



6/13/2024

City of Mountain View R3 Scope of Work for Opticos Design, Inc.

On April 9, 2024, the Council held a Study Session and provided direction for reinitiating the project and incorporating certain Housing Element requirements. Amendments to the scope for the R3 Zoning Code Update Project are necessary to fulfill Council's direction, which are detailed below in Part 1 and Part 2.

The City Council approved the original scope of work from Opticos Design, Inc. on November 12, 2019. In addition to Opticos Design, Inc. as the primary consultant, the following subconsultants are involved in the project:

- Lisa Wise Consulting: Economics (LWS)
- Rincon: Environmental Review
- Fehr & Peers: Transportation and Environmental Review
- Konveio: Website management and community outreach support

2019 Adopted Scope of Work and Progress Summary

Phase 1: Initial Scoping

- Task 1. Existing Conditions and Outreach Strategy: Complete
- Task 2. Analysis: Complete

Phase 2: Project Implementation

- Task 3. Draft Zone(s), Standards and Guidelines: In Progress
- Task 4. CEQA Documentation: Has not started

Phase 3: Additional Outreach Tasks

- Task 5: Preparation for Neighborhood Workshops: Complete
- Task 6: Facilitate Neighborhood Workshops: Complete
- Task 7: Community-Wide Workshops: Two workshops completed; more to follow
- Task 8: Additional Study Sessions: Two held; additional Council meetings contained in scope amendment
- Task 9: Additional Meetings to Review Draft Standards: In Progress
- Task 10: Project Management: In Progress
- Task 11 (formerly Task 5): Public Review Draft Code & Implementation: Future task

Remaining Budget: \$577,494.25 (all tasks)

- CEQA Tasks: \$326,923.75
- Non-CEQA Tasks: \$250,570.50

Community Outreach Efforts

Project workshops were held in 2020 and 2021, prior to the Council Study Sessions (October 13, 2020 and April 13, 2021). In 2022, a series of workshops were held for each of the City's six Council Neighborhoods Committee neighborhoods (Phase 3 above). Along with those workshops, the City collected comments through an online comment tool. In December 2023, a tenant-focused workshop was held. Throughout this time, staff met with neighborhood groups, interest groups, and other stakeholders about the project.

Proposed Scope Amendments

The June 2024 proposal repurposes the non-CEQA budget balance and reframes the tasks from the previously adopted scope of work shown in the following pages of this document. After adding the available non-CEQA budget balance, the proposed work requires an additional \$400,352. Overall, for clarity, Opticos has proposed to distribute the remaining non-CEQA budgets into the updated scope, dated June 13, 2024.

PART 1. ANALYSIS AND RECOMMENDATIONS FOR CHANGES TO R3**Task A. Density Opportunity Analysis** (new task)**1A.0 Kickoff Meeting (via Zoom)**

Meeting with City staff to confirm schedule and refine descriptions of tasks or deliverables. LWC to participate.

Task Deliverable: *Meeting notes*

1A.1 Formalize criteria to identify target areas for intensification.

Refine and clarify criteria from the April 9 CC study session to create a system for analyzing R3 locations to identify target areas (e.g., parcel size, HOAs, GP designation, ownership, distance from transit or services, etc.).

Task Deliverable: *Final list of criteria for target areas*

1A.2 Prepare preliminary heat map of target areas based on criteria from Task 1A.1 and identify target areas for intensification.

Prepare heat map based on the criteria developed in Task A.1 to identify two types of areas: a) target areas for intensification along with strategies for adjacencies to lower intensity neighborhoods (e.g., transition zones and appropriate transition forms), and b) R2 locations that can be intensified to R3-A and locations where R2 should remain as a transition to R1.

Task Deliverables: *Preliminary map of target areas (PDF)*

1A.3 Update building prototypes for R3-A through R3-D.2

Based on the April 9, 2024 presentation to City Council, prepare an updated set of outcomes and assumptions for each building type (e.g., height, lot coverage, unit yield on different size parcels).

Task Deliverable: *Updated building type outcomes and assumptions (PDF)*

1A.4 Working Session 1 (via Zoom)

Meet with city staff to review preliminary heat map and updated building prototype assumptions prior to calculations and analysis in Task A.5.

