



COUNCIL REPORT

DATE: November 18, 2025

CATEGORY: Public Hearing

DEPT.: Community Development

TITLE: **Residential Development Project at 901-987 North Rengstorff Avenue (Builder's Remedy)**

RECOMMENDATION

Adopt a Resolution of the City Council of the City of Mountain View Conditionally Approving a Development Review Permit, Special Design Permit, and Lot Line Adjustment to Construct a 15-Story, 455-Unit Residential Apartment Building (20% Affordable), Replacing a Residential Duplex and Associated Improvements, and a Heritage Tree Removal Permit to Remove 19 Heritage Trees on a 1.26-Acre Project Site Located at 901-987 North Rengstorff Avenue (APN 153-02-039, 153-02-040, and 153-02-041), and Finding the Project to be Statutorily Exempt from the California Environmental Quality Act (CEQA) Pursuant to Public Resources Code Section 21080.66, to be read in title only, further reading waived (Attachment 1 to the Council report).

BACKGROUND

Project Location: 901-987 North Rengstorff Avenue (APN 153-02-039, 153-02-040, and 153-02-041) on the east side of North Rengstorff Avenue, between Plymouth Street and Leghorn Street.

Project Site Size: Approximately 1.58 acres (gross site area); after lot line adjustment, the project site is approximately 1.26 acres.

General Plan Designation: General Industrial and Medium-Density Residential.

Zoning Designation: R3-2sd (Multiple-Family Residential, Special Design Overlay) and MM-40 (General Industrial) Zoning Districts.

Surrounding Land Uses: North—two-story olive oil factory building, currently used as a single-family home; south—one- and two-story multi-family development and one-story single-family homes across Plymouth Street; east—three-story rowhomes and a two-story commercial building; and west—one- and two-story commercial buildings across North Rengstorff Avenue.

Current Site Conditions: Existing two-story residential duplex and three accessory (storage) structures.

Applicant/Owner: Mario Ambra.



Figure 1: Location Map

Project Overview

Several state laws govern the City's evaluation of the proposed project. The following section summarizes many relevant provisions of these state laws to guide Council's consideration of the project.

Builder's Remedy

The California Legislature adopted the Housing Accountability Act (Gov. Code § 65589.5) to "significantly increase the approval and construction of new housing for all economic segments of California's communities by meaningfully and effectively curbing the capability of local governments to deny, reduce the density for, or render infeasible housing development projects..." (Gov. Code § 65589.5(a)(2)(K)). It is the policy of the state that the Housing Accountability Act (HAA) "be interpreted and implemented in a manner to afford the fullest possible weight to the interest of, and the approval and provision of, housing." (Gov. Code § 65589.5(a)(2)(L)).

The "Builder's Remedy" is a provision of the HAA that is applicable to qualifying housing development projects when a preliminary application is submitted before the City adopted a substantially compliant Housing Element. Mario Ambra (Applicant) submitted a preliminary application for a housing development project which proposes 20% of its total units to be affordable to lower-income households before the City adopted a substantially compliant Housing Element. Therefore, the project qualifies as a Builder's Remedy project pursuant to the Builder's Remedy provisions of the HAA effective between January 1, 2024 through December 31, 2024.

Consistent with its intent to facilitate the approval of housing, the HAA limits the City's ability to deny or condition approval of a housing development project for very low-, low-, or moderate-income households in a manner that renders the project infeasible for affordable housing development (Gov. Code § 65589.5(d)). In addition, the Builder's Remedy provision of the HAA prohibits the City from relying on inconsistency with Zoning and General Plan standards as a basis for denial of a housing development project for very low-, low-, or moderate-income households.¹

However, the HAA contains provisions that maintain the City's ability to enforce some objective development standards, conditions, and policies if enforcement does not render the project infeasible or require a reduction in the proposed density. Section 65589.5(f)(1) of the HAA states that "nothing in [the HAA] shall be construed to prohibit a local agency from requiring the housing development project to comply with objective,² quantifiable, written development standards, conditions, and policies appropriate to, and consistent with, meeting the jurisdiction's share of the regional housing need" as long as they are applied to "facilitate and accommodate development at the density permitted on the site and proposed by the development." Section 65589.5(f)(3) of the HAA states that "[n]othing in [the HAA] shall be construed to prohibit a local agency from imposing fees and other exactions otherwise authorized by law that are essential to provide necessary public services and facilities to the housing development project...."

¹ Pursuant to the Builder's Remedy Law in effect January 1, 2024 through December 31, 2024, a "housing development project for very low-, low-, or moderate-income households" for purposes of the Builder's Remedy means a housing project in which at least 20% of the total units will be sold or rented to lower-income households as defined in Section 50079.5 of the Health and Safety Code, or 100% of the units will be sold or rented to persons and families of moderate income as defined in Section 50093 of the Health and Safety Code, or persons and families of middle income as defined in Section 65008 of the Government Code.

² Under the HAA, "objective" means involving no personal or subjective judgment by a public official and being uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official. (Gov. Code § 65589.5(h)(9))

Senate Bill 1214

Senate Bill (SB) 1214 (2022), codified in Government Code Section 65103.5, requires local planning agencies to ensure copyrighted architectural drawings are made available to the public in a manner that does not facilitate their copying, public distribution, or online posting unless granted permission by the copyright owner. If the copyright owner does not grant permission, project applicants must submit a site plan and massing diagram for public distribution and online posting.

The copyright owner for the proposed project has not given the City its consent to publicly distribute and post the full architectural plans online and has instead provided a limited plan package (i.e., site plan and original massing diagram) to be posted on the City website for public viewing. Therefore, only the authorized, limited plan materials have been made available online to the public in compliance with the law (see Attachment 2—Site Plan And Massing Diagrams). The full set of plans and copies of all associated project documents are available for review in person at the Community Development Department public counter at City Hall during normal business hours.

