

CITY OF CUPERTINO  
10300 Torre Avenue  
Cupertino, CA 95014

CITY OF CUPERTINO  
PLANNING COMMISSION MEETING  
DRAFT MINUTES

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6:45 P.M.	MAY 10, 2016	TUESDAY
CITY COUNCIL CHAMBERS		

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The regular Planning Commission meeting of May 10, 2016, was called to order at 6:45 p.m. in the Cupertino Council Chambers, 10350 Torre Avenue, Cupertino, CA. by Chairperson Takahashi.

**SALUTE TO THE FLAG**  
**ROLL CALL**

Commissioners Present:	Chairperson:	Alan Takahashi
	Vice Chairperson:	Margaret Gong
	Commissioner:	Winnie Lee
	Commissioner:	Geoff Paulsen
	Commissioner:	Don Sun

Staff Present:	Assistant City Manager:	Aarti Shrivastava
	Assistant Community Development Director:	Benjamin Fu
	Consulting Attorney:	Colleen Winchester
	Senior Housing Planner:	C. J. Valenzuela
	Capital Improvements Program Manager:	Katy Jensen
	Director of Public Works:	Timm Borden
	Senior Planner:	Catarina Kidd

**APPROVAL OF MINUTES:** None  
**WRITTEN COMMUNICATIONS:** None  
**POSTPONEMENTS/REMOVAL FROM CALENDAR:** None  
**ORAL COMMUNICATIONS:** None  
**CONSENT CALENDAR:** None

**PUBLIC HEARING**

1. **CP-2016-01** Review of Five Year Capital Improvement Program FY 2017-  
**City of Cupertino** 2021 (2016-2017 to 2020-2021) for conformity to the City's  
General Plan

**Katy Jensen, Capital Improvements Program Manager, presented the staff report:**

- Reviewed the background of the Five Year Capital Improvement Program (CIP) for FY 2017-2021 for conformity to the city's General Plan. Each year the City Council adopts a five-year spending plan for capital improvements throughout the city. The CIP is critical because it prioritizes significant city expenditures on capital projects of importance to the city. The city appropriates funding for the first year of the CIP as part of the adoption of the budget for the next fiscal year. Funding is not committed for years 2 through 5 of the program, as project priorities may change and project schedules may accelerate or decelerate.

**Timm Borden:**

- Relative to what did not make it to priority one, he said staff was pleased with the list of projects that were prioritized this year. There wasn't a lot of weeding out of good projects; fortunate to have a healthy budget, working with our recreation community services, and our maintenance group in Public Works. Is very happy with list for projects moving forward.

**Chair Takahashi:**

- Said there is very strong alignment to the General Plan with regard to the proposed projects, specifically implementation of several elements of the pending approved bicycle transportation plan; a lot of those elements came from the prior transportation plan but they tended to be more "this would be a great thing to do" and really gaining traction on those projects was challenging most of the time, so to see a highly funded part of this going to that is great because it does align with interconnection promoting bicycle and pedestrian connectivity and safety; those are both elements that are key to trying to manage traffic and congestion. One of the projects specifically noted was a signal light on 280 and Foothill interchange and that is understandable why that light is being proposed. Said he would recommend that because it was a challenge to get done on the Bike/Ped Commission because that area is the intersection of Caltrans and Los Altos and Cupertino and there is a jurisdictional challenge with better striping on Foothill Blvd., specifically the southbound Foothill.
- Said his reason for bringing it up is because similar to the fatalities in Palo Alto on Page Mill Road and Alpine Road, and the level of bike traffic there, it is only a matter of time before there is a bad accident there; and not doing something in terms of striping and controlling that would be negligent. It is terrific that they are able to fund these projects and fully support the alignment with the General Plan.

**Com. Sun:**

- The job of the Planning Commissioners is to review whether the budget fits with the General Plan; said that he did not think there was anything they could identify with the General Plan. In the future, it is hoped for the City Council, Planning Commission or Public Works Department if there is a similar situation they would like to see what was done before and what is the criteria to measure whether they are successful with the budget. They do not have a clear picture of how efficiently they spend taxpayers' money.
- Relative to public input and when the Capital Improvement Program is done he said he would like to hear from the neighborhood and get feedback from the public. Said he was concerned for the Monta Vista area; it is on the east side of the city, and there was some street light issues not addressed; at night time it is very dark. Would like to address those kinds of issues, but in general find no issues or anything wrong with the Capital Improvement Program.

