CITY OF MOUNTAIN VIEW

ENVIRONMENTAL PLANNING COMMISSION STAFF REPORT FEBRUARY 3, 2021

5. STUDY SESSION

5.2 Study Session to Discuss Proposed General Plan and Zoning Map Amendments and a Planned Community Permit and Development Review Permit to Allow a 329-Unit Addition to an Existing 402-Unit Residential Development and New 1.34-Acre Public Park, all on 14.5-acre site bounded by West Middlefield Road, Moffett Boulevard, Cypress Point Drive and State Route 85 (referred to as the 555 West Middlefield Road project)

RECOMMENDATION

Discuss and provide input on the proposed project which includes General Plan and Zoning Map Amendments and a Planned Community Permit and Development Review Permit to allow a 329-unit addition to an existing 402-unit residential development and a new 1.34-acre public park.

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 and tenants within a 750' radius and other interested stakeholders were notified of this meeting.

BACKGROUND

Project Site

The project is located on the south side of West Middlefield Road and comprises nearly the entire block between West Middlefield Road, Moffett Boulevard, Cypress Point Drive, and State Route 85. The approximately 14.5-acre project site is currently developed with 402 apartment units, carports, and other residential amenities that serve the development.

To the west of the project site, across Moffett Boulevard, are Moffett Plaza Shopping Center and Moffett Mobile Home Park. There are two-story apartment buildings to the north, across West Middlefield Road, and to the south, across Cypress Point Drive. The project shares the block with a gas station located at the southeast corner of West Middlefield Road and Moffett Boulevard.

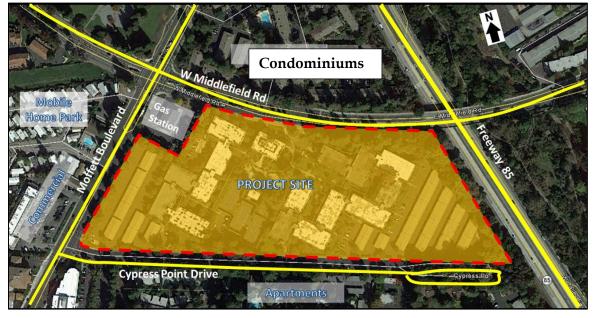


Figure 1: Location Map

Prior Meetings and Hearings

Gatekeeper Authorization

On July 2, 2015, the City Council authorized staff resources for the consideration of a General Plan Amendment from Medium-Density Residential to High-Density Residential and a rezoning from P (Planned Community) to R4 (High-Density Residential). At the time of the Gatekeeper authorization, the proposal included a total of 726 residential units at roughly 50 dwelling units per acre (du/ac) on the 14.5-acre site. The City Council also directed all residential Gatekeeper projects to provide a minimum of 10 percent affordable units (see Exhibit 1 – July 2, 2015 City Council Report).

Environmental Planning Commission and Council Study Sessions

Following an informal application submittal in early 2016, the project was reviewed by the Environmental Planning Commission (EPC) and City Council at two separate Study Sessions on February 15, 2017 and April 4, 2017 to provide input on the preliminary application materials (see <u>Exhibit 2 – EPC Staff Report, March 15, 2017</u>; and <u>Exhibit 3 – City Council Study Session Memorandum, April 18, 2017</u>).

The EPC and Council provided input on various topics, including, but not limited to, community benefits, affordable housing, project design and intensity, and proposed tree removal on-site. Key Council and EPC direction included:

- Desire to improve building transitions to adjacent residential uses;
- Supported the applicant's proposal to target moderate-income units as part of their Below-Market-Rate (BMR) proposal;
- Requested the site layout be adjusted to preserve and prioritize tree preservation and tree relocation on-site;
- Explore funding off-site improvements as part of public benefit contribution such as trail connection to Stevens Creek Trail; add pedestrian sidewalk on Middlefield Road along the project frontage and across State Route 85;
- Explore a new architectural style that was less commercial in appearance and character and improve the building's design integration with the surrounding residential area and existing on-site buildings;
- Reduce the four-story height along Cypress Point Drive and introduce fourthstory step backs;
- Introduce increased building setbacks along Cypress Point Drive;
- Eliminate the fifth-floor tower element at the intersection of Moffett Boulevard and Cypress Point Drive; and
- Increase building separation at pinch points to better coordinate on-site development and comply with the R4 Ordinance.

