



**AGENDA REPORT SUMMARY**

**Meeting Date:** June 28, 2022

**Subject** Consider approval of Proposed Four-Story Multiple-Family Residential Project at 355,365,371,373 First Street; adopt mitigated negative declaration for project

**Prepared by:** Sean K. Gallegos, Senior Planner

**Reviewed by:** Nick Zornes, Community Development Director

**Approved by:** Gabriel Engeland, City Manager

**Attachment(s):**

1. Resolution No. 2022-XXX
2. City Council Minutes, February 8, 2022
3. City Council Agenda Report and Attachments, February 8, 2022
4. Table with Responses to City Council Comments
5. Applicant Cover Letter
6. Updated Full Project Plans

**Initiated by:**

Applicant, 355 1st St LLC

**Previous Council Consideration:**

None

**Fiscal Impact:**

The project will result in the following estimated financial contributions to the City’s special revenue funds:

- Park in-Lieu Fees: \$195,200 (\$48,800/multiple-family dwelling unit)
- Traffic Impact Fees: \$16,636 (\$4,159/multiple-family dwelling unit)
- Los Altos Public Art Fund: one percent of construction costs, up to \$200,000

**Environmental Review:**

On November 2, 2021, a Notice of Intent to Adopt a Mitigated Negative Declaration was filed with the County Clerk for a twenty (20) day comment period. No comments were received for this project and the environmental document indicates that the proposed project has the potential to result in significant adverse environmental impacts. However, the mitigation measures identified in the initial study would reduce the impacts to a less than significant level. There is no substantial

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**Reviewed By:**

City Manager

City Attorney

Finance Director

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evidence, in light of the whole record before the lead agency (the City of Los Altos) that the project, with mitigation measures incorporated, may have a significant effect on the environment. Please review Attachment 6 (Mitigated Negative Declaration) in the Joint Planning/Complete Streets Commission Agenda Report (Attachment 3) for further details.

**Policy Question(s) for Council Consideration:**

Does the proposal meet the required findings for design review and subdivision per the Los Altos Municipal Code?

**Summary:**

- The Project includes the demolition of six existing commercial buildings and one existing single-family residence, and the construction of a new four-story multiple-family building with 50 condominium units, two levels of underground parking with 113 parking spaces, 34 interior bicycle parking spaces, and a private rooftop area.
- The Project will replace the existing sidewalk along First Street and Whitney Street and will be required to add two new ADA ramps and crosswalk striping per the City standards on the northeast and southeast corner of the intersection with First Street and Whitney Street.
- The Project proposes seven (7) dedicated below market rate units with three (3) at the moderate-income level and three (3) at the very low-income level. Since the project is providing 8% of the units at the very low-income level, it qualifies for one (1) density bonus concession / incentive.
- The Project was reviewed by the Complete Streets and Planning Commissions. The Complete Streets Commission and the Planning Commission recommended approval with specific modifications.

**Planning Commission Recommendation:**

Move to approve Resolution No. 2022-\_\_\_\_ which:

1. Adopts the Initial Study, Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program; and
2. Approves Design Review application D21-0003 and Subdivision application TM21-0001 for a new 50-unit multiple-family development at 355 First Street.



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### **Purpose**

Consider the recommendation from the Planning Commission and Complete Streets Commission and evaluate whether the project complies with the Los Altos Municipal Code requirements for design review and tentative subdivision map approval and furthers the City's efforts of providing for the production of housing, as reflected in the Goals, Policies, and Programs of the Housing Element and other elements in the Los Altos General Plan.

### **Background**

On February 8, 2022, the City Council held a public meeting to consider the proposed Project. Following a presentation from the applicant and comments from members of the public, the Council discussed the proposal. The City Council voted unanimously to continue the item and gave direction to explore the following:

