

CITY OF MOUNTAIN VIEW**ENVIRONMENTAL PLANNING COMMISSION****STAFF REPORT****WEDNESDAY, SEPTEMBER 7, 2016****5. PUBLIC HEARINGS**

- 5.3 Public Hearing for Consideration of a Planned Community Permit and Development Review Permit to Construct 583 Apartment Units with 11,171 Square Feet of Ground-Floor Commercial Space in Two 5-Story Buildings and One 7-Story Building with Two Levels of Underground Parking, Including a 35 Percent State Density Bonus with Development Waivers; a Provisional Use Permit for Rooftop Amenities above the Third Floor; a Heritage Tree Removal Permit to Remove 65 Heritage Trees; and a Preliminary Parcel Map to Merge Five Existing Parcels and Create Two Separate Parcels on an Existing 5.7-Acre Site, and a Determination that the Project Prepared an Initial Study of Environmental Significance Pursuant to Section 15168 of the California Environmental Quality Act (CEQA)**

RECOMMENDATION

That the Environmental Planning Commission:

1. Recommend the City Council approve an Initial Study of Environmental Significance for the 400 San Antonio Road mixed-use development project, pursuant to Section 15168 of the California Environmental Quality Act (CEQA) (Exhibit 1 to the EPC report).
2. Adopt a Resolution Recommending that the City Council Conditionally Approve a Planned Community Permit and Development Review Permit to Construct 583 Apartment Units with 11,171 Square Feet of Ground-Floor Commercial Space in Two 5-Story Buildings and One 7-Story Building with Two Levels of Underground Parking, Including a 35 Percent State Density Bonus with Development Waivers; a Provisional Use Permit for Rooftop Amenities above the Third Floor; and a Heritage Tree Removal Permit for the Removal of 65 Heritage Trees at 400 San Antonio Road (Exhibit 2 to the EPC report).
3. Adopt a Resolution Recommending that the City Council Conditionally Approve a Preliminary Parcel Map to Merge Five Existing Parcels into Two Separate Parcels at 400 San Antonio Road (Exhibit 3 to the EPC report).

PUBLIC NOTIFICATION

The EPC's agenda is advertised on Channel 26, and the agenda and this report appear on the City's Internet website. All property owners and tenants within a 500' 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

The approximately 5.7-acre project site is located on the west side of San Antonio Road between Miller Avenue and Fayette Drive and consists of five parcels. The parcels are currently developed with commercial, office, and industrial buildings and one residence totaling approximately 80,500 square feet.

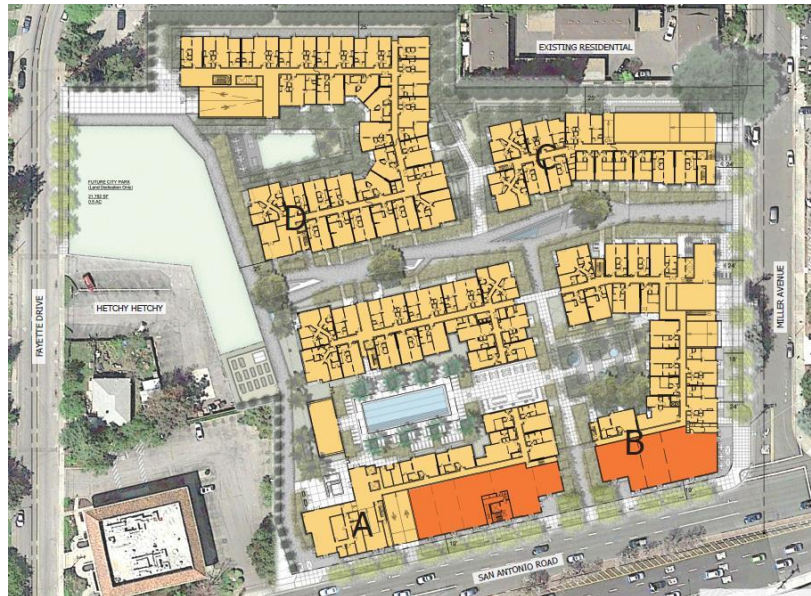
Surrounding land uses include multi-family housing to the west; Merlone Geier's San Antonio Center mixed-use project directly across San Antonio Road to the east; a parking lot and commercial uses across Miller Avenue to the north; and commercial uses, single-family residences, and multi-family housing, including a recently approved 4-story, 24-unit condominium project at 2645 and 2655 Fayette Drive, to the south.



