



DISCUSSION CALENDAR

Agenda Item # 7

AGENDA REPORT SUMMARY

Meeting Date: November 27, 2018

Subject: Proposed Five-Story, 52-Unit Multiple-Family Building at 4856 El Camino Real

Prepared by: Zachary Dahl, Planning Services Manager

Reviewed by: Jon Biggs, Community Development Director

Approved by: Chris Jordan, City Manager

Attachment(s):

1. Updated Proposal from Applicant
2. Resolution No. 2018-42
3. City Council Agenda Report, November 13, 2018
4. Public Correspondence

Initiated by:

Applicant and Owner – Mircea Voskerician, LuxOne LLC

Previous Council Consideration:

- January 16, 2018 (City Council-Planning Commission Joint Study Session)
- May 8, 2018 (Story Pole Exemption Request)
- July 10, 2018 (Story Pole Exemption Request)
- November 13, 2018 (Regular City Council Meeting)

Fiscal Impact:

The project will result in the following estimated financial contributions to the City:

- Park in-Lieu Fees: \$1,846,000 (\$35,500/multiple-family dwelling unit)
- Traffic Impact Fees: \$216,268 (\$4,159/multiple-family dwelling unit)

Environmental Review:

The project is exempt from environmental review as in-fill development in accordance with Section 15332 of the California Environmental Quality Act of 1970 as amended.

Policy Question(s) for Council Consideration:

- Is the updated proposal of 10 affordable (below market rate) units in exchange for a density bonus, incentives, waivers and parking requirement alteration consistent with State Law and the City's Affordable Housing Ordinance?
- Does the proposal meet the required findings for design review, a use permit and subdivision per the Los Altos Municipal Code?



Subject: Proposed Five-Story, 52-Unit Multiple-Family Building at 4856 El Camino Real

Summary:

- This is an updated development proposal for a new five-story, multiple-family residential building with 52 condominium units, a rooftop common area and a two-level underground parking garage
- The updated proposal is offering 10 affordable housing units (three moderate income units and one low income unit for sale, and six very-low income units for rent), 35.7 percent of the project's base density, that qualifies the project for a density bonus, incentives, waivers and a parking requirement alteration. The proposal is seeking an 82.5 percent density bonus, development incentives to allow for increased height and a reduced rear yard setback, waivers to allow for a taller elevator tower and larger area for rooftop structures, and a reduction in the minimum onsite parking requirement
- The Complete Streets Commission and the Planning Commission have reviewed the original proposal at public meetings and recommend approval of the project

Staff Recommendation:

Consider the updated proposal and take action accordingly on Design Review application 18-D-01, Use Permit application 18-UP-01 and Subdivision application 18-SD-01 for a new 52-unit multiple-family development at 4856 El Camino Real



Subject: Proposed Five-Story, 52-Unit Multiple-Family Building at 4856 El Camino Real

Purpose

Consider the update proposal and take action accordingly on Design Review, Use Permit, and Subdivision applications for a new 52-unit multiple-family development at 4856 El Camino Real.

Background

On November 13, 2018, the City Council held a public meeting to consider the proposed development. Following a presentation from the applicant and comments from members of the public, the Council discussed the proposal. Due to concerns related to the size of the requested density bonus, the Council voted unanimously to continue the item to the November 27, 2018 meeting to give the applicant an opportunity to submit an updated proposal to address the direction provided.

The City Council’s direction to the applicant was to consider revising the project to increase the number of BMR units from eight (8) to ten (10), all of which were to be rental units, and revise the mix of BMR units to more closely reflect the bedroom count mix of the market rate units in the project.

A full evaluation of the originally proposed project and its background information is included in the November 13, 2018 City Council agenda report (Attachment 3).

Discussion/Analysis

Updated Proposal

Following the City Council’s direction to increase the number of affordable units and provide a more representative mix of affordable units with regard to bedroom count, staff worked diligently with the applicant to update the proposed project. The updated proposal, which is included in Attachment 1, is summarized as follows:

- The project increased the total number of affordable units from eight (8) to ten 10;
- The project is offering three moderate income units and one low income unit for sale, and six very-low income units for rent, which is 35.7 percent of the project’s base density of 28 units;
- The mix of affordable units has been revised to include two (2) three-bedroom units, four (4) two-bedroom units and four (4) one-bedroom units.

The following table provides a comparison between the original proposal and new proposal:

	Original Proposal		Updated Proposal	
	Market Rate Units	Affordable Units	Market Rate Units	Affordable Units
Three-bedroom	10	1 (<i>moderate</i>)	7	2 (<i>moderate</i>)



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Two-bedroom	28	1 (<i>moderate</i>)	27	4 (1 <i>moderate</i> , 1 <i>low</i> and 2 <i>very-low</i>)
One-bedroom	4	6 (<i>very-low</i>)	8	4 (<i>very-low</i>)
Total	42	8	42	10

Overall, the updated proposal does a much better job of providing a mix of affordable units that is very similar to the mix of market rate unit in terms of bedroom count and they are well distributed throughout the project. In addition, it is worth noting that this project would provide the highest percentage of affordable units and best mix of units in terms of size of any multiple-family project that the City has approved in the last 10 years.

As a condition of project approval, the developer is required to enter into an affordable housing agreement with the City to ensure that the affordability of the project’s BMR units and income qualification requirements are in place for the long term, at least 55 years.

General Plan Conformance

As part of the Council discussion about the project, there was a question raised about conformance with the General Plan’s maximum floor area ratio (FAR) requirement. Based on staff’s review, the project is not inconsistent with any General Plan FAR or other requirements. While the General Plan’s Land Use Element does use FAR to discuss existing and anticipated development intensity in various land use designations, it does not establish a maximum FAR in the El Camino Real Special Planning Area, nor does it contain any goals, policies or implementation program requiring or encouraging such a standard. In addition, staff reviewed the zoning ordinances that regulated the El Camino Real corridor dating back to 1969 and determined this district has never contained a maximum FAR site standard requirement. Therefore, based on the information contained in the attached resolution, the proposed project is consistent with the Los Altos General Plan.

Development Incentives

The Council’s discussion also included concerns that the project was seeking more than three development incentives (or concessions). As defined in State Law and the City’s Affordable Housing Ordinance (Chapter 14.28) for the purposes of this project, an “incentive” means a reduction in site development standards or a modification of zoning code requirements or architectural design requirements; or other regulatory incentives or concessions proposed by the developer or the City that result in identifiable and actual cost reductions to provide for affordable housing costs. In this case, there are basically two incentives being requested by the applicant: 1) an increase in the maximum allowable building height of up to 13 feet; and 2) a reduction in the rear yard setback for the upper floors of 40 percent. Since the project is entitled to three incentives, the applicant chose to use two “on-menu” incentives for the rear yard setback reduction, but functionally, there are two “off-menu” incentives that are being requested. Stated in another way, both would be off-menu



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incentives because 13 feet is higher than the on-menu height incentive (which is 11') and the 40% reduction is greater than the on-menu yard setback reduction (which is 20%).

However, regardless of whether the requested incentives are “on-menu” or “off-menu,” under the State Density Bonus law and the City’s Municipal Code, the City can only deny the requested incentives if it can make one or more of the following findings:

- The concession or incentive does not result in identifiable and actual cost reductions, consistent with the definition of “concession” or “incentive,” to provide for affordable housing costs, as defined in Health & Safety Section 50052.5, or for rents for the targeted units to be set as specified in subsection (I);
- The concession or incentive would have a specific, adverse impact upon public health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact without rendering the development unaffordable to low-income and moderate-income households; or
- The concession or incentive would be contrary to state or federal law.

Based on the current record for this project, staff has not yet seen any evidence to support findings to deny the requested incentives.

Public Correspondence

After publication of the November 13, 2018 agenda report, staff received public comments from three individuals regarding this project (Attachment 4). Sue Russell with the League of Women Voters provided input on the project’s proposed affordable units, 4880 El Camino Real developer Peggy Galeb expressed concerns about the project’s side yard setback adjacent to her project and resident Roger Heyder expressed concerns about the project’s parcel merger being inconsistent with the State’s Subdivision Map Act. With regard to parcel mergers and the Subdivision Map Act, a local ordinance is required if the City was seeking to require the involuntary merger of legal parcels. However, the Subdivision Map Act does not prohibit the City from approving the voluntary merger of parcels as long as the appropriate findings are made, and legal instruments are prepared and recorded.

City Council Action

If the Council decides to approve the project, Resolution 2018-42 contains the necessary findings related to the project’s environmental review, design review, use permit, subdivision and affordable housing/density bonus applications (Exhibit A) and appropriate conditions to ensure the project is properly implemented (Exhibit B). If the Council decides to deny the project, specific negative findings will need to be made to support the action. Council will need to articulate which negative findings are being made and an updated resolution to support the action will be provided at the next available Council meeting for adoption.



Subject: Proposed Five-Story, 52-Unit Multiple-Family Building at 4856 El Camino Real

Options

1) Adopt Resolution No. 2018-42

Advantages: The project will replace an underdeveloped commercial property with a high-quality residential development that helps the City meet its goals for producing new housing units, both affordable and market rate

Disadvantages: Some existing commercial and office uses will be displaced

2) Make negative findings and deny the project

Advantages: The existing commercial and office uses will be maintained

Disadvantages: The City will not make any progress on achieving its goals for the production of new housing units

Recommendation

Consider the updated proposal and take action accordingly.

Density Bonus Report Amendment

4856 & 4846 El Camino Real

Los Altos, CA 94022

This is an amendment to the original Density Bonus Report submitted for this project. That project had a unit mix of 11 3/3's, 30 2/2's and 9 1/1s. The mix is now 9 3/3's, 32 2/2's and 11 1/1. All the original arguments in favor of a split BMR allocation (for sale and rental), still apply. In summary, the developer is offering 10 BMR units, four (4) "for sale" and six (6) rental. In exchange, we're taking units 407 and 507 (3BR/3BA) and converting them to a mix of 2BR/2BA and 1BR/1BA units with **no net increase in building size**. This creates a 52-unit building and was done to create smaller units that are more affordable by design.

Density Bonus Analysis

The last application was a 50-unit project with eight (8) BMR units offered, (6) units at very-low and (2) units at moderate income levels. The total size of the proposed 8 BMR units was 7,575 net square feet.

This amendment has 52-units offering ten (10) BMR units that occupy 10,996 net square feet. This is a difference of 3,421 square feet which means all space gained by the 3rd incentive is allocated to BMR housing. The gains from the encroachment incentives (about 6200sf) were included in the previous BMR allocation. Ultimately, we're giving up more space in BMR units than is gained by the incentives.

	FOR SALE		RENTAL
	Moderate	Low	Very Low
3Bedroom (Units 110 & 210 – 3,138sf)	2		
2Bedroom SALE (Units 101 & 307 – 2,477sf)	1	1	
2Bedroom RENTAL (Units 105 & 207 – 2,250sf)			2
1Bedroom (Units 209, 302, 402, 502 – 3,131sf)			4
10 Units Overall at 10,996sf	3	1	6

SALE UNITS

The baseline value of the "for sale" 3 bedroom BMR units is \$2,629,764. Using \$150,250 moderate income for a family of four (30% used for mortgage at 4.92%, 30 yr fixed), means a unit value of \$650,000.00. This results in a loss of \$1,329,764 for the two 3 bedroom units.

The baseline value of the "for sale" 2 bedroom BMR units is \$2,075,726. Using \$135,250 moderate income and \$84,017 low-income for a family of three (30% used for mortgage at 4.92%, 30 yr fixed), means a unit value of \$570,000 and \$400,000 respectively. This results in a loss of \$1,105,726 for the two 2-bedroom units.

RENTAL UNITS

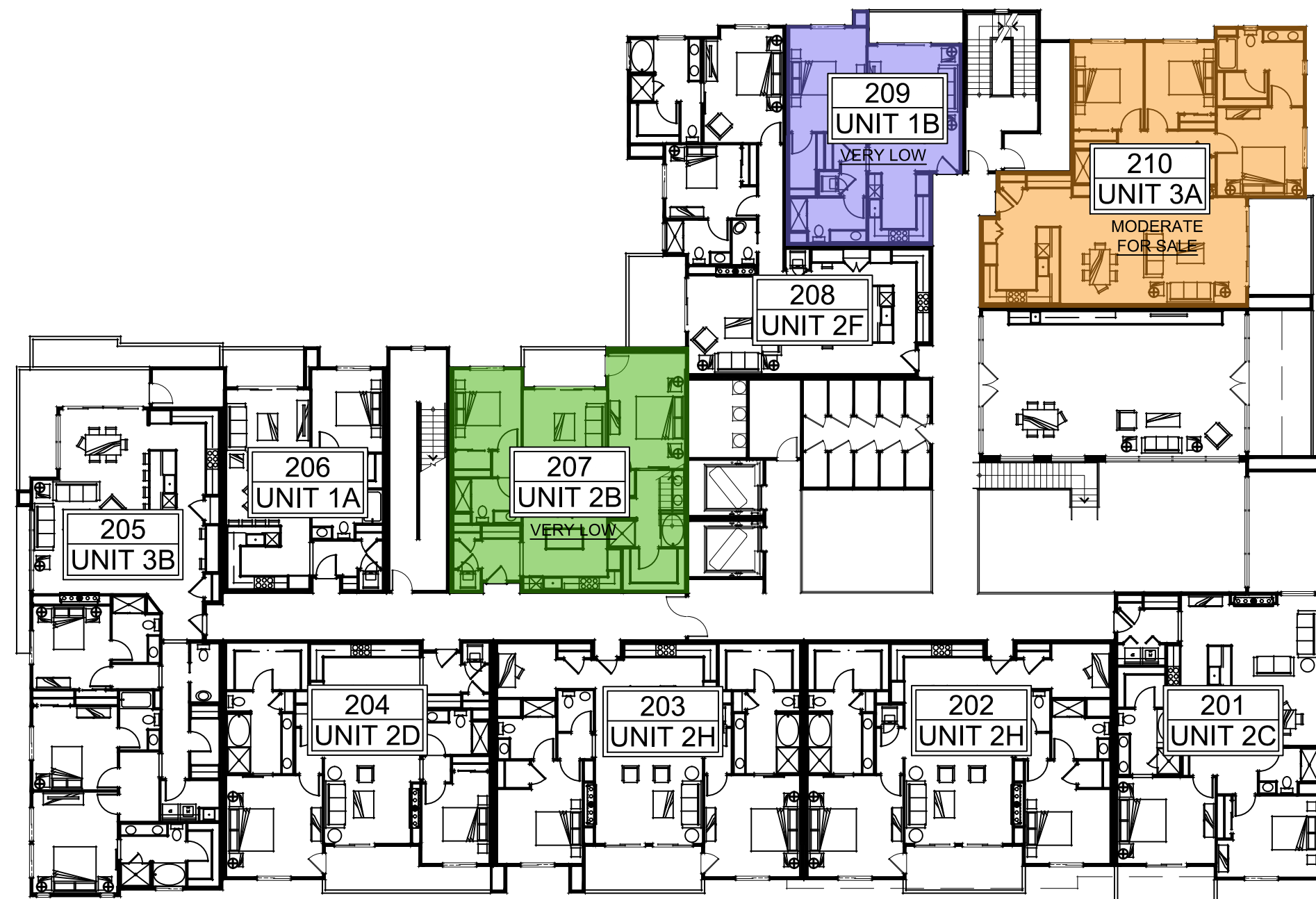
The baseline value of the 2 bedroom rental BMR units is \$1,890,000 and the 1 bedroom rental units is \$2,630,040. All are allocated to very low income households and assume two (2) people per 1 bedroom unit and three (3) people per 2 bedroom unit. Current 1BR rent is \$977/mo and 2BR is \$1087/mo based on HCD rates.