1. Recommends the creation of a subcommittee of the Planning Commission to work through the Commission's recommendation. After subcommittee work is done, it will be returned to Council.
2. Supports the waiver to allow for a building height to allow the elevator to be 17 feet six inches when the code prohibits roof top structures taller than 12 feet in height.
3. On the roof deck, the second density bonus request relies on the roof deck. Without the roof deck, we would not have the second waiver request for the elevator shaft. The council member has not made a decision whether to support the granting of the waiver.
4. Concerns with second waiver for rooftop, if the building could have been setback more and create more area for open space.
5. A reevaluation of floor heights (I think meant plate height) should be considered.
6. Supports a waiver for the off-street parking space width to be reduced from nine feet to 8.5 feet for twelve parking spaces.
7. The applicant and architect advised the focal point of the building is first and Whitney, we are not convinced it should be the focal point. This building is right at the crossroads of entry points into the city, if you're entering from San Antonio Road or First Street, the building is very drab and unappealing. The building should more attractive and welcoming, such as is the corner of Whitney Street and First Street is currently.
8. The overall mass and bulk needs to be addressed. When you look at the building and consider that First Street is not a wide street, we need to work on articulation and setback to make it more appealing. (NF). The building is bulky and massive, and it doesn't look like it belongs in Los Altos or on First Street (AE).
9. In other buildings approved, where we had an all residential. We had a significant or different design difference or variation at third and fourth floor to bring down human or



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- pedestrian scale. We do not have this with the proposed building design, instead, it is highly vertical and a uniform look. It has the appearance of a “Lego building,” like it’s built with Lego blocks.
10. In regard to bulk and mass, some of the banding that is used and the composite wood siding that wraps around Whitney Street and First Street at the first and second story has the effect of making the entire building look like one block or mass, irrespective of the subtle differentiation in setback or articulation, it is undone by the material and mass.
  11. The floors are all the same. While the building is built out at the upper stories to provide depth to create the perception of setting back the third and fourth floor, when in fact there isn't really any setback along the floors. That has to get better.
  12. The building design should have vertical elements at the property line or at an easement.
  13. The building appears to be least pleasant of all the buildings approved on First Street.
  14. The building design is uninviting.
  15. The entrance is not at the pedestrian scale with the entrance awning well up at the second story. It would be the only property on the street with such a high or tall entrance. Furthermore, the entrance is very sterile in appearance.
  16. Recommends staff look at all the examples that were in the downtown building committee report, which was adopted in total by the Council. The report provides examples for First Street, which stated "Do this, Not That". She encourages the applicant to review the examples in the report for the kinds of entrances that should occur on First Street that would make the entries warm, inviting, village-like, and make it Los Altos.
  17. The parapets add to the height, and they call attention to the height of the building.
  18. The eave projections add to feelings of mass.
  19. The courtyard is not an amenity, and it is not a Zen space. The space is going to be rather noisy and dark, and it appears very tomb-like.
  20. Supports improving the courtyard and is puzzled by it. It didn't appear to be a useful space.
  21. The windows appear industrial, and they should complement the residential (multi-family building)
  22. The windows go in a column up, and the entire look of the building is uniform. It does not have the kind of articulation and differences as we envisioned with 50-foot/75-foot modules on First Street.
  23. Does not support the glass railing (JW). Questions whether the material is appropriate (NF). The glass is a safety hazard for wildlife (LLE). The balconies, we need to lose the glass. It doesn't belong (AE).
  24. In regard to the roof amenity, there are two perspectives: 1) If we go back to our general plan, it states the FAR should be no greater than 2.0:1.0. the proposed project is almost 3.0: 1.0, the reason there isn't a place for people to play is the applicant has packed and



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- stacked the units as densely as possible. while she appreciates and agrees we add housing, the applicant has made a decision to add some two bedroom and three-bedroom units, which means the building is maxed out the space for the building. As a result, you are left with the light well (she is worried about it).
25. A lesson learned from 100 First Street, a planter wall proposed immediately adjacent to the sidewalk has the effect of reducing the size of the sidewalk and for that reason the Council has insisted that other buildings on First Street not have a vertical element immediately at the edge of the sidewalk, at the property line, or at an easement. There needs to be landscaping between a sidewalk and a planter to soften the appearance and create an inviting pedestrian appearance.
  26. The City has a long-standing practice to distribute the below market-rate units equitably, and the current proposal does not appear to equitably distribute the below market rate units throughout the building.
  27. The Below Market Rate Unit should not be adjacent to the designated trash pickup area.
  28. Supports increasing the number of below market rate units.
  29. Can we have a requirement for the below market rate units to be held in perpetuity, and have it revert to a certain number of years.
  30. In reviewing the law, it was found that the State Density Bonus law states that if a waiver will preclude the construction of the density proposed for the project...? We do need some very clear direction on when there is an optional amenity that does not otherwise impact the number of units or size of units being proposed. What are the parameters that allow us to deny, or if we must approve a waiver for the amenity?
  31. Supports the incorporation of charging for electric bicycles at each bicycle locker. Electric bicycles are a key component of the Climate Action and Adaption Plan.
  32. Supports the addition of more electric vehicle charging stations. The project shall indicate the type of EV chargers for each space. Recommends level 2 electric vehicle charging stations for each unit.
  33. A materials board with physical materials shall be provided for the project.