The project site is located within one-half mile of multiple transportation services. Existing service is provided by Santa Clara Valley Transportation Authority (VTA), Caltrain, the Marguerite shuttle operated by Stanford University, and Bay Area Bike Share.

Project Description

Prometheus Real Estate Group proposes to redevelop the site located at 400, 462, 480, 520 San Antonio Road, 2615 Miller Avenue, and 2624, 2630 Fayette Drive (referred to as 400 San Antonio) with 583 rental apartment units and 11,171 square feet of ground-floor commercial space. The project includes 48 units designated as affordable for very low-income households. The project includes one 7-story building (labeled A and B in the site plan; the building appears as two separate buildings on the ground level but connects at upper stories) and two 5-story buildings (labeled C and D) with two levels of underground parking; as well as dedication of a 0.5-acre public park to the City of Mountain View. The 583 units are comprised of 54 studios, 320 one-bedroom units, 169 two-bedroom units, and 40 three-bedroom units.



Site Plan

The project has three street frontages—San Antonio Road, Miller Avenue, and Fayette Drive. Each frontage has one vehicular entrance to the underground parking garage. Various on-site amenities are included throughout the project site such as open space areas, private residential balconies, two swimming pools, three spas, a community garden, bike storage and repair facilities, two rooftop decks with amenities, private residential storage areas, barbecue pits, a bocce court, fitness rooms, and more.

The applicant is requesting a Tier 1 development, which allows up to 1.85 floor area ratio (FAR), and a 35 percent density bonus under the State Density Bonus Law. With the application of the State Density Bonus Law, the FAR may be

increased up to 2.50. State Density Bonus Law provisions are discussed later in this report.

Previous Meetings

Gatekeeper Request

In January 2013, prior to the adoption of the San Antonio Precise Plan, the City Council authorized a Gatekeeper application for staff to begin work on a proposal to rezone the project site from a CRA ("Commercial/Residential-Arterial") to a P ("Planned Community") District and to amend the General Plan Land Use Designation from General Mixed-Use to Mixed-Use Corridor for a mixed-use apartment/retail project proposed by the Pillar Group. At that time, the Pillar Group proposed to redevelop the site with up to 375 apartment units in four 4-story buildings over underground parking garages and approximately 9,000 square feet of retail space.

The project returned to the City Council for a Study Session in October 2014, and in December 2014 the City Council adopted the San Antonio Precise Plan. The City also amended the General Plan Land Use Designation from General Mixed-Use to Mixed-Use Corridor, and cleared the project to proceed without a General Plan Amendment or rezoning request. However, in September 2015, the Pillar Group withdrew their development proposal.

Prometheus City Council Study Session

After the Pillar Group withdrew their application, Prometheus Real Estate assumed control of the project and became the applicant. In October 2015, the City Council reviewed a new proposal at a Study Session and provided direction regarding the proposed design, massing, and potential public benefits. At that time, the project was a Tier 1 development and included 605 rental apartment units and 9,200 square feet of ground-floor commercial, with a 35 percent State density bonus. City Council was supportive of the Tier 1 development request as well as the height and massing of the development; however, three Councilmembers were concerned with the height transitions to the residential developments west of the project site.

Staff asked the City Council if there was a specific public benefit they would like to see the applicant propose or if an in-lieu fee was acceptable. Council was agreeable to the public benefit contribution not going towards a specific project and accepting the in-lieu fee if there were no immediate improvements identified

for the area. Four Councilmembers did note they would be supportive of the public benefit going towards a park and more open space and one of those four was also supportive of it going towards a new school site. Council also provided direction on the location of the park dedication and whether or not the park square footage should count in the FAR calculation. Council was supportive of the park being located on the Fayette Drive frontage and directed staff to include the dedication square footage when calculating floor area.

Development Review Committee (DRC)

The DRC reviewed the project informally at one meeting and formally at two other meetings. Overall, the DRC was supportive of the project but directed staff to continue to work with the applicant on the following:

- Replace the commercial stucco facade on Building A with a higher-quality material finish.
- Revise the design, colors, and material of the garage/loading zone/lobby entrance along the Miller Avenue frontage to emphasize the lobby and deemphasize the garage and loading zone.
- Revise windows throughout the project to provide more recessed windows and coordinate with staff on the location and depth of them.
- Enhance the pedestrian environment along San Antonio Road similar to the way the paseo is activated. Include more landscaping, outdoor seating, and a trellis, arbor, and/or sculpture between Buildings A and B to make the plaza warm and welcoming at the pedestrian level.

The applicant has begun to integrate these changes into the project plans and, if the project is approved, will continue to work with staff on these items during the building permit process.

