

## CITY OF MOUNTAIN VIEW

### ENVIRONMENTAL PLANNING COMMISSION

#### STAFF REPORT

WEDNESDAY, OCTOBER 21, 2020

## 5. PUBLIC HEARINGS

- 5.1 **Request for a Planned Community Permit and Development Review Permit for a New 259,095 Square Foot, Six-Story Office Building and Eight-Level Parking Structure; an 80,000 Square Foot Transfer of Development Rights; a Heritage Tree Removal Permit to Remove 23 Heritage Trees; and a Determination that an Initial Study of Environmental Significance has Been Prepared Pursuant to Section 15168 of the California Environmental Quality Act (CEQA) Located at 600 Ellis Street**

### RECOMMENDATION

That the Environmental Planning Commission:

1. Recommend the City Council Approve the Initial Study of Environmental Significance for the 600 Ellis Street Project, pursuant to Section 15168 of the California Environmental Quality Act (CEQA) (Exhibit 1 to the EPC Staff Report); and
3. Adopt a Resolution Recommending the City Council Approve a Planned Community Permit and Development Review Permit for a New 259,095 Square Foot, Six-Story Office Building and Eight-Level Parking Structure; 80,000 Square Feet of Transfer of Development Rights from 2535 California Street, 506 Showers Drive, and 350 Showers Drive to 600 Ellis Street in Relation to the Los Altos School District TDR Program; and Heritage Tree Removal Permit to Remove 23 Heritage Trees Located at 600 Ellis Street, to be read in title only, further reading waived (Exhibit 2 to the EPC Staff Report).

### PUBLIC NOTIFICATION

The Commission's agenda is advertised on Channel 26, and the agenda and this report appear on the City's Internet website. All property owners within a 750' radius and other interested stakeholders were notified of this meeting. A City Council meeting will be held regarding this project, and property owners and interested parties will be notified.

## BACKGROUND

### Project Site and Location



The approximately 4.45-acre project site is located on the southwest corner of Fairchild Drive and Ellis Street in the East Whisman Precise Plan (EWPP) area. Surrounding land uses include office and Research and Development buildings to the east, west, and south, and U.S. 101 to the north.

The project site consists of three parcels which would be combined for the project and is currently developed with three, two-story office buildings totaling 77,828 square feet. Two of the

**Figure 1: Location Map**

office buildings (totaling 63,216 square feet) would be demolished and replaced with the proposed buildings. The third building (approximately 15,000 square feet and two stories) would remain at the corner of Fairchild Drive and Ellis Street.

### Zoning Administrator Review: Development Agreement

To allow for flexibility in the timing and phasing of this project, The Sobrato Organization is requesting approval of a Development Agreement (DA). The requested term for the DA is seven (7) years. The extended development approval time is being requested by the applicant due to the uncertainty of the COVID-19 pandemic. The DA would allow for flexibility in the timing and phasing of the project which would otherwise exceed the City's standard approval and permit extension period (which is a total of four years).

The City's Zoning Code requires that the DA be reviewed by the Zoning Administrator at an Administrative Zoning Hearing and a recommendation

forwarded to the City Council. An Administrative Zoning Hearing and public review of the DA is tentatively scheduled for the October 28, 2020. Following the Administrative Zoning Hearing, the Zoning Administrator's recommendation on the DA will be included with the Environmental Planning Commission (EPC) recommendations on the development applications for action by the City Council.

### **Prior Meetings and Hearings**

#### *Gatekeeper Authorization*

On January 16, 2018, the City Council held a public hearing to discuss the Los Altos School District's (LASD) proposed Transfer of Development Rights (TDR) program. The City Council authorized City staff to implement the TDR program through a Memorandum of Understanding (MOU) and begin review of six Gatekeeper requests for development projects proposing to utilize available TDR square footage.

The program stems from years of coordination between the City and LASD on opportunities to support a new school site in the San Antonio Precise Plan (SAPP) area, including adopted policies in the SAPP for measures like the TDR program. This project was one of the six receiving sites for the LASD TDRs, which received Gatekeeper authorization in January 2018 (see Exhibit 4 – [Gatekeeper Application Staff Report](#)). The project applicant proposes to purchase and use 80,000 TDR square feet as part of the proposed development.

