



COUNCIL REPORT

DATE: March 24, 2026
CATEGORY: Public Hearing
DEPT.: Community Development
TITLE: **Residential Development at 555 West Middlefield Road**

RECOMMENDATION

1. Adopt a Resolution of the City Council of the City of Mountain View Conditionally Approving a Planned Community Permit and Development Review Permit to construct a 323-Unit Addition to an Existing 404-Unit Residential Apartment Complex with New Above-Ground Garages, a New Amenity Building/Leasing Office, and a Future 1.34-Acre Public Park Dedication (to the City), Utilizing State Density Bonus Law, and a Heritage Tree Removal Permit to Remove 88 Heritage Trees on a 14.5-Acre Site Located at 555 West Middlefield Road (APN 158-49-001); and Finding that the Project is Statutorily Exempt from the California Environmental Quality Act, Pursuant to Section 21080.66 (“Urban Infill Exemption”) of the Public Resources Code, to be read in title only, further reading waived (Attachment 1 to the Council report).
2. Adopt a Resolution of the City Council of the City of Mountain View Conditionally Approving a Vesting Tentative Map to Create Three New Lots, Including One Lot for a Future 1.34-Acre Public Park and One Lot for Condominium Purposes with 97 Condominium Units, on a 14.5-Acre Project Site Located at 555 West Middlefield Road (APN 158-49-001), to be read in title only, further reading waived (Attachment 2 to the Council report).

BACKGROUND

Project Location: 555 West Middlefield Road (APN 158-49-001).

Project Site Size: 14.5 acres.

General Plan Designation: High-Low-Density Residential.

Zoning Designation: P (Planned Community).

Surrounding Land Uses: North (across West Middlefield Road)—two-story condominium complex; east (across State Route 85)—Stevens Creek and one- and two-story multi-family

residential uses beyond on Easy Street; south (across Cypress Point Drive)—two-story condominium complex; west—service station and (across Moffett Boulevard) a mobile home park and shopping center (Moffett Plaza), which has recently approved entitlements for a mixed-use development (400 Moffett Boulevard project).

Current Site Conditions: Existing two- and three-story apartment community.

Applicant/Owner: Joe Kirchofer for AvalonBay Communities.

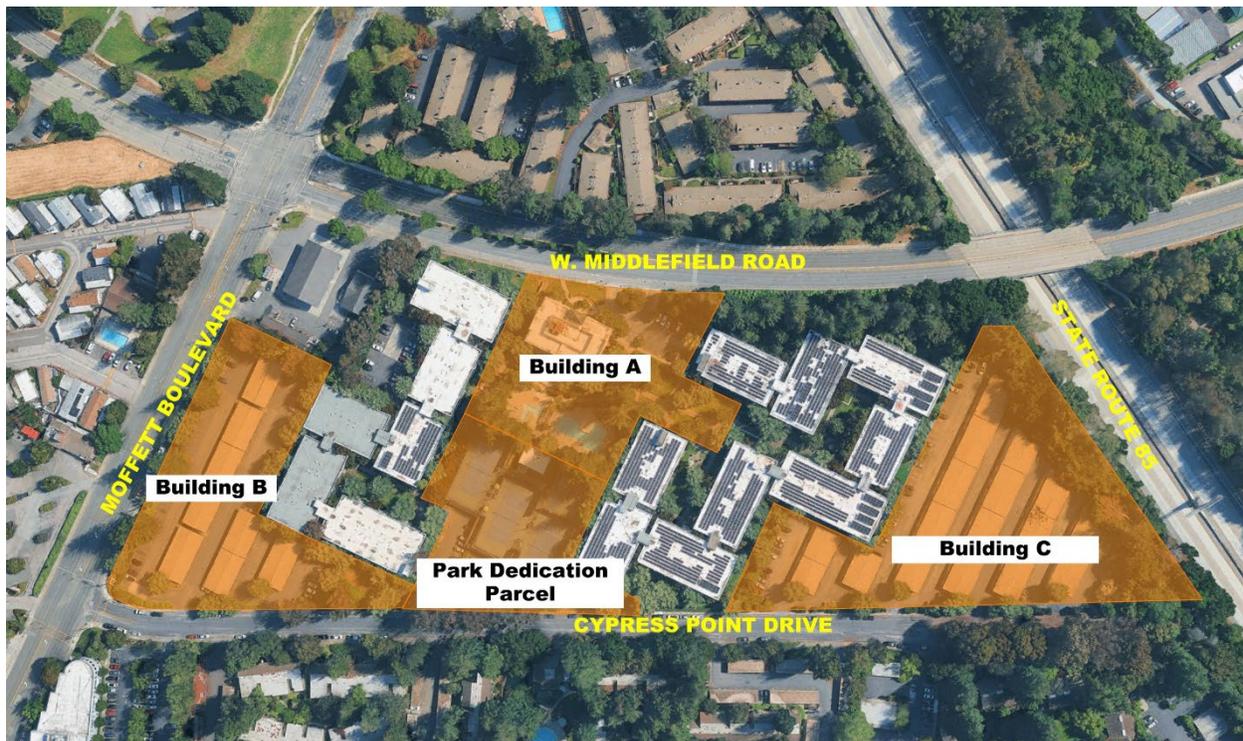


Figure 1: Location Map

Project Overview

The applicant, AvalonBay Communities, Inc. (AvalonBay), proposes to construct three new multi-family buildings (Buildings A, B, and C) totaling 323 new units within an existing 404-unit residential community with the following details:

