



DATE: September 11, 2018

CATEGORY: Public Hearing

DEPT.: Community Development

TITLE: **Rowhouse Development at 315 Sierra Vista Avenue**

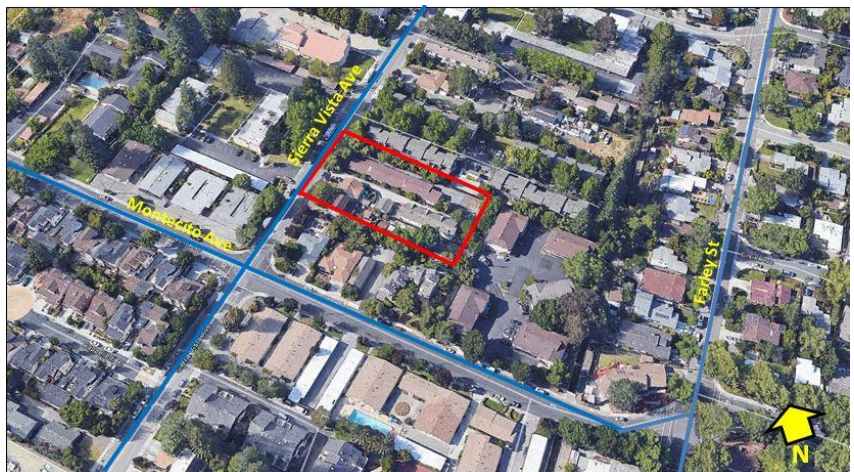
RECOMMENDATION

1. Adopt a Resolution Conditionally Approving a Planned Unit Development Permit and a Development Review Permit to Construct a 15-Unit Rowhouse Development and a Heritage Tree Removal Permit to Remove Three Heritage Trees at 315 to 319 Sierra Vista 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 15 Lots and One Common Lot at 315 to 319 Sierra Vista Avenue, to be read in title only, further reading waived (Attachment 2 to the Council report).

BACKGROUND

Project Site

The 0.9-acre project site is located on the east side of Sierra Vista Avenue between Montecito Avenue and San Luis Avenue, in the Monta Loma/Farley/Rock neighborhood. Surrounding uses include one-story, single-family residential and three-story, multi-family developments to the south; and two-story multiple-family residential



developments to the west, north, and east, in the R3-2.2 (Multiple-Family Residential) District.

The project site consists of three parcels that would be combined to construct the project. The parcels are currently developed with seven units which would be demolished, including a four-unit apartment building and three single-family homes.

Proximity to Services

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, and Theuerkauf Elementary School and Park, approximately one mile to the west and to the east, respectively; and Crittenden Middle School and Whisman Sports Center, less than one-half mile away. The site is also located in close proximity to recreation and jobs in the North Bayshore Area. North Rengstorff and Montecito Avenues have a Class III bike path, and North Rengstorff Avenue provides public transit services as well as a major vehicle connection to U.S. Highway 101, Central Expressway, and Highway 82 (El Camino Real).

The nearest full-service grocery store is located in a neighborhood shopping center at North Rengstorff Avenue and Middlefield Road, and another small shopping center is located at the corner of North Rengstorff Avenue and Central Expressway; both shopping areas are approximately one-half mile away, and provide a supermarket, retail stores and services, restaurants, and a gas station. Fire Station No. 3 is on the corner of Montecito and Rengstorff Avenues.

Previous Public Meetings and Hearings

Development Review Committee

The project was reviewed by the Development Review Committee (DRC) on May 2, 2018. The project design features a traditional style and preserves a mature magnolia Heritage tree in the southwest (front) corner. Traditional elements of the design include gable and shed roofs, porches and balconies, and wood-type



horizontal siding and stucco with brick veneer bases. Units are differentiated through massing, varied roof forms, projections and offsets, porch elements, and exterior materials and colors. The DRC recommended approval with building design conditions (see Attachment 3 – Project Plans).

Administrative Zoning /Subdivision Committee Public Hearing

The project was reviewed by the Zoning Administrator and Subdivision Committee on August 8, 2018, where it was recommended for conditional approval. One resident spoke at the meeting concerning the Heritage tree removal, loss of landscape screening/privacy, and the building height. There was also an email representing three neighbors from 1912 Montecito Avenue who contacted staff ahead of the Zoning Administrator hearing concerning these issues. After meeting with the neighbors and staff on-site, the developer agreed to preserve one Heritage (walnut) tree to retain additional screening along the adjacent fence line (as requested by the neighbors), replace the existing fence with a 7' fence (instead of the originally proposed 6' fence), and work with the neighbors to create a planting plan with better tree screening on both sides of the fence. These changes are reflected in Conditions of Approval No. 15 (fence) and No. 24 (screening).

