



**DATE:** July 7, 2015

**CATEGORY:** Public Hearing

**DEPT.:** Community Development Department

**TITLE:** 1968 Hackett and 208-210 Sierra Vista Avenues Rowhouse Project

## **RECOMMENDATION**

1. Adopt a Resolution Conditionally Approving a Planned Unit Development Permit and Development Review Permit to Construct a 24-Unit Rowhouse Development Project and a Heritage Tree Removal Permit to Remove Eight Heritage Trees at 1968 Hackett Avenue and 208-210 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 27 Lots for a 24-Unit Rowhouse Project and Including 3 Common Lots for Internal Roads and Open Areas on a 1.56-Acre Project Site at 1968 Hackett Avenue and 208-210 Sierra Vista Avenue, to be read in title only, further reading waived (Attachment 2 to the Council report).

## **BACKGROUND**

### **Site Location and Characteristics**

The project site is located near the northwest corner of Sierra Vista and Hackett Avenues (see aerial map). The site is irregularly shaped with primary frontage on Sierra Vista Avenue and more limited frontage on Hackett Avenue. The neighborhood includes a diverse mix of housing types and architectural styles.

The project site is immediately next to 4 one- to two-story single family



homes along Hackett Avenue (to the south) and recently developed two-story, small-lot single-family homes on Cappelletti Court (to the north). There is a one- to two-story multi-family development to the west, with a surface parking lot located immediately next to the project site. The site is opposite townhouse and apartment developments, across Sierra Vista and Hackett Avenues, respectively.

The proposed development replaces 21 apartment units spread between two existing complexes, one fronting on Sierra Vista Avenue and the other on Hackett Avenue. All of the existing apartment units are located in one-story residential buildings, and the sites have significant building and pavement coverage as compared to landscaped open area. Project implementation would cause removal of eight existing Heritage trees and preserve significant tree canopy in off-site locations along project boundaries.

#### *Area Amenities*

The site is located within one-half mile of two parks, including a school district park (Stevenson/Theuerkauf) and Rengstorff Park. There is a small shopping area two blocks from the site, at Central Expressway and North Rengstorff Avenue, and a larger shopping area approximately one-half mile away at North Rengstorff Avenue and Middlefield Road. The property is about one mile from the San Antonio Shopping Center and transit stations.

## **ANALYSIS**

### **Project Description**

The applicant, Sierra Hackett Investors LLC (Dividend Homes), is requesting approval to replace 21 existing apartments with 24 new rowhouses, and to remove eight Heritage trees. The proposal includes 2 two-story attached units on Hackett Avenue and 22 two- to three-story attached units in five buildings on Sierra Vista Avenue and the site interior. Vehicle access is provided from Sierra Vista Avenue onto an internal loop road plus one internal alley connected to the loop road. The site has an approximately 2,500 square foot common open space and a similarly sized passive paseo area (see site plan). The proposed mix of units and site plan are also provided below.

**Site Plan**



**Table 1: Proposed Unit Mix**

Unit Type	Bedrooms	Square Footage (Gross)	Count
A/AX	3 to 4	2,325 - 2,444	12
B	2 to 3	2,011	3
C	2 to 3	2,376	3
D (two-story duet)	3 to 4	3,163	2
E	2 to 3	2,064	4

**General Plan and Zoning**

The approximately 1.56-acre site has a General Plan designation of Medium-Density Residential (13 to 25 dwelling units per acre), allowing up to 38 units on the site. The zoning is Multiple Family (R3-2.2), allowing up to 28 units. The R3-2.2 District is one of nine R3 districts, which allow a range of residential densities. The R3-2.2 District falls

roughly in the middle of the density range provided by the nine R3 districts. At 24 proposed units, the project density is approximately 15.5 dwelling units per acre. The existing site density, with 21 units, is approximately 13.5 dwelling units per acre.

### *General Plan*

The following General Plan policies are advanced by the project:

- ***LUD 3.9: Parcel Assembly.*** *Support the assembly of smaller parcels to encourage infill development that meets City standards and spurs neighborhood reinvestment.*

The project site assembles three existing parcels into a larger site for redevelopment.

