



AGENDA REPORT SUMMARY

Meeting Date: October 22, 2019

Subject: Proposed 196-Unit Multiple-Family Development at 5150 El Camino Real

Prepared by: Sean K. Gallegos, Associate Planner

Reviewed by: Jon Biggs, Community Development Director

Approved by: Chris Jordan, City Manager

Attachment(s):

1. Resolution No. 2019-43
2. Applicant Cover Letter
3. Planning Commission Meeting Minutes, September 5, 2019
4. Planning Commission Agenda Report, September 5, 2019
5. Public Correspondence
6. Full Project Plans

Initiated by:

Applicant and Owner – Dutchints Development, LLC

Previous Council Consideration:

None

Fiscal Impact:

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

- Park in-Lieu Fees: \$9,564,800 (\$48,800/multiple-family dwelling unit)
- Traffic Impact Fees: \$815,164 (\$4,159/multiple-family dwelling unit)
- Los Altos Public Art Fund: (one percent of construction costs, up to \$200,000)

Environmental Review:

An Initial Study and Mitigated Negative Declaration (IS/MND) have been prepared in compliance with the California Environmental Quality Act (CEQA), the CEQA Guidelines (California Code of Regulations §15000 et. seq.) and the regulations and policies of the City of Los Altos. A 30-day public review and comment period for IS/MND was held between Thursday, July 11, 2019 and Friday, August 9, 2019. A copy of the IS/MND is included in Attachment 4.

Policy Question(s) for Council Consideration:

- Is the proposal of 28 affordable below market rate (BMR) units in exchange for a density bonus, incentives and and parking requirement alteration consistent with State Law and the City's Affordable Housing Ordinance?



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- Does the proposal meet the required design review, use permit and subdivision findings specified in the Los Altos Municipal Code?

Summary:

- The project includes the demolition of a three-story 78,950 square-foot office building and construction of two five-story condominium buildings along El Camino Real with 172 units and two three-story townhouse buildings along the rear with 24 units, and one level of underground parking with 290 parking spaces.
- The 196-unit proposal is offering 28 affordable units, including 12 moderate and 16 very-low affordable units, in exchange for a 35 percent density bonus, an on-menu development incentive to allow for increased height and an off-menu incentive for reduced parking stall widths in the underground garage.
- The Complete Streets Commission and the Planning Commission have reviewed the project at public meetings and recommend approval of the 196-unit multiple-family condominium development.

Existing

Proposed

Required/Allowed



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SETBACKS

Front	40 feet	25 feet	25 feet
Rear (condo bldgs.)	65 feet	119 feet (min.)	100 feet
Rear (townhouse bldgs.)	-	46 feet (min.)	40 feet
Left side (east)	147 feet	49.8 feet (min.)	7.5 feet (avg.)
Right side (west)	123 feet	45 feet (min.)	7.5 feet (avg.)

HEIGHT (Condo Bldgs.)

Top of roof deck	30 feet ¹	56 feet	45 feet
Top of parapet wall	40 feet ¹	62 feet	57 feet
Stair towers	-	68 feet	57 feet
Elevator tower	-	68 feet	57 feet

HEIGHT (Townhouse Bldgs.)

Top of roof deck	-	30 feet	30 feet
Top of parapet wall	-	33.5 feet	42 feet

PARKING	291 spaces	290 spaces	169 spaces ²
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DENSITY

Base density units	-	145 units	145 units (38 du/ac)
Density bonus units	-	51 units	51 units (35%)
Total units	-	196 units	196 units (52 du/ac)
Affordable units	-	28 units (19%)	22 units (15%)

OPEN SPACE

Private	-	67 square feet/unit	50 square feet/unit
Public	-	62,880 square feet	3,200 square feet

¹ The 30-foot height, as allowed by the Zoning Code at the time, is measured from the site's highest grade, along the rear property line, to the mid-point of the building's sloping roof. The actual building height from adjacent grade to top of parapet wall is approximately 40 feet.