- **Building A:** Demolition of the existing two-story amenity building and pool to construct a new five-story multi-family residential building with indoor amenity spaces, 242 structured parking stalls, 30 rental units, and a rooftop amenity space with a pool. Building A will be located at the north end of the site, along West Middlefield Road.

- **Building B:** Demolition of surface parking and carport structures to construct a new four-story multi-family residential building with 97 for-sale condominium units, including 10 three-story rowhouse-style units with attached two-car garages, and a total of 77 surface parking spaces. Building B will be located at the southwest corner of the site, adjacent to the intersection of Moffett Boulevard and Cypress Point Drive.
- **Building C:** Demolition of surface parking and carport structures to construct a new five-story multi-family residential building with 508 structured parking stalls and 196 rental units. Building C will be located at the southeast end of the site, along Cypress Point Drive.
- **Future Park:** Demolition of the existing parking structure, surface parking, and resident tennis courts along Cypress Point Drive to dedicate 1.34-acres of future park land to the City.
- Removal of 88 Heritage Trees with 39 of the 88 trees being replanted on the site, resulting in permanent removal of 49 Heritage trees.
- Site improvements, including:
 - Pedestrian and bicycle pathway (with public access easement) connecting existing buildings to proposed Buildings A and B, in addition to other new site pathways.
 - Outdoor dining and recreation areas.
 - Landscaping, stormwater, and lighting improvements throughout the site.

Prior Meetings and Hearings

Previous Project Approval

In 2017, AvalonBay submitted a Gatekeeper application (PL-2017-004) for a General Plan Map and Text Amendment from Medium-Density Residential to High-Low-Density Residential as well as project and tentative map applications for a similar project that would add 323 units to the site. The City Council adopted the General Plan amendments and approved the previous project on May 10, 2022. Since the 2022 project approval, the City granted a two-year extension (PL-2024-052), and the applicant constructed two accessory dwelling units (ADUs) that were ministerially approved and not associated with the development approval. The extension approval moved the expiration date of the original approval to June 10, 2026. However, the applicant is abandoning the previously approved project due to changing economic conditions and is proposing a new project with different design characteristics, notably by replacing below-grade parking with above-grade parking structures and increasing building heights to five stories

on Buildings A and C (previously one and four stories, respectively). The applicant is also proposing changes to each building layout.

In December 2024, AvalonBay submitted a Senate Bill (SB) 330 Preliminary Application (PL-8677) with the aforementioned revised project design. The applicant subsequently submitted a formal application in April 2025 (PL-10665). The primary differences between the previous project and new project are summarized below in Table 1.

Table 1: Project Proposal Comparison, 555 West Middlefield Road

Project Component	Previous Project Approved in 2022	Current Proposed Project
Number of Units Proposed	323	323
Park Land Dedication	1.34 acres, dedication prior to construction leased to applicant during construction and in-lieu fee of \$2.96 million.	1.34 acres, deferred conveyance, dedication prior to Certificate of Occupancy for final building (required park land dedication is only 0.59 acre).
Community Benefits Contribution	\$1,977,025	\$2,000,000
Voluntary Benefits for Existing Residents	<ul style="list-style-type: none"> Rent reductions during construction. Tenants with young children, elderly tenants or tenants with qualifying medical conditions are eligible for relocation to another AvalonBay property. Existing tenants who signed a lease prior to project outreach would be able to break a lease with 21 days' notice prior to the start of construction. Applicant would provide all on-site units with a one-time rent credit up to \$350 to purchase MERV-13 or higher rated air filters during construction. 	Rent reductions during construction.

Project Component	Previous Project Approved in 2022	Current Proposed Project
Improvements to Existing Buildings	<ul style="list-style-type: none"> Exterior improvements to existing units. Applicant will conduct an audit of all windows to make sure all windows properly close. 	<ul style="list-style-type: none"> Exterior improvements to existing units. No audit of existing windows.
Building A Scope of Work Description	One-story amenity building (no residential units) with three levels of below-grade parking and retention of the existing pool.	Five-story building with above-grade structured parking, amenity spaces, 30 apartment units, and rooftop deck and pool.
Building B Scope of Work Description	Four-story building with one level of below-grade parking and 111 condominium units.	Four-story building with surface parking and 97 condominium units.
Building C Scope of Work Description	Four-story building with two levels of below-grade parking and 212 apartment units.	Five-story building with above-grade structured parking and 196 apartment units.
Tree Removals	Remove 96 Heritage trees, of which 39 would be transplanted.	Remove 88 Heritage trees, of which 39 would be transplanted.