Development Review Committee

The project has been reviewed by the Development Review Committee (DRC) three times. The DRC provided design recommendations on several iterations of the project design. The applicant is working with staff on further design refinements and will return to the DRC for final review and recommendation after incorporating design comments received during the EPC and City Council Study Sessions.

Neighborhood Meetings

The applicant has conducted several community outreach meetings for the project with various stakeholders, including adjacent property owners, residents of the existing units on-site, and other interested parties to introduce the project, seek feedback on the design, listen to concerns, and provide updates on the project status and development schedule. At these meetings, neighbors expressed concerns about the intensity of the project; massing of the project along Cypress Point Drive; spillover parking on adjacent streets; proposed park and its location; construction noise; and proposed tree removal on-site and along Cypress Point Drive. Meeting attendees supported a proposal for additional housing without displacement but also expressed concerns related to environmental impacts of the project, including air quality and disturbance to the water table due to construction of the underground parking.

In response to concerns raised at the meetings, the applicant has made changes to the proposed site plans and architectural design to enhance the residential look of the project and introduce further step-backs along the Cypress Point Drive frontage and refinement of the tree plan with a reduction in the number of trees proposed for removal. Recent meeting attendees acknowledged the applicant has worked extensively to address their design concerns. In addition, the applicant has proposed a robust TDM program targeting a 6 percent trip reduction to ensure that parking demand can be satisfied on-site and reduce vehicle trips.

ANALYSIS

Since the Gatekeeper authorization, the project has been revised considerably with changes to project design, landscape plan and tree preservation, affordable housing proposal, and community benefits proposal. Given the time that has lapsed since the Gatekeeper authorization and previous Study Sessions, staff is providing the EPC with an update on the project and requesting input on the revisions and the proposed community benefit package before the development review process continues.

General Plan and Zoning

The existing General Plan Land Use Designation for the subject property is Medium-Density Residential, which allows a range of residential uses such as single-family, duplex, and multi-family development with densities from 13 du/ac to 25 du/ac and maximum heights of up to three stories. This designation accommodates the existing apartment development on the property and also allows development of parks and open space. The proposal would amend the General Plan Land Use Designation to High-Density Residential, which allows higher-density development up to 80 du/ac and heights of up to five stories.

The project site is currently zoned P (Planned Community), where the development standards and/or design guidelines are related to the specific development approved on the site as part of the Planned Community Permit/Planned Development Permit. The proposal includes a General Plan Amendment to change the Land Use Designation with densities from 36 du/ac to 80 du/ac and a rezoning to R4 (High-Density Residential). The project would be required to follow the specific R4 development standards and guidelines, which are intended to integrate higher-density residential development with surrounding lower-density residential development.

Project Overview

The project proposes to replace two existing surface parking lots, covering seven acres of the site, with two new, four-story residential buildings containing 329 rental apartment units with subdivision into three lots (see Exhibit 4 - Project Description). Each new building will be constructed over two levels of underground parking. The new 49.5' tall residential buildings will provide a mix of 17 studio, 151 one-bedroom, 135 two-bedroom, and 26 three-bedroom units. In addition, a fourth single-story building with below-grade parking and outdoor amenities would be constructed to replace the existing leasing office and amenity building, pool, and spa. The applicant is also proposing to dedicate a 1.34-acre public park along Cypress Point Drive, in an area currently occupied by tennis courts and other complex amenities (see Exhibit 5 - Project Plans). The proposal also includes renovating the existing 402 units (built in 1969). Existing apartment interiors will be updated as individual units are vacated.