**MOTION:** Motion by Vice Chair Gong, second by Com. Sun, and unanimously carried 5-0-0 to adopt the draft resolution application No. CP-2016-01.

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| <p>2. ASA-2015-13, DA-2015-01,<br/>DP-2015-04, TR-2015-21,<br/>U-2015-05, (EA-2015-03)<br/>Carlene Matchniff<br/>The Irvine Company<br/>19500 Pruneridge Ave.</p> | <p>Architectural and Site Approval for demolition of a 342 unit apartment complex (The Hamptons) and the construction of a new 942 unit apartment development on the same site with associated site and landscaping improvements, Development Agreement for a new 942 apartment unit developments in a Planned Residential Zoning District, Development Permit to Allow the demolition of a 342 unit apartment complex. (The Hamptons) and the construction of a 942 unit apartment complex in a Planned Residential Zoning District, Tree Removal permit to allow removal and replacement of 277 trees in conjunction with the</p> |
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construction of a new apartment development, Use Permit to allow a separate bar facility within a clubhouse located in a 942 unit apartment development.

**Catarina Kidd, Senior Planner, presented the staff report:**

- Reviewed the application for redevelopment of the Hamptons Apartments with associated amenities and landscaping, located at 19500 Pruneridge Ave., northeast of Wolfe Road and I-280, as outlined in the staff report. The proposal is to demolish an existing 342 unit apartment complex and construct a new 942 unit apartment complex in a Planned Residential Zoning District. She reviewed the General Plan and Zoning, Housing Element, Site Plan, Architecture which is detailed in the staff report. The proposed residential complex consists of 6 buildings and approximately 32,000 sq. ft. of associated recreation and amenity areas such as a bicycle hub, pool areas, restrooms, juice bar, clubhouse and 3 levels of parking. The elements for the project also include a recycled water line from Wolfe Road and would continue from the north to the project site and be used to irrigate the landscape for the site in general. The exception are the trees which are being preserved along the property lines; redwood trees would require potable water; however, the remainder of the site would be amenable to recycled water.
- The architecture is a design concept that is looking to be compatible with the landscape around it; hence the landscape between each dwelling and the preservation of the redwood trees along the perimeter which would provide screening, visual relief for the height of the buildings. The project incorporated recommendations of the city's consulting architect to increase the quality of the design elements and included those discussed earlier such as pedestrian and bicycle sense of arrival and linking this site to the sites around it. She discussed landscape and tree removal as outlined in the staff report. There will be a landscape buffer zone around the site that includes existing trees but also new landscaping as well as the observation of the setback which is the 50 foot setback required from the arterials to the building plane, a 60 foot height limit and also a landscape buffer around the entire site between the tallest portion of the buildings being placed at the center of the site. Relative to tree removal, as a result of redevelopment of the site, there will be a proposed removal request for 276 trees at the center of the site. A great deal of effort was made to preserve the perimeter trees but also to transport any of the candidates on site. The majority of the species are not protected by the Municipal Code in terms of species but they are protected because they are approved development trees, as part of the original approval and replacement plantings are required.
- Transportation/parking was reviewed as outlined in the staff report. The Municipal Code requires 2 parking spaces per unit; the project proposes 1.8 spaces per unit (1696 spaces for 924 units). The application is providing alternative transportation measures, promoting pedestrian oriented or bicycle oriented uses and that in combination with the location of the site it provides additional findings to support that request.
- She noted a correction in the development agreement. In the staff report the list of Items 1 through 9 listed as voluntary contributions beyond required fees and the correction is Items 1 through 5 are considered the voluntary contributions; Items 6, 7, 8 and 9 are either required elements that would be separate agreement such as the affordable housing agreement or condition of approval which would apply to Item 9, the Transportation Demand Program, and that would be required based on General Plan Policy.
- Staff recommends these additional transportation demand contents which is fair share contributions for the Transportation Management Association when formed. The applicant would provide VTA eco passes to residents who have one or no cars per residential unit.
- Staff recommends that the Planning Commission recommend that the City Council approve the five applications; next steps will be that the Commission's recommendations would be forwarded to the City Council for action. Staff would amend the resolutions.

Staff answered Commissioners' questions about the application.