Assembly Bill 130

Assembly Bill (AB) 130 (2025), codified in relevant part at Public Resources Code Section 21080.66, was signed into law as a state “budget trailer bill,” which went into effect immediately on June 30, 2025. Amongst many other provisions, AB 130 included two provisions related to City review of this Builder's Remedy project:

- New Streamlined Statutory Exemption: AB 130 enacted a new statutory exemption from the California Environmental Quality Act, Public Resources Code Section 21000, *et seq.*, (CEQA), streamlining the CEQA process for qualifying residential projects.
- Permit Streamlining: AB 130 amended Government Code Section 65950(a)(7) to establish a new timeline for public agencies to approve or disapprove a project that qualifies for the new statutory exemption. Specifically, the City must approve or disapprove a qualifying AB 130 development project within 30 days of the conclusion of the specified tribal consultation process under Public Resources Code Section 21080.66.

The applicant initially sought to invoke an AB 130 statutory exemption for this project through communication to City staff on July 23, 2025, and, pursuant to this AB 130 request, staff began the required AB 130 tribal consultation process on August 14, 2025.

Project Scope

The proposed Builder's Remedy project includes redevelopment of two existing lots (with three assessor's parcel numbers) with a new 15-story, 455-unit housing development. The project includes the removal of 19 Heritage trees and the relocation of four Heritage (olive) trees as discussed later in this report. This project also includes a Lot Line Adjustment to create separate parcels for the proposed development (Lot 2) and a former olive oil factory facility (used as a single-family residence) that will remain to the north end of the existing properties (as Lot 1).

The project site includes one existing lot that is zoned R3-2sd (Multiple-Family Residential, Special Design Overlay) and contains an existing two-story residential duplex and three accessory structures, comprising roughly the southerly half of the property area between Leghorn Street and Plymouth Street. The other existing lot is zoned MM-40 (General Industrial) and is home to a former olive oil factory facility and associated residence (987 North Rengstorff Avenue), which was previously used by the Ambra Olive Oil Company and is now used solely as a single-family residence. This northerly property was previously listed on the Mountain View Register of Historic Resources but was voluntarily removed from the Register by the property owner. Based on ongoing analysis as part of the City's Historic Preservation and Register Update project, the olive oil factory site has been identified as eligible for listing on the local Mountain View Register, and potentially eligible for the California and National Registers, but is not a currently listed historic resource.

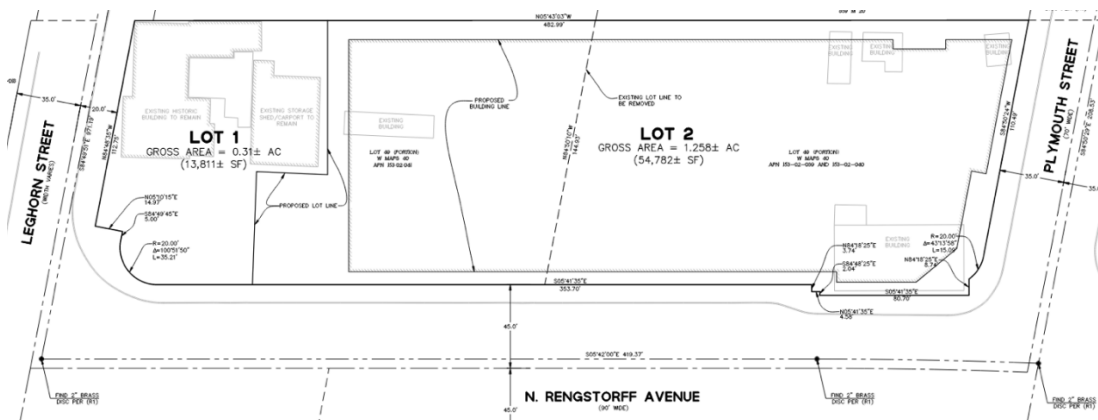


Figure 2: Existing and Proposed Lot Configuration

The project would demolish the existing duplex, accessory structures, and related site improvements to construct a new 15-story, 455-unit residential apartment building, which includes 91 affordable units (20% of the unit total) and a mostly at-grade podium parking garage containing 429 parking spaces, with 6' underground parking pits serving the proposed five-level parking stacker equipment (see Attachment 2—Site Plan and Massing Diagrams). The building covers the vast majority of the proposed project site and is approximately 542,306 square feet in

total size.³ The proposed dwelling unit mix includes 183 studio units, 142 one-bedroom units, and 130 two-bedroom units.

Vehicular access to the parking garage for the project is provided from Plymouth Street in the southeast corner of the property. Primary pedestrian access to the building is provided via three lobbies located along North Rengstorff Avenue. The remainder of the ground-floor frontage on North Rengstorff Avenue consists of a leasing office, mail/package room, mechanical room, and residential storage room along with two building access stairs and one podium-level courtyard fire access stair. Along Plymouth Avenue, in addition to the parking garage access, there are two utility rooms, a trash room and staging area, an elevator mechanical room, one building access stair, and one exterior podium-level courtyard fire access stair.

