

TITLE:	601-649 Escuela Avenue and 1873 Latham Street Mixed-Use Project
DEPT.:	Community Development
CATEGORY:	Public Hearing
DATE:	February 8, 2022

RECOMMENDATION

- 1. Adopt the Initial Study/Mitigated Negative Declaration and Mitigation Monitoring or Reporting Program for the Escuela Avenue Mixed-Use Project, pursuant to the California Environmental Quality Act (Attachment 1 to the Council report).
- 2. Adopt a Resolution of the City Council of the City of Mountain View Amending the General Plan Land Use Map from Medium-Density Residential to Mixed-Use Corridor for the Property Located at 1873 Latham Street, to be read in title only, further reading waived (Attachment 2 to the Council report).
- 3. Introduce an Ordinance of the City of Mountain View Amending the Zoning Map from the R3-2.5 (Multi-Family Residential) Zoning District to P(38) (El Camino Real Precise Plan) for the Property Located at 1873 Latham Street, to be read in title only, further reading waived, and set a second reading for March 8, 2022 (Attachment 3 to the Council report).
- 4. Adopt a Resolution of the City Council of the City of Mountain View Amending the El Camino Real Precise Plan to Incorporate the Property at 1873 Latham Street Within the Plan Area, to be read in title only, further reading waived (Attachment 4 to the Council report).
- 5. Adopt a Resolution of the City Council of the City of Mountain View Conditionally Approving a Planned Community Permit and a Development Review Permit to Construct a New Three-Story, Mixed-Use Residential Project Consisting of 25 Apartment Units, 2,400 Square Feet of Ground-Floor Commercial, and One Level of Underground Parking and a Provisional Use Permit for Rooftop Amenities Above the Third Floor Located at 601-649 Escuela Avenue and 1873 Latham Street, to be read in title only, further reading waived (Attachment 5 to the Council report).

BACKGROUND

Project Site

The project is located on the southeast corner of Escuela Avenue and Latham Street within the first block off West El Camino Real. The approximately 0.45-acre project site is comprised of two parcels and is currently occupied by two commercial buildings totaling approximately 6,075 square feet and a single-family residence, which would be demolished for the project.

Surrounding land uses include:

• A one-story, single-family residence to the east;



Figure 1: Location Map

- A two-story, multi-family residential building to the south;
- A one-story, multi-tenant retail site at the corner of West El Camino Real (Cost Plus World Market, etc.) and a smaller, one-story strip center building with retail, restaurant, and personal service uses at the corner of Escuela Avenue to the west, across Escuela Avenue;
- One- and two-story single- and multi-family residential buildings to the northwest, diagonally across Latham Street and Escuela Avenue; and
- One-story, multi-tenant commercial building at the corner and a one-story, single-family residence along Latham Street to the north.

The project site is approximately 150' from Castro Park on Latham Street and 300' from the entrance of Castro Elementary School on Escuela Avenue.

Prior Meetings

Neighborhood Meeting

A virtual neighborhood meeting was held on August 6, 2020. Ten (10) people attended the meeting, asked questions, and expressed support for the project design.

Development Review Committee

The project was reviewed twice by the Development Review Committee (DRC) on August 19, 2020 and October 20, 2021, when the DRC recommended approval of the project with design conditions. Staff has worked with the applicant to incorporate some of the DRC's recommendations into the current plans, which include:

- Increase landscape buffer areas, particularly along the south and east property lines;
- Streamline building massing and architectural forms by carrying features consistently throughout the facades, including extending the metal awning and columns from Escuela Avenue to the garage entrance on Latham Street;
- Apply materials, such as stucco and siding, consistently to similar wall planes;
- Add additional trees along Latham Street; and
- Provide a varied and colorful landscape palette along the street and street-facing planters.

Staff will continue to work with the applicant on design details through the building permit process, if the project is approved.

Environmental Planning Commission Public Hearing

The Environmental Planning Commission (EPC) held a public hearing to review the project on January 5, 2022 (see Attachment 7 - EPC Staff Report Dated January 5, 2022), where Commissioners unanimously recommended approval of the project. The project applicant and one member of the public spoke in support of the project.

