



COMMUNITY DEVELOPMENT DEPARTMENT

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CITY COUNCIL STAFF REPORT

Meeting: December 21, 2021

Subject

Consider modifications to the approved Westport Development project which include adjusting unit mix in the assisted living facility (Building 1) to 123 assisted living units and 35 memory care rooms, reclassification of approximately 8,000 square feet of public dining area to private dining, reducing the underground parking to reflect adjustments in uses, and reduction of massing on the top floor to accommodate a sixth floor aqua therapy pool; (Application No(s): M-2021-002, ASA-2021-007, EXC-2021-003; Applicant(s): Related California (Cascade Zak); Location: 21267 Stevens Creek Boulevard; APN #326-27-043)

Recommended Actions

Consider the evidence presented and determine whether to adopt the following resolutions approving the proposed project modifications (Attachments A-C):

1. Resolution No. 21-XX approving the Heart of the City Exception (EXC-2021-003);
2. Resolution No. 21-XX approving the Modified Development Permit (M-2021-002);
and
3. Resolution No. 21-XX approving the Architectural and Site Approval Permit (ASA-2021-007)

If the City Council wishes to deny the project, adopt the following resolution (Attachment D):

1. Resolution No. 20-XX denying Development Permit (M-2021-002), Architectural and Site Approval Permit (ASA-2021-002), and Heart of the City Exception (EXC-2021-003).

City Council Action December 7, 2021

At the City Council hearing on December 7, 2021, the City Council considered the evidence presented by City staff, as well as the applicant, and received public comment. After discussing the application, Vice Mayor Chao moved, and Moore seconded a substitute motion to provide direction for the applicant to come back with a modified proposal to:

- Place the dining facility at a different location in the building, so the ground retail portion is not modified from the approved project.
- Explore the potential for one of the townhouses or rowhouses be affordable as a Below-Market-Rate (BMR) unit for-sale or for-rent; and
- Explore extending the subterranean garage under Building 2.

Council continued the item to be considered at the December 21, 2021, City Council meeting. The substitute motion carried with Wei voting no.

Discussion

Project Data:

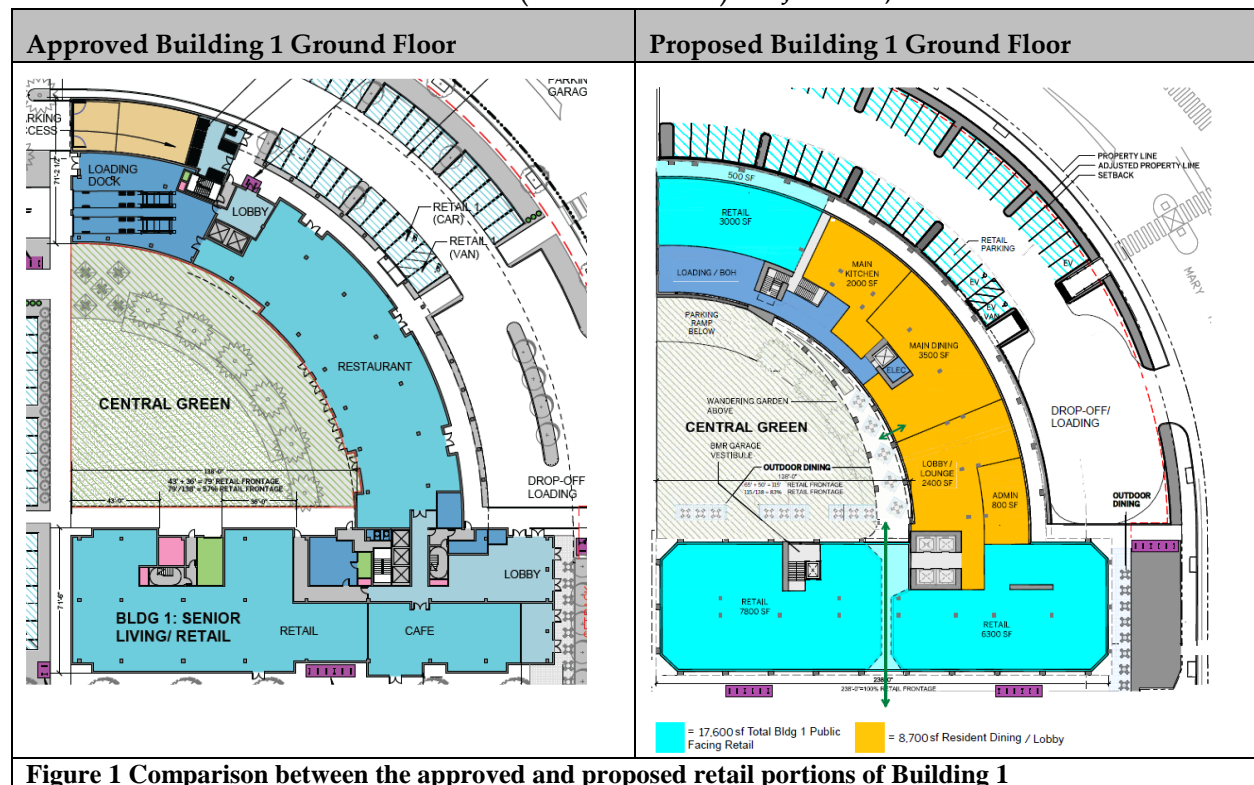
	Approved on August 18, 2020	Proposal Presented on December 7, 2021	Revised Proposal
Units within Building 1	131	123	123
Total number of units within the Westport Development	267	259	259
Residential Density	33.79 du/acre	32.78 du/acre	32.78 du/acre
Height of Structures	Building 1 – 79.5 feet	No Change	No Change
Memory Care Rooms	27	35	35
Building 1 Parking			
Residential	81	80	No Change ¹
Residential Care	27	28	No Change
Retail	103	41	71
Total Building 1	211	149	179
Building 1 Retail			
Stevens Creek Boulevard frontage	91%	100%	100%
Rear of building	57%	57%	83%
Retail Square Footage	17,600	10,000	17,600

