



COUNCIL REPORT

DATE: November 14, 2023
CATEGORY: Public Hearing
DEPT.: Community Development
TITLE: **Mixed-Use Development at 705 West Dana Street**

RECOMMENDATION

1. Find the project to be exempt from review under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15332 (“In-fill Development Projects”).
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 a New Three-Story, 18,800 Square Foot Mixed-Use Commercial Building with Ground-Floor Restaurant and Upper Floor Office with One Level of Underground Parking, Replacing an Existing Auto Repair Shop, a Provisional Use Permit to Allow the Restaurant Use and Upper Floor Administrative Office Use, and a Heritage Tree Removal Permit to Remove One Heritage Tree on a 0.23-Acre Project Site at 705 West Dana Street, to be read in title only, further reading waived (Attachment 1 to the Council report).

BACKGROUND

- Project Location: 705 West Dana Street, on the southwest corner of Hope Street and West Dana Street.



Figure 1: Location Map

- Project Site Size: Approximately 0.23 acre.
- General Plan Designation: Downtown Mixed-Use.
- Zoning Designation: P(19) (Downtown) Precise Plan.
- Surrounding Land Uses: North—one- to two-story commercial buildings across West Dana Street; South—City-owned parking lot; East—high-volume public utility (AT&T Switch) building across Hope Street; and West—one-story restaurant building. The project site is one block away from downtown’s Castro Street and within one-half mile of the Mountain View Transit Center.
- Current Site Conditions: Vacant auto repair building.
- Applicant/Owner: Lund Smith, Hope Dana, LP.

Project Overview

The proposed project includes redevelopment of an existing vacant auto service site with a new three-story commercial building with one level of underground parking. The two upper floors would consist of approximately 12,560 square feet of office space, and the ground floor contains approximately 1,459 square feet of restaurant uses, a small lobby area for the office use, trash rooms, bike parking, electrical rooms, and a public elevator. A two-way driveway is proposed from Hope Street providing access to an underground parking garage (see Attachment 2—Project Plans). Site improvements proposed for the project include a plaza with landscape planters and

seating along the Hope Street frontage and the removal of one on-site Heritage tree as discussed later in the report.

Prior Meetings and Hearings

Neighborhood Meeting

The applicant held an in-person community meeting on April 17, 2023 to introduce the project and seek project feedback. However, no members of the public attended the meeting.

Design Review

The project design was reviewed at two Development Review Committee (DRC) meetings on March 10, 2023 and September 20, 2023. No members of the public spoke at the meeting.

The applicant has worked cooperatively with staff to refine the project design to address guidelines in the Downtown Precise Plan and to enhance ground-floor activation, with particular focus on introducing a massing break at the areas around the utility rooms on West Dana Street and garage access on Hope Street, enhancing the ground-floor treatment, and improved plaza programming and incorporation of additional landscaping.

Based on DRC review, staff is recommending a condition of approval to address the following remaining design refinements which will be reviewed as part of the building permit, which the applicant has agreed to comply with:

- Refinement of changes to the plaza programming and redesign of the focal element to improve the plaza area;
- Modified landscaping at the southerly building elevation to soften the blank wall area fronting the parking lot;
- Design changes to the ground-floor treatment of service areas; and
- Further refinement on the railing details and garage design.

Administrative Zoning and Subdivision Committee Meeting

The development project and lot line adjustment were reviewed at a Joint Administrative Zoning and Subdivision Committee hearing on October 11, 2023, where the project and lot line adjustment were unanimously recommended for approval. Lot line adjustments receive final approval by the Subdivision Committee and do not require additional City Council approval. No

members of the public spoke on the item at the hearing, and no public comment was received prior to the meeting.

Following the hearing, minor modifications to Conditions of Approval 179 and 181 (Transportation Programs and Improvements) were made to clarify that the Transportation Management Association is optional for the applicant and not a requirement due to the size of the project.

