

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

- 5.4 Request for a General Plan Land Use Map Amendment from Undesignated Caltrans Right-of-Way to Mixed-Use Corridor, a Zoning Map Amendment from A (Agriculture) and Undesignated Caltrans Right-of-Way to P (Planned Community), a Planned Community Permit and Development Review Permit for a 255-Room Hotel, 200,000 Square Foot Office Building, and Six-Level, Above-Grade Parking Structure, a Heritage Tree Removal Permit for the Removal of 187 Heritage Trees, a Vesting Preliminary Parcel Map for the Creation of Easements, and an Environmental Impact Report for the Moffett Gateway Project Located at 750 Moffett Boulevard**

RECOMMENDATION

That the Environmental Planning Commission:

1. Recommend that the City Council certify the Moffett Gateway Project Final Environmental Impact Report (EIR), Statement of Overriding Considerations for a freeway segment traffic impact, and Mitigation Monitoring or Reporting Program (see Exhibit 1);
2. Recommend that the City Council approve a General Plan Land Use Map Amendment for the properties located at 750 Moffett Boulevard from undesignated Caltrans Right-of-Way to Mixed-Use Corridor (see Exhibit 2);
3. Recommend that the City Council approve a Zoning Map Amendment for the properties located at 750 Moffett Boulevard from A (Agriculture) and undesignated Caltrans Right-of-Way (ROW) to P (Planned Community) (see Exhibit 3);
4. Recommend that the City Council approve a Planned Community Permit and Development Review Permit for a 255-room hotel; 200,000 square foot office building, and six-level, above-grade, parking structure; and a Heritage Tree Removal Permit for the removal of 187 Heritage trees at 750 Moffett Boulevard (see Exhibit 4); and

5. Recommend that the City Council approve a Vesting Preliminary Parcel Map for the creation of easements at 750 Moffett Boulevard (see Exhibit 5).

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 300' 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 10-acre project site is located on two vacant properties in the southwest quadrant of Highway 101 and Moffett Boulevard. The site was previously used as the County of Santa Clara Vector Control Yard from approximately 1970 until its closure in 2004.



Project Location

The two properties that make up the project site are separately owned and will continue to be for the life of the project. The approximately 7-acre parcel, which contains the proposed office building and parking structure, is owned by the City of Mountain View and has been leased to Broadreach under a ground lease and Disposition and Development Agreement (DDA). The approximately 3-acre parcel, which contains the proposed hotel, is excess Caltrans ROW. Broadreach is under contract with Caltrans to purchase the property pending a decision on this project.

The surrounding land uses include Stevens Creek and the associated trail to the west; Highway 101 to the north; Moffett Boulevard and commercial and residential uses to the east; and a PG&E substation and Moffett Boulevard to the south. Access to the site is from the southern-most tip of the property on Moffett Boulevard.

Project Description

The project includes a request to change the General Plan designation of the undesignated Caltrans property to Mixed-Use Corridor and rezone the whole 10-acre project site to P (Planned Community) to allow the site to be redeveloped with a 255-room hotel, 200,000 square foot office building, and six-level, above-grade parking structure (see Exhibit 6 – Project Plans).

Disposition and Development Agreement

In April 2015, the City entered into a Disposition and Development Agreement (DDA) and ground lease with Broadreach for the development of the project site. The preliminary site plan shown to the right was chosen as the preferred site plan by Council, pending acquisition of the Caltrans property, and is the basis for the current site plan.



Preliminary DDA Site Plan

Prior Hearings and Meetings

City Council Study Session

Council reviewed the preliminary project plans at a Study Session on June 23, 2015 (see Exhibit 7 – [Council Study Session Memo, June 23, 2015](#)). Six people spoke at the Study Session and requested the site layout be revised so that the buildings were along Moffett Boulevard and the open space along the creek; requested a biological evaluation be completed for potential impacts to the creek; the project include plantings and other improvements which enhance the riparian corridor; and a traffic report be prepared to evaluate traffic impacts associated with the proposed project.