The cumulative net income over 55 years for the 2 bedroom units is \$1,069,572 resulting in a net loss to the developer of \$820,428. The cumulative income over 55 years for the 1 bedroom units is \$5,083,810 resulting in a net loss to the developer of \$2,453,770.

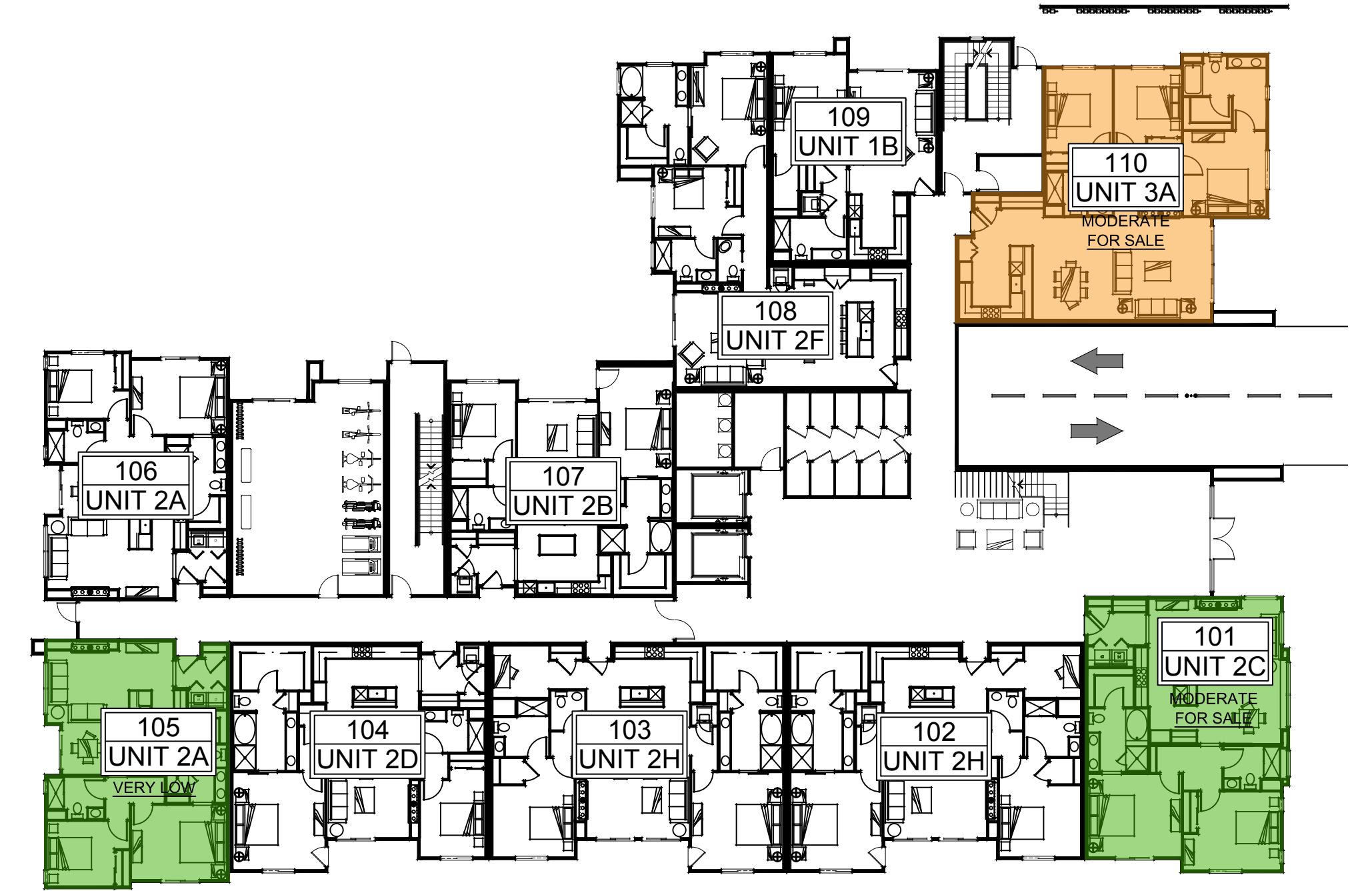
Overall losses to the developer for provision of all for BMR sale and rental units is \$5,709,618.



THIRD FLOOR



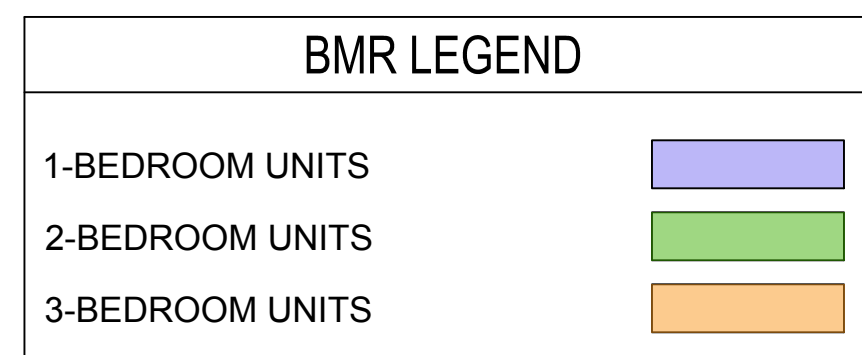
SECOND FLOOR



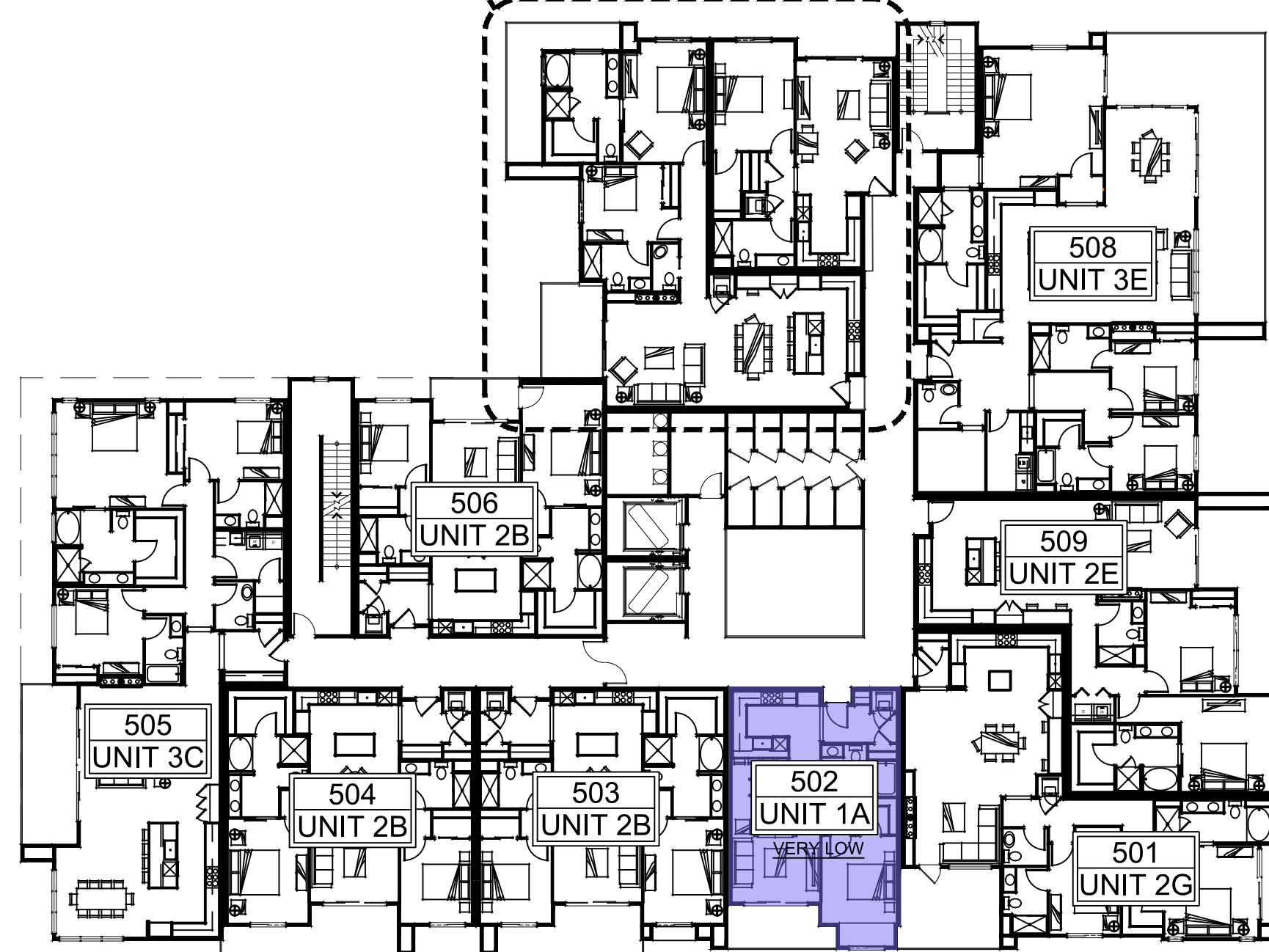
FIRST FLOOR

BELOW MARKET RATE UNITS

FLOOR:	UNIT:	RATE:	STATUS:	TYPE:	SQ. FT.:	CONFIGURATION:
FIRST FLOOR:	UNIT 101:	MODERATE	FOR SALE	TYPE 2C	+/-1308 SF	2 BEDROOM / 2 BATHROOM
	UNIT 105:	VERY LOW	RENTAL	TYPE 2A	+/-1081 SF	2 BEDROOM / 2 BATHROOM
	UNIT 110:	MODERATE	FOR SALE	TYPE 3A	+/-1569 SF	3 BEDROOM / 2 BATHROOM
SECOND FLOOR:	UNIT 207:	VERY LOW	RENTAL	TYPE 2B	+/-1169 SF	2 BEDROOM / 2 BATHROOM
	UNIT 209:	VERY LOW	RENTAL	TYPE 1B	+/- 785 SF	1 BEDROOM / 1 BATHROOM
	UNIT 210:	MODERATE	FOR SALE	TYPE 3A	+/-1569 SF	3 BEDROOM / 2 BATHROOM
THIRD FLOOR:	UNIT 302:	VERY LOW	RENTAL	TYPE 1A	+/- 782 SF	1 BEDROOM / 1 BATHROOM
	UNIT 307:	LOW	FOR SALE	TYPE 2B	+/-1169 SF	2 BEDROOM / 2 BATHROOM
FOURTH FLOOR:	UNIT 402:	VERY LOW	RENTAL	TYPE 1A	+/- 782 SF	1 BEDROOM / 1 BATHROOM
FOURTH FLOOR:	UNIT 502:	VERY LOW	RENTAL	TYPE 1A	+/- 782 SF	1 BEDROOM / 1 BATHROOM