Senate Bill 1214

Please note, Senate Bill 1214 does not allow jurisdictions to publicly share project plans without explicit consent from the copyright owner of the project plans. The bill, however, allows the City to require, at a minimum, a site plan and massing diagram for public review. Additionally, it also allows the public to visit in person and inspect the plans. The project architect, KSH Architects, has not given the City their consent and has only provided consent for a limited plan package (i.e., site plan, original massing diagram, elevations, floors plans, and wall sections) to be posted on the City website for public viewing. The full set of plans and copies of all associated project documents are available for review in-person at City Hall, but only the limited set of plans have been made available online to the public in compliance with the law.

ANALYSIS

General Plan

The site has a General Plan Land Use Designation of Downtown Mixed-Use, which encourages: “An active mix and concentration of uses and public spaces in a main-street setting, including restaurants, offices, government services, housing, entertainment, and neighborhood-serving commercial uses.”

The proposed project is consistent with the General Plan’s vision for the area, which includes allowing a range of commercial uses, and promotes the following General Plan policies:

- **LUD 3.7—Upgraded commercial areas.** Encourage the maintenance, enhancement, and redevelopment of older commercial districts, shopping centers, and corridors.

The project proposes to replace an existing nonhistoric commercial building with a new mixed-use (office and restaurant) development at a key commercial location in compliance with the Downtown Precise Plan vision for this area.

- **LUD 6.1—Neighborhood character.** Ensure that new development in or near residential neighborhoods is compatible with neighborhood character.

The project proposes a three-story commercial building with an active ground-floor restaurant use that helps support the surrounding commercial uses in the area. The transitional architecture utilizes materials that are compatible with the historic buildings in the neighborhood.

- **LUD 7.3—Human-scaled building details.** Support new and renovated downtown buildings that include human-scaled details, such as transparent windows on the ground floor that face the street as well as awnings and architectural features to create a comfortable and interesting pedestrian environment.

The project design includes transparent windows, composite wood wainscot with wood mullions at the ground floor, metal awnings with perforation at the edges, and benches/landscaping at the ground-floor to improve the pedestrian environment.

- **LUD 9.4—Enhanced pedestrian activity.** Ensure commercial development enhances pedestrian activity through these strategies (implemented by the proposed project):
 - Encourage the first level of the building to occupy a majority of the lot’s frontage, with exceptions for vehicle and pedestrian access.
 - Allow for the development of plazas.
 - Encourage the majority of a building’s ground-floor frontage to provide visibility into the building by incorporating windows and doors.
 - Require that ground-floor uses be primarily pedestrian-oriented.
 - Ensure pedestrian safety and access when designing parking areas and drive-through operations.
 - Minimize driveways.

The project design includes the following strategies that comply with the enhanced pedestrian activity: a ground-floor restaurant use, plaza area with outdoor dining to serve the restaurant use and incorporating as much glazing as feasible to provide visibility into the building, particularly visibility into the active restaurant use.

Zoning

The site zoning designation is P(19) (Downtown) Precise Plan and is located within Precise Plan Subarea H, the Historic Retail District. A critical development objective in this area includes the enhancement of Castro Street as a lively pedestrian spine with continuous active retail and

restaurant uses. Another key component of the development strategy in Area H is to reinforce this continuity and strengthen the pedestrian environment by requiring all new development to provide active ground-level uses. The proposed uses are consistent with the Area H policy of providing active ground-level uses.

The project is consistent with the provisionally permitted uses for Area H, which include ground-floor restaurant use and upper-floor administrative office use. The proposed floor plan layout supports the Precise Plan's policy of providing active ground-level uses by locating the restaurant's dining areas along West Dana Street and the plaza area along Hope Street.

The project also complies with the applicable Precise Plan Development Requirements for the site in Area H as shown in Table 1 below:

Table 1: Compliance with Area H Development Standards

Standard	Requirement	Proposed
Height	Maximum 55'	54'
Floor area ratio (office only)	Maximum 2.75'	1.51'
Upper-floor setback	Minimum 4' above 45' height	4' setback at metal parapet above 45'
Ground-floor height	Minimum 10'	Approximately 11'
Retail space depth	Minimum 40', but the Zoning Administrator may allow shallower commercial spaces where development is constrained by parcel dimensions or necessary improvements, such as trash rooms or exiting.	39', which is supported by staff due to electrical room and public elevator locations.
Build-to line	Back of proposed sidewalk	Back of proposed sidewalk for building and plaza area
Maximum building length	No maximum	84'
Massing break/character change and roof change	Maximum 75'	Massing break at 56'1" and 57'4"
Ground-floor articulation frequency	Maximum 25'	22'8"
Ground-floor transparency	Minimum 45%	Approximately 40%
Base design	Maximum base height: 30" Projection of base: 6"	Base height: 30" No projection