Council was generally supportive of the preliminary project plans that were presented and provided the following project recommendations and direction to the applicant and staff:

- Supportive of the office building, parking garage, and hotel designs with the incorporation of the Development Review Committee (DRC) design recommendations for an enhanced hotel design;
- Supportive of the increase in the office square footage from 185,000 square feet, which was shown in the early DDA project schemes, to 200,000 square feet;
- Supportive of the site layout and configuration of buildings, open space, and circulation; and
- Requested a biological evaluation be completed for potential impacts to the creek.

Development Review Committee

The project was reviewed by the DRC three times. The DRC provided recommendations on several iterations of the project design and the project received a final recommendation of conditional approval on August 3, 2016. The DRC added a condition of approval for a revised porte cochère design at the hotel entrance.

Neighborhood Meeting

The applicant held a neighborhood meeting on April 28, 2016 to present the project plans to the neighborhood and to hear comments and feedback about the proposed development. Approximately 15 people attended the meeting. Attendees were generally supportive of the project and had questions related to traffic, landscaping, project sustainability features, and potential office tenants.

Airport Land Use Commission

The site is located within the Moffett Federal Airfield, Airfield Influence Area (AIA). Pursuant to State Law, the City in which the project is located must refer the application to the Airport Land Use Commission (ALUC) any time a General Plan and/or Zoning Amendment is proposed within the AIA of an airport/airfield with an adopted Comprehensive Land Use Plan (CLUP) to provide a consistency

determination with the appropriate CLUP policies prior to final approval. The ALUC reviewed the project on July 27, 2016 and made a determination of consistency with the Moffett Federal Airfield CLUP.

ANALYSIS

General Plan

The existing Caltrans site is undesignated on the General Plan Land Use Map and the City-owned property has a designation of Mixed-Use Corridor. The proposal includes a General Plan Land Use Map Amendment for the Caltrans site to Mixed-Use Corridor (see Exhibit B—Resolution for the General Plan Land Use Map Amendment). This matches the General Plan Land Use Designation of the City property.

The Mixed-Use Corridor General Plan Land Use Designation allows a broad range of commercial, office, residential, and public spaces and an FAR up to 1.85. The proposed project is consistent with the General Plan designation, with a proposed FAR of 0.89 and office and lodging uses.

The project is supported by the following General Plan policies:

- *LUD 3.2: Mix of Land Uses.* Encourage a mix of land uses, housing types, retail and public amenities, and public neighborhood open spaces accessible to the community.
- *LUD 3.7: Upgraded Commercial Areas.* Encourage the maintenance, enhancement, and redevelopment of older commercial districts, shopping centers, and corridors.
- *LUD 8.3: Enhanced Publicly Accessible Bicycle and Pedestrian Connections.* Encourage new and existing developments to enhance publicly accessible bicycle, pedestrian, and transit connections.
- *LUD 8.4: Pedestrian-Oriented Civic and Public Spaces.* Create and encourage new pedestrian-oriented civic and public spaces throughout the City.
- *LUD 10.5: Building Energy Efficiency.* Incorporate energy-efficient design features and materials into new and remodeled buildings.

- *LUD 12.4: City-Owned Land.* Maximize revenue from City-owned land and strategically acquire new land to generate revenue.

Proposed Rezoning

The City site is zoned A (Agriculture) and the Caltrans site currently undesignated. The proposal includes a Zoning Map Amendment for both sites to the P (Planned Community) District (see Exhibit 3—Resolution for the Zoning Map Amendment).

Project Overview

The project includes the redevelopment of the approximately 10-acre site with a new hotel, office building, and above-grade parking structure, which are further described below.