## **Discussion/Analysis**

### *Project Revisions*

The Applicant has provided a revised plan set that incorporate changes based on comments provided at the February 8, 2022, City Council meeting. Staff has provided a table (Attachment 4) outlining the City Council comments from February 8, 2022, and the responses from the City Attorney, staff and the applicant regarding City Council comments.



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A cover letter has been submitted by the Applicant is included in Attachment, which explains the design revisions that were made to address the Commission's concerns. The revised design plans are included in Attachment 6.

#### *Downtown Vision Plan*

The Downtown Vision Plan (Vision) is a community-based effort to provide the Los Altos community with a vision for the future of the Downtown Triangle to guide growth and development over the next 20 years. The Vision acts as the guiding document for future development of the Downtown, maintaining the community's history, values, and desired intensity of development, while also allowing for incremental change intended to facilitate a unique, vibrant village that exemplifies the exceptional character and qualities of Los Altos.

As it relates to the proposed project, the Vision provides guidance with regards to land use policies including economic and housing, built environment/development standards, and circulation. The proposed project is within the First Street District which is envisioned to have a variety of uses with enhanced pedestrian and vehicular facilities to attract people towards the Downtown center. It encourages new development to anticipate and design for mixed-use development with ground-floor commercial including high quality façades with residential above. Residences in the downtown will likely be supportive of increasing affordable units in Los Altos by either directly providing income restricted or units that are more affordable by design (i.e., smaller units). With regards to the built environment, the Vision allows for taller buildings up to three-stories but encourages upper floors to be stepped back to increase the articulation and massing of the upper story. The Vision identifies pedestrian and bicycle facilities as a key attribute of the Downtown and the community's expressed concern for further improvements. The First Street corridor was specifically identified as having opportunities to improve the pedestrian, bicycle, and vehicular movements to facilitate movements in the Downtown.

The proposed Project supports the overall goals of the Vision since it seeks to redevelop the site and provide for more intense residential density, which is anticipated and encouraged in the Downtown. The Project will include replacing the commercial office space with a 50-unit four-story multiple-family development, with the one-, two- and three-bedroom units being more affordable by design. The Project is seeking a height incentive to allow a 46-foot height, which would require the project to exceed the maximum height limit of 35 feet by 11 feet (on-menu). Along the first to third floor, the building elevations along Whitney Street and First Street were shifted outward to create a more visual step-back of the upper floor. The Project will improve the visual appearance of the site by removing the older commercial buildings, the wider sidewalk, installing a variety of front yard landscaping, and providing for visually appealing architectural detailing including a variety of exterior materials and the awning over the building entrance. The Applicant proposes to install bicycle parking in front of the building, which is quite limited along the existing street corridor, but improving with each new recently approved development.



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*Design Review Findings and Guidelines*

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 the Resolution in Attachment 1). In addition to complying with the standard design review findings, the Project must address the CD/R3 District's Design Controls (Section 14.52.110).

Overall, the Project reflects a desired and appropriate development intensity for the CD/R3 District and within the First Street District as outlined in the General Plan and the Downtown Vision. The multiple-family development provides for one, two- and three-bedroom market-rate housing units that are more affordable by design as compared to single-family housing that is the predominant housing type in Los Altos and will contribute to the commercial vitality of the Downtown. The new building will improve the streetscape and has incorporated design elements that support the residential use.

The revised architectural design uses a variety of elements to break up the bulk of the structure including building articulation, segmentation, balconies, and a mix of exterior materials. Overall, as evidenced in this discussion, and as further supported by the findings contained in the resolution (Attachment 1), the project meets the City's required design review findings and zoning district design controls. That being said, after the City Council considered the design at their February 8, 2022 meeting, they recommended specific design elements to address, which is further described in the attached table (Attachment 4) and in the section that follows.

The revised proposal improved the building's architectural integrity and relationship with a more village scale and character found in the immediate area in terms of height, bulk and design. The elevations along First Street and Whitney Avenue were modified with new two-story wall planes stepping forward with trespa meteon siding to improve its cohesiveness with the overall building and deemphasize the focal point of the corner and keep focal elements small in scale.