Standard	Requirement	Proposed
Street-facing canopies	Maximum extension over sidewalk: 6' Minimum vertical clearance: 8'	Extension: 3' Vertical clearance: 8'10"
Entrances	Recess 3' deep x 6' width	3'x22'
Roof treatment	Parapet cap: 6" deep x 6" tall	6"x6"
Open space	Maximum height of raised planters: 3'	18" to 19" tall
Upper-floor window dimensions	Maximum 9' width Minimum 12" apart Width-to-height ratio: 2:3 Minimum 2" inset	8'10" width 5" and 6" apart 2:3 ratio 12" inset
Materials	Primary material with traditional appearance	Terra cotta with wood accents

While the project substantially complies with the development standards and guidelines of the DTPP, the proposed project requires a deviation from the ground-floor transparency requirement to allow an enhanced storefront detailing at the electrical room area to meet the Precise Plan's policies while providing adequate screening for service areas. The project also will require a reduced retail depth, which the Zoning Administrator can approve and has recommended due to lot constraints. In this case, staff recommends the 39' retail depth (instead of the 40' required) since the reduced depth is needed to accommodate the public elevator and electrical room. Departures from the established development standards are allowed within the DTPP when the project can maintain the essential integrity and character of the plan area. Staff recommends granting approval because the project necessitates this deviation to ensure its functionality, and it substantially adheres to all other DTPP requirements.

Proposed Site Plan

The proposed site design features a small plaza with a mix of in-ground/modular planting and outdoor dining at the northeast corner of the site running along Hope Street, with direct access to the office entry lobby and retail/restaurant tenant space. Vehicular access to the site is located off Hope Street, at the southeast corner of the site, where underground parking would be publicly accessible after office hours and on weekends. Additionally, the retail/restaurant storefront is oriented toward West Dana Street, the site's primary connection to Castro Street. The West Dana Street frontage also includes a service area for trash staging, backflow preventers, and access to electrical rooms in the northwest corner of the site. A linear terrace runs along the street-facing edges of the third floor, providing some outdoor space for future office users and a massing step-down in a location where the downtown starts to transition into the nearby Old Mountain View neighborhood.