Figure 2: Proposed Site Plan

Site Plan and Design

The new buildings will have interior courtyards containing active and passive amenity spaces, with features such as a pool, fireplace lounge, dog run, outdoor kitchen, and gathering/seating areas. Although the on-site amenities will be accessible to the existing and future residents, the existing and proposed buildings will operate somewhat independently, with separate and distinct branding. The project was redesigned with a variety of building heights to try to achieve sensitive transitions to existing on-site buildings and adjacent sites. All of the new buildings use an eclectic mix of contemporary and some more traditional architectural elements. A detailed discussion of the design is provided later in the report along with a description of project revisions.

Parking and Access

The proposed buildings will replace the existing surface parking lots (total of 670 parking spaces). The project proposes two levels of underground parking under the new residential buildings and the redeveloped clubhouse/leasing office. The project proposes 993 total parking spaces, 20 parking spaces over the City's model parking standard. A majority of the parking for existing and new units would be provided in three underground parking structures, and the project will also include 40 surface spaces. Parking proposed under Block A would serve the existing units, and parking proposed under Block B would serve units on Block B. Parking proposed under Block C and a few existing units.

Access to the site will remain from West Middlefield Road and Cypress Point Drive. A single driveway entrance is to remain off of Middlefield Road serving surface the parking lot and underground parking on Block A. Two driveway entrances are proposed off of Cypress Point Drive for individual access to the surface parking lot and underground parking for Block B and Block C. Existing pedestrian paths on-site would be maintained and enhanced while additional pedestrian connections would be provided to access the site and new units. This includes a proposed bicycle/ pedestrian path connecting West Middlefield Road to Cypress Point Drive.

Open Space

The project is proposing approximately 145,000 square feet of common usable open space, which includes 57,000 square feet of common open space around existing buildings, 24,000 square feet on Block A, 18,000 square feet on Block B, and 47,000 square feet on Block C. The common open spaces would feature landscaping and other amenities such as barbecue grills, co-working lounge, fitness/yoga center, outdoor seating areas, pet walking area, a dog park, spa, swimming pool, and roof deck.

In addition, as noted above, the project is proposing to dedicate land for a City park which is discussed later in this staff report.

Project Changes

Project Size

At the July 2, 2015 Gatekeeper hearing, the project proposal included 324 new residential units, for a total of 726 units on the site. The proposal presented and supported by the EPC and City Council at the 2017 Study Session included 348 new units and 751 total units, resulting in a proposed site density of approximately 52 du/ac.

The current proposal includes 329 new units and a total of 731 total units, similar to original Gatekeeper proposal, and remains consistent with the proposed General Plan designation and R4 Zoning. The current project is proposed at a floor area ratio (FAR) of 1.13, and the reduced maximum building height of 49.5' are both significantly lower than the maximums permitted by the <u>R4 Development Standards</u>. Staff believes the lower FAR and proposed building heights are generally appropriate in the context of the existing units and compatibility with the surrounding development.

Design and Architecture

The project design has evolved significantly from the first submittal. The initial proposal included a fairly contemporary building design with a commercial and office-type appearance. At the April 2017 Council Study Session, Council provided specific direction on design modification as discussed earlier in the report.



Figure 3: Previous Block B Building Elevation at the Corner of Moffett Boulevard and Cypress Point Drive, Presented at 2017 City Council Study Session

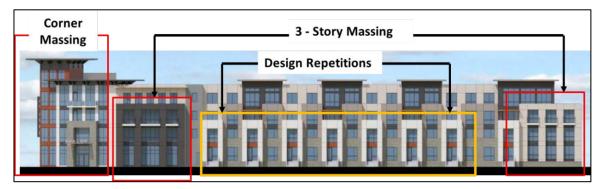


Figure 4: Previous Design Building Elevation on Block B Along Cypress Point Drive, Presented at 2017 City Council Study Session

Based on design direction received from Council and multiple DRC meetings, the applicant has worked with staff to revise the prosed design to include traditional residential elements in the contemporary residential building design. Importance has been given to better transitions between the proposed buildings, between existing and proposed buildings on-site, and appropriate transition in the neighborhood. Some of the key design changes include:

- Change in building architectural style and vocabulary from commercial to residential design;
- Introduction of traditional elements such as porches, projecting eaves, and overhangs, in contemporary architectural style;
- Enhanced materiality and building articulation to break up long building spans;
- Layering building materials with the use of warmer tones and natural materials to provide a residential feel;
- Change in building footprint and articulation to preserve and relocate some of the mature existing trees on-site;
- Enhanced building articulations and building movement plane changes to reduce a monolithic effect;
- Better integration of new units with the existing building with interior connections and complementary building design;
- Introduction of upper-story step-backs along Cypress Point Drive for appropriate transition to surrounding development and reduce the massing;
- Providing appropriate massing for each building reflective of different conditions along four property lines;
- Introduction of pedestrian-scale features, such as private ground-level stoops along Cypress Point Drive, to provide a better visual transition toward the neighborhood; and
- Reducing the massing of the tower element at the corner of Cypress Point Drive and Moffett Boulevard from five stories to four stories and further stepping back the fourth story along Cypress Point Drive.



Figure 5: Current Block B Building Elevation at the Corner of Moffett Boulevard and Cypress Point Drive



Figure 6: Current Design Building Elevation on Block B along Cypress Point Drive

Staff believes that the building design refinements have been successful in achieving City Council direction provided at the 2017 Study Session. The applicant will continue working with staff to refine the project design and incorporate any design comments/direction provided by the EPC and City Council at the current Study Sessions.

Affordable Housing

Affordable units incorporated into market-rate developments are generally referred to as "below-market rate" (BMR) units. As part of the project's Gatekeeper authorization, the City Council directed a minimum of 10 percent of all the units be affordable to low-income households (LIH) (or a total of 35 BMR units for this project). The applicant's original proposal presented to the EPC and City Council at the 2017 Study session included the City Council-directed 10 percent BMR units targeted to moderate-income households (MIH) (earning up to 120 percent of area median income (AMI)). At the Study Session, Council supported the applicant's proposal to include Moderate-Income Household Units (MIH) in the BMR Proposal but directed the applicant to increase the percentage of units beyond 10 percent.

In 2019 and subsequent to the Study Sessions where direction was given on the BMR proposal, the City's affordable housing program was modified to include the provision of BMR units for households with incomes between 80 percent and 120 percent Area Median Income (AMI) targeting MIH and an inclusionary housing requirement for rental projects from 10 percent to 15 percent. Consistent with the current City requirements, the applicant is proposing to provide 49 BMR units (15 percent) at a weighted average of 65 percent AMI at three income levels among various unit types along with a minor in-lieu fee (see Exhibit 6-Current Project BMR Proposal).

Tree Removal Plan

The project site has 417 existing trees, including 255 Heritage trees. The Heritage trees are distributed throughout the property and many cannot be easily preserved, given the infill nature of the project and the proposed underground parking garages. The project proposal presented and reviewed by the EPC and City Council at the 2017 Study Sessions included removal of 117 out of the 255 on-site Heritage trees to accommodate the proposed development. A total of 299 replacement trees were proposed to be planted as replacement trees, primarily around the periphery of the proposed buildings and in the central courtyard areas.

At the April 2017 Study Session, the City Council directed the applicant to revise the project design and site plan to preserve more existing trees and look for opportunities to relocate existing trees on-site. Over the years, the project design has been modified to preserve more trees, reducing the total number of Heritage trees proposed to be removed from 117 trees to 62 trees. In addition, 35 Heritage trees will be transplanted on-site, and one tree will be retained in its current location. Additionally, a total of 197 replacement trees would be planted on-site.

proposed tree canopy coverage would exceed the existing tree canopy coverage between 10 years and 15 years of proposed tree planting.

Park Land Dedication

The original Gatekeeper project proposal included a 1.48-acre park land dedication along Moffett Boulevard. As part of the Gatekeeper authorization process, the City Council directed the park be moved to Cypress Point Drive because Moffett Boulevard is a busy street with a high traffic volume. The revised site plan with the park location along Cypress Point Drive was presented and reviewed by the EPC and City Council at 2017 Study Sessions. Since the Gatekeeper authorization, the project has undergone several rounds of development review and design refinement, and the current project proposal includes a 1.34-acre park land dedication with the remainder of the park land dedication requirement to be satisfied through the payment of in-lieu fees. The reduction in proposed park area was a result of changes to the site plan which prioritizes tree preservation and a bicycle/pedestrian path through the site connecting Middlefield Road to Cypress Point Drive. The current park location is consistent with previous Council direction, and staff believes the change in park size is reasonable to balance other project priorities.