As part of the Gatekeeper application review, staff was supportive of the request since the project site was located in an area designated for higher-intensity office development, is adjacent to the freeway, is not in close proximity to residential land uses, and the proposed land use and height are consistent with the vision of the draft East Whisman Precise Plan (EWPP) and would be compatible with future development in the area. Council authorized the Gatekeeper request, allowing the applicant to submit for development review prior to final consideration of the EWPP.

#### *Environmental Planning Commission Study Session*

The EPC reviewed the project at a Study Session on September 4, 2019 (see Exhibit 5 – [EPC Study Session Staff Report](#)). The EPC provided input on topics identified by staff based on inconsistencies with the draft EWPP and DRC/design review, including usable open space requirements, key corner elements, office building entrance/lobby, building massing, and parking structure screening. The EPC

supported staff's recommendation to remove the surface parking lot on Fairchild Drive and to look into programming the Stormwater Protection areas (C3) to meet the open space requirement. The EPC also recommended improving the building design through deeper/proportional overhangs on all elevations, enhanced pedestrian entries, creating a more interesting and complementary parking structure, and improvements to the corner of the site with enhanced landscaping and architectural features.

*Development Review Committee*

The project was reviewed by the Development Review Committee (DRC) three times. The DRC provided design recommendations on several iterations of the project design, and the project received a final recommendation of conditional approval in November 2019.

Based on the earlier direction from EPC, staff and the DRC worked with the applicant to enhance the key corner, study design screen pattern for the parking structure, and add a deeper overhang depth to continue the expression around the building. The applicant has addressed DRC recommendations in the current plans.

## ANALYSIS

### East Whisman Precise Plan

On November 5, 2019, the City Council adopted the EWPP and incorporated this property into the boundaries of the Precise Plan.

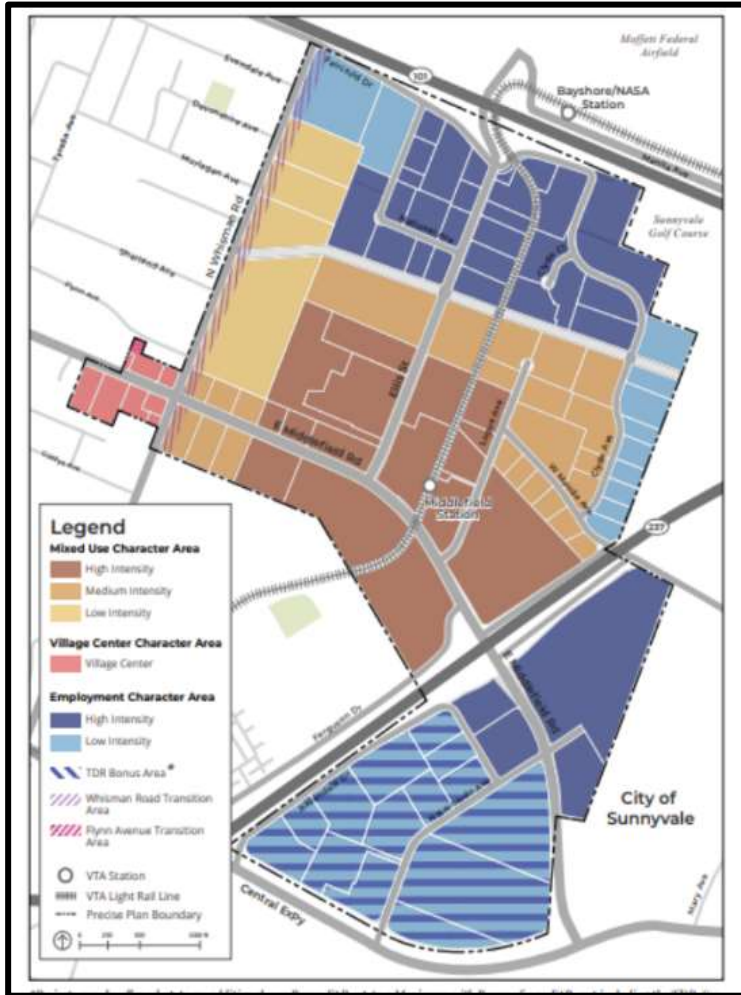


Figure 2: EWPP Character Area Map

The estimated public benefit contribution for this project's net "bonus" of 116,379 square feet is approximately \$2,909,475.