Task Deliverable: *Meeting notes*

1A.5 Calculate net capacity increase for each of the target areas identified in**Task 1A.2**

Revise heat map per Task 1A.4 and analyze the overall and realistic net capacity increases for each target area at R3-D1 and R3-D2 standards (i.e., density, height, building type, etc).

LWC to lead this task with support from Opticos on building types and parcel-specifics. "Overall" means the mathematical maximum development based on all parcels in target areas redeveloping per draft R3 sub-zones (e.g., R3-A). "Realistic" means the maximum development based on a sub-set of all parcels in target areas redeveloping per draft sub-zones. LWC will test existing / updated building prototypes developed by Opticos. LWC will provide a list of key variables required for financial analysis. LWC will prepare an updated market memo to establish current sales prices in the market and capital construction costs.

Task Deliverables: *Market memo. Static proforma analysis of two prototype projects of differing scale/size (e.g., one large lot and one small lot).*

1A.6 Commercial/live-work opportunity analysis of target areas identified in**Task 1A.2**

Analyze commercial/live-work opportunities and explore policies/strategies to incentivize these uses in the target areas.

LWC to lead this with support from Opticos on parcel-specifics. LWC will test existing / updated building Mixed Use / Live Work prototypes developed by Opticos. LWC will provide a list of key variables required for financial analysis.

Task Deliverables: *Market memo. Static proforma analysis of two for-sale prototype projects of different scale/size (e.g., one large lot and one small lot).*

1A.7 Working Session 2 (via Zoom)

Meet with city staff to review A.5 and A.6 deliverables. LWC to participate.

Task Deliverable: *Meeting notes*

Task B. Local Density Bonus Analysis (new task)

1B.1 Density Feasibility Analysis, incl. approach and outline of Bonus FAR program

Analyze existing data and information on building prototypes from Task A to examine the feasibility of stacked flats and various unit types at different densities in the target areas, including the threshold for extra density to enable feasibility. This task includes developing an approach and outline for a bonus FAR/floating zone incentive program in consideration of State Density Bonus incentives.

LWC to lead this task with support from Opticos. Based on the analysis in Tasks A.5 and A.6, LWC will determine the development parameters that would be required, in the form of a local density bonus, allowing for additional market-rate units, to create conditions where a for-sale multi-unit residential project will become feasible. Based on a static proforma, LWC will model the effect of increased unit size on project feasibility in 4 scenarios: 1) Small Lot 100% residential, 2) Large Lot 100% residential, 3) Small Lot Mixed use (live-work), and 4) Large Lot (Mixed Use)

Task Deliverables: *Four static pro forma models with a descriptive memo indicating the required unit count, to reach feasibility measures over and above the existing state density bonus program.*

1B.2 Community Benefits Analysis, incl. open space and streetscape improvements

Prepare analysis identifying the densities and corresponding parcel sizes when Community Benefits, including Open Space, and Streetscape Improvements, can realistically be required. This task includes analysis of park and open space opportunities and policies/strategies (informed by Parks and Recreation Strategic Plan in-progress by Community Services Dept), including public open space opportunities that can be integral to the building prototypes, and analysis of streetscape improvement opportunities and policies/strategies (informed by planned streetscape projects City-wide).

LWC to lead this task with support from Opticos. Based on the modeling in Task B.1, LWC will establish the marginal value of an additional unit of residential development over and above the minimum required to meet feasibility hurdles. This information can be used to determine the ability for development projects to support community benefits in exchange for additional entitlements.

Task Deliverable: *Developer-side estimate for a value of an additional unit on a per project basis.*

1B.3 Small Lots Analysis

Prepare analysis for parcels less than 100' wide and up to 150' deep to identify what standards will help feasibility, what are the constraints, and what can be affected. If nothing is feasible within existing density, the focus will be on improving current standards for better form-outcomes.

LWC to lead this task with support from Opticos. LWC will prepare a feasibility analysis of the revised development program for two scenarios: one "for-sale" 100% residential, and one mixed-use development prototype for small lot development based on revised development prototypes produced by Opticos using information in task 1B.1 LWC anticipates one initial model run based on Opticos' concept for the two sites and a second revised model run based on Opticos-initiated changes that would be required to meet feasibility goals.