Neighborhood Meetings

The applicant held two voluntary neighborhood meetings with residents to introduce the project and solicit feedback from interested parties:

- January 27, 2025: In-person meeting with 15 residents of the existing complex to receive feedback and introduce the project design, how the new design compares to the previous approval, and the anticipated overall construction schedule.
- September 29, 2025: In-person neighborhood meeting with adjacent condominium communities (20 attendees). The applicant introduced the project design, how the new design compares to the previous approval, and the anticipated overall construction schedule.

Subdivision Committee Recommendation

On March 4, 2026, the Subdivision Committee held a public hearing to consider recommending approval of the Vesting Tentative Map to the City Council. The review was limited to only the subdivision for the proposed project. The Subdivision Committee voted to recommend that the City Council approve the Vesting Tentative Map.

ANALYSIS

Project Details

The applicant proposes to demolish an existing amenity building, two surface parking lots with carports, tennis courts, and other existing site improvements to construct three new multi-family residential buildings with 323 residential units, adding to the existing 404-unit development for a total of 727 units. The proposed unit mix consists of 87 one-bedroom units (27% of the new units), 182 two-bedroom units (56% of the new units), and 54 three-bedroom units (17% of the new units). Of the proposed units, 97 would be ownership condominium units located on a proposed separate lot (Lot 1, containing proposed Building B). The project plans can be found in Attachment 4—Project Plans.

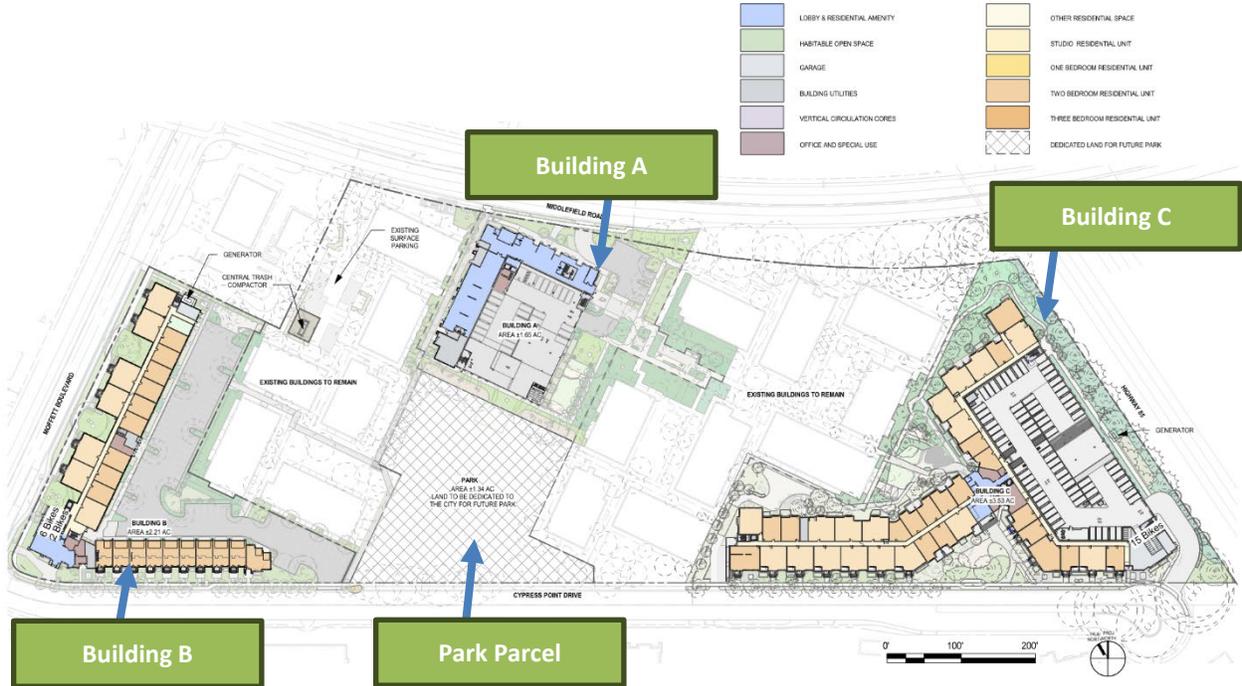


Figure 2: Proposed Site Plan

The project site has three street frontages—West Middlefield Road, Moffett Boulevard, and Cypress Point Drive—and borders State Route 85 to the east. Proposed vehicular entries are

located along West Middlefield Road and Cypress Point Drive. There would remain two vehicular access points along West Middlefield Road, and the seven existing vehicular access points along Cypress Point Drive would be reduced to three, thereby reducing vehicular conflicts with the pedestrian realm. Various on-site amenities are proposed throughout the project site, including open space areas, private residential balconies, a rooftop pool deck, bicycle parking, and fitness rooms. The project also includes a new publicly accessible pedestrian and bicycle path adjoining Building A and the new park parcel, which would provide a continuous public path between West Middlefield Road to Cypress Point Drive.