The project exceeds the Precise Plan's 1.0 FAR limitation with the inclusion of the 80,000 square feet being purchased through the LASD TDR program. The total proposed FAR is 1.33, which is discussed later in this report. The project complies

The project site is in the northern portion of the EWPP area in the Employment Character Area (North). The site is designated High-Intensity, which allows a base floor area ratio (FAR) of 0.40 and up to 1.0 FAR with a Bonus FAR.

The project is requesting a Bonus FAR to allow 1.0 FAR. In requesting the Bonus FAR, the applicant is required to provide additional benefits to the project beyond those required for a baseline project. Community/Public Benefits are required in the EWPP Bonus FAR program. The public benefit value based on the EWPP is \$25 per square foot of Bonus FAR, excluding the 80,000 square feet of LASD TDRs.

with the development standards and guidelines of the Precise Plan, including height and FAR (with TDR), streetscapes and frontages, building massing, and open space.

### **Transfer of Development Rights**

This project is one of six LASD TDR projects authorized by the City Council to participate in the program with the purchase of 80,000 square feet. This purchase will provide \$10,400,000 in new funds for the LASD project (“TDR Payment”). In exchange, the applicant received authorization to proceed through the development review process and apply prior to the adoption of the EWPP, and the option for development exceptions as identified in the Precise Plan.

The project is not proposing to invoke any specific exceptions to development standards identified in the Precise Plan for TDR projects. A condition of approval of the project requires the applicant to provide proof of purchase for the TDR square footage, prior to the issuance of the first building permit, and the TDR square footage will be memorialized through a legal agreement recorded on the property.

### **Jobs-Housing Linkage**

An element in the Precise Plan is the jobs-housing linkage, which requires office development to facilitate housing in order to balance the pace of each type of development in the area. On November 5, 2019, the City Council exempted this project from the “jobs-housing linkage” policy because the project was initiated before the policy was developed, the requirement adds too much uncertainty for a project already under way, and the LASD TDR program is relying on this project in significant part. Moving forward, any future TDR authorizations in East Whisman would need to comply with the jobs-housing linkage policy.

### **Project Overview**

The project proposes to redevelop the project site by demolishing two existing office buildings and constructing an approximately 259,095 square foot, six-story office building and eight-level parking structure. An existing approximately 15,000 square foot office building would remain on the site near the corner of Ellis Street and Fairchild Drive. The office building and parking structure would be connected via a multi-level suspended pedestrian bridge. The parking structure would provide 698 vehicle parking stalls and serve both the proposed office building and the existing office building. Forty-five (45) surface parking spaces would also be available to office occupants and visitors and are located between the new and existing office buildings and along the driveway from Ellis Street. Two points of

vehicle access to the parking garage would be provided from a driveway on Fairchild Drive and from Ellis Street.



Figure 3: Site Plan

### Architecture

The architectural design of the proposed building and parking structure is modern, and the site layout and massing composition were designed to respond to the site's context, orientation, and boundaries. The design utilizes a simple form with deep overhangs of the floor slabs at each level. The building overhangs protect the building with a depth defined by a varied solar orientation. The placement of the parking structure has been purposely placed at the rear of the site to diminish its visibility from the street.



**Figure 4: View from Northeast**

- **Key Corner.** The project is located on a prominent corner in the East Whisman area, where Ellis Street is anticipated to be a main gateway street. Per the EWPP, projects should design key corners with enhanced landscape design and/or enhanced architectural features such as emphasized entries, distinctive corner articulation, visually interesting materials, etc.

The project is in compliance with these requirements. The applicant has worked to make the key corner appear distinctive and welcoming through planting of a large specimen tree as a focal point to the corner, adding sculptural seating, pedestrian-scaled landscaping, and special paving material.

- **Building Massing.** The EWPP provides direction on building orientation and design toward City streets but also considers how projects near freeways should reflect positively on Mountain View and East Whisman, presenting a dynamic skyline, interesting facades, and high-quality materials. The project site is considered a “gateway” site, and, though set back, will have high visibility from both adjacent City streets and U.S. 101.

The building mass was previously adjusted based on initial feedback from the DRC to better emphasize the linear expression of the deep overhangs, which are the prominent accent feature of the building. Modifications to the building, including changes to the varying depths of the building overhangs to a consistent depth of 5’ on all sides of the building, have been incorporated.