Task Deliverable: *One draft and one final proforma model run reflecting a small lot 100% residential for-sale project and one live-work residential project.*

1B.4 Medium and Large Lots Analysis

Prepare analysis for Medium lots (parcels 100' to 200' wide and 150' to 200' deep) and Large lots (parcels over 200' wide and over 200' deep) to identify what should be allowed to make those sites feasible for stacked flats, diverse unit sizes, and community benefits.

LWC to lead this task with support from Opticos. LWC will provide a feasibility analysis of the revised development program for two scenarios: one "for-sale" 100% residential and one mixed-use development prototype for Medium and Large lot development based on revised development prototypes produced by Opticos using information in Task 1B.1. LWC anticipates one initial model run based on Opticos' concept for the two sites and a second revised model run based on Opticos-initiated changes that would be required to meet feasibility goals.

Task Deliverable: *One draft and one final proforma model run reflecting a large lot 100% residential for-sale project and one mixed-use residential project.*

Task C. Part 1 Project Management and Coordination (new task; no remaining budget for management and coordination)

1C.1 Management and Coordination.

1C.2 City Council Meeting (includes prep time with City staff; Opticos will attend in person; LWC will attend via Zoom).

Task Deliverable: *Presentation of consultant findings and facilitation of discussion with City Council.*

PART 2. DEVELOP Form-based code (FBC) AND DESIGN HANDBOOK

(Tasks modified from currently adopted scope)

Task A. Code Framework (previously in Task 3; modified for work effort)

2A.1 TOC Outline and Style Guide (new task)

2A.2 Framework of R3 sub-districts and Standards (previously in Task 3.A)

2A.3 Work Session to confirm direction for desired built outcomes via Zoom (new task)

Task Deliverable: *Code Framework (PDF) and meeting notes from Work Session.*

Task B. Administrative Draft FBC (previously in Task 3)

2B.1 Draft R3 sub-districts and Standards, incl Regulating Plan (previously in Task 3.A; modified for work effort)

2B.2 Work Session to receive and review comments from City staff (previously in Task 3.F)

2B.3 Draft Supplemental Standards (previously in Task 3.A; modified for work effort)

2B.4 Work Session to receive and review comments from City staff via Zoom (previously in Task 3.F)

2B.5 Administrative Draft FBC (previously in Task 3.A; modified for work effort)

Task Deliverable: *Administrative Draft FBC (PDF of R3 sub-districts and standards, supplemental standards), meeting notes from Work Session*

Task C. Screencheck Draft FBC (new task)

2C.1 Work Session to receive and review direction for Screencheck Draft (via Zoom)

2C.2 Screencheck Draft FBC, including Regulating Plan

Task Deliverable: *Screencheck Draft FBC (PDF of R3 sub-districts regulating plan, standards, supplemental standards), meeting notes from Work Session*

Task D. Public Draft FBC (previously Task 5)

2D.1 Work Session to receive and review direction for Public Draft via Zoom (previously Task 5.B)

2D.2 Public Draft FBC, including Regulating Plan (previously Task 5.D; modified for work effort)

Task Deliverable: *Public Draft FBC (PDF of R3 sub-districts, regulating plan, standards, supplemental standards), meeting notes from Work Session*

Task E. Final FBC as Adopted by City Council (previously Task 5.F; modified for work effort)

2E.1 Work Session to receive and review direction for Final (via Zoom)

2E.2 Final FBC, including Regulating Plan

2E.3 Transfer of native files

Task Deliverable: *Final FBC (PDF of R3 sub-districts, regulating plan, standards, supplemental standards), meeting notes from Work Session*

Task F. Design Handbook (previously Task 3.B; modified for work effort)

2F.1 Vision & Guiding Principles

2F.2 Work Session to confirm direction for Handbook

2F.3 Draft Design Handbook, including illustrations

2F.4 Two Work Sessions to receive and review direction for Final

2F.5 Final Design Handbook, including illustrations

Task Deliverable: *Draft and Final Design Handbook (PDF), meeting notes from Work Sessions*

Task G. Part 2 Project Management and Coordination (new task; no remaining budget for management and coordination)

2G.1 Management and Coordination

2G.2 Adoption Hearings (in person, up to 2) - tentatively Aug 2025

Task Deliverable: *Bi-weekly coordination calls with City staff; attendance at up to 2 adoption hearings.*