State Density Bonus Law

The State Density Bonus Law has been in effect since 1979 and was enacted in California to aid in the development of affordable housing by providing incentives/concessions and waivers/reductions of development standards for the construction of affordable or senior housing in residential projects. The intent of the law is to address the shortage of affordable housing by making its development more financially feasible for developers while also reducing

regulatory barriers within local jurisdictions. The law applies to both rental and ownership housing developments with greater than five units and is separate from the City's affordable housing programs.

The Density Bonus Law provides a sliding scale for bonus density (up to a maximum increase of 35 percent) based upon the percentage of units set aside for senior, very low-, low-, or moderate-income households within a proposed development project. The higher the percentage of affordable units proposed, the higher the allowed density increase for the project. The density bonus is calculated based on the maximum allowable density under the applicable zoning designation for the project site. The proposed development includes 11 percent very low-income units, making it eligible for the maximum 35 percent density bonus.

The Density Bonus Law allows developers to request one or more concessions (or incentives) related to financial necessity to make the project feasible. They may also request a waiver or reduction in applicable development standards and design requirements (i.e., reduction in setbacks, height, etc.) that would otherwise prohibit the development of the density bonus project. The Density Bonus Law parking standard was recently updated for developments within one-half mile of a major transit stop and that include 11 percent very low-income units. The standard now allows a parking ratio of 0.5 parking stall per bedroom.

To streamline the review process, the State Density Bonus Law prohibits cities from requiring a General Plan Amendment, Zoning Amendment, or similar discretionary approval for the density bonus, any concession(s)/incentive(s), or any requested development waiver(s). Essentially, this allows a developer to request a concession or development waiver that may exceed the City's General Plan or zoning regulations without requiring an amendment to those regulations and allows the City to approve a project without penalty even if it does not comply with applicable regulations. However, the developer requesting the density bonus is required to provide proof that the concession(s)/incentive(s) are necessary to make the provision of affordable units feasible or development waiver(s)/reductions are needed in order to construct the density bonus project.

ANALYSIS

General Plan

The project site has a General Plan Land Use Designation of Mixed-Use Corridor, which supports a broad range of commercial, office, and residential uses and public spaces serving both surrounding neighborhoods and visitors from nearby

areas. The Mixed-Use Corridor accommodates development of up to 1.85 FAR, and heights of four stories. As a point of reference, the General Plan Designation allows for up to six stories in key locations where intensities above 1.85 FAR are specified through Precise Plan standards. The site is located within the San Antonio Change Area, which focuses on improving accessibility, expanding community space, revitalizing the San Antonio Center, and enhancing the mix of uses.

The Housing Element identifies this project site as a potential redevelopment location for housing units affordable to lower-income households (0 percent to 80 percent area median income (AMI)). While a portion of the proposed units will fall within these affordability levels, the proposed project is primarily a market-rate development. The City expects the addition of residential units within the North Bayshore Change Area to more than make up for the number of units that could have been provided on this site.

The proposed project is consistent with the following General Plan policies:

LUD 3.1: Land use and transportation. Focus higher land use intensities and densities within a half-mile of public transit service, and along major commute corridors.

The proposed project is in an ideal location for high-density housing. It is located within one-half mile of the San Antonio Transit Center (a major bus stop for six different bus routes) and the San Antonio Caltrain Station. Regional access to the project site is provided by U.S. 101, SR-237, SR-85, SR-82/El Camino Real, and Central Expressway/Alma Street. The project is located along San Antonio Road, which provides access to North Bayshore and connects directly to major commute corridors U.S. 101, SR-82/El Camino Real, and Central Expressway/Alma Street.

LUD 3.5: Diversity. Encourage residential developments serving a range of diverse households and incomes.

The project will include 583 units, of which 48 are designated for very low-income households (0 percent to 50 percent AMI). The 583 units include a mix of studio, one-, two-, and three-bedroom unit types serving a range of household sizes.

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

The project is located at the required setbacks along all frontages to emphasize a pedestrian-oriented design. Ground-floor commercial space occurs along the San

Antonio Road frontage and includes high-quality materials, storefront canopies, and shading lattice. The storefronts include recesses, lighting, landscaping, and special pavers to highlight the pedestrian environment. Porches and building entries occur along other street frontages and two public pedestrian/bicycle pathways, which also feature high-quality materials such as special pavers, benches, and other furnishings as well as water features and other landscape art forms, run through the site. The careful design attention given to these areas creates a strong, welcoming presence at the street and along the interior pathways.