The building design breaks up the larger "block-like" façade by incorporating greater articulation and increased segmentation with smaller vertical elements, the introduction of full height recesses, increased step back at the fourth floor, and variation in color and materials. The fourth-floor step back was achieved by first through third floor wall planes being moved forward to improve the step-back of the fourth floor.

The building entrance is clearly identifiable, but the entry is not consistent with a smaller scale and village character. The applicant revised the entry to improve the pedestrian scale of the entrance by modifying the size of the window system. However, the entry continues to have an out-scale appearance due to the proportion of the windows and 1.5-story awning height emphasizing a greater scale, which does not reinforce the pedestrian scale of the entry. The City Council can condition the design of the entry in a manner that does not deny the project or reduce the density but improves the pedestrian scale of the entry.



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The patio spaces at the lower-level step in and out and have cantilevered elements above that provide a sense of habitation as well as relating to human scale at the ground level. The second level balconies are recessed into the façade to provide a covered outdoor space while the upper balconies step back to break up the building massing with depth and a material change.

The exterior materials and finishes convey high quality, integrity, permanence and durability, and materials are used effectively to define building elements. The exterior materials for this project reflect not only the architectural style of the building, but high-quality durable materials as well. A clean lined modern stone veneer is used at the planter elements to define the base of the building. The horizontal siding material layered with the panels defines a base and creates a layered effect to break down the building mass. These materials along with the selected color palette provide a rich street presence that is harmonious with surrounding buildings both old and new. A materials board is provided as Attachment No. 5, and a physical materials board is available for review at City Hall.

The landscape plan was not altered in the revised plan and continues to appear generous and inviting. The building along First Street has been set back a minimum of 10 feet from the property line providing a constant band of landscape planters integrated into the front of the building. In addition to this landscape buffer, there are street trees planted at regular intervals within the City right of way to provide a shaded pedestrian experience as people walk towards downtown. The maximum amount of landscaping is provided with a layering of planter wall heights. Bike racks and benches are provided. Street trees are proposed on First Street and the Alley. The existing street trees on Whitney Street are proposed to remain.

As recommended by the VTA guidelines, the project will be required to provide a minimum of one Class I (bike locker) space must be provided for every 3 units and one Class II (bicycle rack) space must be provided for every 15 units. This equates to 17 Class I spaces and 4 Class II spaces. The applicant increased the number of Class I spaces from 34 to 65 spaces, with 6 Class II spaces, exceeding the standards. See sheet T2, A07 and A10 of the submitted plans for details.

The Downtown Design Guidelines (adopted December 8, 2009) and the more recently adopted Downtown Vision Plan provide additional criteria and guidelines for new development to ensure that high quality materials are utilized, appropriate scales and massing are incorporated, and overarching Downtown characteristics are preserved and maintained. An architectural peer review report, which includes a summary of the Downtown Design Guidelines for the First Street District and a critique of the architectural design, was completed for the project is shown as Attachment 5 in the Complete Streets Commission/Planning Commission Agenda report (Attachment 3). Based on City Council comments, the Applicant chose to revise the design based on the architectural peer review report as conveyed in Table 1 below.





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*Table 1: Peer Review Summary*

<b>Third Party Review</b>	<b>Project Modification</b>
Set back the fourth floor	The fourth-floor step back was achieved by first through third floor wall planes being moved forward to improve the step-back of the fourth floor. Balconies step back the fourth floor. The wall planes are varied at the fourth floor to pull it back from the third floor.
Enhance the ground floor	The revised proposal improved the building’s architectural integrity and relationship with a more village scale and character found in the immediate area in terms of height, bulk and design. The elevations along First Street and Whitney Avenue were modified with new two-story wall planes stepping forward with trespa meteon siding to improve its cohesiveness with the overall building and deemphasize the focal point of the corner and keep focal elements small in scale at the lower floors. The project provides new sidewalk along First Street and Whitney Street with street trees, benches, bicycle racks, and extensive landscape planters, all of which contributes to an enjoyable walking experience for people headed downtown. Landscape design has extensive landscape planters along First Street enriching the 10-foot setback / buffer zone between the sidewalk and the building. Planters were stepped to provide a softer, human-scale, residential look.
Modify the corners and trellis of the building	The elevations along First Street and Whitney Avenue were modified with new two-story wall planes stepping forward with trespa meteon siding to improve its cohesiveness with the overall building and deemphasize the focal point of the corner and keep focal elements small in scale at the lower floors. The revised design breaks up the larger “block-like” façade by incorporating greater articulation and increased segmentation with smaller vertical elements, the introduction of full height recesses, increased step back at the fourth floor, and variation in color and materials. The windows were revised to be symmetrical and more residential as to address the City Council comment.