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

The units facing Hackett Avenue are two-stories, given the single-story character along that street frontage, and the remainder of the project is two to three stories. The proposed architecture is compatible with the varied character of the neighborhood.

- ***LUD 6.3: Street Presence.*** *Encourage building facades and frontages that create a presence at the street and along interior pedestrian paseos and pathways.*

Building facades are staggered, employ varying height features, and have individual entries to provide visual interest along public streets and internal pathways.

### *Zoning*

The R3 Zoning District allows a variety of development types. Rowhouses are generally considered to have a higher potential development density than townhouses and small-lot, single-family homes but a somewhat lower density than multi-family apartments. The smallest lots in the district are permitted only one or two units, as occurs adjacent to the site along Hackett Avenue. The project proposes slightly less than the maximum allowed R3-2.2 density, mostly due to constraints of the irregular lot shape.

Rowhouse developments have their own development standards and design guidelines. Project compliance with standards is outlined in Table 2. The project

complies with rowhouse standards and is generally consistent with adopted design guidelines. Proposed exceptions to guidelines are discussed later in this report.

**Table 2: Rowhouse Development Standards**

<b>Standard</b>	<b>Requirement</b>	<b>Proposed</b>
Maximum Units	28	24
Floor Area Ratio	0.9	0.85
Front setback	15' (excludes porches)	15'
Side setbacks	10' for 1st and 2nd floor 15' for 3rd floor	10' - 16'5" for 2-story elements 15' - 38' for 3-story units 9'3" at northeast 3-story unit (See next section)
Rear setbacks	15'	25' - 50'
Building Coverage	35%	32%
Height	45 feet	Two-story units: 28'5" Three-story units: 39'8"
Open Area & Open Space	35% 100 sf per unit private 100 sf per unit common	39% 250 sf per unit (avg) private 102 sf per unit common (excludes paseos)
Minimum Parking	2-car garages + 7 guest spaces	2-car garages + 7 guest (plus proposed driveway spaces for duets)

## Project Design

### *Building Layout*

The project is comprised of six buildings of attached rowhouse units (Buildings 1 through 6 on the site plan). The buildings are organized around internal streets and landscape areas. The units face adjacent public street frontages and internal amenity areas.

One programmed, common open space area is provided, with a Coast live oak tree, trellis with built-in grill and seating, game tables, bicycle racks, and other complementary landscaping. Unit entries and porches face public streets, the common open space, and/or pedestrian paseos. Pathways connect units to internal amenities and public streets around the site.

### Bird's Eye View



Project buildings meet or exceed minimum setbacks to side/rear property lines, consistent with rowhouse development standards. The project design also includes several features to address guidelines for transitions to neighboring development, including:

- Buildings 1 and 2 (closest to Sierra Vista Avenue) step down from three stories to two stories to transition to one- to two-story, single-family homes along Hackett Avenue, and exceed minimum side setbacks by 2' to 4' for both two- and three-story features.
- Buildings 3 and 5 (center of site) use the loop road to nearly double the required setback of 15' and propose tree plantings to close gaps in the existing tree line between the project and adjacent homes.
- Building 4 (center of site) is setback an additional 20' further than Building 3 from the small-lot, single-family homes (to the north).
- Building 6 (duet units facing Hackett Avenue) is limited to two stories in height and includes a 16' 6" property line setback, where a minimum 10' is required next to one-story, single-family homes.

## Duet Units (Building 6)



### *Parking*

Each unit provides two-car, side-by-side garage parking. The site also has seven guest parking spaces, including two spaces near the front of the site (next to Buildings 1 and 2), one Americans with Disabilities Act (ADA) stall next to the common open space, and four spaces near the rear of the site (between Buildings 3 and 4). Additionally, the long Building 6 driveways provide additional parking for those two units. The project complies with rowhouse parking standards. No tandem parking is proposed.

### *Open Area and Trees*

The project contains approximately 26,000 square feet of open area, which includes front and side yard areas, landscape buffers, the central common open space, and pedestrian paseos through the site. The development satisfies the minimum common open space requirement with the approximately 2,500 square foot programmed central open space area, but also provides additional passive paseos and private yard/deck areas.