The proposed site design includes new buildings oriented to the pedestrian realm. Parking areas are minimized from public view by either being located behind or within buildings. The general landscape design ensures visual relief, complements structures, and provides an attractive environment by layering plant palettes and diversifying plantings. The proposed landscaping is consistent with the Water Conservation in Landscaping (WCLIR) requirements and requirements in Article XI (Landscaping) of Chapter 36 of the City Code.



Figure 3: Rendering of Building A from Moffett Boulevard and Cypress Point Drive

The proposed architectural design is well-articulated with high-quality building elements as well as breaks in massing, which complement adjoining land uses. Along streetscape frontages, durable, cohesive building materials create a strong connection to the pedestrian realm. Additionally, the project provides streetscape improvements, including rowhome-style units with stooped entries facing Cypress Point Drive, and landscaped open areas and plantings to provide

appropriate transitions to properties across Cypress Point Drive, Moffett Boulevard, and West Middlefield Road.

The new buildings would utilize an eclectic mix of contemporary and traditional architectural elements. A coordinated color palette is employed across all three proposed buildings, with complementary tones and finishes consistently applied to building elements, while providing sufficient variation to articulate building massing. The selected exterior materials include wood panels, plaster, stucco, cementitious siding, and asphalt shingles, all of which complement the neighborhood. Design elements include balconies, corners, and recesses in the building and unit plans, which provide relief in the building massing.

General Plan

The project is consistent with the site's General Plan Land Use Designation of High Low-Density Residential, which was a new land use designation adopted by the City Council on May 10, 2022, under Resolution No. 18664 for the previously approved, but unbuilt project on-site. The proposed multi-family housing project ranges in height from three to five stories and has a density of approximately 50 dwelling units per acre, consistent with the High Low-Density designation. In addition, the project is also consistent with the following General Plan Policies:

1. **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 project site is less than one-half mile from the Mountain View Caltrain Station and is located along the major commute corridors of Moffett Boulevard and West Middlefield Road.

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

The project design proposes new buildings oriented to the pedestrian realm with parking areas minimized from public view, which contributes to a strong presence along the streetscape. The architectural design is well-articulated with high-quality, durable, and cohesive building elements as well as breaks in massing, complementing adjoining land uses. Additionally, the project provides streetscape improvements and landscaped open areas with plantings to provide appropriate transitions to properties across the street.

3. **LUD 23.2: A vital corridor.** Promote Moffett Boulevard as a vital corridor and connection to NASA Ames.

By providing 323 new units on a site adjacent to Moffett Boulevard, the project would increase demand for businesses in the vicinity and provide new residents with

opportunities to interact closely with the corridor, thereby enhancing the vitality of Moffett Boulevard and strengthening the connection between downtown and NASA Ames.

Zoning

The subject property is located within the P (Planned Community) Zoning District, which has no listed development standards nor permitted, conditional, or prohibited uses. There is also no adopted Precise Plan that applies to the site. Per Section 36.22.20 (Height, area, and yard requirements and regulations) of the City Code, there are no listed development standards in the P (Planned Development) Zoning District except as may be imposed by the Precise Plan or as conditions upon the granting of a Planned Community Permit. Therefore, the conditions of approval for and design of the previously approved 2022 Planned Community Permit serve as the referenced development standards for the current project. The project is also subject to development standards applicable to all Zoning Districts. Table 2 below compares the proposed project with the development standards included in the original 2022 approval. Except as waived under the State Density Bonus Law (SDBL), the project is consistent with the referenced standards as well as applicable Zoning Code standards in all Zoning Districts. Under the Housing Accountability Act, the use of a SDBL density increase, concession, or waiver does not constitute a valid basis for finding a project inconsistent with the General Plan, land use, or development standard.

Table 2: Project Consistency with Development Standards

Subject	Development Standard (based on 2022 Approval, General Plan, or Zoning Code)¹	Proposed Project	Consistency Status
Density ²	50 du/ac	49.9 du/ac	Consistent
Floor Area Ratio (FAR)	1.13	1.56	SDBL Waiver
Building A Setback (West Middlefield Road)	24'8"	15'0"	SDBL Waiver
Building B Setback (Moffett Boulevard)	19'7"	15'6"	
Building B Setback (Cypress Point Drive)	15'7"	15'6"	
Building C Setback (Cypress Point Drive)	15'8"	15'1"	
Building C Setback (Caltrans Right-of-Way)	42'1"	37'5"	
Height (Building A) ²	Up to five stories	Five stories	Consistent
Height (Building B) ²		Four stories	
Height (Building C) ²		Five stories	