LUD 8.3: Enhanced publicly accessible bicycle and pedestrian connections. Encourage new and existing developments to enhance publicly accessible bicycle, pedestrian, and transit connections.

The project includes improvements along San Antonio Road, Miller Avenue, and Fayette Drive to create wider and safer sidewalks. The project also includes two public pedestrian/bicycle pathways that provide connections through the project site towards the San Antonio Center, the San Antonio Caltrain Station, and the San Antonio Transit Center.

LUD 8.4: Pedestrian-oriented civic and public spaces. Create and encourage new pedestrian-oriented civic and public spaces throughout the City.

In addition to the pedestrian/bicycle pathways previously mentioned, the project includes an open space plaza along the San Antonio Road frontage. The plaza and pathways include outdoor seating, water features, lighting, and landscaping, creating an attractive environment to the public. The project also includes a 0.5-acre dedication to the City of Mountain View for a new public park. The park will be located along the Fayette Drive frontage adjacent to the Hetch Hetchy right-of-way and will provide a new open space area for existing and future residents.

Zoning

The zoning designation for the site is P-40 (San Antonio) Precise Plan. The project site is located within the Mixed-Use Corridor sub-area, which allows residential and commercial land uses. Applicable development standards are shown in the table below, and discussed in greater detail in later sections of this report.

	INTENSITY TYPE	
	Base	Tier 1
MAXIMUM FLOOR AREA	1.35 Up to 0.50 can be office or commercial	1.85 FAR Up to 0.50 FAR can be office or commercial
MAXIMUM STORIES	3 stories	4 stories ¹
MAXIMUM BUILDING HEIGHT	45 feet	55 feet ¹
PUBLIC BENEFITS REQUIREMENT	No public benefit contribution required.	Public benefit contribution required.
1. Up to 5 stories (65 feet) will be considered on a case-by-case basis if project provides significant public benefits or major open space improvements per Figure 4-2. Additional height (in feet) may be allowed if needed to accommodate commercial uses.		

The Precise Plan includes guiding principles to achieve the General Plan's objectives for the area and provides direction for review of future development projects. The project achieves the following key principles:

- *Revitalize the Plan Area*

The existing project site contains approximately 80,500 square feet of primarily commercial, office, and industrial buildings with an abundance of surface parking. The site is highly underutilized, as compared to the development potential allowed under the Precise Plan. The proposed project will revitalize the site by providing an attractive, vibrant, and pedestrian-oriented mixed-use development. The dedication of a 0.5-acre public park will enhance amenities in a neighborhood identified as having an open space deficiency in the Parks and Open Space Plan.

- *Seek Broad Public Benefits*

The applicant has applied for a Tier 1 development which requires a public benefit contribution. The public benefit contribution is discussed later in this report and includes a contribution of \$5,065,317.

- *Promote Coordinated and Well-Integrated Development*

The project site is currently five separate parcels with little coordination and integration. The project creates a well-integrated development with buildings oriented towards public streets and pathways, and improved circulation and access to public amenities and on-site destinations. The site's paths promote

walking and biking, and allow on-site residents and neighbors easy access to the San Antonio Center. The proposed residential development complements development in the San Antonio Center, which is located directly across the street and will include a movie theater, grocery store, and mixture of retail, restaurant, and office uses once current construction is completed.

- *Support Increased Housing Supply and Diversity*

The project provides a broad spectrum of housing types by offering studio, one-, two-, and three-bedroom units for rent. The project includes a range of affordability by dedicating 48 of the 583 units to very low-income households.

State Density Bonus Request

The project includes a 35 percent density bonus in exchange for providing 11 percent very low-income units on-site. Because the Precise Plan regulates development based on building intensity (FAR) versus residential density (dwelling unit/acre), the proposed 35 percent density bonus is calculated on top of allowed FAR. The density bonus, therefore, allows a 2.50 FAR rather than the maximum 1.85 FAR allowed for Tier 1 projects in the Mixed-Use Corridor sub-area of the San Antonio Precise Plan.

The requirement for 11 percent very low-income units is calculated based on project composition before the density bonus is applied. The applicant and staff estimate a comparable Tier 1 development with a 1.85 FAR would yield approximately 431 units, so 47.4 affordable units would be required to comply with density bonus requirements. The State Density Bonus Law requires calculations resulting in fractional units to be rounded up to the next whole number; thus, 48 very low-income units are proposed with the project.