² The Zoning Code (Section 14.28.040.G) allows for reduced on-site parking (0.5 spaces/bedroom) when a project provides affordable housing and is within ½ mile of a major transit stop.

Planning Commission Recommendation:

Move to approve Resolution No. 2019-XX which:

1. Adopts the Initial Study, Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program; and
2. Approve Design Review application 18-D05, Use Permit application 18-UP-07 and Subdivision application 18-SD-03 for a new 196-unit multiple-family development at 5150 El Camino Real



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Purpose

Consider the recommendation from the Planning Commission and take action on the development application, which includes adopting the Initial Study, Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program, and approving the design review, use permit and tentative map application for two new five-story condominium buildings along El Camino Real with 172 units and two new three-story townhouse buildings along the rear with 24 units at 5150 El Camino Real.

Background

Site Setting

The existing site, which includes one parcel, is designated as a “Thoroughfare Commercial” land use in the General Plan and Zoned CT (Commercial Thoroughfare). The site is 165,345 square feet (3.8 acres) in size and includes an existing three-story 78,950 square-foot office building currently occupied with administrative office uses at 5150 El Camino Real.

The site is adjacent to a high-density residential development to the west (5100 El Camino Real), a KinderCare and TaekwonKids (daycare) facility to the east (within Mountain View city limits), and six single-family homes on Casita Way to the south. Across El Camino Real to the north there are a variety of single-story commercial buildings, located within the Mountain View city limits. In both directions along El Camino Real, the land uses consist predominantly of commercial uses, with high-density residential uses intermixed. There is an adjacent multiple-family residential building to the west at 5100 El Camino Real that is approximately 40 feet in height, similar in height to the existing office building on the project site. Single-family residences are the predominant land use to the south of the project site.

Planning Commission Study Session

On August 16, 2018, the Planning Commission held a study session to review and provide feedback on the project’s architectural and site design. Overall, the Commission expressed general support for the overall project concept but raised concerns about various elements of its design. Specifically, the Commission noted that the project’s exterior materials, both composition and quality, should be improved, consider ways to reduce building bulk and mass, refine the design of the landscaping and common spaces, rethink the building entries at the Rengstorff intersection, consider adding additional on-site parking, provide a shade/shadow study and improve the landscape buffers along the residential edges. A copy of the Planning Commission study session minutes is included in the September 5, 2019 Planning Commission agenda report (Attachment 4).

Complete Streets Commission

On June 26, 2019, 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



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to the Planning Commission and City Council. The Commission expressed general support for the project but expressed concerns that the project is not providing enough on-site vehicle and bicycle parking, that it would increase traffic on nearby residential streets and that the traffic impact analysis should have provided a more thorough evaluation of queuing and traffic impacts. Following the discussion, the Commission voted 3-1 (two commissioners absent and one abstaining) to recommend approval of the project to the Planning Commission and City Council with a recommendation that the number of on-site bicycle parking spaces be increased. A copy of the Complete Streets Commission meeting minutes is included in the September 5, 2019 Planning Commission agenda report (Attachment 4).

Story Pole Installation

On August 7, 2019, planning staff verified that the applicant's story pole plan was consistent with the City's adopted Story Pole Policy and approved the plan. On August 12, 2019, the story poles were installed, and staff subsequently 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 September 5, 2019 Planning Commission agenda report (Attachment 4).

Planning Commission

On September 5, 2019 the Planning Commission held a public hearing to consider the project. Following public comments, the Commission expressed general support for the project, but some concerns were raised regarding the location of the transformers along the rear property line, the lack of a security gate for the garage entry, the location of passenger loading areas being unclear on the project plans, the need for better defined parking layout and additional guest parking spaces, a concern the upper level rear facing balconies may impact privacy of properties along the rear property line, the need for additional electric vehicle (EV) charging stations and the sizing of the transformers to accommodate increased energy loads for EV charging stations, and a concern regarding the phasing and timing in the construction management plan. After the discussion, the Commission voted 5-0, with Commissioner Bressack and Lee absent to recommend approval of the Project with following additional recommendations:

- The transformers shall be moved away from the rear property line;
- The garage access shall be secured;
- The plans shall better define the parking layout including guest spaces, EV chargers and pre-wiring;
- The plans shall better define the location of passenger loading spaces;
- The upper level rear facing balconies shall be reviewed to address privacy concerns;
- The transformers shall be sized to accommodate pre-wiring for additional parking spaces (max); and



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- A more detailed construction management plan shall be provided regarding the phasing and a timeline.