Subject	Development Standard (based on 2022 Approval, General Plan, or Zoning Code) ¹	Proposed Project	Consistency Status
Open Space Area (Buildings A and C)	220,874 square feet (46%)	212,356 square feet (45%)	SDBL Waiver
Open Space Area (Building B)	45,394 square feet (47%)	21,404 square feet (22%)	
Private Open Space (Buildings A and C) ³	43,759 square feet (206 square feet per unit)	40,041 square feet (177 square feet per unit)	SDBL Waiver
Private Open Space (Building B) ³	6,634 square feet (59 square feet per unit)	780 square feet (8 square feet per unit)	
Personal Storage (all new construction)	80 cubic feet per unit	6.6 cubic feet per unit	SDBL Waiver
Minimum Parking Requirement ⁴	0 minimum spaces	851 spaces (1.17 spaces per unit)	Consistent
Bicycle Parking ⁴	1 space per unit (long term) 1 space per 10 units (short term)	182 long term (0.25 spaces per unit) 34 short term (0.05 spaces per unit)	SDBL Waiver

¹ Dimensions rounded to nearest inch, percentages rounded to nearest percent.

² Refers to a General Plan standard.

³ Includes figures for new construction, not existing units.

⁴ Refers to an adopted development standard.

State Density Bonus Law Request

State Density Bonus Law (Gov. Code, § 65915, *et seq.*) imposes a mandatory density bonus program that requires the City to permit the construction of additional residential units and, if requested by the applicant, to provide regulatory incentives/concessions and waivers of development standards to applicants that agree to build a certain percentage of affordable housing that meets the statutory criteria (Gov. Code, § 65915(b)). A concession is a modification that will result in identifiable and actual cost reductions needed to provide affordable housing. The number of concessions available to an applicant are limited and depend on the type and amount of affordable housing proposed. A waiver is a modification of a development standard that would otherwise physically preclude the construction of a development. Developers are allowed unlimited waivers. The City must approve density bonuses for qualifying projects and has very narrow grounds for denial of concessions and waivers.

The “base density” as defined Government Code Section 65915(o)(6) is 50 dwelling units per acre (du/ac), which yields 725 units on a 14.5-acre site. The site currently contains 404 units, two of

which are ADUs and excluded from a site's maximum allowable residential density (HCD ADU Handbook, p. 44). The applicant proposes 323 new units, including 48 (14.8%) low-income units, 17 (5%) of which will be affordable to very low-income households, which qualifies the project for a 20% density bonus and one incentive or concession. The applicant is not requesting a density bonus or an incentive/concession but is requesting the following six waivers (further described in Attachment 6—Density Bonus Request Letter).

1. Floor Area Ratio (FAR)
2. Setbacks
3. Height
4. Open Space Area
5. Personal Storage
6. Bicycle Parking

Below-Market-Rate Housing

The proposed development includes the construction of 323 new rental units, including 48 Below-Market-Rate (BMR) units. The project is subject to compliance with both the City's BMR Housing Ordinance (Section 36.40.10 (General requirements) of Division 2 (Residential Development: Below-Market-Rate Housing Program) of the City Code) and the SDBL. The applicant's proposal has been reviewed for consistency with these requirements.

Percentage Requirement and Affordability Levels

The project must comply with both the City's BMR Ordinance and SDBL. The affordable units provided to qualify for SDBL may be credited toward the City's BMR requirements to the extent those same units also satisfy the requirements of the City's BMR program. Nothing in the City's BMR program is intended to condition or reduce the project's statutory entitlements under Government Code Section 65915. The applicant proposes to provide 48 affordable units to comply with state and local regulations. The project will include 17 affordable units at very low-income levels (50% of area median income (AMI)) and 31 units at low-income levels (65% and 80% AMI), which qualifies the project for a 20% density bonus under SDBL. Together, the proposed affordable units and payment of a BMR in-lieu fee for a fractional unit satisfy both the City's BMR Ordinance and SDBL requirements.

Below-Market-Rate Ordinance

The City's BMR Ordinance requires that the project provide 15% (or 48.45 units) of the total units as affordable. If the calculation renders a fraction below 0.5, units may be rounded down to the nearest whole number, and the applicant is eligible to pay an in-lieu fee for the fractional portion (Section 36.40.10(d) (In-lieu fees for fractions of units) of the City Code). In order to meet the

City's BMR Ordinance, the developer will deliver 48 units (also consistent with SDBL) and pay the BMR in-lieu fee of \$371,111.08 for the fractional unit.

Proportionality Unit Size and Location

The BMR Ordinance requires affordable units to be proportional in bedroom count and square footage relative to the overall project and reasonably dispersed throughout the development (Section 36.40.10(f) (Location and design of BMR on-site units) of the City Code). Based on the proposed plans, the proposed BMR units are distributed across multiple floors and all three buildings within the project and are not concentrated in a single area. The project complies with the ordinance requirement for dispersion of affordable units.