A variety of trees are proposed throughout the site, including fast-growing, large canopy trees to buffer the project from its neighbors, small and medium sized trees in passive paseos/yard areas, and a specimen tree (Coast live oak) in the central open space. The existing tree canopy is approximately 33 percent, and is concentrated in a few larger trees in the site interior and several trees that only partially overhang the site. The proposed planting plan includes a wider distribution of trees and more landscaped area. Tree canopy is expected to cover 32 percent of the site at 10 years and 42 percent at maturity.

### *Building Elevations*

The proposed buildings (see Attachment 3) provide a mix of traditional materials and residential detailing as well as some more contemporary design accents, creating a transitional appearance in a neighborhood that has a wide range of architectural styles.

Units are differentiated through ground-floor porches and landscape accents, massing, varied roof lines, and different color schemes for the units and entry doors. The proposed buildings also stagger wall planes, minimize windows facing exterior property lines (where feasible), and include some additional third-floor setbacks to provide visual interest and modulate wall areas facing offsite locations.

Key facades employ special treatments, as discussed in the Building Layout section of this report, including one- and two-story elements and landscaping to vary the appearance of buildings and address adjacent context. In general, end units include step-downs and the tallest building heights are in the center of each building. Wall and overall building heights are less than the maximum allowed in the rowhouse standards.

#### **Example Elevation (Building 1)**



### *Proposed Exceptions*

The project generally complies with applicable rowhouse standards and design guidelines, but there are a few proposed exceptions to more quantitative adopted rowhouse guidelines:

- Driveway apron length—The guidelines limit driveway aprons to no more than 4' in depth to discourage people from parking in them and blocking internal roadways/alleys. Several lots include 4' to 6' aprons, which reflect small offsets between adjacent units to modulate exterior building walls. The duet units in



Building 6 have 20' aprons given unique site conditions. A 20' length would permit additional guest parking for those units, without encroaching into the roadway.

- Dead end driveways (length/materials) – The driveway (between Buildings 1 and 2) slightly exceeds the 100' maximum length in the guidelines and focuses special paving in key locations rather than the entirety of the alley.
- Back-to-front condition (Building 2) – The guidelines discourage “back-to-front” facing relationships, where the fronts of proposed units face perimeter walls or buildings. Given the irregular lot shape, two units (Lots 6 and 7) face a perimeter fence and a portion of an adjacent rear yard area. These units both have direct visual access to common open space, and without this flexibility the applicant would have had to remove units.
- Paseo width – Building 4 overlaps with the side elevations of Buildings 3 and 5, and is designed to address minimum building-to-building setback standards rather than guidelines for wider paseo separation.

These exceptions are considered minor and do not conflict with the project's overall conformity with rowhouse standards or detract from the project substantially addressing design guidelines, with implementation of recommended design conditions.

#### *Subdivision (For-Sale Units)*

The project proposes a Vesting Tentative Map, which must be approved to subdivide the site for individual unit ownership. The proposed subdivision creates lots for each of the 24 rowhouse units and three common lots for internal roads and other shared spaces. If approved, the common lots will be mutually maintained by the Homeowners Association for the development.

#### **Tenant Relocation Ordinance**

Although 2 of the units are vacant, the 21 existing apartment units on the project site trigger the City's Tenant Relocation Assistance Ordinance. Pursuant to the ordinance, the property owner is required to provide special notices to all households residing in the units and will be required to provide relocation assistance to qualifying households.

The City is working with an independent third-party company to gather qualifying data on existing renters to determine the required assistance, if any, for each unit. This company will also ensure required assistance is provided. The applicant is committed

to complying with City requirements for tenant relocation assistance to households currently residing in the existing apartment units.

## **Public Comment**

### *Development Review Committee*

The project was reviewed by the Development Review Committee (DRC) on April 1, 2015 and May 6, 2015. No members of the public attended either meeting. However, a neighbor e-mailed City staff shortly before the second DRC meeting with concerns about three-story building height, privacy for the Cappelletti Court homes, and overall compatibility of the project. These concerns were relayed to the DRC prior to their recommendation on the development.