Under the law, affordable units provided on-site as part of a density bonus project are allowed to count toward compliance with the City's local affordable housing requirements. Because the number of affordable units being provided by the project (48 units) is greater than the number of units that would be required to be equivalent to the Rental Housing Impact Fee (45 units), no additional Rental Housing Impact Fee is required for this development.

The applicant is not requesting any concessions/incentives, but they are requesting waivers/reductions from development standards. Under the State Density Bonus Law, the following development standards cannot be applied by

the City if they would have the effect of physically precluding the construction of the density bonus project:

Waiver 1: Building Height

The Precise Plan limits Tier 1 developments to a maximum height of four stories and 55', but allows up to five stories (65') to be considered on a case-by-case basis. Additionally, the maximum height of new development in neighborhood transition areas shall not exceed the allowed height of the adjacent residentially zoned property by more than one story at all setback lines. The residential properties to the west are zoned multi-family residential which allows a maximum of three stories. This limits the buildings along the west property line to four stories. The proposed project includes one 7-story building fronting San Antonio Road and Miller Avenue and two 5-story buildings facing the residential properties to the west.

The 7-story building (A and B) is approximately 92' tall. The height waiver is appropriate because it is necessary in order to accommodate the density bonus units into the project. The height and massing of the building are similar to the approved Merlone Geier Phase II project directly across San Antonio Road, which is over 100' tall. In addition, the upper floors of the building have additional setbacks. Along San Antonio Road, floors two through five step back approximately 15' from the ground floor and floors six and seven have an additional 8'6" step-back. Along Miller Avenue, floors one through five are set back 24' from face of curb, as required by the Precise Plan, and floors six and seven are set back an additional 8'-6" to 10'. These upper-story setbacks reduce the overall mass of the building from the pedestrian level.

The five-story buildings (C and D) facing the west property line are approximately 66' tall. These buildings are five stories rather than seven along this property line to address the lower-density residential west of the project site. As previously mentioned, the Precise Plan allows up to five stories on a case-by-case basis but the waiver is being requested for C and D since they are otherwise limited to four stories due to the zoning of the adjacent residential apartment site. The waiver is appropriate because it is necessary in order to accommodate the density bonus units into the project. The buildings step back at the fifth floor and include special design features such as the elimination of corner units, etc., in particularly sensitive areas to help reduce the overall mass.

Waiver 2: Residential Height Transitions

The Precise Plan states when additional height is permitted adjacent to existing residential properties, additional step-back is required of 10' per story. The proposed fifth story steps back along the west property line; however, the step back varies between 8'-6" and 10'. The waiver from this development standard is appropriate because the reduction is relatively small and occurs in limited locations. In most areas, the project complies with this Precise Plan requirement.

Waiver 3: Height at Frontage Setback

Where more than four stories are allowed, the Precise Plan requires at least 80 percent of the building's linear frontage above four stories to step back a minimum of 10' on every street the project faces. The waiver is requested for Building B's Miller Avenue frontage as the building steps back at the sixth floor rather than the fifth floor, and the step-back varies between 8'-6" and 10'. The waiver is appropriate because the applicant uses variation in material, architectural projections, and building and window recesses to help reduce the scale and mass of the building, and is meeting the 10' step-back requirement on the sixth floor as closely as possible.

Project Design

The project has three vehicular access points leading to the underground garage—one on San Antonio Road, one on Fayette Drive, and one on Miller Avenue. The residential loading zone and trash enclosure entrance are located on Miller Avenue as well. The Precise Plan limits the number of curb cuts to two per block; however, since the applicant is only proposing one curb cut along Fayette Drive and one along San Antonio Road, they are under the total number of curb cuts allowed for the project site. The Precise Plan allows flexibility through the Planned Community Permit process, and due to the intensity of traffic along San Antonio Road and dedication of the public park along Fayette Drive, staff is supportive of three curb cuts along Miller Avenue rather than an additional curb cut on either San Antonio Road or Fayette Drive.



Site Circulation Diagram 1

Prioritizing pedestrian improvements is a guiding principle in the Precise Plan. To enhance the pedestrian environment, the applicant proposes a vibrant paseo (between Buildings A/B and Buildings C/D) and other large pathways between buildings and plazas in various locations. To improve connectivity throughout the plan area, the proposal includes two public pedestrian/bicycle paths:

- Paseo that runs north-south through the center of the site, from Miller Avenue to the future park; and
- Major pathway that runs east-west, along the southern portion of the site, adjacent to the Hetch Hetchy right-of-way from San Antonio Road to the future park.