The meeting minutes and agenda report are included in the September 5, 2019 Planning Commission agenda report (Attachment 4).

Discussion/Analysis

Design Revisions

The applicant's cover letter (Attachment 2) provides information regarding the applicant's response to the Planning Commission's recommendation and the full set of plans (Attachment 6) illustrate how the revisions are incorporated into the project.

Design Review Findings and CT District Design Controls

In order to approve the project, the City Council must make positive design review findings as outlined in Section 14.78.060 of the Municipal Code (see Attachment 1). In addition to complying with the standard design review findings, the project must address the CT District's Design Controls (Section 14.50.170), which speak to issues such as scale, building proportions, bulk, and screening rooftop mechanical equipment.

Overall, the project reflects a desired and appropriate development intensity for the CT District and the El Camino Real corridor. It achieves the maximum housing density permitted, which benefits the City's housing goals while also providing stepped massing from the rear property line and articulation along the front and sides to limit the perception of bulk and mass. The proposal meets General Plan Policy 4.3 and 4.4. These goals promote residential development on El Camino Real and affordable housing on El Camino Real. In addition, this project complies with the Design Controls for the CT Zoning because the proposal has architectural integrity and has an appropriate relationship to the heights, massing, and styles of the buildings in the immediate area. The lower height townhouses in the rear provide an appropriate transition between the single-family district to the south and the taller buildings along El Camino Real, where this additional height and larger scale is more appropriate. The buildings utilize high quality materials that support their architectural style and are appropriately articulated and scaled to relate to the larger buildings on the El Camino Real corridor while providing lower scale townhouses adjacent to the single-family properties to the rear.

The building was designed to relate to the human scale with a landscaped entry plaza and a two-story entry lobby. Building mass is articulated to relate to the human scale, both horizontally and vertically as evidenced in the design of the raised planter boxes, projecting overhangs 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, high quality finishes and balconies.



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The exterior building materials appropriately define the building elements and convey the project's quality, integrity, durability and permanence. The project 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.

The landscape plan appears generous and inviting. The proposed landscape and hardscape elements include various levels with smaller plantings near the sidewalk with taller species and raised planters as it moves toward the face of the building. The landscaping includes substantial street tree canopy in the public right-of-way, along the sides and rear property lines, and throughout the site.

The project does not propose any signage along the building frontage beyond an address number and directional signage as necessary by Code. The rooftop mechanical equipment is screened by architecturally integrated parapet walls; the ground level utilities are screened by the wood fencing and landscaping along the sides; and the trash area is located within the underground garage. Overall, as evidenced in this discussion and as further supported by the findings contained in Resolution No. 2019-XX (Attachment 1) and recommended by the Planning Commission, the project appears to meet the City's required design review findings and zoning district design controls.

Traffic and Circulation

The site includes an existing 78,950 square-foot office building that generates 1,110 average daily trips (ADT)¹, with 57 AM peak hour trips and 165 PM peak hour trips. The proposed project, with 196 new dwelling units, will generate 1,435 ADT², with 90 AM peak hour trips and 110 PM peak hour trips. This will result in a net increase of 325 ADT, with 33 additional AM peak hour trips and a decrease of 55 PM peak hour trips. Since this is over the City's threshold of 50 net new daily trips, a full Transportation Impact Analysis (TIA) was prepared and a copy of the TIA is included in the September 5, 2019 Planning Commission agenda report (Attachment 4).

The TIA included an analysis of the nearby street network and intersections that will receive additional traffic from the project, and evaluated the traffic conditions for four existing and future scenarios as follows:

- *Existing Conditions.* Existing AM and PM peak-hour traffic volumes at study intersections were based on new traffic counts collected in October and November 2018. Existing PM peak-

¹ Existing use trips based on peak-hour driveway counts conducted on 10/18/18 and 11/13/18. Daily traffic estimated based on peak hours.