- Parking Structure. As discussed in the EWPP, garages should blend into the overall design of the building or site when not buffered by other uses or buildings. While the proposed parking garage is appropriately located, behind the office building in the rear of the project site, it will be highly visible given the scale of the structure as compared to surrounding development.

The parking structure, as designed with the mesh screening and artful pattern/texture to the exterior wall portions, add visual interest and complement the building. Trees have also been incorporated to provide a softer landscape buffer.



Figure 5: East Elevation

- Lobbies and entries. As discussed in the EWPP, buildings should have one main entrance for staff, visitors, and the public, accessible from streets and other public areas. Building entries should provide a distinctive architectural expression and should be coordinated with the frontage improvements. Building entries should be clearly articulated and include an inviting, well-lit, transparent, and secure lobby that is clearly visible from the outside, both day and night.

The lobby is designed with glazing/material expression to better frame the entrance through step-backs at the top level and high-volume recesses at ground level. To achieve a more pedestrian-friendly main entrance, the entry includes a wood soffit, large specimen-size tree and landscaping, and benches.

### Open Space and Landscaping

The project proposes 46,464 square feet of open space, which conforms to the minimum 38,864 square foot open space requirement (150 square feet/1,000 square feet of building). The proposed project includes common usable open areas in

multiple locations, including a private outdoor dining area adjacent to the main entrance, an entry plaza, a private Zen garden, key corner passive open space, and a private rooftop terrace. These areas range in size from 977 square feet to 9,035 square feet. Except for the small, passive open space along the key corner area, each common amenity area is intended for use by occupants of the new office building only. The applicant also removed some of the surface parking lot on Fairchild Drive to meet the open space requirement and to address EWPP direction to discourage surface parking lots.

### *Trees*

The project site contains a total of 68 trees, including 36 Heritage trees. The project proposes the removal of 39 on-site trees (including 23 Heritage trees) and would plant 100 new trees on the project site and along the project site frontages on Fairchild Drive and Ellis Street.

The 23 Heritage trees proposed for removal are in poor-to-fair condition. They are proposed to be removed either because of their health or their location within the footprint of the proposed buildings or site improvements.

The existing tree canopy coverage is approximately 8 percent of the site. After project construction and the planting of the proposed landscape improvements, the anticipated tree canopy coverage will be approximately 5 percent at five years and approximately 21 percent at 15 years (full maturity).

### **Transportation**

As part of this project, a transportation study was prepared by Fehr & Peers transportation consultants. The EWPP Final Environmental Impact Report (FEIR) identified a project-level and cumulative-level VMT impact due to Precise Plan project-generated vehicle miles traveled (VMT) on both a Citywide and Countywide basis. Project-level VMT per service population was calculated in the Precise Plan FEIR to be 35.93, which is greater than the Countywide threshold of 26.68. This impact was covered by the Statement of Overriding Considerations adopted for the Precise Plan FEIR. According to the transportation study prepared for the proposed project, the project would have a project-generated VMT of 24.81 on both a Citywide and Countywide scale, which would be less than the project-level VMT estimates included in the EWPP FEIR and less than the Citywide threshold of 30.86. However, it would be greater than the Countywide threshold of 22.67. Furthermore, although implementation of the proposed TDM program would reduce project-generated vehicle trips, spread demand across time, and make efficient use of the alternative

circulation system, project-generated VMT would remain significant and unavoidable. For these reasons, the project would not result in new or more severe impact than was identified in the Precise Plan FEIR. The project is consistent with the EWPP FEIR (see Exhibit 3 – Site-Specific Transportation Analysis).

#### *Transportation Demand Management*

The EWPP requires that projects implement TDM plans and that office projects limit the number of a.m. and p.m. peak hour trips to an areawide average of 0.95 trip and 0.88 trip per 1,000 square feet, respectively. Subtracting assumptions for legacy sites (i.e., sites that are not anticipated to redevelop or have TDM programs), this project's trip cap is 0.83 a.m. trip and 0.72 p.m. trip per 1,000 square feet.