Overall, the EPC supported the project because it improves the project site and activates the Escuela Avenue/Latham Street intersection, provides rental housing opportunities with on-site below-market-rate (BMR) units, and does not displace any residential tenants. The EPC also discussed concerns about displacing the existing commercial tenants but acknowledged that further EPC and Council direction would be required to develop any assistance programming (see Existing Commercial Tenancy section below). The EPC also requested staff consider further bulb-out installations at the corners along Latham Street and continue to try to contact the last known tenant that occupied the vacant single-family home to establish whether they qualify for tenant relocation benefits.

ANALYSIS

General Plan Map, Zoning Map, and Precise Plan Amendments

The project site is comprised of two parcels – an eastern and western parcel – under two different General Plan and zoning designations. The western parcel is in the P(38) (El Camino Real) Precise Plan – Low Intensity Corridor and has a General Plan Land Use Designation of Mixed-Use Corridor. The eastern parcel is in the R3-2.5 (Multiple-Family Residential) District with a General Plan Land Use Designation of Medium-Density Residential.

As part of the project, the applicant is requesting to incorporate the eastern parcel under the P(38) El Camino Real Precise Plan Zoning District and the Mixed-Use Corridor General Plan land use to be consistent with the western parcel. This request requires a General Plan Land Use Map Amendment, Zoning Map Amendment, and Precise Plan Amendments (see Attachments 2, 3, and 4).

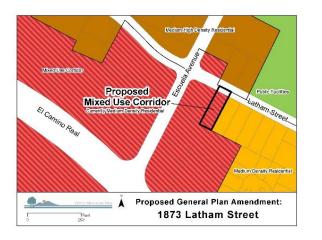


Figure 2: General Plan Amendment

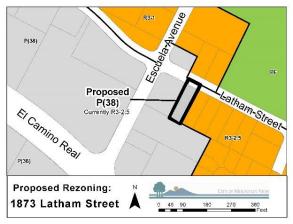


Figure 3: Zoning Map Amendment

The project is a mixed-use development that includes commercial and residential components; therefore, the proposed General Plan and zoning amendments will be consistent with the intended development pattern for the El Camino Real Precise Plan area. Furthermore, the proposed use of the site does not deviate from the allowed

residential use that is currently allowed for the eastern parcel and furthers City objectives to provide additional housing opportunities, particularly through combining lots (LUD 20.6, Parcel Assembly).

Additionally, the project is utilizing the exemption for Gatekeeper Authorization for General Plan and zoning amendments under Sections 36.52.15 and 36.52.55, Special Application Requirements, of the Mountain View City Code. The project qualifies for the Gatekeeper exemption because the project site is within more than one zoning district; is under two acres in total size; is owned by a single entity; and the zoning change is consistent with one of the site's existing land use designations.

Project Overview

The applicant proposes to develop a new three-story, mixed-use building with 2,400 square feet of ground-floor retail space and 25 residential apartment units on the two floors above. The proposed unit mix is comprised of 10 studios, 11 one-bedroom units, and four two-bedroom units. A courtyard is proposed on the second floor, and a roof deck is proposed on the top of the third floor. Parking is located at-grade and in a one-level, below-grade parking garage. Vehicle access to the site is available from Latham Street, and no vehicle access is provided on Escuela Avenue to maintain a safe pedestrian corridor between El Camino Real and Castro School (see Attachment 6- Project Plans).



Figure 4: Site Plan

The ground-floor retail primarily faces Escuela Avenue and wraps around the corner to Latham Street and is designed with a full-height glass storefront system located behind a roofed arcade. The paved corner plaza, curb bulb-out, and roofed arcade create a continuous pedestrian space that is enhanced by bordering planters and in-ground landscaping. The landscaping strip, from the face of curb, and the in-ground landscaping frame the 5' wide public sidewalk with a diverse mix of native plantings to support an active pedestrian area.