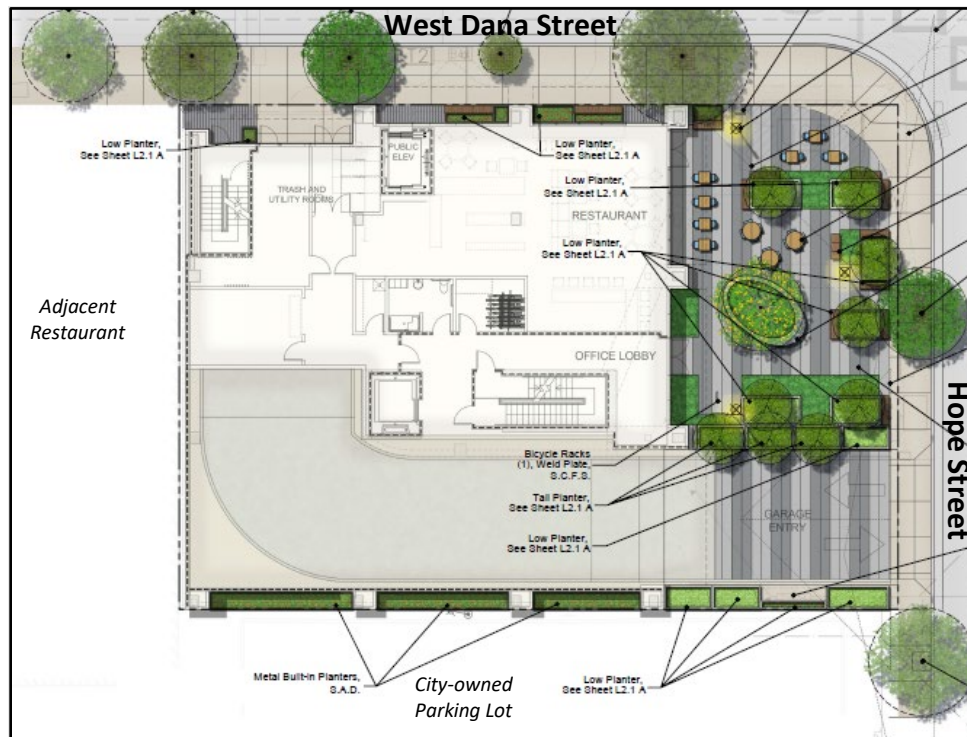


Figure 2: Site Plan

Architecture and Design

The proposed building architecture features a transitional style incorporating elements (e.g., column spacing, recessed storefronts, etc.) designed to integrate with the historic downtown with some mid-century modern elements, such as the use of flat planes, simple ornamentation, and monochromatic color choices. The building uses cement plaster, terra cotta tiles with varying textures, and metal ornamentation such as awnings, cornices, fins, and planters. A linear terrace runs along the street-facing edges of the third floor, providing outdoor space for future office users and a massing stepdown in a location where the downtown starts to transition into the nearby Old Mountain View neighborhood. The project incorporates additional massing breaks above the service areas and vehicular access, which helps emphasize the active corner restaurant use.



Figure 3: Building Elevation at Corner of Hope Street and West Dana Street

As noted earlier, based on DRC review, staff is recommending approval of the project conditioned upon additional minor refinement to the building architecture and plaza area to be addressed with the building permit.

Open Space and Trees

Open Space

The project includes a plaza area on the northeast corner of the project site along the Hope Street frontage. While commercial developments under the DTPP are not required to provide open space, the proposed project aligns with the minimum size and width specifications outlined in the DTPP for projects that are obligated to provide open space. The plaza area is greater than 30% of the site area and is greater than 10' in width.

The plaza design includes more than 75% native landscaping, modular planters, in-ground landscaping, and a variety of seating (mix of outdoor seating areas for restaurant tenant and benches for passive seating). The applicant will continue to work with staff to improve the programming of the plaza area through modification of the planter and furnishing location to improve different program areas, such as the streetscape interface at the corner of Hope Street/West Dana Street and for the future restaurant tenant.

Trees

There are three existing trees on-site, including one Hollywood juniper, one Almond non-Heritage tree, and one redwood Heritage tree. The redwood Heritage tree is in fair to poor vigor and

appears to be drought-stressed. Due to its location in a small planter area, it will continue to have issues obtaining water and will continue to experience impacts of lack of water. Additionally, it is infeasible to preserve the tree and construct the proposed underground parking structure due to the location and declining health of the tree. There are five additional street trees located along the West Dana Street and Hope Street project frontage, which are not proposed to be removed.

This project proposes to remove all three on-site trees due to conflicts with the building envelope, underground garage, and zero-lot-line condition. The small lot size and underground garage make it infeasible to protect the existing trees. The proposed tree removals were reviewed by the applicant's arborist and the City arborist. Additionally, both arborists reviewed the viability of transplanting the Heritage tree off-site but found it was an unsuitable candidate for tree transplant due to the large size and species of the tree.

In order to ensure that the newly planted trees will replace, and exceed, the canopy coverage over time, a total of 10 new on-site trees will be planted to replace the three trees proposed for removal and two additional Chinese pistache street trees will be planted. The on-site trees include nine Saratoga laurel trees with one olive tree. As designed, the olive tree serves as a focal element, while the Saratoga laurel trees are located north of the driveway to provide a buffer between the plaza and driveway entrance, as well as defining the restaurant program areas. These trees are considered regionally appropriate and can survive in small planting areas as the underground garage makes it difficult to design larger planters for root growth. The tree replacement ratio proposed is 10:3 and exceeds the City's standard practice for a 2:1 replacement ratio for Heritage trees and 1:1 replacement ratio for non-Heritage trees. The following is the existing and anticipated tree-canopy coverage for the site over time:

Table 2: Tree Canopy Coverage

Canopy	Site Coverage
Existing	3.1%
New Canopy (5 years)	1.8%
New Canopy (10 years)	5.8%
New Canopy (Full growth)	9.7%