¹ Although the residential parking has not changed for Building 1, the amount of mechanical lifts has been decreased to 76. The other 4 spaces will be handicapped.

Related California (future operators of the assisted living facility in Building 1), made the following revisions to the project in response to City Council direction:

- The approximately 8,000 square foot ground floor dining facility will continue to be limited to the residents of Building 1 and their guests only. However, a 3,500 square foot retail unit will be added to the sickle portion facing Mary Avenue by rearranging the loading dock, as well as parking ramp. The parking ramp will now go under the Central Green.
- The lobby area will now be relocated within the lounge/dining area. This creates approximately 14,100 square feet of retail along the Stevens Creek Blvd. frontage of Building 1. This is an increase of 4,100 square feet of retail along this frontage from the originally approved project.
- Reducing the parking space count by 32 spaces, instead of 62 to account for the increase in retail.

The applicant has coordinated with the developers of the Townhouse/Rowhouse and BMR building portions of the Westport development. Neither would agree to the allow for a townhouse or rowhouse to be affordable as a Below-Market-Rate (BMR) unit for-sale or for-rent, and to extend the subterranean garage under Building 2 as was approved with Director’s Minor Modification (DIR-2021-009) on June 29, 2021.



Building 1 Physical Modifications, Unit Mix, and Parking

The applicant is continuing to modify Building 1 as described previously on December 7, 2021, and in this Staff Report. The developer is proposing to modify certain elements of Building 1. These include the following:

- Reduction of massing on the top floor to accommodate a sixth-floor aqua therapy pool. The aqua therapy pool is an amenity offered to the residents as a component of an overall wellness program for seniors who may have physical limitations to other types of activities. The sixth-floor modification will reduce the western building elevation and perceived height of the building along Stevens Creek Boulevard.
- Adjustment of the ground floor height from 20-0' to 16-8' and incremental increases to floors heights above to optimize floor heights for residential occupancy. Note that there is no change to the overall height of the building.
- The sickle portion of the building along Mary Avenue is increased in depth (wider) by approximately 8 feet (on December 7, 2021, the developer proposed 5.5 feet increase) from the entitled plan. This is meant to improve access for seniors' circulation within their residential units and the common corridor, especially those with mobility issues. The decrease in the open space is 845 square feet (44,945 square feet entitled – 44,100 square feet proposed), but still within the Heart of The City's Specific Plan Standards (38,850 square feet required).
- The parking ramp will now go under the Central Green.
- Memory Care terrace moved to the inside of the building to overlook the Central Green, rather than the parking lot. This change provides for a quieter and sunnier experience for the memory care residents. Please refer to Sheet A22 of Attachment G for an illustration.

All changes listed above do not have an effect on the programming of the site and are all within the standards of the zoning ordinance as well as the Heart of the City Specific Plan.

The applicant is continuing to provide the unit mix as proposed in Table 1, on the next page.