Office Building

Site Plan

The proposed office building is located along the western boundary of the site, south of the proposed parking garage. The office building is approximately 200,000 square feet in size and five stories tall. The office building is designed to



Office Building

LEED Gold® standards. The architectural design of the proposed building is contemporary and the front facade is oriented towards the site open space and main internal driveway. The building is scaled to the pedestrian at the ground

floor with a clearly defined entry path from the parking garage along the front of the building under a one-story colonnade that increases to two-stories at the main building entry and ground-floor break-out spaces adjacent to the outdoor patio.

The fifth floor of the building is set back from the lower floors and outdoor terraces are provided at various areas all around the building. The main building facades are composed of glass curtain walls with accent materials such as wood paneling, which are carried through to the hotel and help provide continuity between the buildings.

Hotel

The hotel is located in the northeastern portion of the site, east of the parking garage. The hotel is five stories tall and includes 255 guest rooms, a restaurant, and a conference room area. The hotel is designed to LEED Silver® standards.



Hotel View from Highway 101

The hotel has the most prominent position on the site at the intersection of Moffett Boulevard and Highway 101 where it will receive the maximum visibility from the freeway and identify the gateway into the City.

On the freeway side, the gently curving mass of the hotel has been broken into three segments punctuated by deep V-cuts in the building to help differentiate the three segments. As you move from east to west, the building steps down from five



Hotel View from the Interior of the Site

stories along the freeway to four stories along Moffett Boulevard, reducing its scale as it engages the lower-scale residential neighborhood. Tile panels arranged in vertical patterns are proposed along the freeway-side elevations and add architectural interest to these facades.

The interior side of the hotel has first-floor pedestrian scaling with a porte cochère at the hotel entrance which extends to the outdoor restaurant patio area. The hotel amenity areas are located at the interior side of the hotel, facing the site open space and main internal driveway, and include an outdoor pool, seating areas, and dining areas. The same tile which is used on the freeway side of the hotel is proposed in limited application on the interior elevations, as well as the wood panels used on the office building.

Parking Garage

A proposed above-grade parking garage is located along the western boundary of the site, north of the proposed office building, and has six-levels of parking. The parking structure is



Parking Garage

shared by the office building and hotel users. The garage exterior is clad with decorative metal grating and vertical panels meant to complement the design and materials of the office building and hotel and provide architectural interest. A green screen is proposed along the creek side (western elevation) to help provide a more natural facade facing the creek and trail, in conjunction with the tree and understory plantings along the western edge.

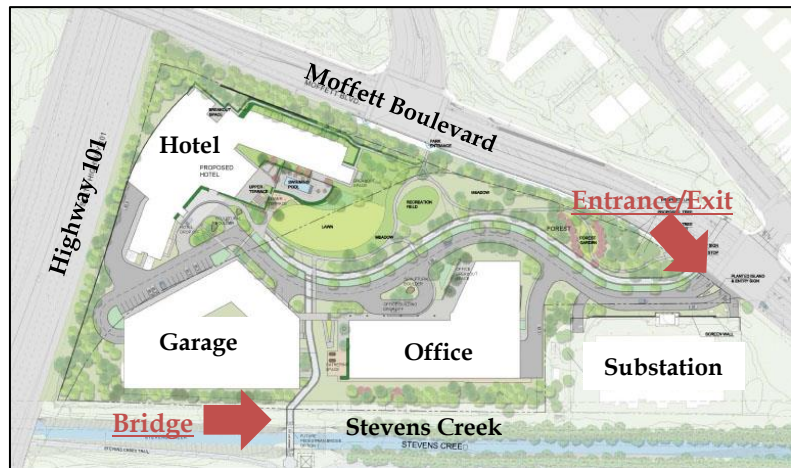
Off-Site Improvements

In addition to the proposed on-site development, the proposed project also includes the following off-site improvements:

- A clear span bicycle/pedestrian bridge is proposed across Stevens Creek, connecting the project site to the Stevens Creek Trail, which is located on the other side of the creek from the project site.
- Stormwater runoff from Moffett Boulevard is currently directed onto the project site. The project proposes to reroute this off-site stormwater runoff from Moffett Boulevard to the southeast Highway 101 cloverleaf via an 18" storm drain line that would be installed under Moffett Boulevard.
- A 16' screen wall on the PG&E substation property, which would replace the existing dilapidated fence.