Transportation and Parking

Parking

The project is proposing one level of underground parking with 13 parking stalls. The project site is located within the DTPP Parking District and would require a minimum parking of 48 stalls, which includes a 5% TDM reduction on the office space, to be provided on-site or be paid by a parking in-lieu fee. However, state law (AB 2097) now limits local jurisdictions' ability to enforce

most minimum parking requirements for projects within one-half mile of a major transit stop. The project is within one-half mile of the Mountain View Caltrain Station and is not required to provide the minimum standard parking stalls, or in-lieu fee payments for those stalls, as required by the Precise Plan, but must provide the electric vehicle supply equipment installed parking spaces (EV parking spaces) and parking spaces that are accessible to persons with disabilities (accessible parking spaces) that would have otherwise applied to the development.

Bicycle Parking

The project also includes 12 bicycle parking spaces and an on-site bicycle repair facility, in conformance with City requirements. This includes eight long-term bicycle parking spaces and four short-term bicycle racks.

Transportation Demand Management

To offset potential project impacts to the public parking supply, the project is providing a Transportation Demand Management (TDM) Program with various measures and strategies estimated to achieve a 20% peak-hour trip reduction, such as a commute coordinator, transit passes/subsidies to all employees, guaranteed ride home program, flexible work schedule, and membership in the Mountain View Transportation Management Association for the life of the project. See Attachment 3 for details of the project TDM Program.

Voluntary Public Parking

The project applicant is also voluntarily offering to allow public access to the one level of the underground parking garage during nonoffice business hours (6:00 p.m. to 11:00 p.m.) and on weekends and Federal holidays (7:00 a.m. to 11:00 p.m.). The provision of shared public parking in private garages is not a requirement but is encouraged in the DTPP, which seeks to supplement public parking through public/private partnerships. This goal was also confirmed in the Downtown Parking Strategy, which was adopted in 2021. The access to public parking will be recorded through a shared parking agreement with the City.

Construction Parking

Due to the small size of the project site, the applicants are requesting use of a portion of adjacent City Parking Lot 6 for construction staging and parking during most of the duration of project construction. This will allow for most of the construction activities to be contained at or near the project site and will reduce the number of off-site construction vehicle trips which leads to less of an impact on nearby uses and neighborhoods. To allow for the use of City Parking Lot 6 in this capacity, 18 public parking stalls in Lot 6 will be unavailable, one driveway entrance to Lot 6 will be closed, and the drive aisles will be reconfigured during the project construction phase. Public Works and Community Development Department staff has worked with the applicant to develop

a draft construction management plan and the final construction management plan, which requires a detailed construction schedule, will be approved prior to issuance of a building permit. In reviewing the final construction staging plan, staff will work with the applicant to minimize impacts to parking lot trees, sidewalks, and public parking areas.