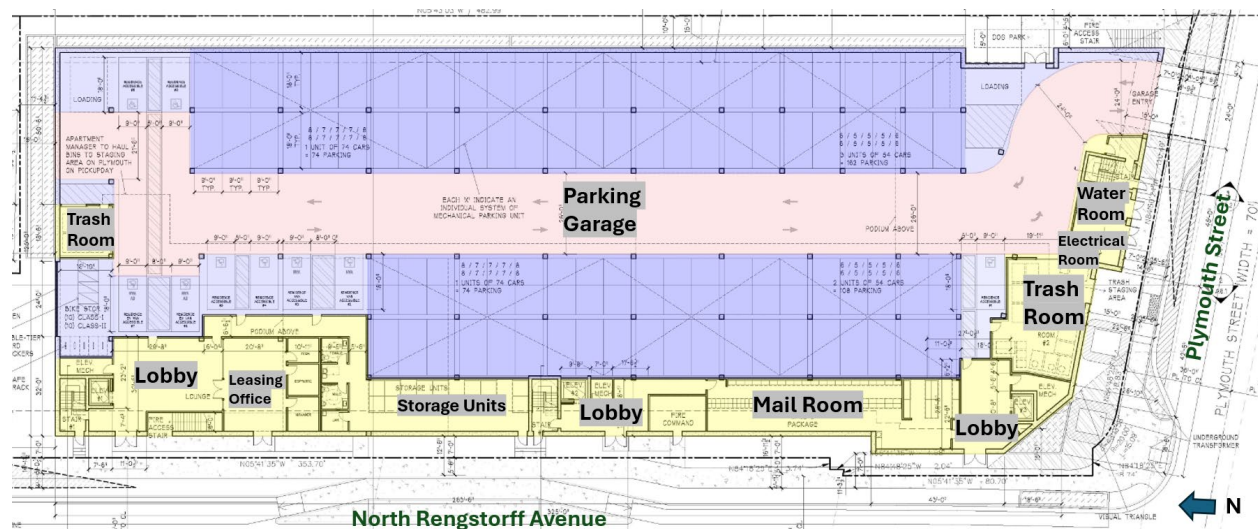


Figure 3: Site Plan

The typical upper floor plan (for each of Floors 2-14) consists of 35 units, two bike parking rooms and two trash chute rooms in addition to typical stair/elevator circulation areas. Floor plans differ for Floors 10-14, where, on Floor 10, instead of bike rooms, there are two “art atrium” rooms that are open all the way to Floor 15/the roof decks. The upper floors are laid out in an “S” shape, arranged around two second-floor podium courtyard/common open space areas. The courtyards are open to the sky and toward each side of the property, creating massing breaks in the longer building elevations. Podium Courtyard A opens out to the west (facing North

³ The SB 330 Preliminary Application for this project included plans for a similar 12-story, 385-unit residential project with rooftop access. When the formal application was submitted, the project had been revised to include a 15-story building with 455 units. Because this revision did not change the number of residential units or square footage of construction by 20% or more, pursuant to Government Code Section 65589.5, the vesting of the Preliminary Application remains valid and in effect.

Rengstorff), and Podium Courtyard B opens out to the east (next to an adjacent rowhouse development).

Cumulatively, the podium courtyards provide approximately 8,512 square feet of common open space. Floor 15 also provides access to roof deck/common court areas and features multiple recreational/common amenity rooms, including a fitness room with associated meditation room and yoga room, a large community room with a connected kitchen and dining room, two smaller meeting rooms, two game rooms, and an outdoor kitchen and dining area. The balance of the roof area includes mechanical equipment, elevator and stair areas, and a section dedicated to solar panels. Private balconies are provided for 26 of the 455 residential units, all of which face Podium Courtyard A. Site improvements are generally limited to narrow landscape areas around the perimeter of the site.

Prior Meetings

Prior Development Proposal

Pursuant to prior "Gatekeeper" regulations, on February 3, 2020, the current applicant submitted a Gatekeeper-exempt proposal for legislative land use changes (General Plan Amendment and Zoning Map Amendment) and development permits to construct a five-story, 94-unit residential project. This prior project was reviewed at two Design Review Consultation (DRC) meetings in December 2020 and February 2022, and the applicant also held a community meeting in August 2021. However, this project was closed due to inactivity on the part of the applicant.

Subsequently, the applicant submitted an SB 330 Preliminary Application vesting the proposed Builder's Remedy project on April 5, 2023 and submitted the formal application for this Builder's Remedy project on August 22, 2023.

Neighborhood Meeting

Applicants are strongly encouraged by staff to host a neighborhood or community meeting during the project review process to engage with the community and inform them about a proposed project. This meeting is voluntary, but, when held, the project planner traditionally attends the meeting. The applicant declined to conduct a neighborhood meeting for the current Builder's Remedy project.

Design Review

As part of the development review process, applicants typically undergo design review, including a DRC meeting. However, this meeting is voluntary, and the applicant declined to attend a DRC meeting to discuss the project design in a public setting.

Tribal Consultation Meeting

As required by AB 130, the City mailed and emailed tribal consultation notification letters to tribes identified by the Native American Heritage Commission on August 14, 2025. Staff received one request for tribal consultation from Tamien Nation on August 28, 2025 and initiated tribal consultation with the tribe on September 11, 2025. City staff held a consultation meeting with Tamien Nation tribal representatives on September 17, 2025 to share information about the project and receive input on potential project impacts to tribal cultural resources.

The AB 130 tribal consultation process concluded on October 26, 2025 with project conditions (see Attachment 1—Draft Project Resolution, Condition of Approval Nos. 42-51) agreed upon to address potential project impacts on tribal cultural resources, as discussed later in this report.

Administrative Zoning Meeting

As noted earlier in the report, the project site is comprised of two existing parcels. One of the parcels is located in the R3-2sd Zoning District, which allows residential development. The other existing parcel is located in the MM-40 Zoning District, an industrial zoning district that does not allow residential uses. While the project includes a Lot Line Adjustment to create a single parcel for the project, a portion of the project site remains in the MM-40 Zoning District. Typically, a residential rental development on a project site in the R3 Zoning District would be subject to final review and approval at an Administrative Zoning Hearing. This project is unique in that the project scope and scale would ordinarily require legislative land use changes per City Code, so the entire project site is zoned for residential use, requiring review and recommendation by the Environmental Planning Commission (EPC) and final review and approval by the City Council. However, the Builder's Remedy provisions of the HAA prohibit the City from relying on inconsistency with Zoning and General Plan standards as a basis for denial of the project.

Additionally, the recently enacted AB 130 established new approval timelines for qualifying infill housing developments that are eligible for the new CEQA statutory exemption codified in Public Resources Code Section 21080.66. In conjunction with the City's CEQA consultant, staff analysis has found that the project qualifies for this statutory exemption, which means the City must take action to approve or disapprove this project no later than November 25, 2025, 30 days from the conclusion of the AB 130 tribal consultation process.⁴

⁴ Subsequent to enacting AB 130, the State Legislature enacted Senate Bill 158 (effective October 11, 2025) which updated the deadline to approve or disapprove a project eligible for the new statutory exemption under Public Resources Code Section 21080.66 to the latter of the conclusion of the tribal consultation process or conclusion of project consistency determinations per the HAA. In this case, the tribal consultation process is the latter of these two deadlines.