The architectural design of the proposed building is contemporary and designed to scale appropriately with the surrounding uses, particularly to the eastern property line, where there is an existing single-family home. The project has been designed to maximize privacy along the eastern shared property line with existing residential uses by placing no outdoor balconies or common areas in that area and limit window placement to the greatest extent feasible. This aligns with some of the privacy objectives in the El Camino Real Precise Plan.

The Precise Plan requires the height of buildings adjacent to residentially zoned properties to not exceed the horizontal distance from the property line. Consistent with this requirement, the second-floor wall height is 26', and the setback is at least 26' along the eastern property line. The roof forms also angle up toward Escuela Avenue, providing massing relief at the east property line where lower-intensity uses exist. Additionally, the Precise Plan requires height transitions for new developments located across the street from a residentially zoned property to be of similar scale when the street is less than 80' wide. Latham Street is less than 80' wide, resulting in the lowest two-story building height proposed at the northeast corner of the project site where the development is directly across the street from a single-story residential home.

The project complies with the development standards and guidelines of the Low-Intensity Corridor of the Precise Plan, including floor area ratio, setbacks, maximum pavement coverage, etc., with the exception of the two minor requested exceptions, below. Flexibility can be provided in meeting these standards if the result is a superior project design which meets the intent of the Precise Plan.

- Second-floor setback exception of 5' to allow for patios along Escuela Avenue and third-floor setback exception of 3' to allow for Juliet balconies and window canopies; and
- Height exception for the elevator overrun at 50'6" to access the roof level and the angled roof at 48', where the maximum height allowed is 45'.

Staff is supportive of the setback and height exceptions because they accommodate design features, such as the balconies and roof form, which improve the character of the development, and are elements required by Building Code, like the elevator overrun, which support the roof deck.



Figure 5: View from Escuela Avenue

Open Space and Landscaping

The project exceeds the minimum open-space requirements offering 45%, where 35% is required. The project includes a second-floor courtyard with passive amenity space and a rooftop deck above the third floor with seating areas and a covered barbecue area accessible to the residents. Proposed plant species have low water-use demands, complying with the City's Water Conservation in Landscaping requirements, and a minimum of 75% of the plant palette is comprised of native species.

The project site has no Heritage trees, and there is one street tree along the project frontage that is proposed to be removed to accommodate the street improvements along both street frontages, including installation of a detached sidewalk along Escuela Avenue. The applicant is proposing to plant approximately 40 new trees, including five new street trees along the project frontages. Table 1 shows the anticipated tree canopy coverage for the site.

Canopy	Site Coverage
Existing	<1%
After 5 Years	8%
After 10 Years	25%
At Maturity	40%

Table 1: Tree Canopy Coverage

Parking

The project complies with the parking requirements of the Precise Plan. Sixty-three (63) parking spaces are proposed, of which 50 spaces are reserved for residents and guests of the residential component and 13 spaces for the commercial space. The 13 commercial spaces and two residential guest spaces are located at-grade, while the rest are provided in the below-grade garage, including 12 standard spaces and 36 stacked parking spaces within two mechanical stackers. The mechanical stackers are intended for resident parking.

Two short-term bicycle parking spaces are located at an at-grade bicycle rack, and 25 long-term bicycle spaces are provided in a secure storage room in the basement.

Transportation

As part of this project, Hexagon Transportation Consultants, Inc., prepared a transportation analysis for the project. The analysis utilized the Institute of Transportation Engineers (ITE) trip generation rates to determine that the proposal will generate 17 net new daily trips with eight net new trips during the a.m. peak hour and -4 net new trips during the p.m. peak hour. The analysis concluded the project would not have any adverse effects on roadway traffic operations or intersections. Additionally, due to the project's location and size, the project is expected to have a less-than-significant impact on vehicle miles traveled (VMT), and a project-specific VMT analysis is not required.

In an effort to promote alternative modes of transportation and reduce vehicle trips associated with the project, the owner will provide transit subsidies to renters and employees of the commercial space and designate a commute coordinator to manage and monitor the commute alternative program.