Key design elements discussed by the DRC included unit individualization; design of Building 6 (along Hackett Avenue); end unit design; paseo width; porch detailing; and utility screening. The DRC generally found the project would be compatible with the neighborhood and proposed building massing and setbacks, and landscaping provided adequate transitions. Project conditions of approval reflect final DRC recommendations for conditional approval.

Over the course of DRC review, the project design was revised to simplify and scale down building massing in key locations; improve individualization of attached units; improve landscaping; and enhance the porch design.

### *Zoning Administrator/Subdivision Committee*

The project was reviewed by the Zoning Administrator (ZA) and Subdivision Committee on May 27, 2015, where it was recommended for approval. Public comment focused on the ZA's review of the planning permits and included two written comment letters (see Attachment 4) and public meeting comments from residents of the Cappelletti Court small-lot, single-family development, including:

- Three-story homes causing privacy and quality of life impacts to adjacent residents.
- Setbacks may not be sufficient given three-story heights.
- Three-story homes impacting the look-and-feel of existing, primarily one- and two-story homes in the neighborhood.

Residents also indicated that they hope the project includes sufficient on-site guest parking to avoid spillover onto an already impacted Sierra Vista Avenue.

As part of the ZA's review and recommendation, the ZA highlighted several project details (including those discussed above in this report) related to the setbacks that are nearly two times the requirement, heights that are less than what is allowed by zoning, floor plan details, additional parking provided within the project site, and the DRC's review of the project.

### **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 applicant General Plan designation and Zoning District 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 related to traffic, noise, air quality, or water quality; and the site can be adequately served by all required utilities and public services.

### **FISCAL IMPACT**

The site has a total assessed value of approximately \$5,117,500. The City's share of the County of Santa Clara property taxes is approximately \$8,200. If the site were redeveloped and units sold at estimated sales prices of \$1.0 to 1.2 million per unit, the City's share of property taxes would be approximately \$46,000 per year.

The project is subject to the City's Below-Market-Rate (BMR) Ordinance, which requires 10 percent affordable units in for-sale developments. The ordinance permits a development to provide required affordable units or pay a BMR in-lieu fee (3 percent of the sales price) for the required units when the sales prices are above a threshold set by the Council-adopted BMR Program Administrative Guidelines (currently approximately \$670,000). Because the average expected sales price of \$1.1 million per unit exceeds this threshold, the applicant proposes to pay the in-lieu fee to the City. The estimated BMR in-lieu fee payment is approximately \$790,000.

The Parkland Dedication Ordinance requires park provision or payment of Parkland Dedication In-Lieu Fees for net new units on a property. The proposed project is less than 50 units and, as such, parkland dedication cannot be required. Therefore, the estimated in-lieu fee payment will be approximately \$70,000 (\$23,400 per net new unit) in accordance with Chapter 41 of the City Code.

## **CONCLUSION**

The ZA recommends approval of the proposed 24 rowhouses at 1968 Hackett Avenue and 208-210 Sierra Vista Avenue. The project supports General Plan and City objectives for creating new housing opportunities as well as policies for parcel assembly and neighborhood reinvestment, neighborhood character, and street presence. The project is consistent with the land use and development direction in the General Plan, the R3 Zoning District and planned unit development process, and the adopted Rowhouse Guidelines. The project design, materials, and open area will create a high-quality addition to an evolving neighborhood and would not result in significant environmental impacts.

## **ALTERNATIVES**

1. Approve the project with modified conditions, including, but not limited to, modify the Building 3 massing or setbacks facing Cappelletti Court.
2. Refer the project back to the Development Review Committee and/or Zoning Administrator.
3. Deny the project application, finding the site is not physically suitable for the proposed type of development.

## **PUBLIC NOTICING**

The agenda was posted and advertised on Channel 26, a notice was placed in the local newspaper, and all property owners and residents within a 300' radius of the project site and people on the interested parties list were notified of the public hearing.

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RS-GB/3/CAM  
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- Attachments:
1. Resolution Approving the Project
  2. Resolution Approving the Vesting Tentative Map
  3. Project Plans (Council excerpt)
  4. Public Comment Letters