Given the complexity of the Builder's Remedy project and the timing constraints on the City taking action on the project under AB 130 and pursuant to Section 36.44.15 (Zoning administrator) of the City Code, the Zoning Administrator has referred the development application directly to the City Council for final action per the enclosed findings and conditions of approval.

ANALYSIS

General Plan

The gross project area is comprised of two lots with three Assessor's Parcel Numbers, which combined are approximately 1.58 acres and, once the proposed Lot Line Adjustment is completed and recorded, would result in a net project site of approximately 1.26 acres. Both the existing and proposed project sites have General Plan Land Use Designations of Medium-Density Residential (covering roughly 0.78 acre of the proposed project site) and General Industrial (covering roughly 0.48 acre of the site). The Medium-Density Residential designation allows up to a maximum of 25 dwelling units per acre, and the General Industrial portion of the site would not allow for residential uses. Pursuant to the City's General Plan, the project site would be allowed a maximum of about 19 units for the portion of the site where residential use is allowed.

Although the proposed project density of 362 dwelling units per acre (455 total units) exceeds the allowable density in the General Plan and proposes residential units on a site designated General Industrial per the General Plan, pursuant to the Builder's Remedy provisions of the HAA, the City may not disapprove the project based on the project's noncompliance with these General Plan development standards.

Moreover, the proposed project is consistent with the following General Plan policy:

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

The proposed project is a high-density residential development located along a major local commute corridor (North Rengstorff Avenue) and within close proximity to U.S. 101, which is a major regional commute corridor.

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

The proposed project is a residential development that supports a range of incomes as the project proposes 455 dwelling units with 20% affordable units (364 market-rate units and 91 low-income units).

- **LUD 10.7: Beneficial landscaping options.** Promote landscaping options that conserve water, support the natural environment, and provide shade and food.

The proposed project features a plant palette that primarily utilizes low-water-use plantings, complies with the City's Water Conservation in Landscaping Regulations, and will plant 11 street trees, providing shade along the project frontages.

The City's Sixth-Cycle Housing Element 2023-2031 also includes goals and policies that the project meets. The project supports the following Housing Element policies:

- **Housing Element Policy 1.1:** Ensure that adequate residential land is available to accommodate the City's Regional Housing Needs Allocation (RHNA) with special focus on Precise Plan areas near transit, employment centers, and services.

Although not in a Precise Plan area or employment center, the project will provide units to help the City meet its RHNA requirement and is located near some services, including commercial services available at the nearby warehouse-retail center where Costco is located.

- **Housing Element Policy 1.2:** Encourage a mix of housing types at a range of densities that serves a diverse population, including rental and ownership units serving both young and mature families, singles, young professionals, single-parent households, seniors, and both first-time and move-up buyers, at a broad range of incomes through development policies and City-subsidized affordable housing.

The project will create a mix of housing units for diverse populations as the project proposes 20% low-income units (91 affordable units).

Zoning

The project site is located in the R3-2sd (Multiple-Family) and MM-40 (General Industrial) Zoning Districts. Multi-family housing is a permitted use in the R3-2sd Zoning District subject to the provisions of Section 36.10.70 (R3 Zone Development Standards) of the Zoning Ordinance. However, multi-family housing is not permitted in the MM-40 Zoning District, pursuant to Section 36.20.05 (Industrial Zone Land Use Permit Requirements) of the Zoning Ordinance.

Table 1 below compares the project proposal to the development standards for the R3 Zoning District (Section 36.10.70). While the project is split-zoned and a portion of the development is located in the MM District, staff has only highlighted project compliance with R3 Zoning District

standards in Table 1, as the General Industrial standards would not typically apply to a residential development. Overall, the project does not comply with a large number of zoning standards.

Although the project is inconsistent with a number of the development standards in the R3 Zoning District and the MM-40 Zoning District, pursuant to the Builder's Remedy provisions of the HAA, the City may not disapprove the project based on the project's noncompliance with these development standards.

Table 1: Project Compliance Assessment with R3 Zoning District Development Standards

Standard	Requirement	Proposed
Maximum Allowed Density	Residentially-zoned area(s): 13 units max. per R3-2sd 19 units max. per General Plan General Industrial/MM zoned areas do not allow residential uses at any density.	455 units
Maximum Floor Area Ratio (FAR)	1.05 FAR (R3-2sd) No residential FAR allowed under MM Zoning District (Industrial Parcel).	9.21
Lot Width	80' or one-third the lot depth (up to 200' max.), whichever is greater.	398' (approx.)
Lot Frontage	80' or one-third the lot depth (up to 200' max.), whichever is greater.	398' (approx.)
Minimum Front, Side, and Rear Setback	Front, Side, and Rear Setback: 15' or the height of the adjacent building wall of the subject parcel as measured to top of the wall plate, whichever is greater. First Floor: 30' Second Floor: 40' Third Floor: 50' Fourth Floor: 60' Fifth Floor: 70' Sixth Floor: 80' Seventh Floor: 90' Eighth Floor: 100' Ninth Floor: 110' Tenth Floor: 120' Eleventh Floor: 130' Twelfth Floor: 140' Thirteenth Floor: 150' Fourteenth Floor: 160'	Front Setback (North Rengstorff Avenue): 7' Side Setback (Plymouth Street): 7' Side Setback (North): 11' Rear Setback: 10'

