 2. Resolution for a Vesting Tentative Map with Conditions of Approval and Vesting Tentative Map
 3. Resolution Ordering the Summary Vacation of Public Street Right-of-Way and Easements and Original Easement Dedication
 4. Project Plans
 5. Letters from the Public