



DATE: February 22, 2022

CATEGORY: Public Hearing

DEPT.: Community Development

TITLE: **Commercial Development at
756 California Street**

RECOMMENDATION

Adopt a Resolution of the City Council of the City of Mountain View Conditionally Approving a Planned Community Permit and Development Review Permit to Construct a New Three-Story, 6,997 Square Foot Commercial Building with Ground-Floor Retail and Office Above, and Finding the Project to Be Categorically Exempt Pursuant to CEQA Guidelines Section 15303 (“New Construction or Conversion of Small Structures”) at 756 California Street, to be read in title only, further reading waived (Attachment 1 to the Council report).

BACKGROUND

Project Site

The approximately 0.07-acre project site is located on the north side of California Street, between Castro Street and Hope Street. The site is currently developed with an approximately 2,480 square foot, single-story commercial building used as a dental office that would be demolished for the project. The site is surrounded by commercial uses to the west and south, residential apartments to the east, and City Parking Lot No. 6 to the north.

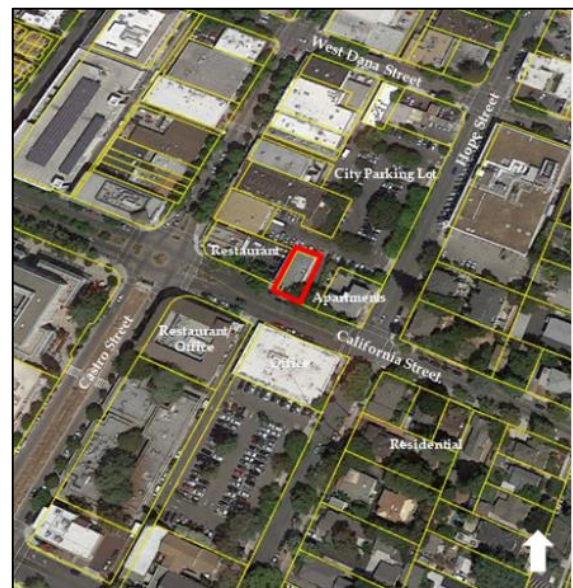


Figure 1: Location Map

Previous Meetings

Neighborhood Meetings

Two neighborhood meetings were held for the project. On October 10, 2019, the applicant met with the Mountain View Coalition for Sustainable Planning where approximately 25 people attended. The applicant also met with the Old Mountain View Neighborhood Association on November 4, 2019, where approximately 15 to 20 people attended. At both meetings, people asked questions about the project and generally voiced support of the owner-occupied concept and were pleased the owner's dental practice would remain in the community.

Development Review Committee

The project was reviewed by the Development Review Committee (DRC) on May 1, 2019. The DRC recommended conditional approval of the project, providing direction for the applicant to continue to work with staff on architectural building details with the building permit submittal. Specific DRC recommendations to be addressed with the building permit submittal are included as Condition of Approval No. 16.

Administrative Zoning Public Hearing

The project was reviewed by the Zoning Administrator on January 26, 2022, where it was recommended for approval to the City Council. There were no speakers at the hearing. One person submitted a letter before the hearing with concerns about the height of the building, the lack of parking, and lack of public awareness of the project, but expressed support for a two-story building alternative (see Attachment 5 – Public Comment Letter). Staff responded to the neighbor's concerns in an email; staff responses on these issues are further clarified below.

As noted above, the applicant has held two neighborhood outreach meetings with the Mountain View Coalition for Sustainable Planning and also met with the Old Mountain View Neighborhood Association. The project is in keeping with the general area since there is a three-story commercial building at 745 California Street, which is across the street and to the right of the project. The project is not directly adjacent to single-family residential homes; across Blossom Lane is a two-story apartment building providing a transition to the residential neighborhood on Hope Street. The Downtown Precise Plan allows projects located in the Downtown Parking District, Area H, to satisfy up to 100% of the required parking through payment of a parking in-lieu fee (Downtown Precise Plan, Section C. Parking Standards and Policies, 2. Parking Requirements.) The Precise Plan recognizes that most of the lots are too small to provide parking on-site. Furthermore, parking exemptions recognize existing investment in development and act

as an incentive for new development, particularly retail uses. In addition, in-lieu fees help to construct and manage public parking facilities in the Parking District. In November 2021, Council adopted the Downtown Parking Strategy, which provides a 10-year horizon and implementation plan with the specific vision to manage parking demand and supply as the needs of the downtown area evolve. The study is evaluating parking for the future, including short-term operational improvements like residential permit parking to free up parking in existing facilities and long-term strategies, including a new parking garage.

A similar, three-story commercial project with no on-site parking, at 747 West Dana Street, was approved by Council on December 7, 2021.

ANALYSIS

Project Overview

The project proposes to redevelop the site with a new three-story, commercial building that includes 4,925 square feet of office above 2,072 square feet of ground-floor retail space. Entrances to the retail space and lobby for the upper floors are located on California Street (see Attachment 2 – Project Plans). No parking is included in the project due to the lot size and configuration, and 100% of required parking is proposed to be paid through an in-lieu fee, as discussed later in this report.

The proposed project utilizes an architectural style that includes flat roofs, light earth-tone colors, recessed storefront windows that create shade and shadow, and decorative columns and cornices that are compatible with the existing surrounding buildings. The ground level is treated with clear storefront windows and planter boxes to maintain an inviting and active experience for pedestrians. Cornices and sunshades help to accentuate the building facade, and corten steel wall art is proposed on the western and eastern building facades.