Standard	Requirement	Proposed
	Fifteenth Floor: 170'	
Maximum Site Coverage	35%	78%
Maximum Pavement Coverage	20%	4%
Maximum Height Limit(s)	36' to top of wall plate 45' max. building height	161' wall plate height 180'6" building height
Minimum Open Area	Total: 55% (30,130 sq. ft.), including a min. of 40 sq. ft. of private open space (i.e. yards, decks, balconies) per unit. Private Open Space (OS): 455 units x 40 sq. ft. = 18,200 sq. ft.	Total: 49% (26,871 sq. ft.), includes: Nonbuilding/auto paving area: 9,750 sq. ft. Common OS: 15,808 sq. ft. Private OS: 1,313 sq. ft.
Minimum Personal Storage	500 cubic feet of enclosed and secured storage area per unit.	Compliance could not be determined since the information was not provided.
Minimum Bicycle Parking	Resident: One space per unit (455 spaces) Guest: One space per 10 units (46 spaces) Total: 501	Resident: 346 spaces Guest: 10 spaces Total Provided: 356
Minimum Vehicle Parking	Studios: 1 space per unit (183 spaces) 1-bedroom units (> 650 sq. ft.): 2 spaces per unit, min. 1 covered (284 spaces) 2-bedrooms or more units: 2 spaces per unit, min. 1 space covered (260 spaces) Guest: 15% of total spaces (109 spaces); the Zoning Administrator may increase the requirement to 2.3 spaces per unit if needed to ensure adequate guest spaces. Total Parking: 727 spaces or more if the Zoning Administrator determines they are needed to ensure adequate guest spaces (i.e., 836 spaces if the	Residential Parking: 418 spaces Accessible Parking: 9 spaces Loading: 2 spaces Total: 429 spaces

Standard	Requirement	Proposed
	15% guest spaces are added to resident parking).	

Project Design

The project features a contemporary design with mostly flat roof forms and an angled parapet providing roofline movement at the top of the building. The material palette for the project includes Terreal products (a terra cotta wall cladding), featuring two product lines (Piterak and Maestral) in three colors (glazed white, salmon, and dark grey). However, staff has noted that neither product line appears to be available per the manufacturer website, which shows the Piterak line as discontinued and does not list a Maestral product line. The building design also includes metal roof panels, aluminum windows and window walls, aluminum storefronts, steel railings and steel awnings.

Except where building walls are broken up by courtyard areas, the building generally features 15-story massing with minor wall movement of roughly 6" differentiating the base, middle, and top. Some facades will feature recessed windows, which are not fully dimensioned, but appear to provide window recesses of approximately 4". Steel awnings are used to highlight key ground-level features of the building, such as the three pedestrian entries along North Rengstorff Avenue. Perforated metal panels are used in some areas of the podium garage walls, but those locations are not clearly depicted in project plans.

The site is a corner lot with frontage on two public streets: North Rengstorff Avenue to the west and Plymouth Avenue to the south. Due to the large footprint of the building, the project features small landscaped setbacks on all sides. There is only one small, ground-level, programmed open space area amenity—a dog run (approximately 280 square feet). The rest of the open space area is in elevated locations in the two podium-level courtyard areas (approximately 15,808 square feet) and in the Floor 15/rooftop amenity areas.



Figure 3: Building Rendering (Massing Diagram) fronting North Rengstorff Avenue

Open Space and Landscaping

The project includes a total of 26,881 square feet of open area (49% of the site area), which includes common usable open space on upper floors of the building, private open space (26 proposed balconies) and other limited site areas not occupied by the building or automobile-dedicated paving. The proposed project open area does not comply with the minimum requirements of the R3 Zoning District of 55% open area, and only 26 of the proposed 455 units have compliant private open space, providing slightly more (approximately 50 square feet) than the minimum 40 square foot standard for the R3 Zoning District. Since not all units are provided private open space, the proposed private open space does not meet the overall requirement.

The total open space that can be used by future tenants and guests consists of 15,818 square feet of outdoor amenities provided in the podium courtyards and rooftop amenity areas. Programming for Podium Courtyard A (along North Rengstorff Avenue) generally features more passive recreational space, such as landscaped seating and gathering areas. More active outdoor recreational amenities, such as the pool, are proposed in the larger Podium Courtyard B adjacent to the three-story rowhome complex to the east. The rooftop area includes a variety of indoor and outdoor amenities described in more detail earlier in this report.

Notwithstanding the above-noted inconsistencies with the development standards in the R3 Zoning District, pursuant to the Builder's Remedy provisions of the HAA, the City may not disapprove the project based on the project's noncompliance in this regard.

Trees

There are 23 Heritage trees and 48 non-Heritage trees on-site. The Heritage trees include two citrus trees, seven fig trees, one pomegranate tree, two persimmon trees, six olive trees, three Australian pine trees, one mulberry tree, and one plum tree. The project proposes to remove 19 Heritage trees (two citrus, seven fig, one pomegranate, two persimmons, two olive, three Australian pine, one mulberry, and one plum tree). The Heritage trees proposed to be removed are in moderate condition (two trees) or poor condition (17 trees). In addition to their condition, the Heritage trees are proposed for removal because the tree locations would impact the proposed project and its ability to construct the proposed number of units due to conflicts with the building envelope, project driveway, required bioretention areas, or proposed sidewalks.

The May 30, 2024 arborist report was prepared by HMM and reviewed by the City arborist (see Attachment 3—Arborist Report). Throughout the review process, the arborist report and plan submittals have provided inconsistent information. Although the report was updated from the original submittal, there continues to be inconsistencies between the arborist report and the plans, and the arborist report does not include all of the typical information needed to fully evaluate all trees. For example, in the arborist report, the applicant's arborist recommended the relocation (transplanting) of five olive trees (including four Heritage olive trees), but the report is silent on transplantation feasibility of other on-site Heritage trees. That said, the applicant has voluntarily committed to relocating the olive trees, which staff supports.

In total, the project is proposing to remove 48 non-Heritage trees, in addition to the 19 Heritage trees. The proposed planting plans show an intent to plant 41 trees on-site and 11 street (scarlet oak) trees. The proposed planting plan would result in a Heritage tree replacement ratio of approximately 2.2:1, which exceeds the City's standard practice of a 2:1 replacement ratio for Heritage trees. However, given the large size of the proposed Builder's Remedy project, there is limited space for trees on-site, and the applicant has not proposed further non-Heritage tree replacement. Where they are proposed, new trees largely occur in narrow planting areas immediately next to the building and/or street, or within planters in the podium courtyards. The City also strives for development proposals to prioritize California native and low-water-using species, which the applicant has acknowledged in the proposed plant palette.