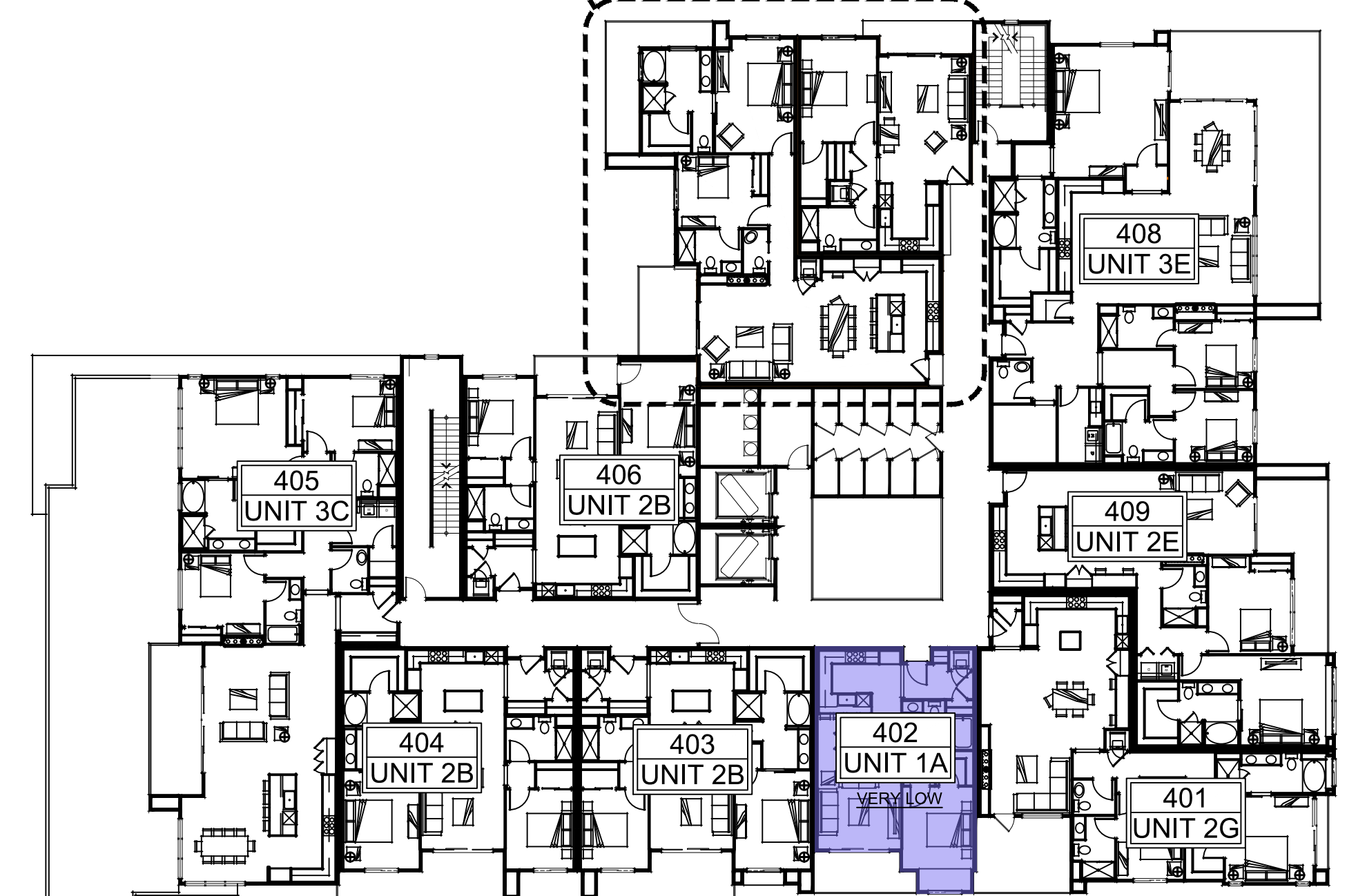


3-BEDROOM UNIT TYPE 3D CONVERTED TO:
1-BEDROOM UNIT TYPE 1B
2-BEDROOM UNIT TYPE 2F



FIFTH FLOOR

3-BEDROOM UNIT TYPE 3D CONVERTED TO:
1-BEDROOM UNIT TYPE 1B
2-BEDROOM UNIT TYPE 2F



FOURTH FLOOR

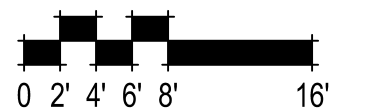
ALTOS ONE

4846 & 4856 El Camino Real
Los Altos, CA
October 11, 2018

LUXONE LLC

572 Chimalus Dr.
Palo Alto, CA 94306

52 UNIT BUILDING



**T3B
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- Gated community; garden setting
- Close to downtown
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- Elevator
- Pool, Hot tub & Gym
- Community Room
- High ceilings
- Move-in in condition

BMR Program Information:

1. Interested buyers must apply through the Los Altos BMR program

- Applicants must submit an application by 4:00pm Friday, December 14th, 2018 with loan pre-approval & supporting documents. For an application packet, please e-mail Palo Alto Housing at bmr@pah.community with subject line Los Altos BMR, or download directly from Palo Alto Housing's website: <http://pah.community/resources/los-altos/purchase-program/>
- Applications accepted for priority ranking purchases

2. Household income limits & deed restrictions apply

- Must be owner occupied during ownership
- Homes must be resold at the BMR price during the restricted period
- Maximum household income limits below

Household Size	1	2	3
Max Household Income 120% AMI (moderate income) <i>Maximum household size is three persons</i>	\$111,720	\$127,680	\$143,640

Maximum household income limits are based on CA's Department of Housing & Community Development's *Area Median Income (AMI) assignments for Santa Clara County Prices, terms and financing approvals all contingent on qualifications and are subject to change without notice.

Homes are part of the City of Los Altos' BMR Program. Program will limit value of the home and to whom it can be resold to.



RESOLUTION NO. 2018-42

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS MAKING FINDINGS, ADOPTING AN EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND APPROVING THE DESIGN REVIEW, USE PERMIT AND SUBDIVISION APPLICATIONS FOR A NEW 52-UNIT MULTI-FAMILY PROJECT AT 4856 EL CAMINO REAL

WHEREAS, the City of Los Altos received a development application from Mircea Voskerician, LuxOne LLC (Applicant), for a new 52-unit multiple-family residential building at 4846 and 4856 El Camino Real that includes Design Review 18-D-01, Use Permit 18-UP-01 and Subdivision 18-SD-01, referred to herein as the “Project”; and

WHEREAS, said Project is located in the CT District, which allows multiple-family housing as a conditional use at a maximum density of 38 dwelling units per net acre of land; and

WHEREAS, said Project has a net site area of 0.72 acres (31,576 square feet), which will allow for a base residential density of 28 dwelling units; and

WHEREAS, the Applicant is offering three moderate income, one low income and six very-low income affordable housing units for sale as part of the Project; and

WHEREAS, the Applicant’s proposed unit mix would consist of 35.7 percent of its base density as affordable units, with 21.4 percent of the units affordable at the very-low income level, thereby entitling the project to receive density bonuses and qualifying for incentives, concessions and waivers pursuant to Los Altos Municipal Code Section 14.28.040 and Government Code Section 65915, *et seq.*; and

WHEREAS, the Applicant is seeking incentives under Government Code Section 65915(e) and Los Altos Municipal Code Section 14.28.040(F) to allow: a) a building with a primary height of 58 feet and a height of 35 feet for the rear portion, where the Code allows for 45 feet and 30 feet, respectively; and b) a rear yard setback of 60 feet for the five-story portion of the building, where the Code requires a rear yard setback of 100 feet; and

WHEREAS, the Applicant is seeking further waivers under Government Code Section 65915(e) and Los Altos Municipal Code Section 14.28.040(H) to allow: a) the elevator tower to be 17.9 feet above the roof, where the Code allows such structures to be 12 feet above the roof; and b) enclosed roof top structures at 4.6 percent of the roof area, where the Code limits such structures to four percent of the roof area; and

WHEREAS, the Applicant is seeking a parking requirement alteration under Government Code Section 65915(e) and Los Altos Municipal Code Section 14.28.040(G) to allow for a reduction in the minimum onsite parking requirement; and

WHEREAS, the Applicant is seeking a 82.5 percent density bonus and the above-described incentives and waivers to allow development of the Project pursuant to Government Code 65915 and Los Altos Municipal Code Section 14.28.040(E)(7), which allows the City to grant a density bonus

greater than the 35 percent provided as of right for projects providing more than 11 percent of its units as affordable at the very-low income level; and

WHEREAS, said Project is exempt from environmental review as in-fill development in accordance with Section 15332 of the California Environmental Quality Act of 1970 as amended (“CEQA”); and

WHEREAS, said Project has been processed in accordance with the applicable provisions of the California Government Code and the Los Altos Municipal Code; and

WHEREAS, on May 23, 2018, the Complete Streets Commission held a public meeting on the Project and at the conclusion of the meeting voted to recommend approval to the Planning Commission and City Council; and

WHEREAS, on August 14, 2018 the Applicant installed story poles on the site per the modified story pole plan that was approved by the City Council on May 8, 2018; and

WHEREAS, on September 4, 2018 the City gave public notice of the Planning Commission’s public hearing on the proposed Project by advertisement in a newspaper of general circulation and to all property owners within a 500-foot radius; and

WHEREAS, on September 20, 2018, the Planning Commission conducted a duly-noticed public hearing at which members of the public were afforded an opportunity to comment upon the Project, and at the conclusion of the hearing, the Planning Commission recommended that the City Council approve the Project; and

WHEREAS, on November 13, 2018 and November 27, 2018, the City Council held duly noticed public meetings as prescribed by law and considered public testimony and evidence and recommendations presented by staff related to the Project; and

WHEREAS, all the requirements of the Public Resources Code, the State CEQA Guidelines, and the regulations and policies of the City of Los Altos have been satisfied or complied with by the City in connection with the Project; and

WHEREAS, the findings and conclusions made by the City Council in this Resolution are based upon the oral and written evidence presented as well as the entirety of the administrative record for the proposed Project, which is incorporated herein by this reference. The findings are not based solely on the information provided in this Resolution; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Los Altos hereby approves the Project subject to the findings and the conditions of approval attached hereto as “Exhibit A” and “Exhibit B,” and incorporated by this reference.

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution passed and adopted by the City Council of the City of Los Altos at a meeting thereof on the 27th day of November 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jean Mordo, MAYOR

Attest:

Jon Maginot, CMC, CITY CLERK

EXHIBIT A

FINDINGS

1. ENVIRONMENTAL REVIEW FINDINGS. With regard to environmental review, in accordance with Section 15332 of the California Environmental Quality Act Guidelines, based on the whole record before it, including, without limitation, the analysis and conclusions set forth in the staff reports, testimony provided at the proposed Project's public hearings, and the supporting technical studies, which include: 1) a Traffic Analysis by Hexagon Transportation Consultants (May 2018); 2) an Air Quality and Greenhouse Gas Emissions Assessment (March 2018); 3) a Noise Study by Wilson Ihrig (March 2018); and 4) an Arborist Report by Kielty Arborist Services (April 2018), the City Council finds and determines that the following Categorical Exemption findings can be made:
 - a. The Project is consistent with the applicable General Plan designation and all applicable General Plan policies as well as with the applicable zoning designation (Commercial Thoroughfare) and regulations, including density bonus, incentives and waivers for the production of affordable housing;
 - b. The Project occurs within City limits on a site of no more than five acres that is substantially surrounded by urban uses and there is no record that the site has value as habitat for endangered, rare or threatened species;
 - c. Approval of the Project will not result in any significant effects relating to traffic, noise, air quality, or water quality and the completed technical studies and staff analysis contained in the agenda report support this conclusion; and
 - d. The Project has been reviewed and it is found that the site can be adequately served by all required utilities and public services.
2. DESIGN REVIEW FINDINGS. With regard to Design Review Application 18-D-01, the City Council finds, in accordance with Section 14.76.060 of the Los Altos Municipal Code, as follows:
 - a. The Project meets the goals, policies and objectives of the General Plan with its level of intensity and residential density within the El Camino Real corridor, and all Zoning Code site standards and design criteria applicable for a project in the CT District;
 - b. The Project has architectural integrity and has an appropriate relationship with other structures in the immediate area in terms of height, bulk and design because the project utilizes high quality materials that support its architectural style and is appropriately articulated and scaled to relate to the larger buildings on the El Camino Real corridor;
 - c. Building mass is articulated to relate to the human scale, both horizontally and vertically as evidenced in the design of the projecting overhangs, bay windows and balconies, the building elevations have variation and depth and avoid large blank wall surfaces, and the project has incorporated elements that signal habitation, such as identifiable entrances, overhangs, bay windows and balconies;

- d. The Project's exterior materials and finishes convey high quality, integrity, permanence and durability, and materials are used effectively to define building elements. Materials, finishes, and colors have been used in a manner that serves to reduce the perceived appearance of height, bulk and mass, and are harmonious with other structures in the immediate area.
 - e. Landscaping such as the large specimen coral bark maple trees, Brisbane box street trees, Saratoga laurel evergreen screening trees, hedges and groundcover is generous and inviting, and landscape and hardscape features such as the custom paver walkway, board formed concrete planters and wood privacy fences are designed to complement the building and parking areas and to be integrated with the building architecture and the surrounding streetscape. Landscaping includes substantial street tree canopy including four new street trees in the public right-of-way, four new specimen coral bark maple trees in the front yard space and 11 new trees along the site perimeter;
 - f. Signage, which is limited to the building address number and other required directional signage, will be designed to complement the building architecture in terms of style, materials, colors and proportions;
 - g. Mechanical equipment is screened from public view by the building parapet and is designed to be consistent with the building architecture in form, material and detailing; and
 - h. Service, trash and utility areas are screened from public view by their locations in the building garage and behind fencing in the side yards, and consistent with the building architecture in materials and detailing.
3. USE PERMIT FINDINGS. With regard to Use Permit 18-UP-01, the City Council finds, in accordance with Section 14.80.060 of the Municipal Code, as follows:
- a. The proposed location of the multiple-family residential use is desirable and essential to the public comfort, convenience, prosperity, and welfare in that there are a limited number of sites that can accommodate new housing, the CT District has anticipated and planned for new housing along the El Camino Real corridor and the project provides housing at a variety of affordability levels;
 - b. That the proposed location of the multiple-family residential use is in accordance with the objectives of the Zoning Code since the project provides for community growth along sound lines, it is harmonious and convenient in relation to the surrounding land uses, it does not create any significant traffic impacts, it will help the City meet its affordable housing goals, it will protect and enhance property values and it will enhance the City's distinctive character with a high-quality building design in a commercial thoroughfare context;
 - c. That the proposed location of the multiple-family residential use, under the circumstances of the particular case and as conditioned, will not be detrimental to the health, safety, comfort, convenience, prosperity, or welfare of persons residing or working in the vicinity or injurious to property or improvements in the vicinity; and
 - d. That the proposed multiple-family residential use complies with the regulations prescribed for the CT District and the general provisions contained in Chapter 14.02.