Existing Commercial Tenancy

The two commercial buildings are comprised of nine tenant spaces, of which three are currently vacant. The six remaining tenants (party store, tax service, jewelry store, etc.) have been for many years, and continue to be, on monthly leases. The property owner informed each tenant of the initial development plans, provided updates on the project, and will provide advance notice as the project progresses. Although the City does not have specific commercial tenant relocation or benefits programming, staff can provide assistance to the tenants to identify financial resources and relocation opportunities in the City.

Below-Market-Rate Plan and Tenant Relocation

The project is subject to the City's current BMR requirements (Phase 2), which requires 15% of inclusionary affordable units be provided to low- and moderate-income households on-site. Units must be provided to a minimum of two income levels for a weighted average of 65% of Area Median Income (AMI). The applicant is proposing four units (one two-bedroom, one one-bedroom, and two studio units) for low- and moderate-income households consistent with the City's requirements.

The project is subject to Senate Bill (SB) 330 and is required to provide a replacement unit in the form of the two-bedroom unit (identified above), replacing the two-bedroom single-family home on-site. The existing single-family residence is vacant. The former tenants vacated the unit in January 2021 after the developer submitted the original development application. Depending on their income, the former tenants may be eligible for relocation benefits and a first right of refusal to occupy a comparable affordable unit. Outreach is under way to inform the tenants of their potential eligibility.

ENVIRONMENTAL REVIEW

An Initial Study was prepared for the proposed project pursuant to the California Environmental Quality Act (CEQA), and project-specific technical studies were prepared to provide technical guidance in the areas of air quality, trees, historic resources, archaeology, noise, greenhouse gas emissions, hazardous materials, utilities, and transportation. The analysis determined that, with the implementation of the 2030 General Plan, the El Camino Real Precise Plan, State Regulations, and identified mitigation measures and the City standard conditions of approval, the proposed project would not result in any significant environmental impacts, and a draft Mitigated Negative Declaration).

In accordance with the CEQA Guidelines, the Initial Study and Draft Mitigated Negative Declaration, along with a Notice of Intent (NOI) to Adopt a Mitigated Negative Declaration, was circulated for public review for a 20-day comment period, which commenced on October 20, 2021 and ended on November 9, 2021. No comments were received.

FISCAL IMPACT

The subject site has a total assessed value of approximately \$738,476, and the City's share of property tax is approximately \$1,187 per year. If the site were developed, the City would receive approximately \$30,147 per year in additional property tax revenue.

The project is required to pay 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, which is estimated at \$1.33 million.

CONCLUSION

The EPC recommends approval of the proposed project and Initial Study and Mitigated Negative Declaration. The project achieves General Plan goals for mixed-use neighborhood developments and is consistent with the El Camino Real Precise Plan. The site design and architectural design of the mixed-use building are respectful of the use and scale of the surrounding area by utilizing architectural elements and materials that accentuate the building and improves the street frontages with landscaping and pedestrian walkways and amenities. Additionally, approval of the project would not result in significant environmental impacts with implementation of the mitigation measures and conditions of approval.

ALTERNATIVES

- 1. Approve the project with modified conditions.
- 2. Refer the project back to the EPC and/or the DRC for additional consideration.
- 3. Deny the CEQA document and/or project.

PUBLIC NOTICING

The City Council agenda is advertised on Channel 26, and the agenda and this report appear on the City's website. All property owners within a 750' radius and other interested stakeholders were notified of this meeting.

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EY/6/CAM 810-02-08-22CR 201615

Attachments: 1. Initial Study and Draft Mitigated Negative Declaration

- 2. Resolution for a General Plan Map Amendment
- 3. Ordinance for a Zoning Map Amendment
- 4. Resolution for a Precise Plan Amendment
- 5. Resolution for a Planned Community Permit, Development Review Permit, and Provisional Use Permit
- 6. Project Plans
- 7. EPC Staff Report Dated January 5, 2022