The leasing office/Building A lobby entrance is located along San Antonio Road, in the southeast corner of the building and adjacent to the east-west pedestrian/bicycle pathway. The lobbies for Buildings B and C are located along Miller Avenue, and the lobby for Building D is located across from the proposed public park, where the north-south paseo meets the east-west pathway. Each lobby is placed adjacent to public sidewalks or pedestrian/bicycle pathways for easy access from the street.

The buildings use a contemporary architectural style; they vary in height, setbacks, materials, and colors. The upper floors of Building A and the majority of Building C use stucco, while Buildings B and D incorporate a mix of stucco and horizontal wood siding. Trespa, a wood-like panel system, is used as a special accent material to highlight key locations throughout the project, such as the corner towers, building lobbies, ground-floor retail, and along the ground floor of Building A (fronting the park). As tenants occupy the ground-floor commercial space, exterior modifications to the commercial storefronts may occur, with City approval, to allow tenants to customize and personalize their storefronts while maintaining compatibility with the buildings and adjacent commercial tenants.

Height variations between the three buildings, upper-floor step-backs and other recesses, and projecting features such as balconies, help provide visual interest, reduce the overall appearance of the building height and mass, and create smoother transitions to adjacent properties. The variation in heights, colors, and materials allow the buildings to complement each other yet provide differentiation between each building.

San Antonio Road Frontage

The ground-floor commercial space of Buildings A and B face San Antonio Road. One existing site tenant (Masa Sushi) will occupy the retail space on the corner of San Antonio Road and Miller Avenue. The



Building A – View Looking North on San Antonio Road

Precise Plan allows floor area for existing small businesses preserved as part of a new development to be exempt from FAR calculations, at the discretion of the City Council, so the 2,280 square foot Masa Sushi is expected to occupy was not included in the FAR calculation. Buildings A and B connect starting at the second level at the rear of the building next to the paseo, but appear to be two separate buildings from San Antonio Road. This deep break in the building assists with the overall massing of the project along San Antonio Road and provides a nice pedestrian plaza.

The plaza area will be furnished with pedestrian-scaled lighting, landscaping, and outdoor seating to create a comfortable gathering space for commercial customers, visitors, and residents. Storefront windows, shading lattice, canopies, variation in materials, window recesses, and architectural projections contribute to creating a pedestrian-friendly streetscape. The public streetscape along San Antonio Road will include a wider 8' sidewalk, 6' amenity/planter zone (next to the street), and 4' of exterior active space (next to project buildings). As discussed earlier in this report, the building steps back at the second floor and again at the sixth floor along San Antonio Road, which exceeds Precise Plan requirements. All of these design features assist in creating a human-scaled environment along the street.

Miller Avenue Frontage

The Building B frontage along Miller Avenue is set back 24' at the ground level and provides a more residential design character as the project transitions



Building B— View from San Antonio Road/Miller Avenue Intersection

into the adjacent neighborhood. Pedestrian improvements along this frontage include a 6' sidewalk, 4' amenity/planter zone, and 14' landscaped setback area next to the building, which includes ground-floor unit entries.

Both Buildings B and C have recessed wall areas where greater setback is provided, and upper floor step-backs along Miller Avenue to help with the overall



Paseo View from Miller Avenue

mass and scale of the buildings as they transition into the adjacent residential neighborhood. The public pedestrian/bicycle paseo separates these two buildings and connects Miller Avenue to the public park to

be dedicated along Fayette Drive. Pedestrians and bicyclists are greeted at the paseo entrance by sculptural seating, water features, landscaping, and special pavers to create a warm, inviting environment.

West Elevations Adjacent to Residential

Careful design considerations were taken into account along these frontages as the buildings are adjacent to two residential developments. The residential development west of the project site fronting Fayette Drive is three stories and the residential development west of the project site fronting Miller Avenue is two stories. Particular attention was given to the north side of Building D and the south side of Building C as this is the area most visible from the two-story residential development fronting Miller Avenue. The building frontage along the west side of the property is set back 25' as the Precise Plan requires and the buildings step back at the fifth floor.



View from Miller Avenue

The applicant has eliminated the fourth- and fifth-story corner units at the northwest corner of Building D, reducing the height at the corner to approximately 33'. The applicant has also increased the building setback along the southern side of Building C so it is 38' from the property line. Thirty-five (35) Heritage trees are being preserved along this frontage and will assist in screening the new development from both existing residential developments.



View from Fayette Drive

building setback along the southern side of Building C so it is 38' from the property line. Thirty-five (35) Heritage trees are being preserved along this frontage and will assist in screening the new development from both existing residential developments.