Access and Circulation

Vehicular access to the project site would be via Moffett Boulevard near the intersection of Moffett Boulevard and Leong Drive along a private roadway. The private driveway would also be used by PG&E to access the substation that is located adjacent to the project site near the Moffett Boulevard entrance.



Circulation Plan

A publicly accessible bicycle and pedestrian Class I trail is proposed parallel to the vehicle roadway. The trail will allow dedicated nonvehicular access through the site and to the Stevens Creek Trail via the new bridge. Two additional pathways are provided from Moffett Boulevard and connect to the internal site circulation network through the open space areas and to on-site buildings.

Open Space and Landscaping

The project proposes a large common open space area along the Moffett Boulevard frontage which would contain passive and active recreation areas and would be used by the on-site hotel and office users as well as available for use to the general public. Additional private open space areas are designated separately for the hotel and office uses. Approximately 37 percent of the project site is designated to open space.

As part of the development and environmental review processes, both the parking structure and the office building were moved away from the western boundary along the creek in order to provide a greater setback from the creek corridor and more area for appropriate riparian habitat plantings.

The proposed planting plan for the project contains a mix native plant species and locally native tree species, including Coast live oak, western sycamore, and Fremont cottonwood. The plans emphasize locally native species to minimize the potential introduction of invasive species and provide an appropriate buffer

between the creek and the developed area. The proposed planting plan and site layout were reviewed by the biological consultant for the California Environmental Quality Act (CEQA) process (WRA) who found the building layouts and proposed planting plan were appropriate and are expected to improve the riparian habitat in the project area as compared to current conditions.

Trees

A tree survey was completed for the project site and areas of off-site improvements by HortScience. The tree survey identified, measured, mapped, and rated the trees for preservation, which took into consideration the trees' age, health, and structural condition. The tree survey found a total of 357 trees are located on the project site, immediately adjacent to the project site, or in the areas of the proposed off-site improvements. The three most common trees surveyed were the Canary Island pine (98 trees), California pepper (91 trees), and deodar cedar (67 trees).

The vacant site is heavily treed because the County planted a substantial number of trees to try and screen the Vector Control use from the surrounding roadways. A separate arborist report was prepared early in the DDA process which showed that the trees had not been cared for since the site's abandonment in 2004 and that many of the trees were in poor condition. Council acknowledged that a substantial number of trees would need to be removed due to their poor health and to accommodate the buildings in the chosen site configuration. Council directed staff to work with the applicant on preserving and/or relocating the greatest amount of healthy trees as possible.

The project proposes to retain 19 Heritage trees, transplant 14 Heritage trees on-site, and remove 187 Heritage trees. Fifteen (15) off-site Heritage trees are proposed to be removed and 4 Heritage trees transplanted to accommodate the off-site drainage and PG&E substation improvements. Approximately 210 native and region-appropriate replacement trees are proposed to be planted on the project site and in the off-site improvement locations.

The existing tree canopy coverage is approximately 48 percent. The anticipated tree canopy coverage would be 14 percent in Year One after project construction and 52 percent at 10 years with mature tree canopy coverage.

Transportation

Transportation Demand Management Plan

The applicant hired Fehr & Peers traffic consultants to prepare a Transportation Demand Management (TDM) plan to achieve a 20 percent reduction in peak-period vehicle trips as measured from the average vehicle trip rate per square foot established by the Institute of Transportation Engineers (ITE) Trip Generation Manual for an office use. The TDM plan does not include the hotel because of the nature of hotel vehicle trips which are typically spread throughout the day and do not occur in the morning and evening peak hours like office trips.