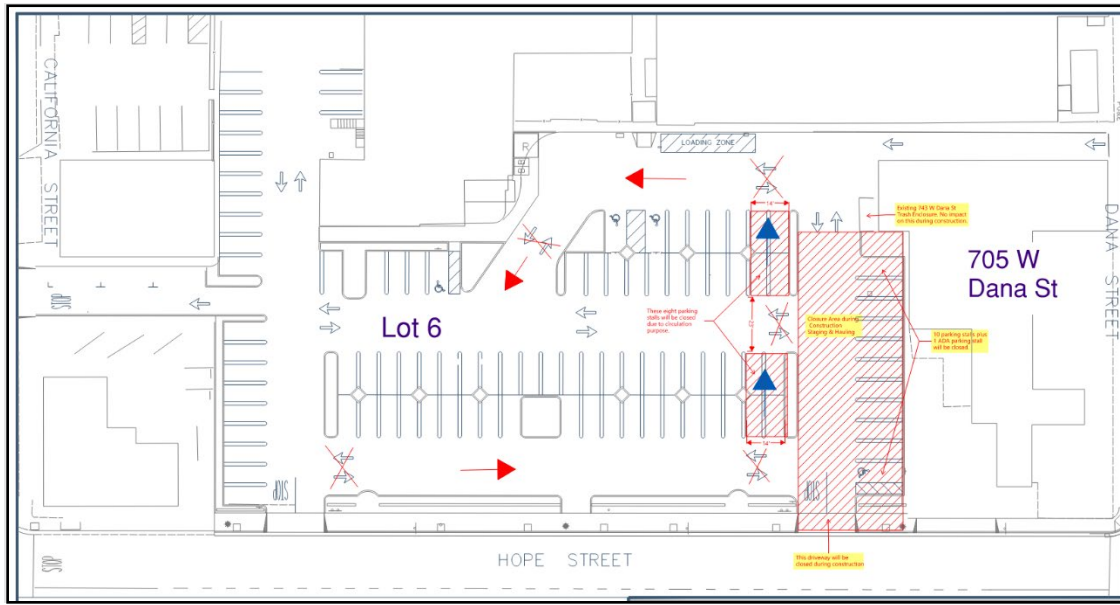


Figure 4: Proposed Configuration of Lot 6

ENVIRONMENTAL REVIEW

This project is categorically exempt from review under the California Environmental Quality Act (CEQA) pursuant to Section 15332 (“In-Fill Development Projects”) of the California Environmental Quality Act (CEQA) Guidelines. This exemption applies to projects consistent with the General Plan Land Use Designation and policies, all zoning regulations and designations, and projects meeting the other criteria described here. The project occurs within the City limits, is located on a project site of no more than five acres, and is substantially surrounded by urban uses. The site has no known habitat for endangered, rare, or threatened species; the project would not result in any significant impacts relating to traffic, noise, or air quality; and the site can be served by all required utilities and public services.

The project met the City’s Vehicle Miles Traveled (VMT) Policy screening criteria based on its proximity to transit, local-serving retail land use, FAR higher than 0.75, and consistency with Plan Bay Area 2040, the Bay Area’s Sustainable Communities Strategy, and parking provided does not exceed code requirements. The project was, therefore, presumed to have a “less-than-significant” impact on VMT. The project will be constructed to comply with applicable local, State, and Federal noise and water quality regulations as it is conditioned to comply with Municipal Regional Permit (MRP), Provision C3 requirements to implement stormwater

treatment facilities. The proposed project is below the Bay Area Air Quality Management District (BAAQMD) screening levels and is conditioned to implement all the construction-related best management practices (BMPs) required by BAAQMD.

FISCAL IMPACT

The City's current share of the County of Santa Clara property taxes from the project site is approximately \$1,000 each, per year, for the General Operating Fund (GOF) and the Parking District Fund. If the site were redeveloped with the proposed project, the City would receive approximately \$17,000 and \$22,000 in additional GOF and Parking District property tax revenue per year, respectively.

The project is also subject to the City's Housing Impact fees based on the net new commercial floor area of the project. The estimated fee for the project based on rates currently in effect is \$271,144, but the fee is subject to automatic annual increases and is based on the rate in effect at the time of payment; the fee is required to be paid prior to building permit issuance.

CONCLUSION

The project is consistent with the General Plan policies for upgraded commercial areas, street presences, human-scaled building design and enhanced pedestrian environment; and complies with the applicable development design standards of the DTPP. The project has been thoughtfully designed to bridge the transition from the downtown area to the Old Mountain View neighborhood. It features an engaging, active ground-floor frontage with distinctive storefront details that enhance the pedestrian environment, in accordance with the guidelines outlined in the Precise Plan. Additionally, the project voluntarily provides public access to their parking garage during off-hours and weekends, promoting public-private partnerships as envisioned by the Downtown Parking Strategy and is consistent with the vision of the DTPP.

The Zoning Administrator recommended approval of the proposed project because the proposal promotes a well-designed development that is compatible and harmonious with the surrounding uses; will create a high-quality addition to the dynamic downtown, and would not result in any significant environmental impacts.

ALTERNATIVES

1. Approve the project with modified conditions of approval.
2. Refer the project back to the Zoning Administrator and/or the Development Review Committee for additional consideration.
3. Deny the project and adopt findings for denial.

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 interested stakeholders were notified of this meeting.

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- Attachments:
1. Resolution for the Planned Community Permit, Development Review Permit, and Heritage Removal Permit
 2. Project Plans
 3. Project TDM Program