The purpose of the proposed TDM plan is to reduce employees' peak-hour single-occupancy vehicle (SOV) commute trips and to meet the trip limits defined in the EWPP. The TDM measures to be implemented for the office development include measures, such as:

- Priority parking for carpools and vanpools
- On-site transportation team
- Bicycle parking, showers, and changing facilities
- Bicycle sharing
- Telecommuting/Flexible Work Schedule Program
- Guaranteed Ride Home Program
- Membership in the Transportation Management Association (TMA)
- Rideshare matching services
- Marketing and information
- Commuter shuttle services
- G-Ride on-demand services
- On-site amenities and services

- Parking Management Program (incorporating incentives and policies to manage daily parking demand)
- Pretax commuter benefits
- Subsidized or free vanpools or carpools
- Subsidized or free transit passes
- Biking incentives
- On-site bicycle repair facilities
- Bike Buddy Program
- Bike Giveaway Program
- Expanded carpool matching
- Car sharing

To ensure the long-term effectiveness of the TDM plan and its ability to provide a trip reduction, a monitoring program will be established for the site. Failure to meet the established trip reduction requirement would result in fines as outlined in the conditions of approval.

### **Parking**

The parking requirement for the project is defined as a parking maximum per the EWPP. For office developments, this is a maximum of 2.9 spaces per 1,000 square feet of gross building floor area, or a maximum of 751 spaces. The project's proposed 743 vehicle parking spaces would meet the EWPP off-street parking standards by being below the maximum of 751 spaces.

The required bicycle parking for office developments per the EWPP is one bicycle space per 20,000 square feet for short-term parking, and one bicycle space per 2,000 square feet for long-term parking. The project will need to provide at least 13 short-term bicycle parking spaces and 130 long-term bicycle parking spaces to meet the EWPP Bicycle Parking Standards, which have been included in the proposed project. The project meets the Precise Plan's bicycle parking requirements.

## **ENVIRONMENTAL REVIEW**

The EWPP Integrated FEIR comprehensively evaluated the environmental impacts of the EWPP, which allowed up to 2.3 million square feet of net new office uses, 100,000 square feet of retail uses, 200 hotel rooms, and 5,000 multi-family residential units.

The City Council certified the EWPP FEIR and approved the EWPP in November 2019. Subsequent activities, which were included in the scope of a program EIR, may be determined to be adequately evaluated under CEQA, and no further environmental documents may be required if it is determined that no new environmental effects will occur and no new mitigation measures would be required for the subsequent activity.

An Initial Study of Environmental Significance was prepared to evaluate whether any new environmental effects would occur as a result of the project, which were not already examined under the program EIR, and whether any new mitigation measures would be required (see Exhibit 1—Initial Study of Environmental Significance for the 600 Ellis Street Office Project). Project-specific technical studies were also prepared to provide technical guidance in the areas of air quality and greenhouse gas, trees, bird-safe design, Phase 1, utilities, and transportation. The Initial Study prepared for the project found that, with implementation of the EWPP standards and guidelines, State regulations, and mitigation measures identified in the EWPP EIR and the 2030 General Plan and Greenhouse Gas Reduction Program EIR, the proposed addition of 259,095 square feet of office and associated improvements would not result in any new environmental impacts beyond those evaluated in these EIRs.

## **NEXT STEPS**

Following a recommendation from the EPC at this public hearing, the project and EPC recommendation will be considered at a City Council public hearing, tentatively scheduled for November 17, 2020.

## **CONCLUSION**

The proposed development of a new 259,095 square foot, six-story, office building and eight-level parking structure is consistent with the EWPP and implements a project that furthers the vision and goals for the development of the East Whisman Area. The site design and architectural design of the office building and parking structure, including colors, materials, and architectural elements, are well-designed

and compatible with the surrounding area. Additionally, approval of the project would not result in significant environmental impacts with implementation of the conditions of approval; therefore, the proposed project would not have a significant impact on the environment.

### **ALTERNATIVES**

1. Recommend approval of the project with modified conditions.
2. Refer the project back to the Development Review Committee for additional consideration.
3. Recommend Council denial of the project.

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MN/6/CDD  
813-10-21-20SR

- Exhibits:
1. Initial Study of Environmental Significance for the 600 Ellis Street Project
  2. Resolution for the Planned Community Permit, Development Review Permit, and Heritage Removal Permit
  3. Site-Specific Transportation Analysis
  4. [Gatekeeper Application Staff Report](#)
  5. [EPC Study Session Staff Report](#)
  6. Project Plans