² Low-Rise Multifamily Housing (Land Use 220). ITE Trip Generation Manual, 10th Edition (2017), average rates for General Urban/Suburban settings are used.



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hour traffic volumes at the CMP intersections were obtained from the 2016 CMP Annual Monitoring Report.

- Existing Plus Project Conditions. Existing plus project conditions reflect the projected traffic volumes on the existing roadway network with completion of the project. Existing plus project traffic volumes were estimated by adding to existing traffic counts the additional traffic generated by the project.
- Background Conditions. Background traffic volumes were estimated by adding to existing traffic counts the additional traffic generated by approved but not yet constructed developments in the area. The study uses a growth factor of two-percent per year until the project opening date to represent traffic growth on El Camino Real.
- Background Plus Project Conditions. Background plus project traffic volumes were estimated by adding to background traffic volumes the additional traffic generated by the project. Background plus project conditions were evaluated relative to background conditions in order to determine potential project impacts.

The TIA also analyzed potential impacts to pedestrians, bicycles, and transit services from the project, vehicle queuing at intersections, traffic added to Distel Drive and Clark Avenue due to cut-through and school related trips, and site access and on-site circulation. Based on this analysis, the TIA made the following findings:

- All of the studied intersections would operate at acceptable levels of service under all analysis scenarios.
- The queuing analysis indicates that the 95th percentile vehicle queue for the westbound left-turn lane at the El Camino Real/Distel Drive intersection currently exceeds the existing vehicle storage capacity during the AM peak hour and would continue to do so under background conditions. The project would not increase the 95th percentile vehicle queue for the westbound left-turn lane during AM and PM peak hour, however, there is no room in the median to lengthen the left turn pocket.
- Distel Drive would likely be used as a route to return from Los Altos High School and Almond Elementary School to the project site. It is estimated the project would generate 23 school trips during the AM peak hour. Distel Drive could be used as a cut-through street to San Antonio Road via Jordan Avenue. However, only an increase in outbound traffic in the AM peak hour is anticipated. In other time periods, the traffic would be reduced. The AM outbound traffic increase would be very small to the south, and more than offset by decreases in northbound AM peak hour traffic; and the PM peak hour traffic would be reduced.

Clark Avenue would likely be used as a route going to Almond Elementary School and Los Altos High School, but not likely to be used to return to the project site. Clark Avenue provides a direct



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route to Almond Elementary School. Traffic would likely use Casita Way to Marich Way to Distel Drive to return to the project site. Due to having a direct route from El Camino Real to Almond Avenue, traffic going to and from the project may use Clark Avenue as a cut-through street. However, only an increase in outbound traffic during the AM peak hour is anticipated. Traffic in other time periods would be reduced. The AM outbound traffic increase would be very small to the south, and more than offset by decreases in northbound AM peak hour traffic; and the PM peak hour traffic would be reduced.

In addition to the findings, the TIA provided three recommendations to enhance vehicle circulation, parking usage and bicycle parking as follows:

- “Do not enter” signs and “one-way only” markings should be installed at the one-way western driveway to inform drivers not to enter the driveway. In addition, “right-turn only” signs should be installed at the western and eastern driveways to inform drivers exiting the project site.
- The site plan shows multiple dead-end parking aisles. The dead-end aisle spaces should be reserved for residents, and guest parking should be located near the driveway ramp.
- Some of the Class I bicycle parking should be moved to the ground floor.

These recommendations have been incorporated into the project plans and conditions of approval. Overall, the project will not result in any significant impacts related to traffic or circulation.

Parking

With regard to Aesthetics and Parking, the City has received comments that raise concerns about potential impacts related to these two areas on adjacent residential uses and nearby streets. However, the project is located on an infill site that is located within a transit priority area (TPA). State Law (Public Resources Code section 21099) states that “[a]esthetic and parking impacts of a residential, mixed-use residential, or employment center project on an infill site within a transit priority area shall not be considered significant impacts on the environment.” Thus, the Initial Study provided discussions related to aesthetics and parking for informational purposes only.