Like the inconsistencies found in the arborist report, the landscape plans also provide conflicting and/or limited information on proposed planting. For example, the number and size of proposed replacement trees are inconsistent between the tree mitigation plan (which identifies 31 replacement trees) and the planting plan (which complies with City standard practice through

the proposed 41 trees, 24" box size). Additionally, the tree canopy plans provide unclear or incomplete data, showing proposed canopy in locations fully covered by the 15-story building or off-site and by only providing data for existing and proposed tree canopy at maturity. As listed in the project plans, the existing tree canopy is 16,853 square feet, and the proposed tree canopy will be 31,088 square feet. However, staff cannot determine conclusively whether there will be a net loss or a net gain in canopy once the replacement trees reach maturity as it is not clear whether the data accurately captures on-site canopy coverage. Given the limited number of replacement trees and extent of site improvements, it is likely the site will have a net loss of canopy.

Notwithstanding the above-noted inconsistencies and inaccuracies, the project is compliant with the Heritage tree replacement requirements, includes California native planting, and appears to be compliant with the City's Water Conservation in Landscaping Regulations. Pursuant to the Builder's Remedy provisions of the HAA, the City may not disapprove the project based on the inconsistencies noted above. Staff, therefore, recommends the proposed tree removal and replacement plan.

Parking

Vehicular Parking

The project proposes a partially sunken podium parking garage with underground pits associated with the proposed mechanical parking stacker system, providing 429 parking spaces. Based on the limited information in the project submittal, it is unclear if the project proposes to unbundle parking from the residential units, but a Condition of Approval has been added to ensure the project will be consistent with unbundled parking requirements of AB 1317 (as codified in Civil Code Section 1947.1). The applicant is proposing to designate nonparking stacker spaces as loading spaces and nine nonparking stacker spaces as accessible parking spaces per Americans with Disabilities Act (ADA) requirements. The project is noncompliant with Section 36.32.50 (Required number of parking spaces) of the City Code, which requires the project to have a minimum of 727 parking spaces.

Notwithstanding the above-noted inconsistencies with the development standards in the R3 Zoning District, pursuant to the Builder's Remedy provisions of the HAA, the City may not disapprove the project based on the project's noncompliance in this regard.

Bicycle Parking

The project proposes 346 long-term bicycle parking spaces and 10 short-term bicycle spaces. The long-term spaces are located in bike rooms in the parking garage and Floors 2 through 9. The short-term bicycle spaces are located inside the parking garage. The project is noncompliant with

Section 36.32.50 (Required number of parking spaces) of the City Code which requires the project to have 501 total bicycle parking spaces, including 46 guest/short-term spaces.

In addition to not complying with minimum bicycle parking requirements, it is unclear in the plans if the short-term and long-term bicycle racks and or bicycle rooms will meet minimum design clearance requirements of 24" from the centerline of each adjacent bicycle.

Notwithstanding the above-noted inconsistencies with the development standards in the R3 Zoning District, pursuant to the Builder's Remedy provisions of the HAA, the City may not disapprove the project based on the project's noncompliance in this regard.

Green Building Requirements

Subject to Mountain View Green Building Code (MVGBC), new multi-family developments with three or more units are required to be designed and constructed to meet mandatory CALGreen, Mountain View Green Building Code (MVGBC) requirements, and meet the intent of LEED® Gold certification. The project has been conditioned to meet requirements under the CALGreen, CalEnergy, and the MVGBC and will be reviewed for compliance at the building permit stage.

Below-Market-Rate Housing

Percentage Requirement

Currently, under the Mountain View Below-Market-Rate (BMR) Ordinance, rental residential developments with seven or more units shall provide at least 15% of the total number of dwelling units or parcels within the development as BMR units affordable to households earning between 80% and 120% of the Area Median Income (AMI) (City Code Section 36.40.10(b)(1)).

In order to qualify as a Builders Remedy project, the project must provide at least 20% of the total units (91 units) to lower-income households. This percentage requirement exceeds the City's BMR Ordinance requirements. The 91 BMR units will be designated as follows: one (1) unit at fifty percent (50%) AMI maximum and ninety (90) units at eighty percent (80%) AMI maximum. The unit designated as affordable to households earning up to 50% AMI is being provided to satisfy replacement unit requirements, which is described in more detail below.

Location and Design (Proportionality)

The City's BMR Ordinance (City Code Section 36.40.10(f)) also requires the affordable units to be reasonably dispersed throughout the project and have a distribution of units by number of bedrooms proportionate to the market-rate units. The plan set provided by the applicant on August 22, 2023 does not indicate the location of each BMR unit; however, it does indicate there

will be 13 BMR units on Floors 3 through 9 of the project. The project proposal includes 37 studio units, 28 one-bedroom units, and 26 two-bedroom units, meeting the proportionality requirement. Table 3 below compares the proposed BMR unit mix to the BMR unit mix required under the City's BMR Ordinance.

Table 2: Proportionality of Affordable Units

Unit Type	Total Units	Proposed BMR Unit Mix	Required BMR Unit Mix
Studio	183	37	37
One bedroom	142	28	28
Two bedrooms	130	26	26
Total	455	91	91

Duration of Deed Restriction

The City's BMR Ordinance requires a deed restriction, usually in the form of a BMR or regulatory agreement, that preserves identified BMR units at affordable levels in perpetuity (City Code, Chapter 36, Article XIV). In 2019, the City of Mountain View revised the BMR program, which included a provision to extend the deed restriction term from 55 years to a perpetual term. The primary goal of the revised duration was to address tenant displacement efforts but also responds to goals for the preservation of BMR units and to retain the supply of affordable housing. This City Code exceeds State law requirements.

Project conditions of approval identify a deed restriction term of 30 years for the project. Pursuant to Builder's Remedy provisions of the HAA, the City may not disapprove the project based on the project's noncompliance with City requirements for affordability in perpetuity.