Open Space and Landscaping

Approximately 43 percent of the project site will be landscaped and 103,300 square feet of open area will be provided, including paseos, two pool areas, a spa grove, rooftop decks, a barbecue pit, community garden, and more. The project open space exceeds the Precise Plan requirement of 40 percent landscape area and 175

square feet of common open space per unit. Landscaping and open space areas are located throughout the project site along the frontages, the paseo areas, plaza areas, and rooftop decks.

The project proposal also includes a 0.5-acre public park dedication along the Fayette Drive frontage and adjacent to the Hetch Hetchy right-of-way. The location of the park was directed by City Council at the October 2015 Study Session. In addition to the park land dedication, the applicant will be paying approximately \$24,900,000 in Park Land Dedication fees.

Trees

An arborist report was prepared by a certified arborist at HortScience, Inc., to evaluate 194 existing trees, including 103 Heritage trees, which could be impacted by the project. The arborist examined the existing health of the trees and suitability for preservation. The arborist recommended removal of 65 Heritage trees throughout the 5.7-acre project site.

Of the 65 Heritage trees proposed to be removed, 43 are located within the garage footprint, 10 will be removed due to grading, 3 are located within a drive aisle, and 9 have low suitability for preservation. The project will preserve 38 (32 on-site and 6 off-site) Heritage trees and 3 non-Heritage trees. Recommendations on design, preconstruction treatment, and protection during construction were provided to ensure success of the trees being preserved. Approximately 244 new trees, including 26 street trees, will be planted throughout the project site. The City arborist has reviewed the arborist report and agrees with the recommendation to remove 65 Heritage trees, the protection measures, and the number of trees being replanted.

The existing canopy coverage is 29.1 percent of the site. After project construction and the planting of the proposed landscape improvements, the anticipated tree canopy coverage at maturity will be 42 percent of the site.

Green Building Requirements

The buildings will be designed to meet 110 points on the GreenPoint Rated Checklist achieving a Gold® Certification level and the ground-floor commercial space will be designed to meet the LEED Certified™ standard. Sustainable building and site features include, but are not limited to: stormwater filtration and bioretention, drought-tolerant landscaping and hydrozoning, recycled materials in

building components, low-flow fixtures and submetering for tenants, Energy Star® appliances and efficient lighting, and solar hot water systems for the pools.

Public Benefit Contribution

The Precise Plan requires Tier 1 developments to provide significant public benefits for all square footage above the base 1.35 FAR, amounting to a total of \$5,065,317 for this project. The applicant is proposing to donate \$500,000 to the Community Services Agency (CSA) Homeless Prevention and Homeless Services Program (described in Exhibit 4) and place the remaining \$4,565,317 in a City fund. Staff is supportive of the \$500,000 going towards the CSA and recommends the remaining contribution go towards either of the following:

- New school facility. Los Altos School District (LASD) has recently expressed concern regarding the increase in residential units north of El Camino Real in and around the San Antonio Precise Plan area and the impact this increase may have on school facilities (see Exhibit 5). Although LASD has not currently secured a site for a new school facility, staff is supportive of holding the remaining \$4,565,317 in a City fund until a site is secured.
- A CIP fund to be used on future improvements in the plan area (i.e., sidewalk improvements, intersection improvements, etc.).

Transportation Demand Management Plan (TDM)

The Precise Plan requires new commercial development that generates over 50 employees to implement a TDM plan that achieves an 8 percent single-occupant vehicle (SOV) rate reduction. It also requires the provision of a transit pass subsidy for residents and employees, such as a one-year transit pass for new residents for the first 10 years of the project or participation in VTA's Eco Pass program, or equivalent, for the first three years of the project. It also requires Tier 1 development projects to join the Mountain View Transportation Management Association (TMA).

The applicant has submitted a TDM plan that complies with all of the Precise Plan requirements and includes the following: full transit pass subsidies to employees; financial incentives for employees to walk/bike to work; resident reimbursement for transit passes or alternative transportation program, including bikeshare, Caltrain, VTA, and Zipcar of up to \$25 per month with a \$300 per year cap for the first year of residency for the first 10 years of the project; Eco Pass for the first three years; and at least three Zipcars on-site.

The project also includes 647 permanent bike storage spaces and a bike repair facility on the upper floor of the parking garage and 38 surface-level, short-term bike racks along the frontages and along the paseo to promote bicycling in the Precise Plan area.

A monitoring program will be established for the site to ensure compliance with TDM requirements.