The applicant's affordable housing proposal can be found in Attachment 5—Affordable Housing Compliance Plan. Table 3 summarizes the proposed distribution of BMR units by bedroom count compared with ordinance requirements.

Table 3: Unit Type Distribution

Unit Size	Total Units	Required by Ordinance	Project Proposal
Studio	10	2	2
1 bedroom	150	22	22
2 bedroom	132	20	20
3 bedroom	31	4	4

As shown in Table 3, the proposed BMR unit distribution is proportional to the overall project unit mix by bedroom count. Studios comprise approximately 3.1% of the total units and 4.2% of the required BMR units, one-bedroom units comprise approximately 46.4% of the total units and 45.8% of the required BMR units, two-bedroom units comprise approximately 40.9% of the total units and 41.7% of the required BMR units, and three-bedroom units comprise approximately 9.6% of the total units and 8.3% of the required BMR units. These percentages demonstrate that the distribution of affordable units closely reflects the overall bedroom mix of the development and is consistent with the proportionality requirements of the BMR Ordinance.

Based on the plan set submitted by the applicant, the development includes multiple unit types within each bedroom category, with varying square footage. Table 4 below provides a breakdown of unit types by average square footage and the proposed allocation of BMR units.

Table 4: Unit Size by Square Foot

Unit Type	Average Square Feet	Total Units	Developer Proposed BMR Units	Required by BMR Ordinance
Studio	557	10	2	2
1 bedroom	811	150	22	22
2 bedroom	1,214	133	20	20
3 bedroom	1,686	31	4	4

As shown, the project's residential square footage is primarily comprised of two-bedroom and one-bedroom units, which together account for the majority of the total residential floor area, followed by three-bedroom units and a small proportion of studios. The proposed BMR unit mix corresponds proportionally with this distribution of square footage, with larger unit types receiving a commensurate share of the required affordable units. The number of BMR units proposed for each unit type is consistent with the requirements of the BMR Ordinance and reflects the relative share of total project square footage for each unit type. Accordingly, the project meets the City's proportionality requirement by unit size and square footage.

State Density Bonus Law

To qualify for a density bonus under SDBL, a project must provide a prescribed percentage of inclusionary housing units. This percentage is a sliding scale, based on the AMI levels that are provided. The provision of 17 units at very low-income levels (50% AMI) and 31 units at low-income levels (65% and 80% AMI) qualifies the applicant for a density bonus under SDBL.

Other Requirements

Because the applicant does not propose to demolish any existing residential units, the project is not subject to the relocation requirements under SB 330 or the City-adopted tenant relocation requirements.

Streetscape Improvements

The proposed project provides a 5' wide detached sidewalk and a 5' wide landscape strip (inclusive of curb) with new street trees along the West Middlefield Road project frontage. A 5' wide detached sidewalk and a 5' wide landscape strip are proposed along the Cypress Point Drive project frontage, except as shown on the plans to preserve existing street trees and other existing utilities. The project is also proposing an 8' wide detached sidewalk and an 8' wide landscape strip along the Moffett Boulevard project frontage, except as shown on the plans, to preserve existing trees and provide for an upgraded Santa Clara Valley Transportation Authority (VTA) bus stop.

The curb-to-curb width along Moffett Boulevard is proposed to be widened to accommodate the existing street section, the new Class IV bike lane (5' lane and 3' buffer), and the VTA bus stop. The applicant is proposing modifications to the existing VTA bus stop and bike lane on Moffett Boulevard to provide a duck-out bus stop per VTA standards and a Class IV bike lane. At the intersection of Cypress Point Drive and Moffett Boulevard, the applicant is proposing two new high-visibility crosswalks and stop-controlled markings on Cypress Point Drive.

Vesting Tentative Map

The proposed Vesting Tentative Map for the project includes the creation of three lots, including two residential lots: (1) a lot for condominium purposes to accommodate up to 97 condominium units; (2) a lot supporting up to 630 apartment units (404 existing with 226 new units); and (3) a lot to accommodate a future 1.34-acre City park.

Park Land Dedication In-Lieu Fee

The General Plan sets a goal for an expanded and enhanced park and open space system to meet current City needs for parks and open space based on population growth arising from new residential development. Increases in population due to new residential development place additional burdens on City parks and recreational facilities and impact the City's standard of providing parks and recreational facilities to its residents. The City is divided into several planning areas per the adopted Parks and Open Space Plan, and park land deficiencies are tracked on a planning area basis.

The project will increase the demand on park land by 1.65 acres within the Stierlin Planning Area, bringing the total park and recreation facility deficit within the Stierlin Planning Area to 9.79 acres. Because the additional residents generated by this project will make up approximately 6% of the population within the Stierlin Planning Area, the applicant's proportional share of the park land deficiency is 0.59 acre. The project proposes to dedicate 1.34 acres of park land to the City, exceeding the required park land dedication by 0.75 acres.