The project is located within ½ mile from the Santa Clara Valley Transportation Authority (VTA) major transit stop at the corner of Showers and El Camino Real. The bus stop is located at the intersection of two major bus routes (Routes 22 and 52) with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods. As specified in Section 14.28.040(G) of the City’s Zoning Code, the development is eligible for reduced on-site parking standards of one-half parking spaces per bedroom by (1) providing the maximum percentage of very-low income units (11 percent), (2) being located within one-half mile of a major transit stop and (3) allowing for unobstructed access to the major transit stop.



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A major transit stop is as defined in California Public Resources Code Section 21064.3:

“...a major transit stops means a site containing an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.”

Based on-site parking standards as specified in Section 14.28.040(G), the project is required to provide 0.5 on-site parking spaces per bedroom in each unit. With a total of 338 bedrooms in the condominium and townhouse units, a minimum of 169 on-site parking spaces are required for this project. The project is proposing a total of 286 parking spaces, which includes 232 spaces in the underground parking garage, 48 spaces in the townhouse garages and six surface-level guest spaces along the access road. In addition, two loading spaces (10 feet x 25 feet) are provided along the access road. Overall, the proposed on-site parking and loading spaces exceed the minimum established by the Zoning Code for a density bonus project within 1/2 mile of a major transit stop.

Beyond environmental review, staff requested a detailed parking demand analysis to address concerns related to overflow parking and to confirm that project was providing a sufficient amount of on-site parking even if it is exceeding the Zoning Code’s on-site parking requirement for a project that includes affordable units and is within ½ mile of a major transit stop. To determine if the project’s proposed on-site parking supply would be adequate to meet parking demand, the TIA included a parking analysis. The traffic engineer used a parking supply study prepared by Fehr & Peers, which looked at 17 residential developments in Mountain View, Palo Alto, Sunnyvale, and Santa Clara, to establish average parking supply and demand rates for similar multiple-family residential developments. Based on the findings in the parking study, the average parking demand for an affordable unit was found to be 0.65 spaces per bedroom and 0.70 spaces per bedroom for a market rate unit. Using these ratios, a parking demand analysis was developed as follows:

<i>Proposed Unit Types</i>		<i>Number of Units</i>	<i>Bedrooms</i>	<i>Study Rate (per bedroom)</i>	<i>Parking Demand (Spaces)</i>	<i>Parking Provided</i>
Condominiums						
Affordable	1-bedroom	12	12	0.65	8	
	2-bedroom	13	26	0.65	17	
Market Rate	1-bedroom	68	68	0.70	48	
	2-bedroom	77	154	0.70	108	
	3-bedroom	2	6	0.70	4	
Total		172	266		185	236



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<i>Proposed Unit Types</i>		<i>Number of Units</i>	<i>Bedrooms</i>	<i>Study Rate (per bedroom)</i>	<i>Parking Demand (Spaces)</i>	<i>Parking Provided</i>
Townhomes						
Affordable	2-bedroom	2	4	0.65	3	
	3-bedroom	1	3	0.65	2	
Market Rate	2-bedroom	2	4	0.70	3	
	3-bedroom	15	45	0.70	32	
	4-bedroom	4	16	0.70	11	
Total		24	72		51	54³
Project Total					236	290

Based on the findings of this analysis, the number of on-site parking spaces will exceed the anticipated parking demand for multiple-family housing units of this size and type, and the proposed parking supply will be adequate to avoid generating new off-site parking on nearby residential streets.