Two additional e-mails expressed concerns with new residents parking in the public street and the number of guest spaces provided (five are required/provided), the loss of affordable housing, and the increased density's strain on water and sewer resources in the City (see Attachment 4 – Public Comments).

ANALYSIS

Project Description

The applicant, Classic Communities, proposes to redevelop the site with 15 three-story rowhouse units in four buildings. The proposed site design includes a two-way driveway and pedestrian path along the north side of the parcel, with two dead-end alleys and a central common open space area separating the four project buildings, and 10 garden planters located along the rear property line with a garden shed and potting bench. One 3-unit building faces the street, two 4-unit buildings face the common open space area, and the rear 4-unit building faces the garden planters and landscaping. The units range in size from 2,234 to 2,436 square feet; seven units have three bedrooms, a den, and two and one-half bathrooms, and eight units have four bedrooms and three and one-half bathrooms. All of the units have two-car garages.



Landscape Site Plan

General Plan Designation

The site's General Plan designation is Medium-Density Residential (13 to 25 du/acre), and it is located in the Monta Loma/Farley/Rock neighborhood. This area contains primarily residential land uses, with some commercial and public facilities uses.

The proposed project is consistent with the General Plan's vision for the area, as it is a residential project with a density of 17 units per acre, and complies with the following General Plan Policies:

- *LUD 3.9: Parcel assembly.* Support the assembly of smaller parcels to encourage infill development that meets City standards and spurs neighborhood reinvestment.
- *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 site’s zoning designation is R3-2.2 (Multiple-Family Residential). The R3 Zoning District allows rowhouse developments consistent with the Rowhouse Guidelines. The project complies with the Rowhouse Guidelines and no exceptions are requested. The following table shows the project’s compliance with rowhouse development standards:

Standard	Requirement or Maximum Allowed	Proposed
Maximum Units	Per R3-2.2 Zoning: 17 maximum	15
Floor Area Ratio	0.90 maximum	0.9
Front Setback	15’ minimum	15.5’
Rear Setbacks	15’ minimum, for the 1st two stories , 15’ minimum for the 3rd story	21’
Building Coverage	35% maximum	33%
Height	45’ maximum 36’ maximum to wall plate	38’11” to 42’2” 31’5”
Open Area	35% minimum	39%
Private Open Space	100 sq. ft. per unit minimum	331 sq. ft. per unit
Private Storage	100 sq. ft. per unit minimum	164 sq. ft. per unit
Parking	2 covered spaces per unit + 0.3 guest space minimum Bicycle spaces 1 space per unit	30 in 2 car garages + 5 guest spaces 15 in garages plus 4 guest bicycle spaces

Parking

The project proposes two vehicle spaces for each unit and five guest parking spaces, including one accessible van space. Bicycle parking will be provided in private garages,

and four secure bike racks are located in the common area. Proposed parking meets or exceeds the minimum requirements.

Open Space and Trees

The project contains approximately 15,400 square feet of common open space (39 percent of site), which meets the minimum 35 percent open-space requirement. A landscaped pedestrian path along the entry driveway leads to the units, central common open space, as well as the garden area in the rear of the site. The common area amenities include bench seating, a table and grill under a trellis, mailboxes, and the four bike racks.

A tree survey was completed for the project site by Michael L. Bench, Consulting Arborist, and reviewed by the City arborist. 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 site plan was designed to preserve a large, Heritage magnolia tree in the front of the parcel. Three Heritage trees are proposed to be removed as part of the project, reduced from the originally proposed four trees at the neighbors' request. The proposed tree removal is necessary for build-out of the project with the maximum number of units permitted and feasible under the zoning, as the existing trees are located in the proposed project's building or necessary site improvement footprints. Additionally, two of the three Heritage trees proposed for removal have been topped leading to high risk of branch failure, or have poor structural integrity.