In order to achieve a 20 percent reduction in peak-period trips, the applicant proposes a TDM Program which includes the following:

- Membership in the Transportation Management Association (TMA).
- Priority parking for carpools and vanpools.
- On-site transportation team.
- Bicycle parking, showers, and changing facilities.
- Telecommuting/Flexible Work Schedule Program.
- Guaranteed Ride Home Program.
- Rideshare matching services.
- Public transit shuttle services.
- Marketing and information.
- Commuter shuttle services.
- Pretax commuter benefits.
- Subsidized or free vanpools or carpools.

- Biking incentives.
- On-site bicycle repair facilities.

To ensure the long-term effectiveness of their TDM plan and its ability to provide a 20 percent peak-period trip reduction, a monitoring program will be established. Failure to meet the established trip reduction requirement would result in corrective actions to bring the trip reduction back to 20 percent as well as fines.

Traffic Study

A Traffic Impact Analysis (TIA) was prepared for the project to evaluate potential effects of the project on the roadway system. The analysis estimates project trips based on the ITE Trip Generation Manual trip generation rate for an office building and hotel land use and the TDM plan for the project. Existing traffic counts were taken at 14 intersections around the project and added to the projected trips from approved, “but not yet built” and “not occupied” developments in the area. The 14 studied intersections around the project site all currently operate at an acceptable level of service (LOS).

The TIA found that the project would result in a net increase of 401 a.m. peak-hour trips and 290 p.m. peak-hour trips and that all the studied intersections would continue to operate at an acceptable LOS. An incremental increase in travel delay was noted based on the increase in trips, but none that would push any of the intersections below the level of service threshold.

Freeway segments in the vicinity of the project on Highway 101, SR 85, and SR 237 were also analyzed for potential project impacts. Over half of the freeway segments are already operating at an unacceptable level of service (LOS F) during the a.m. and/or p.m. peak hours. The traffic study found that the project would add more than 1 percent of freeway capacity on one freeway segment—northbound Highway 101 between SR 237 and Moffett Boulevard in the a.m. peak hour.

The mitigation for freeway impacts is typically the provision of additional freeway capacity which is considered beyond the scope of an individual project since a single project or city cannot acquire all of the right-of-way or funds necessary for freeway widening and improvements. Therefore, the project would result in a significant unavoidable impact which requires the adoption of a Statement of Overriding Considerations as part of the EIR for the project, which is discussed under the Environmental Review section of this report.

Parking

The parking garage contains 804 parking spaces. The project also includes 22 surface parking spaces that would be located along the northeastern side of the parking garage, bringing the total on-site parking to 826 spaces. Bicycle parking would be distributed throughout the project site, both inside and outside buildings. The project proposes a total of 99 bicycle parking spaces, including 58 long-term (Class I) and 41 short-term (Class II) bicycle parking spaces.

Based on the City's standard parking requirements, a minimum of 1,082 parking spaces would be required for both the hotel and office uses. The City's standard parking requirements are based on average parking demands for uses within the City and do not take into account decreased parking demand based on TDM Plans or a sharing of uses. In order to determine the parking requirement for this specific project, a parking study was included in the traffic study to determine the appropriate number of spaces for this project.

Shared parking occurs when complementary land uses on the same site or in close proximity are able to utilize the same parking spaces because they have different peak parking characteristics. In the case of the proposed project, the peak demand for the hotel occurs at night, when office parking is more available. Therefore, a shared parking analysis was conducted to estimate the total peak parking demand, which accounted for the difference in the peak parking times for the proposed office and hotel uses. The Urban Land Institute (ULI) method was used to estimate the parking reductions based on the time of day activity for the land uses. The City Zoning Code parking rates were used to estimate the baseline supply for each use. Additionally, some internalization would occur as out-of-town visitors to the office building would utilize the hotel space for their visit. To be conservative, this internalization was not accounted for in the analysis.