In recognition of the 0.75-acre surplus in park land dedication, staff is recommending a deferral on the timing of the park land acceptance. The applicant has requested the deferred conveyance of the park land property to help with the management of existing tenant parking during construction on different areas of the site, as well as for construction materials and equipment staging. Use of the park land parcel for existing tenant parking is intended to minimize on-street parking impacts during the periods between the demolition of existing off-street parking facilities and construction of new off-street parking facilities.

As a condition of approval, prior to the issuance of the first building permit or recordation of the final map, whichever occurs first, the applicant shall provide an irrevocable offer of dedication of 1.34 acres of park land. An irrevocable offer of dedication is a legal document used where the

applicant dedicates the park area, and the offer remains open without the ability to revoke the dedication until the City elects to accept the dedication at a future date. As noted earlier, the project will be constructed in three phases/building permits. The condition of approval will stipulate that the City may accept the offer upon the earlier of: (1) the issuance of the certificate of occupancy for the final building; (2) 6 years after the issuance of the final building permit; or (3) 10 years after the project approval by the City Council. Upon acceptance of the offer, the City will grant AvalonBay a leaseback option, should the applicant request it, to utilize the property for staging of construction materials and equipment.

These park acceptance conditions accommodate the applicant request to have flexibility to phase the project and certainty for the City for the timing of obtaining the park land area. Once the park land area is accepted, the City would begin the park development process, including obtaining community feedback and input via public meetings for the preferred amenities and park layout.

Tree Removal, Transplantation, and Replacement

The project site currently contains 442 trees, including 251 Heritage trees as defined in Section 32.23 (Definitions) of the City Code. Of the Heritage trees, the applicant would preserve 163 and remove 88, with 39 of the 88 trees being replanted on the site. There are 21 existing street trees along the project site, of which the applicant would preserve 20. Of the Heritage trees proposed for removal, 30 are in poor condition or have a low suitability for replacement. Other Heritage trees that are proposed for removal cannot be retained because they are in or near the development footprint and impact the ability to construct the proposed number of units. Most of the proposed tree removals would occur adjacent to State Route 85, which currently has a berm that requires regrading the site for the foundation of Building C. A complete accounting for all trees at the site can be found in Attachment 7—Arborist Report.

The applicant is proposing to replace the removed Heritage trees with 212 new trees, exceeding the 2:1 replacement ratio guideline. Table 5 below specifies the changes to the tree canopy coverage. The project also proposes at least 50% California native tree plantings and is compliant with the City's Water Conservation in Landscaping Regulations.

Table 5: Tree Canopy Coverage

Canopy	Site Coverage Acres (Percentage of Site)
Existing Canopy	5.27 Acres (36.3%)
Canopy to be Removed (Δ)	-1.70 Acres (-11.7%)
New Canopy (Completion of Construction)	3.95 Acres (27.2%)
New Canopy (5 years)	4.41 Acres (30.4%)
New Canopy (10 years)	4.86 Acres (33.6%)
New Canopy (Maturity)	5.41 Acres (37.3%)

Transportation

Transportation Demand Management Plan

The project includes a transportation demand management (TDM) plan with various programs estimated to achieve a 10% peak-hour reduction. In order to achieve the 10% reduction, the TDM plan includes a variety of strategies, including, but not limited to, carshare spaces, a collaborative workspace bicycle storage and repair facility, and an on-site TDM coordinator. Further details of the TDM plan can be found in Attachment 8—Transportation Demand Management Plan.

Vehicle Miles Traveled

On June 30, 2020, the City adopted a new transportation policy in accordance with SB 743, establishing vehicle miles traveled (VMT) as the methodology for evaluating potential transportation impacts of new developments for the purposes of California Environmental Quality Act (Public Resources Code, § 21000, *et seq.*) (CEQA) analysis. The policy included VMT screening criteria, under which projects that meet these criteria are presumed to have a “less-than-significant” transportation impact, eliminating the need for further VMT analysis. If a project does not meet the criteria, a VMT analysis is required, typically conducted alongside a Multi-Modal Transportation Assessment (MTA).

Due to the project site’s proximity to downtown and as per the City’s VMT transit screening criterion, the project is expected to have a less-than-significant impact on VMT.

Multi-Modal Transportation Analysis and VTA Congestion Management Program

As part of the City’s VMT policy, adopted in June 2020, Council endorsed requirements for local-level analysis of non-CEQA multi-modal transportation impacts (including bicycle, pedestrian, and vehicle movements), which are consistent with standards and policies set forth by the City and the Valley Transportation Authority’s (VTA) Congestion Management Program (CMP), referred to as a Multi-Modal Transportation Analysis (MTA). Because the proposed project is similar to the 2022 project, a supplemental analysis was completed that built upon the previous transportation studies and evaluated where the new project would result in any new impacts or adverse effects. The supplemental analysis also evaluated the project’s site access, internal circulation, and parking and demonstrates compliance with the VTA’s CMP and Transportation Analysis Guidelines.

