



DEPARTMENT OF COMMUNITY DEVELOPMENT

CITY HALL

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CITY COUNCIL STAFF REPORT

Meeting: July 5, 2016

Subject

Second reading of Ordinance No. 16-2144, approving a development agreement by and between the City of Cupertino and IAC at Cupertino LLC, for the Hamptons project located at 19500 Pruneridge Avenue.

Recommended Action

Conduct the second reading of Ordinance No. 16-2144 "An Ordinance of the City Council of the City of Cupertino approving a development agreement by and between the City of Cupertino and IAC at Cupertino LLC, for the Hamptons project located at 19500 Pruneridge Avenue" (Attachment A).

Discussion

On June 21, 2016 the City Council introduced and conducted the first reading of Ordinance No. 16-2144. The City Council unanimously approved (4-0-1, Chang absent) a revision to the number of below market rate (BMR) units to be incorporated into the proposed ordinance for the second reading. Attachment B has a redline version of the development agreement with the revised BMR units as well as some minor revisions such as typographical error corrections and additional language for clarification, summarized as follows:

1. The revision is for a total of 71 BMR units to be designated as follows:
 - 34 units to match the existing mix of units types for low and very low income households;
 - 30 units for moderate income households; and
 - 7 units for low income households.
2. BMR units are currently rented for 17 low and 17 very low income households; however, the existing regulatory agreement (recorded in 1997) includes a restriction for moderate-to-low income while providing an exhibit that designates 16 units for low and 18 for very low income households. Due to this lack of clarity in the 1997 document, terms within the development agreement would not require eviction for existing households for being over income, but that if there is a vacancy during the term of the existing regulatory agreement, the next unit must be rented to a very low income household.
3. No credit is given for unoccupied units during the suspension period.
4. The development agreement provides a case-by-case consideration of BMR units available at other Irvine-owned properties upon request.

Environmental Review

Pursuant to the requirements of the California Environmental Quality Act (CEQA), an Initial Study/Mitigated Negative Declaration (IS/MND) has been prepared and adopted. The IS/MND is tiered from the General Plan EIR in accordance with Sections 15152 and 15168 of the CEQA Guidelines and Public Resources Code Section 21094.

Sustainability Impact

The project proposes sustainability elements including recycled water line for landscape irrigation, replacement of higher water-use landscape with California natives and/or drought-tolerant/climate-appropriate species, EV charging stations, and a multi-modal approach to overall goal of reducing dependence on cars.

Fiscal Impact

The development agreement provides funding for the following community benefits:

1. Civic facilities: \$7,000,000
2. Extend reclaimed water line for potable water conservation: \$1,800,000
3. Wolfe Interchange project: \$7,000,000
4. Santa Clara Unified School District, \$2,400,000. In 1997, the property was mapped and recorded in the Santa Clara Unified School District service boundaries.
5. Transportation Demand Association set-up, \$250,000
6. Transportation Demand Association operations, \$50,000 per year

Prepared by: Catarina Kidd, Senior Planner

Reviewed by: Aarti Shrivastava, Assistant City Manager

Approved for Submission by: David Brandt, City Manager

Attachments:

- A. Ordinance No. 16-2144
- B. Development agreement
- C. Redline version of ordinance and development agreement