4. SUBDIVISION FINDINGS. With regard to Subdivision 18-SD-01, the City Council finds, in accordance with Section 66474 of the Subdivision Map Act of the State of California, as follows:
 - a. The proposed condominium subdivision is consistent with the General Plan;
 - b. The Project site is physically suitable for this type and density of development in that the project meets all applicable Zoning requirements except where a density bonus, incentives and/or waivers have been granted;
 - c. The design of the condominium subdivision and the proposed improvements are not likely to cause substantial environmental damage, or substantially injure fish or wildlife; and no evidence of such has been presented;
 - d. The design of the condominium subdivision is not likely to cause any serious public health problems because conditions have been added to address noise, air quality and life safety concerns; and
 - e. The design of the condominium subdivision will not conflict with any public access easements as none have been found or identified on this site.

5. AFFORDABLE HOUSING AND DENSITY BONUS FINDINGS. With regard to the offered below market rate units and requested density bonus, incentives, waivers and parking requirement alteration, the City Council finds, in accordance with Los Altos Municipal Code Section 14.28.040, as follows:
 - a. The applicant is offering three moderate income units and one low income unit for sale and six very-low income affordable housing units for rent, 35.7 percent of the Project's base density, which qualifies the project for a density bonus, incentives, waivers and a parking requirement alteration;
 - b. Per Table DB 3 in Section 14.28.040(C)(1)(b), a project that offers 11 percent or more of its total units (base density) as very-low income restricted affordable units shall be granted a density bonus of 35 percent, and per Table DB 4 in Section 14.28.040(C)(1)(b), a project that offers 15 percent or more of its total units (base density) as very-low income restricted affordable units shall be granted three (3) incentives. Since the project is providing 21.4 percent of its total units as affordable at the very-low income level, the City shall grant a density bonus of at least 35 percent and three (3) incentives;
 - c. For its incentives, the project is requesting the City allow: a) a building with a primary height of 58 feet and a height of 35 feet for the rear portion, where the Code allows for 45 feet and 30 feet, respectively; and b) a rear yard setback of 60 feet for the five-story portion of the building, where the Code requires a rear yard setback of 100 feet. The height incentive is considered an "off-menu" incentive and the rear yard setback incentive is considered two (2) "on-menu" incentives (20 percent decrease in a setback);
 - d. Per Section 14.28.040(G)(2)(a), the City shall allow a minimum parking requirement, inclusive of handicapped and guest parking, of one (1) onsite parking space for each one-bedroom unit

and two (2) onsite parking spaces for each two- or three-bedroom unit if requested by the applicant. Since the project is providing 108 onsite parking spaces, where a minimum of 91 onsite parking spaces is required, it is exceeding the minimum permitted by the Code;

- e. Per Section 14.28.040(H)(1), a project can request a waiver or reduction of development standards that have the effect of physically precluding the construction of a development in addition to the density bonus and incentives permitted by the Code. Consistent with these requirements, the Applicant is seeking waivers to allow: a) the elevator tower to be 17.9 feet above the roof, where the Code allows such structures to be 12 feet above the roof; and b) enclosed roof top structures at 4.6 percent of the roof area, where the Code limits such structures to four percent of the roof area. The basis to grant the waivers is supported by the fact that they are required in order to provide the necessary amenities and accessibility for a building of this size and density, they will not have a specific, adverse impact upon health, safety, or the physical environment, they will not have an adverse impact on any listed historic resources and will not be contrary to state or federal law; and
- f. Per Section 14.28.040(E)(7), the City is permitted to grant a density bonus greater than the 35 percent. Per consultation with City staff, the City Council and Planning Commission, the Applicant is requesting a 82.5 percent density bonus, which will allow for the development of 52 dwelling units in the project. Granting of this density bonus is supported by the fact that the project is offering of 35.7 percent of its total units as affordable at the moderate, low and very-low income levels. The granting of the density bonus is further supported by the fact that the project is exceeding the minimum thresholds prescribed by the Zoning Code with regard to onsite parking, side yard setbacks, open space (both private and common), and bicycle parking. Information to support the density bonus is provided in the Density Bonus Report, which is included with the Project's staff report.

EXHIBIT B
CONDITIONS

GENERAL

1. Approved Plans

The project approval is based upon the Plans dated July 18, 2018, the Supplemental Plans dated October 15, 2018 and the Density Bonus Report Amendment received on November 19, 2018, except as modified by these conditions.

2. Affordable Housing

The applicant shall offer the City ten (10) below market rate units as follows:

- a. Two (2) three-bedroom unit at the moderate income level for sale;
- b. One (1) two-bedroom unit at the moderate income level for sale;
- c. One (1) two-bedroom unit at the low income level for sale;
- d. Two (2) two-bedroom units at the very-low income level for rent; and
- e. Four (4) one-bedroom units at the very-low income level for rent;

3. Upper Story Lighting

Any exterior lighting above the ground floor on the sides and rear of the building and on the rooftop deck shall be shrouded and/or directed down to minimize glare.

4. Encroachment Permit

An encroachment permit and/or an excavation permit shall be obtained prior to any work done within the public right-of-way and it shall be in accordance with plans to be approved by the City Engineer. *Note: Any work within El Camino Real will require applicant to obtain an encroachment permit with Caltrans prior to commencement of work.*

5. Public Utilities

The applicant shall contact electric, gas, communication and water utility companies regarding the installation of new utility services to the site.

6. Americans with Disabilities Act

All improvements shall comply with Americans with Disabilities Act (ADA).

7. Stormwater Management Plan

The applicant shall submit a complete Stormwater Management Plan (SWMP) and a hydrology calculation showing that 100% of the site is being treated; is in compliance with the Municipal Regional Stormwater NPDES Permit (MRP). Applicant shall provide a hydrology and hydraulic study, and an infeasible/feasible comparison analysis to the City for review and approval for the purpose to verify that MRP requirements are met.

8. Sewer Lateral

Any proposed sewer lateral connection shall be approved by the City Engineer.

9. Transportation Permit

A Transportation Permit, per the requirements specified in California Vehicle Code Division 15, is required before any large equipment, materials or soil is transported or hauled to or from the construction site.

10. Indemnity and Hold Harmless

The applicant/owner agrees to indemnify, defend, protect, and hold the City harmless from all costs and expenses, including attorney's fees, incurred by the City or held to be the liability of the City in connection with the City's defense of its actions in any proceedings brought in any State or Federal Court, challenging any of the City's action with respect to the applicant's project.

PRIOR TO SUBMITTAL OF BUILDING PERMIT

11. Green Building Standards

The applicant shall provide verification that the project will comply with the City's Green Building Standards (Section 12.26 of the Municipal Code) from a qualified green building professional.

12. Property Address

The applicant shall provide an address signage plan as required by the Building Official.

13. Water Efficient Landscape Plan

Provide a landscape documentation package prepared by a licensed landscape professional showing how the project complies with the City's Water Efficient Landscape Regulations.

14. Air Quality Mitigation

The applicant shall implement and incorporate the air quality mitigations into the plans as required by the report prepared by Illingsworth & Rodin, Inc., dated March 6, 2018.

15. Noise Mitigation

The applicant shall implement and incorporate the noise mitigation measures into the plans as required by the report by Wilson Ihrig, dated March 6, 2018.

16. Rooftop Deck

Provide design details for the rooftop deck sufficient enough to verify that the space can operate in compliance with the performance standards prescribed by Municipal Code Section 14.50.160.

PRIOR TO FINAL MAP RECORDATION

17. Covenants, Conditions and Restrictions

The applicant shall include the following provisions in the Covenants, Conditions and Restrictions (CC&Rs):

- a. Storage on private patios and decks shall be restricted; and rules for other objects stored on private patios and decks shall be established with the goal of minimizing visual impacts.
- b. Long-term maintenance and upkeep of the landscaping and street trees, as approved by the City, shall be a duty and responsibility of the property owners. Specifically, the landscape buffer, including both trees and landscaping, along the rear property line shall be permanently maintained as required by the CT District per Municipal Code Section 14.50.110(C).

- c. The rooftop deck shall be permanently maintained in accordance with the performance standards for Rooftop Uses in the CT District as currently prescribed by Municipal Code Section 14.50.160.
- d. Both parking spaces in a tandem space shall be owned by the same unit and cannot be owned or used by separate units.

18. Public Utility Dedication

The applicant shall dedicate public utility easements as required by the utility companies to serve the site.

19. Payment of Fees

The applicant shall pay all applicable fees, including but not limited to sanitary sewer impact fees, parkland dedication in lieu fees, traffic impact fees and map check fee plus deposit as required by the City of Los Altos Municipal Code.

PRIOR TO ISSUANCE OF BUILDING PERMIT

20. Final Map Recordation

The applicant shall record the final map. Plats and legal descriptions of the final map shall be submitted for review by the City Land Surveyor. Applicant shall provide a sufficient fee retainer to cover the cost of the map review by the City.

21. Sidewalk Lights

The applicant shall maintain the existing light fixture and/or install new light fixture(s) in the El Camino Real sidewalk as directed by the City Engineer.

22. Performance Bond

The applicant shall submit a cost estimate for the improvements in the public right-of-way and shall submit a 100-percent performance bond and 50-percent labor and material bond (to be held 6 months until acceptance of improvements) for the public right-of-way work.

23. Maintenance Bond

A one-year, ten-percent maintenance bond shall be submitted upon acceptance of improvements in the public right-of-way.

24. Storm Water Filtration Systems

The applicant shall insure the design of all storm water filtration systems and devices are without standing water to avoid mosquito/insect infestation.

25. Grading and Drainage Plan

The applicant shall submit detailed plans for on-site and off-site grading and drainage plans that include drain swales, drain inlets, rough pad elevations, building envelopes, and grading elevations for review and approval by the City Engineer.

26. Sewage Capacity Study

The applicant shall show sewer connection to the City sewer main and submit calculations showing that the City's existing 27-inch sewer main will not exceed two-thirds full due to the additional sewage capacity from proposed project. For any segment that is calculated to exceed

two-thirds full for average daily flow or for any segment that the flow is surcharged in the main due to peak flow, the applicant shall upgrade the sewer line or pay a fair share contribution for the sewer upgrade to be approved by the City Engineer.

27. Construction Management Plan

The applicant shall submit a construction management plan for review and approval by the Community Development Director and the City Engineer. The construction management plan shall address any construction activities affecting the public right-of-way, including but not limited to excavation, traffic control, truck routing, pedestrian protection, material storage, earth retention and construction vehicle parking. The plan shall provide specific details with regard to how construction vehicle parking will be managed to minimize impacts on nearby single-family neighborhoods. A Transportation Permit, per the requirements in California Vehicle Code Division 15, is required before any large equipment, materials or soil is transported or hauled to or from the site.

28. Sewer Lateral Abandonment

The applicant shall abandon additional sewer laterals and cap at the main if they are not being used. A property line sewer cleanout shall be installed within 5-feet of the property line within private property.

29. Solid Waste Ordinance Compliance

The applicant shall be in compliance with the City's adopted Solid Waste Collection, Remove, Disposal, Processing & Recycling Ordinance (LAMC Chapter 6.12) which includes a mandatory requirement that all commercial and multi-family dwellings provide for recycling and organics collection programs.

30. Solid Waste and Recyclables Disposal Plan

The applicant shall contact Mission Trail Waste Systems and submit a solid waste and recyclables disposal plan indicating the type, size and number of containers proposed, and the frequency of pick-up service subject to the approval of the Engineering Division. The applicant shall also submit evidence that Mission Trail Waste Systems has reviewed and approved the size and location of the proposed trash enclosure. The enclosure shall be designed to prevent rainwater from mixing with the enclosure's contents and shall be drained into the City's sanitary sewer system. The enclosure's pad shall be designed to not drain outward, and the grade surrounding the enclosure designed to not drain into the enclosure. In addition, applicant shall show on plans the proposed location of how the solid waste will be collected by the refusal company. Include the relevant garage clearance dimension and/or staging location with appropriate dimensioning on to plans.

31. Tree Protection

The applicant shall implement and incorporate the tree protection measures into the plans and on-site as required by staff and in accordance with the report by Kielty Arborist Services dated April 30, 2018. The project arborist shall also provide periodic monitoring of the construction site, as required by Planning staff, to ensure that the redwood trees along the rear property line are being properly protected and maintained.

32. Affordable Housing Agreement

The applicant shall execute and record an Affordable Housing Agreement, in a form approved and signed by the Community Development Director and the City Attorney, that offers 10 below

market rate units, for a period of at least 55-years, as defined in Condition No. 2. All of the below market rate units shall be constructed concurrently with the market rate units, shall be dispersed throughout the project as shown on the approved plans, and shall not be significantly distinguishable design, construction or materials.

PRIOR TO FINAL OCCUPANCY

33. Green Building Verification

The applicant shall submit verification that the structure was built in compliance with the California Green Building Standards pursuant to Section 12.26 of the Municipal Code.

34. Signage and Lighting Installation

The applicant shall install all required signage and on-site lighting per the approved plan. Such signage shall include the disposition of guest parking, the turn-around/loading space in the front yard and accessible parking spaces.

35. Acoustical Report

The applicant shall submit a report from an acoustical engineer ensuring that the rooftop mechanical equipment meets the City's noise regulations.