Affordable Housing - Density Bonus and Development Incentives

The City’s Affordable Housing Ordinance (LAMC Chapter 14.28) requires a minimum of 15 percent of the units be affordable, with a majority of the units designated as affordable at the moderate-income level and the remaining units designated as affordable at the low or very-low income level. With a base density of 145 units, the project must provide 21.75 (rounded up to 22) affordable units, with 12 of the units affordable at the moderate-income level, and the remaining 10 units affordable at a low or very-low income level. By providing 12 moderate income units and 16 very-low income units, the project complies with the City’s Affordable Housing Ordinance. The following table breaks down the proposed unit types and sizes for both the affordable and market rate units:

Condominium Units			Townhouse Units		
Affordable	1-bedroom	12	Affordable	2-bedroom	2
	2-bedroom	13		3-bedroom	1
Market Rate	1-bedroom	68	Market Rate	2-bedroom	2
	2-bedroom	77		3-bedroom	15
	3-bedroom	2		4-bedroom	4
Total		172	Total		24

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 addition, the Affordable Housing Ordinance requires

³ This number includes 48 garage parking spaces and six visitor parking spaces.



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that all affordable units in a project be constructed concurrently with market rate units, be dispersed throughout the project, and not be significantly distinguishable by size, design, construction or materials. The project's Density Bonus Report provides exhibits that show where the affordable units will be throughout the project (Attachment 4). Conditions have been added (nos. 2 and 27) that specify the breakdown of affordable units by income level, that the units shall be provided at the location on the approved plans, and that they shall not be significantly distinguishable with regard to design, construction or materials. Thus, as designed and conditioned, the proposed affordable housing units appear to meet the intent of the City's affordable housing requirements.

Under the State's density bonus regulations (Section 65915 of the California Government Code) and the City's Affordable Housing Ordinance, the project qualifies for a density bonus if it provides at least five percent very-low income units. With 16 affordable units at the very-low income level and 12 affordable units at the moderate level (28 affordable units total), the project is providing 19.3 percent of its base density as affordable, with 11 percent of its base density affordable at the very-low income level. By providing 11 percent of its units as affordable at the very-low income level, the project qualifies for a 35 percent density bonus, which it is currently seeking.

With regard to incentives or concessions, since the project is providing more than 10 percent of its units as affordable at the very-low income level, it qualifies for two 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. However, per State Law and City Ordinance, an applicant may still request any incentive or concession that they deem appropriate in exchange for the affordable units being provided (off-menu). In this case, the project is seeking a height incentive to allow the project to exceed the maximum height limit of 45 feet by 11 feet (on-menu) and a six-inch reduction in the required parking stall width for the spaces in the underground parking garage (off-menu).

Under Government Code Section 65915(e) and Los Altos Municipal Code Section 14.28.040(F), the City must grant the requested incentive unless it can make specific negative findings. Under the Ordinance, the City has determined that "on-menu" incentives would not have a specific, adverse impact on public health and safety or the physical environment, which is one of three potential findings necessitating denial of the request, thus one of the following two findings would need to be made to deny the request:

- 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 be contrary to state or federal law.



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In the case of this project, there is not any evidence currently in the record to make the required findings for denial for either incentive request. Therefore, staff recommends the granting of the Applicant's requested incentives.

At the Planning Commission meetings on August 1, 2019 and August 15, 2019, the project sought a waiver under Government Code Section 65915(e) and Los Altos Municipal Code Section 14.28.040(H) to allow the required landscaping in the front yard setback to be reduced from 50 percent to 34 percent. The applicant has eliminated the waiver request by revising the plans to meet the requirement to landscape a minimum of fifty (50) percent of the front yard .

A Density Bonus Report that supports the requested density bonus and development incentives requests was prepared by the Applicant and is included in the September 5, 2019 Planning Commission agenda report (Attachment 4).

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 median family income for FY 2019 is \$131,400 per HCD calculations.

Subdivision

The project includes a Tentative Map for Condominium purposes. The subdivision divides the buildings into 196 residential units and associated private and common areas. As outlined in the attached Resolution, the subdivision conforms to the permitted General Plan and Zoning Code densities as modified by State law. The site is physically suitable for this type and density of development, is not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat, is not injurious to public health and safety, and provides proper access easements for ingress, egress, public utilities and public services.