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<b>Third Party Review</b>	<b>Project Modification</b>
Garage Entries-the currently proposed façades related to the garage entry would benefit from some additional design attention	The garage entry element has been integrated into the design composition of the rear elevation to minimize it as a focal point. Wood cladding added to stair tower to accentuate and draw attention to the vertical circulation of the building.

Condition No. 19 has been added due to the entrance not being at the pedestrian scale with the entrance awning well up at the second story. The condition is provided below:

Condition No. 19: The applicant shall work with the Community Development Director to reduce the scale of the entry along First Street to be consistent with the smaller scale and village character of the downtown by lowering the awning height to the first story and revising the window and door system to be consistent with the size and pattern of the windows for the residential units.

Overall, as evidenced in this discussion, the discussion in the City Council Agenda report (Attachment 3), and as designed and conditioned, and as further supported by the findings contained in the resolution (Attachment 1), the project will meet the City’s required design review findings and zoning district design controls.

*Affordable Housing - Density Bonus and Development Incentives*

Chapter 14.28 of the Municipal Code 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 39 units, the project must provide 5.85 (rounded up to six) affordable units. Since the applicant is proposing seven unit, the project is in compliance with the City’s Affordable Housing Ordinance. Table 2 below breaks down the proposed unit types and sizes for both the affordable and market rate units for consideration by the Council:

*Table 2 – Affordable and Market-Rate Unit Breakdown*

	<b>Unit Type</b>	<b>Affordability</b>
Affordable	Studio	1 (very low income)
	1- bedroom	3 (2 very low-income + 1 moderate-income)
	2-bedroom	3 (moderate income)



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	<b>Unit Type</b>	<b>Affordability</b>
Market Rate	Studio	1
	1-bedroom	4
	2-bedroom	27
	3-bedroom	11
<b>Total</b>		<b>50</b>

Four moderate-income units are required to comply with the City’s Inclusionary Housing Ordinance, Los Altos Municipal Code Section 14.28.020. By the applicant providing four moderate income units, the project is complying with the City’s Affordable Housing Ordinance requirement to provide the majority of units at the moderate-income level.

Housing Element program 4.3.2 requires that affordable housing units generally reflect the size and number of bedrooms of the market rate units, Chapter 14.28.030.C requires that affordable units be dispersed throughout the project, and shall not be significantly distinguishable by size, design, construction or materials. In this case, the overall project is proposing four three-bedroom units. The project includes one one-bedroom and two two-bedroom units at the moderate-income level and one studio unit and two one-bedroom units at the very-low-income level. The project proposes 44 market rate units, with one studio unit, four one-bedroom units, 28 two-bedroom units, and 11 three-bedroom units. Due to the percentage of overall affordable units proposed, it appears that the proposed unit type of affordable housing units meets the intent of the program in regard to size, construction and material. However, the applicant has not equitably distributed affordable units by placing two units (29 percent of affordable units) immediately adjacent to the trash room, while market-rate units are not placed at similar locations. Therefore, the applicant has not met the intent of the program.

Condition No. 20 has been added to equitably distribute affordable units and market rate units immediately adjacent to the trash room, 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. The condition is provided below:

Condition No. 20: The applicant shall work with the Community Development Director to equitably distribute the market-rate and affordable dwelling units immediately adjacent to the trash room at the first and second story to not be significantly distinguishable with regard to design, construction or materials.



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Thus, as designed and conditioned, the proposed affordable housing units appear to meet the intent of the City's affordable housing requirements

#### *Density Bonus*

Under the State's density bonus regulations (Section 65915 of the California Government Code), the project qualifies for a 27.5% density bonus if it provides at least 8% very-low-income units, for a total of 11 units at a base density of 39 units, for a total of 50 units.

#### *Density Bonus Concessions*

Since the project is providing more than five percent of its units as affordable at the very-low-income level, it qualifies for one 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. 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).

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.

There is not sufficient evidence currently in the record to make either of the other required findings for denial, i.e., that the incentive or concession would not result in identifiable and actual cost reductions to provide for affordable housing costs or would be contrary to state or federal law. Therefore, staff recommends the granting of the Applicant's requests.