36. Landscape Installation and Verification

Provide a landscape Certificate of Completion, signed by the project's landscape professional and property owner, verifying that the trees, landscaping and irrigation were installed per the approved landscape documentation package.

37. Condominium Map

The applicant shall record the condominium map as required by the City Engineer.

38. Driveway Visibility

The applicant shall work with the Engineering Division to indicate a sufficient no parking area along El Camino Real to the north of the driveway to provide adequate sight visibility.

39. Sidewalk in Public Right-of-Way

The applicant shall install new sidewalk, vertical curb/gutter, and driveway approaches along the property's full frontage of El Camino Real as required by the City Engineer.

40. Public Infrastructure Repairs

The applicant shall repair any damaged right-of-way infrastructures and otherwise displaced curb, gutter and/or sidewalks and City's storm drain inlet shall be removed and replaced as directed by the City Engineer or his designee. The applicant is responsible to resurface (grind and overlay) half of the street along the frontage of El Camino Real if determined to be damaged during construction, as directed by the City Engineer or his designee. *Note: Any work within the El Camino Real will require applicant to obtain encroachment permit with Caltrans prior to commencement of work.*

41. SWMP Certification

The applicant shall have a final inspection and certification done and submitted by the Engineer who designed the SWMP to ensure that the treatments were installed per design. The applicant shall submit a maintenance agreement to City for review and approval for the stormwater

treatment methods installed in accordance with the SWMP. Once approved, City shall record the agreement.



DISCUSSION CALENDAR

Agenda Item # 5

AGENDA REPORT SUMMARY

Meeting Date: November 13, 2018

Subject: Proposed Five-Story, 50-Unit Multiple-Family Building at 4856 El Camino Real

Prepared by: Zachary Dahl, Planning Services Manager

Reviewed by: Jon Biggs, Community Development Director

Approved by: Chris Jordan, City Manager

Attachment(s):

1. Resolution No. 2018-42
2. Applicant Cover Letter (received with November 13, 2018 Agenda Packet)
3. Planning Commission Meeting Minutes, September 20, 2018 (received with November 13, 2018 Agenda Packet)
4. Planning Commission Agenda Report, September 20, 2018 (received with November 13, 2018 Agenda Packet)
5. Public Correspondence (received with November 13, 2018 Agenda Packet)
6. Project Design Revisions Supplemental Plans (received with November 13, 2018 Agenda Packet)
7. Full Project Plans

Initiated by:

Applicant and Owner – Mircea Voskerician, LuxOne LLC

Previous Council Consideration:

- January 16, 2018 (City Council-Planning Commission Joint Study Session)
- May 8, 2018 (Story Pole Exemption Request)
- July 10, 2018 (Story Pole Exemption Request)

Fiscal Impact:

The project will result in the following estimated financial contributions to the City:

- Park in-Lieu Fees: \$1,775,000 (\$35,500/multiple-family dwelling unit)
- Traffic Impact Fees: \$207,950 (\$4,159/multiple-family dwelling unit)

Environmental Review:

The project is exempt from environmental review as in-fill development in accordance with Section 15332 of the California Environmental Quality Act of 1970 as amended.

Policy Question(s) for Council Consideration:

- Is the proposal of the eight (8) affordable (below market rate) units in exchange for a density bonus, incentives, waivers and parking requirement alteration consistent with State Law and the City's Affordable Housing Ordinance?



Subject: Proposed Five-Story, 50-Unit Multiple-Family Building at 4856 El Camino Real

- Does the proposal meet the required findings for design review, a use permit and subdivision per the Los Altos Municipal Code?

Summary:

- This is a development proposal for a new five-story, multiple-family residential building with 50 condominium units, a rooftop common area and a two-level underground parking garage
- The proposal is offering two moderate-income and six very-low-income affordable housing units for sale, 28.6 percent of the Project's base density, which qualifies the project for a density bonus, incentives, waivers and a parking requirement alteration. The proposal is seeking a 75.25 percent density bonus, development incentives to allow for increased height and a reduced rear yard setback, waivers to allow for a taller elevator tower and larger area for rooftop structures, and a reduction in the minimum onsite parking requirement
- The Complete Streets Commission and the Planning Commission have reviewed the proposal at public meetings and recommend approval of the project

Planning Commission / Staff Recommendation:

Adopt Resolution No. 2018-42, which will approve Design Review application 18-D-01, Use Permit application 18-UP-01 and Subdivision application 18-SD-01 for a new 50-unit multiple-family development at 4856 El Camino Real



Subject: Proposed Five-Story, 50-Unit Multiple-Family Building at 4856 El Camino Real

Purpose

Consider the recommendation from the Planning Commission and take action on the development application, which includes design review, a use permit and a tentative map for a new five-story, 50-unit multiple-family condominium building at 4856 El Camino Real.

Background

Site Setting

The existing site, which includes two parcels, is designated as a “Thoroughfare Commercial” land use in the General Plan and Zoned CT (Commercial Thoroughfare). The site is 31,576 square feet (0.73 acres) in size and includes an existing one-story commercial building currently occupied with office uses at 4846 El Camino Real and a two-story mixed-use building with personal service and office uses at 4856 El Camino Real. It is adjacent to commercial uses to the northwest and across El Camino Real to the northeast, and multiple-family uses to the southwest (two-story apartment buildings) and southeast (new condominiums currently under construction).

El Camino Real Moratorium

The project was originally scheduled for a Planning Commission study session on October 6, 2016. However, on October 4, 2016, the City Council held a special meeting to adopt an urgency ordinance to establish a temporary moratorium on development within the El Camino Real corridor. On November 15, 2016, the City Council extended the moratorium on development within the El Camino Real corridor for an additional four months in order to review the zoning regulations and design standards along El Camino Real. On March 14, 2017, the City Council extended the moratorium an additional eight months in order to continue their review of changes and updates to the zoning regulations. Subsequently, the City adopted Zoning Code amendments related to the site standards for the CT District (Ordinance No. 2017-436) and affordable housing (Ordinance No. 2017-435). On November 15, 2017, the moratorium expired and the development proposal on the project site was allowed to proceed again.

City Council-Planning Commission Joint Study Session

On January 16, 2018, the City Council held a joint study session with the Planning Commission to consider, among other things, a proposal from the Applicant to evaluate two alternative designs for the multiple-family project on the site. Both projects would be five-stories and similar in overall size, but one would require a density bonus over 35 percent and offer the City additional affordable units. The first proposal included 38 units with five (5) affordable units, utilizing a 35-percent density bonus with mostly two- and three-bedroom units. The second proposal included 50 units with eight (8) affordable units, utilizing a 75.25 percent density bonus with an increased number of one- and two-bedroom units and fewer three-bedroom units. Following a presentation by the Applicant and public comment, the Council and Commission discussed the proposals, with a consensus of both bodies expressing support for the higher density proposal since it would provide the City with additional



Subject: Proposed Five-Story, 50-Unit Multiple-Family Building at 4856 El Camino Real

affordable units and reduce the average size of all the units in the project; thus, making them more affordable by design.

Planning Commission Study Session

On April 19, 2018, the Planning Commission held a study session to review and provide feedback on the project's architectural and site design. Overall, the Commission, with only four members present, expressed general support for the project design, but noted that it should consider an improved mix of exterior materials, reduce the amount of stucco used, make sure landscaping along the side property lines was shade tolerant, and consider a different mix of exterior colors. A copy of the Planning Commission study session minutes is included with the Planning Commission agenda report.

Complete Streets Commission

On May 23, 2018, the Complete Streets Commission held a public meeting to consider the Project. As specified by the Zoning Code, the Commission is tasked with reviewing the bicycle, pedestrian, parking and traffic elements of a development application and providing an advisory recommendation to the Planning Commission and City Council. The Commission expressed general support for the Project, but noted concern about the project increasing traffic on nearby side streets, potential parking spill-over on nearby residential streets and an increase in traffic on streets like Jordan Avenue, potentially creating an unsafe path for school kids. The Commission also expressed concern that the project's bike parking was underestimated, even though it significantly exceeded VTA's bicycle parking guidelines. Following the discussion, the Commission voted unanimously to recommend approval of the project to the Planning Commission and City Council. A copy of the Complete Streets Commission meeting minutes is included in the Planning Commission agenda report.

Story Pole Exemption and Installation

On May 8, 2018, the City Council held a public meeting to consider a request from the Applicant for an exemption from the City's Story Pole Policy due to safety concerns and impairment of the use of the existing structures on the site. The exemption request proposed a modified story pole plan that installed some, but not all, of the story poles required by the Policy. Following a discussion with the Applicant, the Council voted to approve the exemption request with the modified story pole plan.

On July 10, 2018, due to complications with the story pole installation, the Applicant returned to City Council and requested a full exemption from the City's Story Pole Policy. Following a discussion with the Applicant, the Council voted to deny the exemption request and directed staff to require the modified story pole plan be implemented before the project was scheduled for review by the Planning Commission.

On August 15, 2018, staff received a certification letter from the project's civil engineer verifying that the story poles had been installed per the approved plan. A copy of the certification letter and the approved story pole plan is included in the Planning Commission agenda report.



Subject: Proposed Five-Story, 50-Unit Multiple-Family Building at 4856 El Camino Real

Planning Commission

On September 20, 2018 the Planning Commission held a public hearing to consider the Project. Following a presentation from the Applicant and project architect, Jeff Potts, and comments from one member of the public who expressed support, the Commission discussed the proposal. The Commission expressed general support for the Project, noting that the design had significantly improved to address past comments, the project plans and support information was very thorough and comprehensive, and the amount of onsite parking, bicycle parking and open space significantly exceed the minimum requirements. However, some concerns were raised regarding the mix of exterior materials, the amount of stucco that was proposed and that the number of affordable units may not justify the density bonus request. After the discussion, the Commission voted 6-1 to recommend approval of the Project with following additional recommendations:

- The exterior design should be updated to address the Planning Commission's concerns and come back to the Commission for final approval prior to submittal of a building permit;
- Consider increasing the size and/or number of bedrooms in the BMR units and modifying income levels to best meet the City's needs of for-sale BMR units;
- Add a finding that notes additional project amenities, such as parking ratio, significant amount of open space, bike parking, and larger side yard setback, contributed to approval of the 75% density bonus; and
- The Construction Management Plan should outline how construction parking impacts on the nearby neighborhood will be minimized.

The Planning Commission meeting minutes and agenda report are attached for reference (Attachments 3 and 4).

Discussion/Analysis

Design Revisions

In response to the comments made by the Planning Commission, the Applicant made the following revisions to the Project:

- The size of the smallest one-bedroom affordable unit was increased by replacing unit 502, a 782 square-foot unit on the fifth floor, with unit 311, a 902 square-foot unit on the third floor;
- All foam window trim was removed, and the windows were recessed into the wall plane;
- The board formed concrete façade on the planters and lower walls was revised to be clad with tan/brown Equitone, a cement panel exterior cladding material, to improve the building's aesthetic and be more compatible with the other exterior materials;
- The Equitone cladding was also used to replace some of the stucco walls to reduce the amount of stucco used on the building;



Subject: Proposed Five-Story, 50-Unit Multiple-Family Building at 4856 El Camino Real

- The front entrance façade was revised to improve the design composition and breakup the appearance of it being a large glass storefront; and
- The design of the upper floor of the building was revised to include additional transom windows and lighter elements to avoid any perception of excessive bulk at the top of the building.

The applicant's cover letter (Attachment 2) provides additional information about the project revisions and the Supplemental Plans (Attachment 6) illustrate how the changes will be incorporated into the project. The full set of plans reviewed by the Planning Commission is included as Attachment 7.

Planning Commission Recommendations

To address the recommendations from the Planning Commission, Resolution No. 2018-42 has been updated to include a finding that notes the additional project amenities, such as parking ratio, significant amount of open space, bike parking, and larger side yard setback, contribute to approval of the 75.25 percent density bonus, and the Constriction Management Plan condition (No. 27) has been updated to ensure that construction vehicle parking will be managed to minimize impacts on nearby single-family neighborhoods.

With regard to increasing the size and/or number of bedrooms in the affordable units and modifying income levels to best meet the City's needs of for-sale affordable units, the applicant has upgraded the size of one of the one-bedroom affordable units. However, beyond that, it is up to the Council to determine if the proposed number, size and bedroom mix of affordable units is appropriate to support the density bonus request.

With regard to the Commission's recommendation that the exterior design should be updated to address their concerns and come back to the Commission for final approval prior to submittal of a building permit, the applicant has updated the exterior design of the project in an attempt to address the Commission's concerns. The Council should determine whether the design revisions are sufficient to address the issues raised by the Commission or if the project should be conditioned to go back to the Planning Commission for final exterior design approval. If the project is directed to go back to the Commission for final exterior design approval, the Council should provide direction on what exterior elements should be revised or updated.

Affordable Housing - Density Bonus and Development Incentives

The project exceeds the City's affordable housing regulations by providing eight (8) affordable housing units, where three (3) are required. Chapter 14.28 of the Municipal Code requires at least 10 percent of the units be affordable at the moderate and low/very-low income levels¹. Since the base density for

¹ Because the project application was deemed complete on June 8, 2018, it is not subject to the City's recently adopted 15 percent affordable housing requirement, which went into effect on October 26, 2018.



Subject: Proposed Five-Story, 50-Unit Multiple-Family Building at 4856 El Camino Real

the project is 28 dwelling units, the project must provide 2.8 (rounded up to three) affordable units. By providing two (2) moderate income units and one (1) very-low income unit, the project is in compliance with the City's Affordable Housing Ordinance.