The results of the shared parking analysis show that the weekday peak parking demand for the hotel and conference rooms is estimated to be 186 spaces and 84 spaces, respectively, at 10:00 a.m. The weekday peak parking demand for office is estimated to be 528 spaces at 10:00 a.m. Combined, the total weekday peak parking demand for both the hotel and office uses is estimated to be 798 parking spaces at 10:00 a.m. Therefore, the 826 parking spaces proposed by the project would be sufficient to serve the peak parking demand of the proposed project.

Parcel Map

A Parcel Map is proposed as part of the project to create necessary easements across the project site for storm drainage facilities, sewer facilities, and public access (see Exhibit 5 – Resolution for the Vesting Preliminary Parcel Map).

ENVIRONMENTAL REVIEW

EIR Process

Environmental Impact Reports (EIRs) provide information to local decision makers and the general public regarding the potential significant environmental impacts of a proposed project and how to mitigate them. The Moffett Gateway Project Draft EIR provides the environmental review appropriate for the project in accordance with the CEQA Guidelines.

Prior to approving the Moffett Gateway project, the City Council must decide whether to certify the EIR. According to CEQA Guidelines, certification consists of three separate steps. The Council must conclude that: (1) the document has been completed in compliance with CEQA; (2) the Council has reviewed and considered the information contained in the Final EIR prior to approving the project; and (3) the Final EIR reflects Council's independent judgment and analysis.

EIR

In accordance with CEQA Guidelines, a Notice of Preparation (NOP) was circulated to the public and responsible agencies for input regarding the analysis in the EIR and a scoping meeting was held on February 10, 2016.

The Draft EIR was circulated for public review for a 45-day comment period which commenced on May 2, 2016, and ended on June 15, 2016. Staff received five comment letters on the Draft EIR and has provided a response to these comments in the Final EIR document.

The response to comments and EIR text revisions, together with the Draft EIR, comprise the Final EIR. The Final EIR was made available to the public on August 19, 2016 and is attached to this report (see Exhibit 1 – Resolution for Certification of the FEIR and EIR Documents).

After publication of the FEIR, an additional comment letter was received from the Department of Transportation regarding the City's response to their comment letter (see Exhibit 8 – Department of Transportation FEIR Comment Letter).

Significant Unavoidable Impacts

The Draft EIR includes mitigation measures that will reduce most potential environmental impacts from the project to less-than-significant levels with incorporation of the project-specific mitigation measures. However, the project would result in significant freeway segment impacts to Northbound Highway 101 between SR 237 and Moffett Boulevard in the a.m. peak hour, which this project alone cannot mitigate to a less-than-significant level.

This significant unavoidable impact will require the adoption of a Statement of Overriding Considerations by the City Council at the time the Final EIR is certified. A Statement of Overriding Considerations demonstrates that the benefits of a project outweigh the significant unavoidable impacts. The benefits of the project have been included in the attached "Findings of Fact and Statement of Overriding Considerations" (see Exhibit 1 – Resolution for Certification of the FEIR and EIR Documents).

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 October 18, 2016.

CONCLUSION

The proposed project is consistent with the 2030 General Plan and has received a recommendation of approval from the DRC. The project provides ample common useable open space and on-site amenities for the office and hotel users, appropriate height transitions, adequate setbacks, and adequate parking for both on-site uses. Staff recommends that the EPC recommend approval of the project and certification of the Final EIR.

ALTERNATIVES

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

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SW/7/CDD
818-09-07-16SR-E

- Exhibits:
1. Resolution for Certification of the FEIR and EIR Documents
 2. Resolution for the General Plan Land Use Map Amendment
 3. Resolution for the Zoning Map Amendment
 4. Resolution for the Planned Community Permit, Development Review Permit, and Heritage Tree Removal Permit
 5. Resolution for the Vesting Preliminary Parcel Map
 6. Project Plans
 7. [Council Study Session Memo, June 23, 2015](#)
 8. Department of Transportation FEIR Comment Letter