The tree canopy after 10 years' growth is estimated to slightly exceed the existing canopy coverage, despite there being substantially more building area proposed on the site. The following table shows the existing and estimated future tree canopy coverage:

Tree Canopy Coverage

	Canopy Coverage
Existing	27.7%
Retained + New After 5 Years	11.1%
Retained + New After 10 Years	28.2%

Tenant Relocation

The existing three single-family homes and four apartments on-site are covered under the Community Stabilization and Fair Rent Act (CSFRA).

The City is working with an independent third-party relocation consultant to determine the required assistance for each unit, if any, based on the information gathered on the site's existing tenants. The project has begun implementing the provisions required under the City's Tenant Relocation Assistance Ordinance (TRAO). Thus far, the following action has taken place per the TRAO requirements:

- The planned development will impact 315, 317, and 319 Sierra Vista Avenue but only 319 Sierra Vista Avenue was identified as containing four (4) rental units. All tenants moved from the property prior to Classic Communities' permit request. The rental units were vacant at the time and have not been rerented.
- Copies of early termination agreements prepared by the previous owner and signed by former tenants in October of 2017 were provided to the new owner/developer (Classic Homes who purchased it in December 2017) and to the City. Three of the four households were provided compensation by the owner in return for signing the termination agreements. The fourth household reportedly had already requested an early termination of their lease due to financial and personal issues.
- Notices of Intent as required in the TRAO were not provided to the (former) tenants, as the property was vacant at the time of the permit request.
- Individual letters were sent by the relocation agency on July 11, 2018 to each of the four former households, utilizing the forwarding addresses as provided by owner, explaining the City's TRAO, eligibility requirements, and benefits. The letter also explained that the CSFRA and the Just Cause for Termination provisions were not followed. All vacated units were 2-bedroom apartments with an equivalent rent for similar units in Mountain View to be \$3,132. Depending on income eligibility, tenant relocation assistance could include three months' rent (\$9,396) plus additional special circumstance, if applicable, security deposit, and a two-month rental agency subscription. The letters included an application and contact information.
- To date, none of the households have responded.

If the proposed project is approved, Classic Homes estimates that demolition of the existing apartment buildings would begin in March 2019.

Public Comment

In addition to the public comments presented at or before the Zoning Administrator hearing, staff received another letter after the hearing concerning the loss of Heritage trees in the City (see Attachment 4 – Public Comments).

Tentative Map

The proposed Vesting Tentative Map is for 15 residential units and one common lot. Staff finds that the project is consistent with the requirements of the Subdivision Map Act and the General Plan with incorporation of the draft Conditions of Approval (see Attachment 2).

ENVIRONMENTAL REVIEW

The project qualifies as categorically exempt under the California Environmental Quality Act (CEQA), Section 15332 (“In-Fill Development Projects”) because it is characterized as an infill development which is consistent with the applicable General Plan and zoning designation; 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 current total assessed value of approximately \$964,000 (Fiscal Year 2017-18) for the three parcels, and the current taxes paid to the City are \$1,500. If the site were developed with 15 residential units with an average sales price of approximately \$1.6 million, the City would receive approximately \$36,900 of additional property taxes.

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, which is currently approximately \$727,200. The estimated BMR In-Lieu payment to the City for this project would be approximately \$48,000 per unit or \$720,000 total.

The project proposes eight net new units from what exists on the site today and will be required to pay the 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. This In-Lieu Fee payment is currently estimated at \$408,000.

CONCLUSION

The Zoning Administrator recommends conditional approval of the proposed rowhouse development, and the Subdivision Committee recommends conditional approval of the Vesting Tentative Map at 315 to 319 Sierra Vista Avenue. The project supports General Plan policies for neighborhood character and street presence, is consistent with the land use and development direction in the General Plan, and is in compliance with the Zoning Ordinance, Rowhouse Guidelines, and Subdivision Map Act. The proposal promotes a well-designed development that is compatible and harmonious with surrounding uses and developments; it is also 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.

ALTERNATIVES

1. Approve the project with modified conditions.
2. Refer the project back to the DRC and/or Zoning Administrator 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 500' radius were notified of this meeting.

Prepared by:

Paula Bradley
Associate Planner

Approved by:

Randal Tsuda
Community Development Director

Reviewed by:

Stephanie Williams
Acting Current Planning Manager/
Zoning Administrator

Daniel H. Rich
City Manager

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 Tentative Map
 3. Project Plans
 4. Public Comments