Replacement Unit Requirements under SB 330

The project site contains an existing duplex at 910 North Rengstorff Avenue, providing two residential rental units. Staff evaluated whether these units are considered "protected units" under SB 330, based on the following information submitted by the applicant:

- 901 North Rengstorff Avenue (Unit A): Occupied by a low-income household (up to 80% AMI), classifying this unit as a protected unit under SB 330.
- 901 North Rengstorff Avenue (Unit B): Vacant. The applicant provided a declaration, signed under penalty of perjury, that the unit does not meet the criteria of a "protected unit" as defined under SB 330 because it has not been rented by a low-income household within the last five years, and it has not been removed from the market via an Ellis Act termination within the last 10 years.

Per SB 330, protected units must be replaced with units of equivalent size and of a comparable bedroom count (two-bedroom/one-bathroom). The units must be affordable to households in the same or lower income category as the tenant households in occupancy or have lastly occupied the unit within the past five years at the time the development application was submitted. As there is currently one "protected unit" on the property, therefore, the applicant must fulfill this requirement through the inclusion of one 2-bedroom unit at or below 80% AMI. This unit may be counted within the 20% of the total units (91 units) required to be affordable to lower-income households in order for the project to qualify as a Builder's Remedy project.

Tenant Relocation Assistance under SB 330

This project is subject to SB 330 requirements for tenant relocation assistance (Gov. Code § 66300.6.). The City's Tenant Relocation Assistance Ordinance (TRAO) is not enforceable under the Builder's Remedy; regardless, the TRAO would not apply to this project because there are fewer than three existing rental units on the parcel.

Because the existing occupied unit (901 North Rengstorff Avenue, Unit A) is considered a protected unit under SB 330, the household may be eligible for tenant relocation assistance once they submit an income application form. Staff had an initial meeting with the developer on September 29, 2025 to discuss tenant relocation assistance under SB 330. The developer has just started coordinating with the City to implement the state-mandated tenant relocation assistance requirements. To staff's knowledge, the tenant has not yet received formal notice regarding the pending development, tenant relocation assistance, or right of first refusal requirements. Notwithstanding the applicant's efforts to date, staff has included conditions of approval to ensure the applicant demonstrates compliance with tenant relocation assistance as outlined in SB 330.

Specific to this project, an income-eligible household at this site making 80% AMI or below would qualify for the tenant relocation assistance benefits outlined in Table 3 below.

Table 3: SB 330 Tenant Relocation Benefits

SB 330 Tenant Relocation Requirements for Qualifying Households	
Cash Payment(s)	• Greater of: a. [(Actual rent amount for the tenant's replacement housing) – (30% of the displaced household's average monthly income)] x 42 months <u>OR</u> b. [(Actual rent amount for the tenant's replacement housing) – (Current rent of the unit to be demolished)] x 42 months

	Moving Costs
Relocation Agency	Personal relocation advisor
Right of First Refusal	The first right to occupy a new (replacement) unit in the redeveloped property at an affordable price.

Transportation and Circulation

Multi-Modal Transportation Analysis

On June 30, 2020, the Council endorsed the Vehicle Miles Traveled (VMT) analysis methodology for development projects that requires transportation analysis in combination with a requirement for a local-level analysis of multi-modal transportation impacts (including bicycle, pedestrian, and vehicle movements), referred to as a Multi-Modal Transportation Analysis (MTA). Typically, a project of this scale would complete a large-scale MTA concurrent with the CEQA review to determine the project impacts.

Because this is a Builder's Remedy project and the original CEQA analysis was halted due to the project's eligibility for an AB 130 statutory exemption, an MTA was started but not finalized for the project. The project is large enough to be subject to Valley Transportation Authority's (VTA) Congestion Management Program (CMP), which requires a Transportation Analysis to be submitted to VTA. Staff has sufficient information from the partially completed MTA for this project to submit required documentation to VTA.

Streetscape Design

Along the North Rengstorff Avenue project frontage, the proposed project provides a seven-foot-wide detached sidewalk and a six-foot-wide landscape strip (inclusive of curb) with new street trees (shown on the plans as scarlet oak). The project is also proposing modifications to the existing VTA bus stop and bike lane on North Rengstorff Avenue to provide a bus island per the VTA standards and a 6' to 6.5' wide bike lane. The intersection of North Rengstorff Avenue and Plymouth Street will be improved with a new extended corner bulb-out and ramp, high-visibility crosswalk, and new stop-controlled markings on Plymouth Street.

The Plymouth Street frontage will have a six-foot-wide detached sidewalk and a five-foot wide landscape strip (inclusive of curb) with new street trees (shown in plans as scarlet oak). It should

be noted that the proposed site plan for the Plymouth Street frontage does not align with several recommended conditions of approval, including:

- Public Streetscape: The plans show a proposed duck-out on Plymouth Street , which is not supported by staff. The project conditions of approval require a continuous and uniform frontage along Plymouth Street without the duck-out.
- Project Driveway: The proposed 22' wide driveway for the project accessed from Plymouth Street conflicts with City Standard Detail A-22, Side Street/Driveway Pedestrian and Vehicular Triangle of Safety, as portions of the garage walls and staircase encroach into the sight triangles. Sight triangles are required to increase visibility and prevent collisions between vehicles and pedestrians/bicyclists. Therefore, staff has included a Condition of Approval to require the project to meet the standard detail.

The current site plan also does not meet Solid Waste Collection Design Guidelines. Of note, the trash rooms and staging area are undersized, and the plans currently show the project as utilizing the public right-of-way for private trash staging and pickup. Specific conditions of approval have been added to address project deficiencies with applicable standards for trash collection and to require the trash staging to be done on-site (see Condition of Approval Nos. 171-172). The project's solid waste collection will, therefore, be made compliant through application of conditions of approval.

Pursuant to the Builder's Remedy provisions of the HAA, the project is not required to dedicate frontage for public utility easements (PUEs). However, a PUE of varying widths of 7' to 15' is proposed along the North Rengstorff Avenue and Plymouth Street frontages. The project is also not required to underground the overhead utility lines fronting the site or remove utility poles as it is not a subdivision development. Nonetheless, the applicant proposes to underground the portion of overhead electric wires on the Plymouth Street frontage and its overhead connections.