If the project is approved, the park land will be dedicated to the City with the project entitlement. The project is proposed to be developed in three phases over a fiveyear time frame (from 2023 to 2028) to avoid displacing existing on-site residents. The project proposal also includes a request to lease the park space from the City for on-site construction staging and parking for residents during construction. It is not unusual for the City to lease the dedicated park land for construction staging until the City is ready to construct the new park. The City currently has several park projects in design or construction with at least two more to begin design in 2021. Considering the number of other park projects currently in progress and in queue, staff is supportive of the request to allow parking in the dedicated park land area to alleviate potential parking impacts to the neighborhood.

Question 1: Does the EPC support the proposed project changes since the Gatekeeper authorization and previous Study Sessions or have other project design direction?

Community Benefits

While the more recently adopted Precise Plans such as El Camino Real, San Antonio, North Bayshore, and East Whisman provide a dollar amount per square foot for community benefit contributions which are proportional to increases in development standards, no metric has been established for projects authorized to proceed through the Gatekeeper process. Therefore, at the April 18, 2017 Study Session, the City Council directed staff to conduct a project-specific financial study to determine the appropriate community benefits contribution for this project. Council further directed the applicant to explore funding improvement projects in the immediate neighborhood using the public benefit contributions. Strategic Economics, an independent consultant to the City, is preparing this study, which is anticipated to be finished in summer 2021.

At the April 2017 Study Session, the City Council directed the applicant to explore funding a few improvement projects through the public benefit contribution as estimated by the financial study. These projects included: trail connection from the project site to Stevens Creek Trail; tree planting along the existing Stevens Creek Trail in the project vicinity; and adding a sidewalk on Middlefield Road along the project frontage across State Route 85. None of these projects were found to be feasible. Therefore, the applicant has offered to contribute to the City's Capital Improvement Program.

Notwithstanding the financial study, which is still pending completion, and in recognition of the importance of providing a comprehensive benefit package for the City of Mountain View and the local community, the project applicant is proposing to provide a community benefit contribution of \$1.977 million, based on \$5 per additional square foot allowed under the rezoning (consistent with the East Whisman Precise Plan's calculation of community benefits). These funds would go toward the City's Capital Improvement Program (CIP) and could be used on one or more CIP projects and would be allocated by Council through the CIP process.

Question 2: Does the EPC support the applicant's community benefit contribution for this project?

ENVIRONMENTAL REVIEW

An Environmental Impact Report (EIR) is being prepared to assess all potential environmental impacts per the requirements of the California Environmental Quality Act (CEQA). The public draft of the EIR is tentatively scheduled for release in spring 2021.

NEXT STEPS

Following feedback from the EPC at this Study Session, the project will be reviewed at a City Council Study Session tentatively scheduled for February 23, 2021. Following the Study Sessions, the applicant will revise the project based on the feedback received and continue through the development and environmental review process.

CONCLUSION

This Study Session gives the EPC the opportunity to provide input on key project topics to guide the applicant and staff in refining the project design through the remainder of the development review process. Staff requests EPC feedback on the following questions and any other project-related comments:

- Question 1: Does the EPC support the proposed project changes since the Gatekeeper authorization and previous Study Sessions or have other project design direction?
- Question 2: Does the EPC support the applicant's community benefit contribution for this project?

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DP/2/CDD 807-02-03-21SR

- Exhibits: 1. <u>Gatekeeper Staff Report, July 2, 2015</u>
 - 2. <u>Environmental Planning Commission Study Session Staff Report, March</u> <u>15, 2017</u>
 - 3. <u>City Council Study Session Memorandum, April 18, 2017</u>
 - 4. Project Description
 - 5. Project Plans
 - 6. Current BMR Proposal