Parking

The proposed project includes 870 parking stalls. Although 879 stalls are required per the Precise Plan and Zoning Code, the Precise Plan allows up to a 10 percent parking reduction for projects that include a TDM program. Staff is supportive of the reduction because the applicant has provided a comprehensive TDM plan and is only requesting a 1 percent reduction. Additionally, the site-specific traffic analysis provided a shared parking demand calculation that concluded nine parking spaces could be shared between the restaurant/retail uses; therefore, no parking issues are expected to arise due to the parking reduction.

Parcel Map

The proposed project includes a Preliminary Parcel Map to merge five existing parcels into two separate parcels (see Exhibit 6). The project will be developed on Parcel 1 which will consist of approximately 5.2 acres. Parcel 2 will consist of approximately 0.5 acre and will be dedicated to the City of Mountain View for a public park.

ENVIRONMENTAL REVIEW

The San Antonio Precise Plan EIR is considered a program EIR and comprehensively evaluated the environmental impacts of the San Antonio Precise Plan. The Precise Plan EIR projected an increase of 1,235 residential units, which includes the 583 units proposed in this project. The Mountain View City Council certified the San Antonio Precise Plan EIR and approved the San Antonio Precise Plan in December 2014.

Subsequent development activities which were analyzed in a program EIR may be determined to be adequately evaluated under CEQA, with no further environmental documents required, if it is found that no new environmental

effects will occur and no new mitigation measures would be required for the specific subsequent development project.

An Initial Study of Environmental Significance was prepared for this project, to evaluate whether:

- Any new environmental effects would occur as a result of the project which were not already examined under the Precise Plan's program EIR; and
- Whether any new mitigation measures would be required.

The Initial Study relied on project-specific technical studies prepared to provide technical guidance in the areas of utilities, transportation, noise, and air quality.

Traffic Study

A traffic study was prepared by Hexagon Transportation Consultants, Inc., for the proposed project. The site-specific traffic analysis builds on the Precise Plan environmental analysis certified in December 2014. Potential impacts were evaluated in accordance with standards set forth by the City and the VTA Congestion Management Program (CMP). The analysis is slightly conservative as it is based on 600 units rather than the final unit count of 583.

After applying appropriate trip reductions and trip credits for existing land uses, in accordance with the VTA's Transportation Impact Analysis Guidelines, the project would generate 3,798 daily trips, including 239 net new trips during the a.m. peak hour (9 inbound and 230 outbound) and 249 net new trips during the p.m. peak hour (209 inbound and 40 outbound).

The traffic analysis showed that all study intersections would continue to operate at an acceptable level of service during the a.m. and p.m. peak hours. Accordingly, none of the intersections would be significantly impacted by the project. Although no intersections would be significantly impacted by the project, Hexagon did recommend one operational improvement to the eastbound Fayette Drive/San Antonio Road intersection. Specifically, the two eastbound lanes on Fayette Drive are not currently marked with arrows. Hexagon recommends adding pavement markings on Fayette Drive to define one lane as a right-turn-only lane and the other as a combined through left-turn lane. The VTA reviewed the traffic study and provided comments shown in Exhibit 7.

Initial Study Conclusions

The Initial Study found that with implementation of the San Antonio Precise Plan standards and guidelines, State regulations, and mitigation measures identified in the Precise Plan EIR and the 2030 General Plan and Greenhouse Gas Reduction Program EIR, the proposed project would not result in any new environmental impacts beyond those evaluated in these EIRs and that no further environmental analysis is needed.

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 September 27, 2016.

CONCLUSION

Staff recommends that the EPC recommend approval of an Initial Study of Environmental Significance, adopt a resolution recommending approval of the 400 San Antonio Road development, and adopt a resolution recommending approval of a preliminary parcel map. The DRC has recommended approval of the design, with minor design conditions. The proposal is in compliance with the General Plan and the Precise Plan, exclusive of the Bonus FAR and the development waivers requested through State Density Bonus Law.

ALTERNATIVES

1. Recommend approval of the project with modified conditions.
2. Recommend referral of the project back to the DRC for additional consideration.
3. Recommend that the Council deny the project.

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CP/7/CDD
808-09-07-16SR-E

- Exhibits:
1. Initial Study of Environmental Significance
 2. Resolution for Planned Community Permit, Development Review Permit, Provisional Use Permit, and Heritage Tree Removal Permit with Recommended Conditions of Approval
 3. Resolution for Preliminary Parcel Map with Recommended Conditions of Approval
 4. CSA Public Benefit Contribution Description
 5. LASD Letter
 6. Preliminary Parcel Map
 7. VTA Comments
 8. Project Plans
 9. State Density Bonus Request Letter