Lot Line Adjustment

The project includes a Lot Line Adjustment to adjust the property line between the two existing parcels to create a 1.26-acre parcel for the project site (Lot 2). This adjustment would remove conflicts between the proposed development and existing property lines that would otherwise cause the proposed building to impermissibly straddle property lines. The Lot Line Adjustment will also result in a separate, smaller reconfigured parcel (Lot 1) for the former olive oil factory site.

Lot 1 would not comply with minimum lot size standards for the MM-40 Zoning District of 40,000 square feet, and both the existing and proposed lots/developments would not comply with many design standards, such as setback standards for the MM-40 and R3-2sd Zoning Districts.

However, such inconsistencies cannot be a basis for disapproval of the Lot Line Adjustment pursuant to Builder's Remedy provisions of the HAA. Standard Lot Line Adjustment Conditions of Approval have been included in the project conditions of approval, and the Lot Line Adjustment must be finalized and recorded before any building permit issuance for the project.

Impact Fees

This project will be required to pay the Transportation Impact Fee and the Water and Sewer Capacity Fees. As SB 937 applies to this project, the developer will have the option to defer the payment of these fees until building occupancy.

ENVIRONMENTAL REVIEW

As noted earlier in this report, this project meets the eligibility requirements for the new CEQA statutory exemption enacted per AB 130, as specifically addressed in Public Resources Code Section 21080.66. Project eligibility for this exemption is addressed in more detail within Attachment 4, AB 130 Memorandum, to this report and in project findings within Attachment 1, Draft Project Resolution. In summary, this new statutory exemption was enacted to streamline review of qualifying housing developments. The exemption applies to projects that do not have a lot size of more than five acres (for a Builder's Remedy project); are within an incorporated municipality or defined urbanized area; are surrounded by developed urban uses (i.e., an infill project); are consistent with the applicable General Plan designation(s), all applicable General Plan policies, and applicable Zoning Ordinance requirements; and meet minimum density requirements as defined in the statute (minimum 15 units per acre).

To qualify for the new exemption, a project may not require the demolition of a historic structure placed on a national, state, or local historic register prior to the date a preliminary application was submitted for the project per Government Code Section 65941.1, and a project must also satisfy certain environmental criteria specified in Government Code Section 65913.4(a)(6), which include requirements such as a qualifying project site may not include protected wetlands or water features, be in a special flood hazard area or regulatory floodway, or contain habitat for protected species identified as candidate, sensitive, or species of special status by state or federal agencies, fully protected species, or species protected by the federal Endangered Species Act of 1973, the California Endangered Species Act, or the Native Plant Protection Act.

Pursuant to the HAA, the City is restricted from denying the project, reducing its density, or rendering it infeasible based on inconsistencies with the Zoning Ordinance and General Plan. Therefore, any existing zoning requirements and development standards that the project is not in compliance with are not applicable to the project when evaluating whether the project meets General Plan/Zoning consistency criteria to qualify for the new statutory exemption. For these

reasons, the project is found to be consistent with the "applicable" designations and policies. The project also meets all other criteria to qualify for this exemption.

In addition, projects qualifying for and utilizing this statutory exemption must also comply with certain specified project requirements from Public Resources Code Section 21080.66(b-d), including:

- Tribal Cultural Resources: The project must comply with requirements identified per required tribal consultation and minimum requirements of PRC Section 21080.66(b)(4)(b), unless there is mutual agreement between the California Native American tribe and project proponent to not include an identified measure.
- Environmental Assessment: The project proponent must complete a Phase I Environmental Assessment and implement mandated measures if the assessment finds a recognized environmental condition, release of hazardous substances, or potential for exposure to significant hazards from surrounding properties or activities.
- Air Quality: If any housing on the site is located within 500' of a freeway, it must comply with identified heating, ventilation, and air-conditioning system requirements, provide specified air intake/air filtration design and maintenance, and shall not have balconies facing the freeway. Although the project site is near the U.S. 101 South freeway entrance, it is not within 500' of the freeway itself, so this requirement does not apply to the project.
- Labor Standards: The project must comply with applicable labor standards per PRC 21080.66(d). Because this project exceeds 85' in height, these labor standards include, but are not limited to, prevailing wage and related labor standards specified in Government Code Section 65913.4(a)(8).

As required by PRC 21080.66, applicable requirements for projects utilizing the new statutory exemption have been applied as project conditions of approval, as specified in Attachment 1, Draft Project Resolution.

FISCAL IMPACT

The City's current share of the County of Santa Clara property taxes from the project site is approximately \$300 per year, which is allocated to the General Operating Fund (GOF). If the site were redeveloped with the proposed project, the City estimates it would receive additional net property tax of \$183,900, resulting in a total of approximately \$184,200 in property tax revenue per year.

The project is subject to Water and Sewer Capacity Fees, estimated to be approximately \$3,630,000 (combined) based on the current Master Fee Schedule. The project is also subject to the Citywide Transportation Impact Fee, with an estimated fee payment of approximately \$1,240,000 based on the current Master Fee Schedule.

LEVINE ACT

California Government Code Section 84308 (also known as the Levine Act) prohibits city officials from participating in any proceeding involving a "license, permit, or other entitlement for use" if the official has received a campaign contribution exceeding \$500 from a party, participant, or agent of a party or participant within the last 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the Fair Political Practices Commission website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html.

Please see below for information about whether the recommended action for this agenda item is subject to or exempt from the Levine Act.

SUBJECT TO THE LEVINE ACT

☒ Land development entitlements

CONCLUSION

This project is consistent with few development standards and achieves General Plan and Housing Element goals by increasing market-rate and affordable housing opportunities in the City, helping the City meet its RHNA requirements. Where the project is inconsistent, such inconsistencies are not a basis for disapproval of the project due to applicability of the HAA.

ALTERNATIVES

1. Approve the project with modified conditions of approval.
2. Deny the project and adopt findings for denial.

PUBLIC NOTICING

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

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Attachments: 1. Project Resolution
 2. Site Plan and Massing Diagrams
 3. Arborist Report
 4. AB 130 Memorandum
 5. Public Comment