Housing Element program 4.3.2 requires that affordable housing units generally reflect the size and number of bedrooms of the market rate units. In this case, the overall project is proposing nine (9) one-bedroom units, 30 two-bedroom units and 11 three-bedroom units. Of this unit mix, one (1) three-bedroom unit is designated affordable at the moderate income level, one (1) two-bedroom unit is proposed at the moderate income level and six (6) one-bedroom units are proposed at the very-low income level. While the mix of affordable units incorporates a larger number of one-bedroom units than the average of the market rate units, given the high percentage of overall affordable units proposed, it appears that this mix of affordable housing meets the intent of the program. However, as noted above, the Planning Commission recommended that the Council consider increasing the size and/or bedrooms in the affordable units and modifying income levels to best meet the City's needs of for-sale affordable units.

Under the State's density bonus regulations (Section 65915 of the California Government Code) and the City's Affordable Housing Ordinance (Zoning Code Chapter 14.28), the project qualifies for a density bonus if it provides at least five percent very-low income units. With six (6) affordable units at the very-low income level and two (2) affordable units at the moderate level, the project is providing a total of 28.6 percent of its base density as affordable, with 21.4 percent of the units affordable at the very-low income level. Since providing 11 percent very-low income units would entitle the project to receive a 35 percent density bonus, staff believes it is reasonable to consider affording a project such as this, with a substantially higher percentage of very-low income units, with a density bonus that exceeds the maximum the City would be required to allow under State law or the City's Affordable Housing Ordinance. Both State law and the City's Ordinance allow for the City to grant a density bonus over 35 percent if an appropriate number of additional affordable units are proposed. In this case, the Applicant is seeking a density bonus of 75.25 percent in exchange for the above-mentioned mix of affordable units. Specifically, Los Altos Municipal Code Section 14.28.040(E)(7) provides for "optional density bonuses," allowing the City to grant a density bonus greater than the percentage the project is entitled to as of right. The granting of the density bonus is further supported by the fact that the project is exceeding the minimum thresholds prescribed by the Zoning Code regarding onsite parking, side yard setbacks, open space (both private and common), and bicycle parking. Information to support the density bonus request is provided in the Applicant's Density Bonus Report, which is included in the Planning Commission agenda report.

In addition to the density bonus, since the project is providing more than 15 percent of its units as affordable at the very-low income level, it qualifies for three development incentives per State law and City Ordinance. To help guide incentives requested by developers and ensure that the incentives do not result in any adverse impacts, the City adopted a list of on-menu incentives or concessions.



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However, per State law and City Ordinance, a project may still request any incentive or concession that the applicant deems appropriate in exchange for the affordable units being provided (off-menu). In this case, the applicant is seeking a height incentive to allow the project to exceed the maximum height limit of 45-feet by 13-feet (off-menu) and to reduce the rear yard setback incentive for the upper floors of the building from 100 feet to 60 feet. Because the rear yard setback is being reduced by 40 percent, the request constitutes two on-menu (20 percent reduction) incentives.

The project is also seeking two waivers, which are considered more minor in nature, are necessary to construct the project and do not require use of an incentive or concession. In this case, the project is seeking a waiver for the height of its elevator tower to go beyond the 12-foot limit since there are no elevators commercially available that can comply with the 12-foot height limit for a building of this height. The project is also seeking a waiver to allow the size of the rooftop structures that enclose the elevator, stairways and trash chutes to exceed the maximum four percent threshold by 0.6 percent. Both of these waiver requests appear appropriate and reasonable for a project of this size and scope.

The project also qualifies for a parking requirement alteration per the City's Affordable Housing Ordinance. For projects that qualify for a density bonus, the minimum parking requirement, inclusive of handicapped and guest parking, shall be one onsite parking space for each one-bedroom unit and two onsite parking spaces for each two- or three-bedroom unit, if requested by the applicant. Since the project is providing 108 onsite parking spaces, where a minimum of 91 onsite parking spaces is required, it is exceeding the minimum permitted by the Code.

Under State law and City Ordinance, the City must give deference to the Applicant on granting the requested incentives and waivers unless it can make one or more of the following findings:

- The concession or incentive does not result in identifiable and actual cost reductions, consistent with the definition of "concession" or "incentive," to provide for affordable housing costs, as defined in Health & Safety Section 50052.5, or for rents for the targeted units to be set as specified in subsection (I);
- The concession or incentive would have a specific, adverse impact upon public health and safety or the physical environment or on any real property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact without rendering the development unaffordable to low-income and moderate-income households; or
- The concession or incentive would be contrary to state or federal law.

A Density Bonus Report that supports the density bonus and development incentive requests was prepared by the Applicant and is included as an attachment in the Planning Commission agenda report (Attachment 4).



Subject: Proposed Five-Story, 50-Unit Multiple-Family Building at 4856 El Camino Real

For reference, the moderate income housing units would be limited in cost to be affordable to a household that makes no more than 120 percent of the County's median income and the very-low income housing units would be limited in cost to be affordable to a household that makes no more than 50 percent of the County's median income. The County's 2018 median income for a family of four is \$125,200 per HCD calculations.

Environmental Review

The project site, which is 0.73 acres in size, is considered a small in-fill site that is substantially surrounded by urban uses and does not contain significant natural habitat for endangered species. The development proposal is consistent with the General Plan and Zoning Ordinance, does not result in any significant effects related to traffic, noise, air or water quality, and is adequately served by all required utilities and public services. Therefore, in accordance with Section 15332 of the California Environmental Quality Act (CEQA) Guidelines the project is exempt from further environmental review.

With regard to traffic, Implementation Program C8 in the General Plan's Circulation Element requires a transportation impact analysis (TIA) for projects that result in 50 or more net new daily trips. As outlined in the project's traffic report prepared by Hexagon Transportation Consultants (included in the Planning Commission agenda report, Attachment 4), the proposed project will generate 272 average daily trips as compared with the property's existing uses, which include a mix of office and personal service uses, that generate 228 average daily trips. Since the net increase is only 44 average daily trips, a full TIA is not required for this project.

With regard to air quality, since the project is located on a State Highway, the project could potentially expose long-term residents to air pollution and the project's construction has the potential to create short-term air pollution impacts. To address these potential impacts, an air quality and greenhouse gas emission assessment was prepared for the project by Illingworth & Rodkin (included in the Planning Commission agenda report, Attachment 4). The assessment provides appropriate mitigation measures for controlling dust and exhaust during construction, air filtration for the dwellings, and construction equipment emission guidelines. The report's recommended mitigations are included as conditions of approval. With regard to greenhouse gas emissions, the project does not exceed any of the significant thresholds as specified by the Bay Area Quality Management District's Clean Air Plan, so no mitigation measures are required. The applicant has also completed the City's Climate Action Plan checklist for new development (included in the Planning Commission agenda report, Attachment 4) and will be complying with all applicable requirements to ensure that the project supports the City's greenhouse gas emission reduction targets.

Regarding noise, due to the site's proximity to a State Highway, the project is located in an area that may expose its residents to higher noise levels and the project's rooftop mechanical equipment may generate off-site noise levels that exceed thresholds established in the City's Noise Control Ordinance.



Subject: Proposed Five-Story, 50-Unit Multiple-Family Building at 4856 El Camino Real

To address these potential noise impacts, a noise study was prepared by Wilson Ihrig (included in the Planning Commission agenda report, Attachment 4). To ensure that there are no significant noise impacts, the study recommends mitigation measures that specify certain types of exterior glazing, exterior wall construction and supplemental ventilation, and rooftop mechanical equipment noise controls so that the noise levels do not exceed City standards. Appropriate conditions of approval to ensure that the project is designed to comply with the noise study mitigation measures are included.

To evaluate potential tree impacts, an arborist report was prepared by Kiely Arborist Services (included in the Planning Commission agenda report, Attachment 4). The arborist report evaluated the condition of 13 existing trees on the site and along its El Camino Real frontage and provided tree protection measures for the trees that are proposed to remain. All significant trees on the site, which include the nine (9) mature redwood trees along the rear property line, are proposed to remain and are identified as being in good health. Four smaller trees, three of which are along El Camino Real, are proposed for removal. The tree protection measures for the redwood trees along the rear have been appropriately incorporated in the conditions of approval.

Overall, as documented above, the project's technical studies support the finding that the project meets the criteria and conditions to qualify as an in-fill development project that is exempt from further environmental review.

Public Contact and Correspondence

For this meeting and the Planning Commission public hearing, public meeting notices were mailed to the 154 property owners, business and residential tenants within 500 feet of the site. A public notice billboard with color renderings was installed along the project's El Camino Real frontage and story poles to represent the corners of the building and the elevator tower, as approved by the City Council (see discussion above) were installed.

In addition to the required public notification, the applicant has conducted specific outreach to the owners of the directly adjacent properties, the tenants in the apartment buildings to the rear and the owners of the Los Altos Square Townhomes to the south and west of the project. To-date, staff has not received any correspondence from any nearby property owners or tenants regarding this prospect. However, staff has received a letter of support for the project from Carl Guardino with the Silicon Valley Leadership Group (Attachment 5).

City Council Action

The necessary findings related to the project's environmental review, design review, use permit, subdivision and affordable housing/density bonus applications to approve the project are contained in Exhibit A of the Resolution, and appropriate conditions to ensure the project is properly implemented are contained in Exhibit B. Based on the information contained in this report, the options for City Council action are listed below.



Subject: Proposed Five-Story, 50-Unit Multiple-Family Building at 4856 El Camino Real

Options

1) Approve Resolution No. 2018-42

Advantages: The project will replace an underdeveloped commercial property with a high-quality residential development that helps the City meet its goals for producing new housing units, both affordable and market rate

Disadvantages: Some existing commercial and office uses will be displaced

2) Do not approve Resolution No. 2018-42

Advantages: The existing commercial and office uses will be maintained

Disadvantages: The City will not make any progress on achieving its goals for the production of new housing units

Recommendation

The Planning Commission and staff recommend Option 1.

RESOLUTION NO. 2018-42

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS MAKING FINDINGS, ADOPTING AN EXEMPTION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AND APPROVING THE DESIGN REVIEW, USE PERMIT AND SUBDIVISION APPLICATIONS FOR A NEW 50-UNIT MULTI-FAMILY PROJECT AT 4856 EL CAMINO REAL

WHEREAS, the City of Los Altos received a development application from Mircea Voskerician, LuxOne LLC (Applicant), for a new 50-unit multiple-family residential building at 4846 and 4856 El Camino Real that includes Design Review 18-D-01, Use Permit 18-UP-01 and Subdivision 18-SD-01, referred to herein as the “Project”; and

WHEREAS, said Project is located in the CT District, which allows multiple-family housing as a conditional use at a maximum density of 38 dwelling units per net acre of land; and

WHEREAS, said Project has a net site area of 0.72 acres (31,576 square feet), which will allow for a base residential density of 28 dwelling units; and

WHEREAS, the Applicant is offering two moderate-income and six very-low-income affordable housing units for sale as part of the Project; and

WHEREAS, the Applicant’s proposed unit mix would consist of 28.6 percent of its base density as affordable units, with 21.4 percent of the units affordable at the very low income level, thereby entitling the project to receive density bonuses and qualifying for incentives, concessions and waivers pursuant to Los Altos Municipal Code Section 14.28.040 and Government Code Section 65915, *et seq.*; and

WHEREAS, the Applicant is seeking incentives under Government Code Section 65915(e) and Los Altos Municipal Code Section 14.28.040(F) to allow: a) a building with a primary height of 58 feet and a height of 35 feet for the rear portion, where the Code allows for 45 feet and 30 feet, respectively; and b) a rear yard setback of 60 feet for the five-story portion of the building, where the Code requires a rear yard setback of 100 feet; and

WHEREAS, the Applicant is seeking further waivers under Government Code Section 65915(e) and Los Altos Municipal Code Section 14.28.040(H) to allow: a) the elevator tower to be 17.9 feet above the roof, where the Code allows such structures to be 12 feet above the roof; and b) enclosed roof top structures at 4.6 percent of the roof area, where the Code limits such structures to four percent of the roof area; and

WHEREAS, the Applicant is seeking a parking requirement alteration under Government Code Section 65915(e) and Los Altos Municipal Code Section 14.28.040(G) to allow for a reduction in the minimum onsite parking requirement; and

WHEREAS, the Applicant is seeking a 75.25 percent density bonus and the above-described incentives and waivers to allow development of the Project pursuant to Government Code 65915 and Los Altos Municipal Code Section 14.28.040(E)(7), which allows the City to grant a density bonus

greater than the 35 percent provided as of right for projects providing more than 11 percent of its units as affordable at the very-low income level; and

WHEREAS, said Project is exempt from environmental review as in-fill development in accordance with Section 15332 of the California Environmental Quality Act of 1970 as amended (“CEQA”); and

WHEREAS, said Project has been processed in accordance with the applicable provisions of the California Government Code and the Los Altos Municipal Code; and

WHEREAS, on May 23, 2018, the Complete Streets Commission held a public meeting on the Project and at the conclusion of the meeting voted to recommend approval to the Planning Commission and City Council; and

WHEREAS, on August 14, 2018 the Applicant installed story poles on the site per the modified story pole plan that was approved by the City Council on May 8, 2018; and

WHEREAS, on September 4, 2018 the City gave public notice of the Planning Commission’s public hearing on the proposed Project by advertisement in a newspaper of general circulation and to all property owners within a 500-foot radius; and

WHEREAS, on September 20, 2018, the Planning Commission conducted a duly-noticed public hearing at which members of the public were afforded an opportunity to comment upon the Project, and at the conclusion of the hearing, the Planning Commission recommended that the City Council approve the Project; and

WHEREAS, on November 13, 2018, the City Council held a duly noticed public meeting as prescribed by law and considered public testimony and evidence and recommendations presented by staff related to the Project; and

WHEREAS, all the requirements of the Public Resources Code, the State CEQA Guidelines, and the regulations and policies of the City of Los Altos have been satisfied or complied with by the City in connection with the Project; and

WHEREAS, the findings and conclusions made by the City Council in this Resolution are based upon the oral and written evidence presented as well as the entirety of the administrative record for the proposed Project, which is incorporated herein by this reference. The findings are not based solely on the information provided in this Resolution; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW THEREFORE, BE IT RESOLVED, that the City Council of the City of Los Altos hereby approves the Project subject to the findings and the conditions of approval attached hereto as “Exhibit A” and “Exhibit B,” and incorporated by this reference.

I HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution passed and adopted by the City Council of the City of Los Altos at a meeting thereof on the 13th day of November 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Jean Mordo, MAYOR

Attest:

Jon Maginot, CMC, CITY CLERK

EXHIBIT A

FINDINGS

1. ENVIRONMENTAL REVIEW FINDINGS. With regard to environmental review, in accordance with Section 15332 of the California Environmental Quality Act Guidelines, based on the whole record before it, including, without limitation, the analysis and conclusions set forth in the staff reports, testimony provided at the proposed Project's public hearings, and the supporting technical studies, which include: 1) a Traffic Analysis by Hexagon Transportation Consultants (May 2018); 2) an Air Quality and Greenhouse Gas Emissions Assessment (March 2018); 3) a Noise Study by Wilson Ihrig (March 2018); and 4) an Arborist Report by Kielty Arborist Services (April 2018), the City Council finds and determines that the following Categorical Exemption findings can be made:
 - a. The Project is consistent with the applicable General Plan designation and all applicable General Plan policies as well as with the applicable zoning designation (Commercial Thoroughfare) and regulations, including density bonus, incentives and waivers for the production of affordable housing;
 - b. The Project occurs within City limits on a site of no more than five acres that is substantially surrounded by urban uses and there is no record that the site has value as habitat for endangered, rare or threatened species;
 - c. Approval of the Project will not result in any significant effects relating to traffic, noise, air quality, or water quality and the completed technical studies and staff analysis contained in the agenda report support this conclusion; and
 - d. The Project has been reviewed and it is found that the site can be adequately served by all required utilities and public services.
2. DESIGN REVIEW FINDINGS. With regard to Design Review Application 18-D-01, the City Council finds, in accordance with Section 14.76.060 of the Los Altos Municipal Code, as follows:
 - a. The Project meets the goals, policies and objectives of the General Plan with its level of intensity and residential density within the El Camino Real corridor, and all Zoning Code site standards and design criteria applicable for a project in the CT District;
 - b. The Project has architectural integrity and has an appropriate relationship with other structures in the immediate area in terms of height, bulk and design because the project utilizes high quality materials that support its architectural style and is appropriately articulated and scaled to relate to the larger buildings on the El Camino Real corridor;
 - c. Building mass is articulated to relate to the human scale, both horizontally and vertically as evidenced in the design of the projecting overhangs, bay windows and balconies, the building elevations have variation and depth and avoid large blank wall surfaces, and the project has incorporated elements that signal habitation, such as identifiable entrances, overhangs, bay windows and balconies;

- d. The Project's exterior materials and finishes convey high quality, integrity, permanence and durability, and materials are used effectively to define building elements. Materials, finishes, and colors have been used in a manner that serves to reduce the perceived appearance of height, bulk and mass, and are harmonious with other structures in the immediate area.
 - e. Landscaping such as the large specimen coral bark maple trees, Brisbane box street trees, Saratoga laurel evergreen screening trees, hedges and groundcover is generous and inviting, and landscape and hardscape features such as the custom paver walkway, board formed concrete planters and wood privacy fences are designed to complement the building and parking areas and to be integrated with the building architecture and the surrounding streetscape. Landscaping includes substantial street tree canopy including four new street trees in the public right-of-way, four new specimen coral bark maple trees in the front yard space and 11 new trees along the site perimeter;
 - f. Signage, which is limited to the building address number and other required directional signage, will be designed to complement the building architecture in terms of style, materials, colors and proportions;
 - g. Mechanical equipment is screened from public view by the building parapet and is designed to be consistent with the building architecture in form, material and detailing; and
 - h. Service, trash and utility areas are screened from public view by their locations in the building garage and behind fencing in the side yards, and consistent with the building architecture in materials and detailing.
3. USE PERMIT FINDINGS. With regard to Use Permit 18-UP-01, the City Council finds, in accordance with Section 14.80.060 of the Municipal Code, as follows:
- a. The proposed location of the multiple-family residential use is desirable and essential to the public comfort, convenience, prosperity, and welfare in that there are a limited number of sites that can accommodate new housing, the CT District has anticipated and planned for new housing along the El Camino Real corridor and the project provides housing at a variety of affordability levels;
 - b. That the proposed location of the multiple-family residential use is in accordance with the objectives of the Zoning Code since the project provides for community growth along sound lines, it is harmonious and convenient in relation to the surrounding land uses, it does not create any significant traffic impacts, it will help the City meet its affordable housing goals, it will protect and enhance property values and it will enhance the City's distinctive character with a high-quality building design in a commercial thoroughfare context;
 - c. That the proposed location of the multiple-family residential use, under the circumstances of the particular case and as conditioned, will not be detrimental to the health, safety, comfort, convenience, prosperity, or welfare of persons residing or working in the vicinity or injurious to property or improvements in the vicinity; and
 - d. That the proposed multiple-family residential use complies with the regulations prescribed for the CT District and the general provisions contained in Chapter 14.02.

4. SUBDIVISION FINDINGS. With regard to Subdivision 18-SD-01, the City Council finds, in accordance with Section 66474 of the Subdivision Map Act of the State of California, as follows:
 - a. The proposed condominium subdivision is consistent with the General Plan;
 - b. The Project site is physically suitable for this type and density of development in that the project meets all applicable Zoning requirements except where a density bonus and development incentives have been granted;
 - c. The design of the condominium subdivision and the proposed improvements are not likely to cause substantial environmental damage, or substantially injure fish or wildlife; and no evidence of such has been presented;
 - d. The design of the condominium subdivision is not likely to cause any serious public health problems because conditions have been added to address noise, air quality and life safety concerns; and
 - e. The design of the condominium subdivision will not conflict with any public access easements as none have been found or identified on this site.

5. AFFORDABLE HOUSING AND DENSITY BONUS FINDINGS. With regard to the offered below market rate units and requested density bonus, incentives, waivers and parking requirement alteration, the City Council finds, in accordance with Los Altos Municipal Code Section 14.28.040, as follows:
 - a. The applicant is offering two moderate-income and six very-low-income affordable housing units for sale, 28.6 percent of the Project's base density, which qualifies the project for a density bonus, incentives, waivers and a parking requirement alteration;
 - b. Per Table DB 3 in Section 14.28.040(C)(1)(b), a project that offers 11 percent or more of its total units (base density) as very-low income restricted affordable units shall be granted a density bonus of 35 percent, and per Table DB 4 in Section 14.28.040(C)(1)(b), a project that offers 15 percent or more of its total units (base density) as Very Low income restricted affordable units shall be granted three (3) incentives. Since the project is providing 21.4 percent of its total units as affordable at the very-low income level, the City shall grant a density bonus of at least 35 percent and three (3) incentives;
 - c. For its incentives, the project is requesting the City allow: a) a building with a primary height of 58 feet and a height of 35 feet for the rear portion, where the Code allows for 45 feet and 30 feet, respectively; and b) a rear yard setback of 60 feet for the five-story portion of the building, where the Code requires a rear yard setback of 100 feet. The height incentive is considered an "off-menu" incentive and the rear yard setback incentive is considered two (2) "on-menu" incentives (20 percent decrease in a setback);
 - d. Per Section 14.28.040(G)(2)(a), the City shall allow a minimum parking requirement, inclusive of handicapped and guest parking, of one (1) onsite parking space for each one-bedroom unit and two (2) onsite parking spaces for each two- or three-bedroom unit if requested by the

applicant. Since the project is providing 108 onsite parking spaces, where a minimum of 91 onsite parking spaces is required, it is exceeding the minimum permitted by the Code;

- e. Per Section 14.28.040(H)(1), a project can request a waiver or reduction of development standards that have the effect of physically precluding the construction of a development in addition to the density bonus and incentives permitted by the Code. Consistent with these requirements, the Applicant is seeking waivers to allow: a) the elevator tower to be 17.9 feet above the roof, where the Code allows such structures to be 12 feet above the roof; and b) enclosed roof top structures at 4.6 percent of the roof area, where the Code limits such structures to four percent of the roof area. The basis to grant the waivers is supported by the fact that they are required in order to provide the necessary amenities and accessibility for a building of this size and density, they will not have a specific, adverse impact upon health, safety, or the physical environment, they will not have an adverse impact on any listed historic resources and will not be contrary to state or federal law; and

- f. Per Section 14.28.040(E)(7), the City is permitted to grant a density bonus greater than the 35 percent. Per consultation with City staff, the City Council and Planning Commission, the Applicant is requesting a 75.25 percent density bonus, which will allow for the development of 50 dwelling units in the project. Granting of this density bonus is supported by the fact that the project is offering of 28.6 percent of its total units as affordable at the moderate and very-low income levels. The granting of the density bonus is further supported by the fact that the project is exceeding the minimum thresholds prescribed by the Zoning Code with regard to onsite parking, side yard setbacks, open space (both private and common), and bicycle parking. Information to support the density bonus is provided in the Density Bonus Report, which is included with the Project's staff report.

EXHIBIT B
CONDITIONS

GENERAL

1. Approved Plans

The project approval is based upon the plans received on October 16, 2018, except as modified by these conditions.

2. Affordable Housing

The applicant shall offer the City eight (8) below market rate units as follows: a) one (1) three-bedroom unit at the moderate-income level; b) one (1) two-bedroom unit at the moderate-income level; and c) six (6) one-bedroom units at the low-income level.

3. Upper Story Lighting

Any exterior lighting above the ground floor on the sides and rear of the building and on the rooftop deck shall be shrouded and/or directed down to minimize glare.

4. Encroachment Permit

An encroachment permit and/or an excavation permit shall be obtained prior to any work done within the public right-of-way and it shall be in accordance with plans to be approved by the City Engineer. *Note: Any work within El Camino Real will require applicant to obtain an encroachment permit with Caltrans prior to commencement of work.*

5. Public Utilities

The applicant shall contact electric, gas, communication and water utility companies regarding the installation of new utility services to the site.

6. Americans with Disabilities Act

All improvements shall comply with Americans with Disabilities Act (ADA).

7. Stormwater Management Plan

The applicant shall submit a complete Stormwater Management Plan (SWMP) and a hydrology calculation showing that 100% of the site is being treated; is in compliance with the Municipal Regional Stormwater NPDES Permit (MRP). Applicant shall provide a hydrology and hydraulic study, and an infeasible/feasible comparison analysis to the City for review and approval for the purpose to verify that MRP requirements are met.

8. Sewer Lateral

Any proposed sewer lateral connection shall be approved by the City Engineer.

9. Transportation Permit

A Transportation Permit, per the requirements specified in California Vehicle Code Division 15, is required before any large equipment, materials or soil is transported or hauled to or from the construction site.

10. Indemnity and Hold Harmless

The applicant/owner agrees to indemnify, defend, protect, and hold the City harmless from all costs and expenses, including attorney's fees, incurred by the City or held to be the liability of the City in connection with the City's defense of its actions in any proceedings brought in any State or Federal Court, challenging any of the City's action with respect to the applicant's project.

PRIOR TO SUBMITTAL OF BUILDING PERMIT

11. Green Building Standards

The applicant shall provide verification that the project will comply with the City's Green Building Standards (Section 12.26 of the Municipal Code) from a qualified green building professional.

12. Property Address

The applicant shall provide an address signage plan as required by the Building Official.

13. Water Efficient Landscape Plan

Provide a landscape documentation package prepared by a licensed landscape professional showing how the project complies with the City's Water Efficient Landscape Regulations.

14. Air Quality Mitigation

The applicant shall implement and incorporate the air quality mitigations into the plans as required by the report prepared by Illingsworth & Rodin, Inc., dated March 6, 2018.

15. Noise Mitigation

The applicant shall implement and incorporate the noise mitigation measures into the plans as required by the report by Wilson Ihrig, dated March 6, 2018.

16. Rooftop Deck

Provide design details for the rooftop deck sufficient enough to verify that the space can operate in compliance with the performance standards prescribed by Municipal Code Section 14.50.160.

PRIOR TO FINAL MAP RECORDATION

17. Covenants, Conditions and Restrictions

The applicant shall include the following provisions in the Covenants, Conditions and Restrictions (CC&Rs):

- a. Storage on private patios and decks shall be restricted; and rules for other objects stored on private patios and decks shall be established with the goal of minimizing visual impacts.
- b. Long-term maintenance and upkeep of the landscaping and street trees, as approved by the City, shall be a duty and responsibility of the property owners. Specifically, the landscape buffer, including both trees and landscaping, along the rear property line shall be permanently maintained as required by the CT District per Municipal Code Section 14.50.110(C).
- c. The rooftop deck shall be permanently maintained in accordance with the performance standards for Rooftop Uses in the CT District as currently prescribed by Municipal Code Section 14.50.160.
- d. Both parking spaces in a tandem space shall be owned by the same unit and cannot be owned or used by separate units.

18. Public Utility Dedication

The applicant shall dedicate public utility easements as required by the utility companies to serve the site.

19. Payment of Fees

The applicant shall pay all applicable fees, including but not limited to sanitary sewer impact fees, parkland dedication in lieu fees, traffic impact fees and map check fee plus deposit as required by the City of Los Altos Municipal Code.

PRIOR TO ISSUANCE OF BUILDING PERMIT

20. Final Map Recordation

The applicant shall record the final map. Plats and legal descriptions of the final map shall be submitted for review by the City Land Surveyor. Applicant shall provide a sufficient fee retainer to cover the cost of the map review by the City.