The proposed project largely replicates the 2022 project’s site plan and provides the same number of new residential units with minor reallocation of residential units between buildings. The primary differences are that the new project proposes above ground parking structures

rather than below-grade parking garages, and the new project reduces the number of parking spaces in Buildings A and B and increases the number in Building C. Less vehicle parking is provided overall, reducing the total on-site parking supply from 926 spaces to 851 spaces.

The supplemental analysis determined the proposed project would not result in adverse traffic operational effects on any nearby intersections, including the VTA's CMP intersections. The proposed project would generate 24 net p.m. peak hour trips, 21 fewer than the 2022 project. Although the proposed project would generate 108 net a.m. peak hour, which is six more than the 2022 project, the increase of traffic on the surrounding streets and intersections would be negligible. The intersection of Moffett Boulevard/Cypress Point Drive would still operate at Level of Service (LOS) B, which is the same level as the analysis prepared for the 2022 project.

The supplemental MTA concluded that the site plan shows adequate site access and on-site circulation, and no significant circulation issues are expected to occur as a result of the proposed project.

ENVIRONMENTAL REVIEW

This project meets the eligibility requirements for the new CEQA statutory exemption enacted per Assembly Bill (AB) 130 (2025), codified in Section 21080.66 of the Public Resources Code. Project eligibility for this exemption is addressed in more detail within Attachment 3 - AB 130 Memorandum and in the project findings within Attachment 1—Project Resolution. In summary, this new statutory exemption was enacted to streamline the review of qualifying housing developments. The exemption applies to housing projects that: are located on a site no larger than 20 acres; 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 and Zoning Ordinance requirements; and meet minimum density requirements as defined in the statute (minimum 15 units per acre). Furthermore, to qualify for the new AB 130 exemption, the 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 the project must also satisfy the requirements in Section 65913.4(a)(6) of the Government Code, which excludes projects affected by special site considerations (such as farmland, wetlands, hazardous waste sites, and habitat for protected species).

The applicant invoked AB 130 with a memorandum to staff dated October 21, 2025. The City commenced a tribal consultation on November 4, 2025 and concluded it with all tribes on January 3, 2026. The City initiated tribal consultation with the Muwekma Ohlone Tribe, the Costanoan Rumsen Carmel Tribe, Kanyon Sayers-Roods, and the Tamien Nation and discussed the conditions of approval, including those related to tribal notification and the discovery of tribal resources. The project was deemed complete on December 11, 2025. The applicant and the City

have agreed to an extension to take action on the project no later than March 25, 2026 pursuant to Government Code Section 65957.

FISCAL IMPACT

The City currently receives approximately \$172,000 per fiscal year in property tax revenue from the project site, which is deposited into the General Operating Fund (GOF). Based on the proposed redevelopment, staff estimate that the City would receive an additional net property tax increase of approximately \$191,000 per fiscal year, resulting in total projected annual property tax revenue of approximately \$363,000 to the GOF.

This project would also be subject to applicable City development impact fees, including the Park Land Dedication In-Lieu Fee, Water Capacity Charges, Sewer Capacity Charges, and the Citywide Transportation Impact Fee, which would be paid prior to final occupancy in accordance with Senate Bill 937 (2024).

In addition, the applicant has proposed a voluntary contribution of \$2.0 million, consistent with the contribution proposed under the previous project application. These funds could be allocated toward local capital improvement projects or other purposes as determined by the Council.

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 the General Plan and applicable development standards (upon approval of the requested SDBL waivers), achieves General Plan and Housing Element goals and policies by increasing market-rate and affordable rental and ownership housing opportunities in

the City, and helps the City meet its Regional Housing Needs Allocation (RHNA) requirements. Further, the project includes a future park land dedication to the City and a new publicly accessible pedestrian and bicycle path. Staff recommends approval of the project subject to the recommended conditions of approval.

ALTERNATIVES

1. Approve the project with modified conditions of approval.
2. Deny the project based on specific findings required by state law.

PUBLIC NOTICING

The Council's agenda is advertised on Channel 26, and the agenda and this report appear on the City's website. All property owners and residents within a 750' radius and other interested stakeholders were notified of this meeting, and public notice of the hearing was published in a newspaper of general circulation per Section 36.56.20 (Notice of hearing) of the City Code.

Prepared by:

Sam Hughes
Senior Planner

George Schroeder
Planning Manager

Amber Blizinski
Assistant Community Development Director

Approved by:

Christian Murdock
Community Development Director

Kimbra McCarthy
City Manager

CDD/SH-03-24-26CR

- Attachments:
1. Project Resolution
 2. Vesting Tentative Map Resolution
 3. AB 130 Memorandum
 4. Project Plans
 5. Affordable Housing Compliance Plan
 6. Density Bonus Request Letter
 7. Arborist Report
 8. Transportation Demand Management Plan
 9. Public Comment