Figure 2 – View from California Street

General Plan

The site's General Plan designation is Downtown Mixed-Use and is located in the Central Neighborhood/Downtown Planning Area. This area is composed of 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 office uses and neighborhood-serving commercial uses and promotes the following General Plan policies:

- **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 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.
- **LUD 9.1:** Height and setback transitions. Ensure that new development includes sensitive height and setback transitions to adjacent structures and surrounding neighborhoods.
- **LUD 9.4:** Enhanced pedestrian activity. Ensure commercial development enhances pedestrian activity through these strategies:
 - Encourage the first level of the building to occupy a majority of the lot's frontage, with exceptions for vehicle and pedestrian access.
 - 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.
 - Minimize driveways.

Zoning

The site's zoning designation is P-19 (Downtown) Precise Plan and is located in Area H—Historic Retail District. The project complies with the applicable design guidelines in Area H, including:

- More than 60% of the ground-level building facade in transparent window surfaces.
- Use of special storefront and facade ornamentation such as flower boxes and special materials to reinforce the pedestrian nature of the street;
- Recessed commercial entrances;
- Building walls punctuated by well-proportioned openings that provide relief, detail, and variation on the facade; and
- Building materials are light in color and accented with darker bright colors to be compatible with existing architecture in the area.

The project complies with all development standards for Area H as shown in Table 1 below.

Table 1: Compliance with Area H Development Standards

Standard	Requirement	Proposed
Height	Four stories and 55' max.	Three stories and 40' 6"
Building Coverage	Up to 100%	60%
Build-to-Lines Along Streets	Built to back of proposed sidewalk.	Built to back of proposed sidewalk.
Side and Rear Yard	None	0' rear 0' and 4' side setback
Parking	1/333 square feet for office 1/166 square feet for medical No parking for retail. Payment of in-lieu fees allowed for 100% of parking.	14 parking spaces paid with in-lieu fee

Transportation and Parking

The project is located in the Downtown Parking District, Area H, which allows up to 100% of required parking to be paid through an in-lieu fee. Based on the downtown parking requirements, the project requires 14 parking spaces. The project lot size is only 0.07 acre and, due to its small size and configuration, is unable to accommodate any on-site parking. The project is proposing to pay the Parking-In-Lieu fee for all required parking. The project also proposes a Transportation Demand Management (TDM) Program to reduce parking demand on-site.

The project is proposing four long-term bicycle parking spaces to be located on the first floor of the office lobby accessed from Blossom Lane. Two short-term bicycle parking spaces for guests are located in the front of the building. Bicycle parking spaces are not required per the Downtown Precise Plan as no vehicle parking is provided on-site. However, bicycle parking is included in the TDM Program discussed below and supports multi-modal transportation options.

The project will implement a TDM program (see Attachment 3 – Project TDM Program). The TDM target is a 20% peak-hour vehicle trip reduction through various strategies,

including, but not limited to: transit passes with an on-site employee transportation coordinator; flexible work schedule program; Guaranteed Ride Home program; and on-site bicycle parking facilities.

A multi-modal transportation analysis (MTA) was completed for the project. The MTA studied potential transportation impacts to circulation and parking and found that the project would result in less than significant impacts to the transportation system with the implementation of TDM measures. Therefore, no transportation improvements were recommended (see Attachment 4 – Project MTA).

Trees and Landscaping

The site is currently entirely covered by a building and paved surfaces and has one street tree. Due to the zero-lot-line condition, no on-site trees can be accommodated without reducing the building square footage. There are no landscaping requirements for commercial developments located in Area H of the Precise Plan, but the project proposes ground-floor planters along the California Street and Blossom Lane facades and a depressed planting area near the front entrance.

ENVIRONMENTAL REVIEW

The project is categorically exempt under the California Environmental Quality Act (CEQA) as it qualifies as a categorically exempt project per Section 15303 (“New Construction or Conversion of Small Structures”) because the project does not exceed 10,000 square feet in floor area, is consistent with the applicable General Plan and Zoning Designation and regulations, does not involve the use of hazardous substances where all necessary public services and facilities are available, and the surrounding area is not environmentally sensitive.

FISCAL IMPACT

The subject site currently has a total assessed value of approximately \$1.7 million. The City’s share of property tax for the General Operating Fund (GOF) and Parking District Fund is approximately \$2,200 and \$2,800, respectively, per year. If the site were redeveloped with the proposed project, the City would receive approximately \$7,700 and \$9,600 in additional GOF and Parking District property tax revenue per year, respectively.

The project is subject to the City’s Below-Market-Rate (BMR) Ordinance, specifically the nonresidential (commercial) Housing Impact Fee. Payment of the required BMR In-Lieu

Fee on the net new square footage would result in an estimated payment to the City of \$40,074.

The project would pay parking in-lieu fees based on the fee in effect at the time of payment, which is estimated to be \$793,688 based on the current fee.

CONCLUSION

The project is consistent with the General Plan as it supports General Plan policies for street presence, human-scaled building design, and enhanced pedestrian activity; and is consistent with the General Plan land-use allowances on the site. The project complies with applicable development standards and design guidelines of the Downtown Precise Plan. The proposal promotes a well-designed development that is compatible with and harmonious with surrounding uses and developments and is consistent with other existing and under-construction projects in the area. Both the DRC and Zoning Administrator, who separately reviewed the project, recommended conditional approval of the proposed development.

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.
4. Provide other direction.

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 were notified of this meeting.

Prepared by:

Margaret Netto
Senior Planner

Stephanie Williams
Planning Manager/Zoning
Administrator

Approved by:

Aarti Shrivastava
Assistant City Manager/
Community Development Director

Kimbra McCarthy
City Manager

MN-SW/1/CAM
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- Attachments:
1. Resolution Conditionally Approving a Planned Community Permit and Development Review Permit
 2. Project Plans
 3. Project TDM Program
 4. Project MTA
 5. Public Comment Letter