21. Sidewalk Lights

The applicant shall maintain the existing light fixture and/or install new light fixture(s) in the El Camino Real sidewalk as directed by the City Engineer.

22. Performance Bond

The applicant shall submit a cost estimate for the improvements in the public right-of-way and shall submit a 100-percent performance bond and 50-percent labor and material bond (to be held 6 months until acceptance of improvements) for the public right-of-way work.

23. Maintenance Bond

A one-year, ten-percent maintenance bond shall be submitted upon acceptance of improvements in the public right-of-way.

24. Storm Water Filtration Systems

The applicant shall insure the design of all storm water filtration systems and devices are without standing water to avoid mosquito/insect infestation.

25. Grading and Drainage Plan

The applicant shall submit detailed plans for on-site and off-site grading and drainage plans that include drain swales, drain inlets, rough pad elevations, building envelopes, and grading elevations for review and approval by the City Engineer.

26. Sewage Capacity Study

The applicant shall show sewer connection to the City sewer main and submit calculations showing that the City's existing 27-inch sewer main will not exceed two-thirds full due to the additional sewage capacity from proposed project. For any segment that is calculated to exceed two-thirds full for average daily flow or for any segment that the flow is surcharged in the main due to peak flow, the applicant shall upgrade the sewer line or pay a fair share contribution for the sewer upgrade to be approved by the City Engineer.

27. Construction Management Plan

The applicant shall submit a construction management plan for review and approval by the Community Development Director and the City Engineer. The construction management plan shall address any construction activities affecting the public right-of-way, including but not limited to excavation, traffic control, truck routing, pedestrian protection, material storage, earth retention and construction vehicle parking. The plan shall provide specific details with regard to how construction vehicle parking will be managed to minimize impacts on nearby single-family neighborhoods. A Transportation Permit, per the requirements in California Vehicle Code Division 15, is required before any large equipment, materials or soil is transported or hauled to or from the site.

28. Sewer Lateral Abandonment

The applicant shall abandon additional sewer laterals and cap at the main if they are not being used. A property line sewer cleanout shall be installed within 5-feet of the property line within private property.

29. Solid Waste Ordinance Compliance

The applicant shall be in compliance with the City's adopted Solid Waste Collection, Remove, Disposal, Processing & Recycling Ordinance (LAMC Chapter 6.12) which includes a mandatory requirement that all commercial and multi-family dwellings provide for recycling and organics collection programs.

30. Solid Waste and Recyclables Disposal Plan

The applicant shall contact Mission Trail Waste Systems and submit a solid waste and recyclables disposal plan indicating the type, size and number of containers proposed, and the frequency of pick-up service subject to the approval of the Engineering Division. The applicant shall also submit evidence that Mission Trail Waste Systems has reviewed and approved the size and location of the proposed trash enclosure. The enclosure shall be designed to prevent rainwater from mixing with the enclosure's contents and shall be drained into the City's sanitary sewer system. The enclosure's pad shall be designed to not drain outward, and the grade surrounding the enclosure designed to not drain into the enclosure. In addition, applicant shall show on plans the proposed location of how the solid waste will be collected by the refusal company. Include the relevant garage clearance dimension and/or staging location with appropriate dimensioning on to plans.

31. Tree Protection

The applicant shall implement and incorporate the tree protection measures into the plans and on-site as required by staff and in accordance with the report by Kielty Arborist Services dated April 30, 2018.

32. Affordable Housing Agreement

The applicant shall execute and record an Affordable Housing Agreement, in a form approved and signed by the Community Development Director and the City Attorney, that offers eight below market rate units, for a period of at least 55-years, as defined in Condition No. 2. All of the below market rate units shall be constructed concurrently with the market rate units, shall be dispersed throughout the project as shown on the approved plans, and shall not be significantly distinguishable design, construction or materials.

PRIOR TO FINAL OCCUPANCY

33. Green Building Verification

The applicant shall submit verification that the structure was built in compliance with the California Green Building Standards pursuant to Section 12.26 of the Municipal Code.

34. Signage and Lighting Installation

The applicant shall install all required signage and on-site lighting per the approved plan. Such signage shall include the disposition of guest parking, the turn-around/loading space in the front yard and accessible parking spaces.

35. Acoustical Report

The applicant shall submit a report from an acoustical engineer ensuring that the rooftop mechanical equipment meets the City's noise regulations.

36. Landscape Installation and Verification

Provide a landscape Certificate of Completion, signed by the project's landscape professional and property owner, verifying that the trees, landscaping and irrigation were installed per the approved landscape documentation package.

37. Condominium Map

The applicant shall record the condominium map as required by the City Engineer.

38. Driveway Visibility

The applicant shall work with the Engineering Division to indicate a sufficient no parking area along El Camino Real to the north of the driveway to provide adequate sight visibility.

39. Sidewalk in Public Right-of-Way

The applicant shall install new sidewalk, vertical curb and gutter, and driveway approaches from property line to property line along the frontage of El Camino Real as required by the City Engineer.

40. Public Infrastructure Repairs

The applicant shall repair any damaged right-of-way infrastructures and otherwise displaced curb, gutter and/or sidewalks and City's storm drain inlet shall be removed and replaced as directed by the City Engineer or his designee. The applicant is responsible to resurface (grind and overlay) half of the street along the frontage of El Camino Real if determined to be damaged during construction, as directed by the City Engineer or his designee. *Note: Any work within the El Camino Real will require applicant to obtain encroachment permit with Caltrans prior to commencement of work.*

41. SWMP Certification

The applicant shall have a final inspection and certification done and submitted by the Engineer who designed the SWMP to ensure that the treatments were installed per design. The applicant shall submit a maintenance agreement to City for review and approval for the stormwater treatment methods installed in accordance with the SWMP. Once approved, City shall record the agreement.



**LEAGUE OF WOMEN VOTERS
of the Los Altos-Mountain View Area**

November 11, 2018

Mayor Jean Mordo and Members of the City Council
City of Los Altos
1 N.San Antonio Road
Los Altos, CA 94022

Re: Agenda Item #5, Council Meeting Nov. 13th – Proposed 50-Unit Building at 4856 El Camino Real

Dear Mayor Mordo and Members of the City Council:

As we wrote earlier to the Planning Commission, the LWV supports affordable housing, including inclusionary zoning, so we are pleased to see the 8 below-market-rate units (BMRs) being built as part of this complex. The League believes that dispersing BMRs within a larger complex has been shown to be a socioeconomic and political success in California.

Again, as we wrote to the Planning Commission, we have a serious concern with the unit mix of the BMRs, and the Planning Commission agreed with our concern. The City's policy, like that of most jurisdictions, has always required that the affordable units reflect the size and number of bedrooms of the market-rate units. In this case, 6 of the total 9 one-bedroom units are proposed as BMRs, with just 1 three-bedroom unit and 1 two-bedroom unit as BMRs. **All the very low-income** BMRs are one-bedroom units, whereas the larger units would be moderate-income BMRs. Six of the eight BMRs are proposed as one-bedrooms, whereas the majority of the units in the total project are two and three-bedrooms. We encourage the City to require a mix of BMRs that more accurately reflects the size and number of bedrooms of the market-rate units.

The developer's offer to make one of the one-bedroom BMRs a larger one-bedroom unit does not change the fact that **all** the very low-income units are one-bedroom and that most of the total BMRs are one-bedroom. This is an insignificant change in the mix of BMRs presented to the Planning Commission. We believe that the developer is gaining significant density and incentives under the State Density Bonus Law and should be required to follow the City's policy regarding the unit mix of BMRs. The majority of the units in the total project are two and three-bedrooms. Therefore, the majority of the BMRs should be two and three-bedroom units. In addition, some of the two and three-bedroom unit BMRs should be very low-income rather than moderate income.

Sue Russell
Co-Chair, Housing Committee
LWV of the Los Altos-Mountain View Area

Cc: Chris Jordan Jon Biggs Zach Dahl

LOLA, LLC

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November 13, 2018

Mr. Mayor Jean Mordo
Ms. Jeannie Bruins
Ms. Jan Pepper
Ms. Mary Prochnow
Ms. Lynette Lee Eng

City of Los Altos
1 North San Antonio Road
Los Altos, CA 94022

RE: Impact of 4846-4856 El Camino Real on 4880 El Camino Real

Dear Council Members,

On behalf of the ownership of the 21-unit residential condominium building located at 4880 El Camino Real, we write to you today to consider the impact of the proposed project at 4846-4856 El Camino Real on the 4880 El Camino Real project ("4880") currently under construction.

The eastern side of the Applicant's project affects a large percentage of the future residents of both buildings. As currently proposed, the design of the Applicant's building is massive in relation to the 4880 building and could do a better job considering its impact on the future residents of both buildings.

We have asked for a year now that the Applicant consider making changes to his proposed building that we believe would be beneficial to the future residents of both buildings. We have asked the Applicant to consider increasing the side setback of the southeastern side of his building on the 3rd, 4th and 5th floors just in the rear of his building within the 100-foot rear setback zone. We believe a reduction of 10 to 15 feet in that area will allow more breathing room for the future residents of both buildings. The square footage removed from the 3rd, 4th and 5th floors of the southeastern side could be added to the rear area of the proposed building on the 3rd, 4th and 5th floors. In this case, the Applicant's lot is screened by large and mature redwood trees in the rear so that encroaching into the rear setback would not be as relevant as it could be on other lots.

Our neighbor, the Applicant, has opted not to discuss this matter with us.

What we have asked the Applicant to consider should not be difficult to implement and should be beneficial to both projects.

We kindly ask the Council to direct the Applicant to explore these creative adjustments to its proposed building for an outcome that will be beneficial to all.

Thank you and sincerely yours,


LOLA, LLC

Peggy Galeb, Manager

12340 Saratoga-Sunnyvale Road

Saratoga, CA 95070

CC: Mr. Jon Biggs, Mr. Zach Dahl, administration@losaltosca.gov

Subject: Mohr Clock project - 4856 El Camino Real

From: roger heyder <mrheyderus@yahoo.com>

Date: November 19, 2018 at 5:48:29 AM PST

To: City Council <council@losaltosca.gov>

Cc: Christopher Croudace <ccroudace@berklee.edu>

Subject: Mohr Clock project - 4856 El Camino Real

Reply-To: roger heyder <mrheyderus@yahoo.com>

Hello Council,

The Mohr Clock project, at 4856 El Camino Real, involves the merging of two parcels. Under the Subdivision Map Act, the city does not have the legal authority to merge these two parcels unless it has a valid and applicable lot merger ordinance. Mr. Maginot informed me that Los Altos does NOT have a lot merger ordinance.

The Map Act is clear, and consistent, about requiring a local merger ordinance. Without a local merger ordinance, the Map Act limits the city to merging only substandard parcels. The Mohr Clock parcels are not substandard.

Two sections of the Map Act cover mergers that do not involve substandard lots. One of these sections is Government Code section 66499.203/4. The first sentence of that section **requires a local ordinance** to merge parcels:

A city or county **may, by ordinance**, authorize the merger of contiguous parcels under common ownership . . .

The second section of the Map Act that could alternatively be used for mergers is Government Code section 66499.201/4, which also **requires a local ordinance** to implement its provisions:

A city or county **may, by ordinance**, authorize a parcel map to be filed under the provisions of this chapter for the purpose of reverting to acreage land previously subdivided and consisting of four or less contiguous parcels under the same ownership. . . .

Therefore, a city seeking to adopt and use either section of the Map Act **must enact a local ordinance** allowing it to do so. At a bare minimum, such an ordinance should cover at least three things:

1. Whether mergers are allowed at all, and in what parts of the city. For example, a city might choose not to allow mergers at all, or to allow only mergers of two lots in certain parts of the city, or choose to allow a different number of mergers in different parts of the city.
2. The Map Act requires that the local ordinance be consistent with the city's General Plan. In Los Altos' case, this means that any merger ordinance, no matter which Map Act provision authorizes it, needs to be consistent with the Los Altos general plan which states:

The identity of Los Altos is predicated upon its small-town atmosphere as a mature residential community with a historic Downtown and neighborhood commercial centers. Defining physical attributes include relatively flat terrain, mature landscape, low-density residential neighborhoods, predominantly single-story structures, historic architecture, and the pedestrian-oriented village setting of the Downtown core. The Community Design & Historic Resources Element focuses on the protection and enhancement of these important attributes to maintain the City's distinct character.

3. Finally, the local ordinance must specify the zoning rules that apply if the city allows mergers of lots in a given section of Los Altos. For example, the current zoning of the Los Altos Commercial Downtown District provides for a minimum depth of front yards of only two feet, no side yards except where a site abuts a public street or a public parking plaza, in which case the minimum width of a side yard is also only two feet, and a minimum rear yard of 15 feet for a structure above 15 feet in height, with certain

exceptions. (Los Altos Municipal Code sections 14.44.060, 14.44.070 and 14.44.080) If the city were to allow mergers of lots in the Downtown, it needs to consider if these zoning rules would be adequate as applied to larger buildings that might be allowed on merged lots, or if different setbacks, heights and other zoning provisions would instead be required or preferable.

There appears to be significant proposed lot merger activity in Los Altos. It is only common sense that a local merger ordinance be written, to provide clear details to everyone concerned as to if and where lot mergers are allowed, the conditions under which they are allowed, and the zoning applicable to merged lots. A local merger ordinance is required by the Map Act if the city is to legally approve lot mergers, unless the lots are substandard, in which case the Map Act has different applicable provisions.

Prior to approving the Mohr Clock merger, or any other lot merger, the city must implement a lot merger ordinance consistent with its General Plan. It is the only legal way forward if lots are to be merged.

Regards,

Roger Heyder
Chris Croudace