Table 1 Unit Comparability Between Buildings 1 &2			
Approved Building 1 (131 Units)	Studio	One Bedroom	Two Bedroom
Average Unit Size	537.7 s.f.	691.3 s.f.	1,087 s.f.
Unit Count	26	74	31
Mix Percentage	20%	56%	24%
Proposed Building 1 (123 Units)	Studio	One Bedroom	Two Bedroom
Average Unit Size	530 s.f.	710 s.f.	1,110 s.f.
Unit Count	12	75	36
Mix Percentage	10%	61%	29%
Building 2 (48 Units)	Studio	One Bedroom	Two Bedroom
Average Unit Size	518.6 s.f.	615.7 s.f.	843 s.f.
Unit Count	9	28	11
Mix Percentage	19%	58%	23%

To further save on excavation, the applicant is proposing ‘stackers’ which could accommodate two cars on a single space. These mechanical units will be maintained and operated by staff of the assisted living facility and will be limited to the residents of Building 1. See this [link](#) for reference to the stacking machines that have been used at other Atria facilities.

Other Department/Agency Review

The City’s Building Division, Public Works Department, Environmental Services Division, Sheriff’s Department, Cupertino Sanitary District and the Santa Clara County Fire Department have reviewed and conditioned the project.

Environmental Review

An Initial Study was prepared and a Final EIR (State Clearinghouse 2019070377) was certified for the project, The Final EIR identifies mitigation measures to reduce the potentially significant environmental impacts of the project to less than significant levels. These mitigation measures were adopted and made conditions of project approval. The proposed changes to the project would not have any new or substantially more severe significant environmental impacts, because the physical modifications would not have an adverse physical effect on the environment.

Public Outreach and Noticing

The following table is a summary of the noticing done for this project:

Notice of Public Hearing, Site Notice & Legal Ad	Agenda
<ul style="list-style-type: none">▪ Site Signage (<i>10 days prior to the hearing</i>)▪ Legal ad placed in newspaper (<i>at least 10 days prior to the hearing</i>)▪ Public hearing notices were mailed to property owners within a 300' radius of the project site (<i>10 days prior to the hearing</i>)	<ul style="list-style-type: none">▪ Posted on the City's official notice bulletin board (<i>one week prior to the hearing</i>)▪ Posted on the City of Cupertino's website (<i>one week prior to the hearing</i>)

Public Comment

The city has received comments from members of the public prior to, and at the meeting on December 7, 2021. These were presented to City Council as desk items as well as during the public comment portion of the agenda item.

Fiscal Impacts

The project will most likely generate a renewed source of property tax increases as well as required mitigation fees for park development and traffic impact fees.

Sustainability Impacts

As an infill redevelopment priority housing development in a designated Priority Development Area and Transportation Planning Area, the proposed project would be consistent with the overall intent of the City's Climate Action Plan (CAP) to support reductions in GHG emissions and the proposed project would not conflict any goals or measures to reduce GHG emissions in the CAP and impacts would be less than significant as analyzed in the EIR.

Conclusion

Staff is recommending that the City Council consider the evidence presented and approve or deny the project in accordance with the attached draft resolutions.

Denial of the Proposed Modifications of the Westport Project

If the City Council is inclined to deny the modifications to the project based on the evidence presented, findings could be made that the modifications to the project:

- Are inconsistent with the BMR Manual's standard of comparability as the Below Market rate units in Building 2 are not comparable to the market rate units in terms of unit type, and number of bedrooms per unit in the assisted living facility of Building 1.

Approval of the Proposed Modifications of the Westport Project Project

Alternatively, if the City Council decides to approve the modifications to the project based on the evidence presented, findings could be made that the modifications to the project:

- Are consistent with the BMR Manual's standard of comparability as the Below Market rate units in Building 2 are still comparable to the market rate units in terms of unit type, and number of bedrooms per unit in the assisted living facility of Building 1.
- That the Heart of the City Exception for the original project was approved because the development is constrained by the fact that the Stevens Creek Boulevard frontage is adjacent to the on-ramp for Highway 85. This discourages pedestrian traffic and reduce the visibility of future retail tenants, significantly limiting the viability for commercial use. This alone is enough to allow for the reduction in retail along Stevens Creek Boulevard, as a commercial component is not required to be located along secondary streets such as Mary Avenue.

Next Steps

The City Council's decision will be final unless reconsidered within 10 days of the decision. The applicant may apply for building permits at that time.

Prepared by: Gian Paolo Martire, Senior Planner

Approved by: Benjamin Fu, Director of Community Development

Approved for Submission by: Dianne Thompson, Acting City Manager

ATTACHMENTS:

- A. Draft Resolution for EXC-2021-003
- B. Draft Resolution for M-2021-002
- C. Draft Resolution for ASA-2021-007
- D. Draft Resolution for Denial
- E. Council Update Package, dated December 14, 2021
- F. Letter from Matthew Witte and Mark Alexander to Cupertino City Staff & Council dated October 4, 2021
- G. Plan Set