Environmental Review

The project site, which is 3.8 acres in size, is considered an 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. Thus, it could qualify for an exemption from further environmental review per Section 15332 of the California Environmental Quality Act (CEQA). However, due to the size of the project and to ensure that any potential impacts were thoroughly evaluated, the City retained an environmental consultant, David J. Powers and Associates (DJPA), to prepare an initial study in compliance with CEQA. Based on the findings in the Initial Study,



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supported by the technical studies, it was determined that there were not any significant impacts that necessitated the preparation of an Environmental Impact Report (EIR). Thus, a Mitigated Negative Declaration (MND) has been prepared (Exhibit C in the Draft Resolution). The Initial Study is included in the September 5, 2019 Planning Commission agenda report (Attachment 4).

The Initial Study identified potentially significant effects related to Air Quality, Biological Resources, Cultural Resources, and Noise. These potentially significant effects are primarily related to construction activities and can be reduced to a less than significant level with appropriate mitigation measures. These potential effects and the mitigation measures to reduce their impact are discussed within the Initial Study and the mitigation measures are included in the MND. The MND finds that all potentially significant impacts identified can be mitigated, that the proposed project conforms to the City's General Plan and Zoning Ordinance, that because of its in-fill location, new public services and utilities are not required, and the project will not adversely impact fish and wildlife resources or their habitats. Therefore, staff recommends the adoption of an MND as part of the project approval.

The Initial Study and MND were published on Thursday, July 11, 2019 and made available for public review for a period of 30 days. The public review period ended on Friday, August 9, 2019 at 5:00pm. To advertise the public review period, the Notice of Intent to Adopt a Mitigated Negative Declaration was sent to the California Office of Planning and Research (OPR), posted at the Santa Clara County Clerk-Recorder's office, published in the *Town Crier* and mailed to all property owners within 500 feet of the site. During the public review period, two comment letters related to the environmental review were submitted to the City – one from the President of the Homeowners Association at 5100 El Camino Real and the other from Caltrans. Subsequent to the completion of the public review period, three additional letters that provided comments on the environmental review, all containing the same text, were submitted. However, none of the letters identified any potential environmental effects that had not been evaluated or presented evidence to make a fair argument against any of the information contained in the Initial Study. Thus, no specific responses to comments or revisions to the Initial Study or MND were necessary. These comment letters are contained in the September 5, 2019 Planning Commission agenda report (Attachment 4).

Public Contact and Correspondence

For this meeting, a public hearing notice was published in the *Town Crier* and mailed to the 454 property owners and business tenants within 1,000 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 proposed buildings were installed. A story pole certification letter from the project engineer is included in the September 5, 2019 Planning Commission agenda report (Attachment 4). In addition to the required public notification, the applicant has conducted specific outreach to the owners of the directly adjacent properties at 5100 El Camino Real, and Distel Drive and Casita Way.



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Staff received correspondence from 21 neighbors after the September 5, 2019 Planning Commission agenda was published. The emails and letters were provided to the Planning Commission. Two of the letters expressed support for the project and the affordable units that would be provided, one is from Caltrans with general comments relating to the State Route 82 (El Camino Real) and 18 letters raise concerns about the project related to nesting birds, traffic impacts, off-site parking, trash pickup and storage, privacy, noise and air quality impacts from the construction, and aesthetic impacts from the new buildings on the adjacent residential properties. These comment letters are included in 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 196-unit project are contained in Exhibit A of the Resolution, and the appropriate conditions to ensure the project is properly implemented are contained in Exhibit B. Based on the recommendation from the Planning Commission, the City Council is encouraged to approve Resolution No. 2019-XX which will adopt the Initial Study, Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program, and approve Design Review application 18-D05, Use Permit application 18-UP-07 and Subdivision application 18-SD-03 for a new 196-unit multiple-family development at 5150 El Camino Real.

Options

- 1) Approve Resolution No. 2019-XX

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

Disadvantages: The existing office uses on the site will be displaced

- 2) Do not approve Resolution No. 2019-XX

Advantages: The existing office uses on the site will be maintained

Disadvantages: The City will not make any progress on achieving its goals to produce new housing units

Recommendation

The Planning Commission recommends Option 1.