#### *Density Bonus Waiver*

In addition to requesting incentives and concessions, applicants may request the waiver of an unlimited number of development standards that would physically preclude the construction of a project with the density bonus and the incentives or concessions to which the development is entitled, per Government Code Section 65915(e)(1), which reads:



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*In no case may a city, county, or city and county apply any development standard that will have the effect of physically precluding the construction of a development meeting the criteria of subdivision (b) at the densities or with the concessions or incentives permitted by this section. Subject to paragraph (3), an applicant may submit to a city, county, or city and county a proposal for the waiver or reduction of development standards that will have the effect of physically precluding the construction of a development meeting the criteria of subdivision (b) at the densities or with the concessions or incentives permitted under this section, and may request a meeting with the city, county, or city and county. If a court finds that the refusal to grant a waiver or reduction of development standards is in violation of this section, the court shall award the plaintiff reasonable attorney's fees and costs of suit.*

*Density Bonus Waiver #1*

Applicant is requesting a waiver of the development standard set forth in LAMC Sec. 14.74.200(A) which requires that perpendicular parking spaces in off-street parking facilities must have a width of no less than nine (9) feet. Based on information provided by the project architect, to provide the amount of parking proposed by the Project, the width of twelve (12) of the parking spaces was reduced to 8.5 feet x 18feet.

*Density Bonus Waiver #2*

Applicant is requesting a waiver to allow for a building height to allow the elevator to be 17 feet six inches when the code prohibits roof top structures taller than 12 feet in height. Based on information provided by the architect for the Project, an elevator shaft is necessary to comply with accessibility standards please see Attachment 3-(Density Bonus Report) and Attachment 4 (Elevator Shaft Details) for further details.

The waiver requests appear appropriate and reasonable for a project of this size and scope. There is sufficient evidence currently in the record that the development standard (absent the requested waiver) would have the effect of physically precluding the construction of the development meeting the criteria of the State Density Bonus Law or the Los Multiple-Family Affordable Housing Ordinance at the densities or with the incentives permitted thereunder was confirmed in the Density Bonus Report. The concession or incentive would not 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 very low-income and moderate-income households. Therefore, staff recommends the granting of the Applicant's requests.

A Density Bonus Report that supports the density bonus, development incentives and waiver requests was prepared by the Applicant and is included in Attachment 2 of the Complete Streets Commission/Planning Commission Agenda report (Attachment 3)



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### *Density Bonus and Parking*

Under the provisions of Density Bonus law, the project is entitled to reduced parking ratios and is only required to provide 70 parking spaces. The project proposes to exceed this requirement by providing 111 total spaces (99 regular sizes stalls (9x18 in size) and 12 reduced spaces (8.5 x18).

### *Subdivision*

The Project includes a Vesting Tentative Map to create one lot for further subdivision with a condominium plan. The recording of a subsequent condominium plan would further allow for division of the air space for the four residential units as well as assign below grade parking spaces and other common areas. As outlined in the resolution, the subdivision is in compliance with the General Plan, 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*

An Initial Study/Mitigated Negative Declaration was prepared for the proposed project in conformance with California Environmental Quality Act. The analysis has determined that there are no significant environmental impacts with implementation of proposed mitigation measures. On November 2, 2021, a Notice of Intent to Adopt a Mitigated Negative Declaration was filed with the County Clerk for a twenty (20) day comment period. The City received a request to be notified about projects in the city of Cupertino from the Tamien Nation, because the city is within the geographic area with which they are traditionally and culturally affiliated. The City consulted with Tamien Nation for this Initial Study/Mitigated Negative Declaration. No comments were received for this project. The Initial Study and Mitigated Negative Declaration are included in the City Council Agenda Report (Attachment 3) within Attachment 6 of the December 2, 2021 Planning/Complete Streets Commission report.

## **Options**

- 1) Approve Resolution No. 2022-XX

**Advantages:** The project will replace underdeveloped commercial properties with a high-quality multiple-family development that helps the City meet its goals for producing new housing units and is supportive of the goals of the Downtown Vision Plan.

**Disadvantages:** The amount of commercial building space along First Street will be reduced.



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2) Do not approve Resolution No. 2022-XX

**Advantages:** The existing commercial buildings on the sites will be maintained.

**Disadvantages:** The City will not make any progress on achieving its goals for the production of new housing units and implementation of the Downtown Vision Plan.

**Recommendation**

The Planning Commission and staff recommend Option 1.