**Com. Sun:**

- First question relates to traffic for Hampton apartment residents in and out; I didn't see very clearly for the pedestrian/bike and cars how they access to the Wolfe Road there and other exits; I want to have a more clear picture and also it is in the General Plan we have traffic impact analysis but on the proposal here, it is not finalized yet. For us to consider the traffic impact we want to get a clearer picture and how this 600 extra units generate what kind of traffic impact before we can make some final decisions.
- The second question regarding the unit, the BMR housing is 34 units; does the owner or applicant have any intention to increase the number of BMR units; if we see the units next to Apple, and the structure of the housing unit is a studio, 1 bedroom, 2 bedroom, that looks like it will only supply Apple employees and at least I think we can consider some citywide residences, the young people and other public servants, they are a mix of the residents. Can the city answer or the applicant answer.
- The third question relates to parking. The city code requires 2 cars per unit and we have 1.8. If we approve this one, is it going to be the exception or whatever the city recommends to, not mandate.

**Catarina Kidd:**

- Relative to the Wolfe Road access as far as pedestrians and bikes, there are sidewalks around the entire development; they will have to restripe Wolfe Road for bikes and peds; some of that work will be done in conjunction with some of the improvements Apple has done further north and Irvine Company would pick up those improvements where they left off including striping and the pedestrian crosswalks and so forth, so there is some work that needs to be done on Wolfe Road; it is a condition of approval. The traffic impact analysis in the Initial Study is final. What was brought up in report was regarding the traffic impact fee and that was brought up as stated in the last item as well that the nexus study was in progress. The applicant is aware that they are subject to that fee, just because that nexus study is not complete, does not mean they are not subject to it because the project is tiering from the General Plan EIR and the mitigation measures set out in that broader program apply to all new projects coming forward. She clarified that the traffic impact analysis is complete and is part of the technical appendices in the Initial Study. The traffic engineer and team are available tonight if there are more questions. Regarding the 34 units for the BMR, the applicant can answer that question as well; presently on the table is the 34 units will continue their term first carried out in the late 90s; there are about 12 years left on those units. Staff would agree with your comments that anything we can do to strengthen that is positive and the right thing to do.
- The applicant would have to make more comments about that but they are making some commitments regarding maintaining and continuing those units. As far as parking, it is not an exception per se, this is a planned unit development for residential; so the muni code and General Plan talks about these types of areas having a unified plan that works for the development with some flexibility and things like setbacks, and they are not asking for setback flexibilities but the parking exception, it is not really an exception per se, it would be a flex item. It is actually more parking than the existing Hamptons; it was approved at 1.76 and the development across the street was approved at less, at 1.8 as well. There have been other developments that have been approved at less than 2 per unit, but the question we always have on the table is not necessarily about precedence, but what works. If the study shows it is not working, then we as staff would have a problem with it; in this case the studies are supporting that finding that it's working and it fits this kind of development. It wouldn't be a precedent.

**Chair Takahashi:**

- Only question on parking and 1.8 not concerned about capacity; the spaces are small, that might be something residents might be concerned about; there are some tandem spaces; looks like there is only one way in and one way out of the main garage. When applicant speaks, would like to discuss what has been looked at in terms of potential hazards and risks associated with that many spaces having

one way in and one way out. The other element in the parking, now there is a proposal for 40 EV chargers; I think that should be double at a minimum but we can talk about that in closing comments. The transportation mitigation; given that here they are applying and there is no plan yet, there is an unknown dollar figure that if you are a developer that is a risk you can't deal with, how does the city plan on dealing with an unknown dollar, and ask the applicant what their thinking is on this as well.

**Catarina Kidd:**

- The access to the site is on Pruneridge and that was thought out between staff and the applicant. The project went to review with Public Works and Fire Dept., there was a strong recommendation against having vehicular access other than for EVA or service on Wolfe. Pruneridge on the interior point is where there is access in and out; it follows the existing pattern and also is in line with requirements from Fire and Public Works as well as Transportation Study is what is the safest way to get in and out of the site. We did want that corner to be a lot more pedestrian oriented and the access for vehicles to be placed was very strategic as well so following the patterns that are there is one piece of that puzzle.

**John Jenkins, Irvine Company:**

- Presented drawings and discussed the Hamptons redevelopment project in detail, including amenity space with café seating providing the opportunity to sit and relax or read a book or visit with a friend. There will be a pedestrian bicycle connection for residents who work across the street. Around the perimeter of the site there will be a perimeter amenity trail with active and passive programming for the residents and at each of the access points there will be a lobby space coming down from the building allowing people to venture in and out of the building, bring their bikes in and out; and a bicycle storage and repair station for people to tune up their bikes or get air in their tires before they go out for a ride. It promotes connectivity with the street and gets people out of the building and out on their bikes. Along the trail they are looking to introduce some amenities including an outdoor gym, children's playground and a dog park. It is an opportunity to provide amenities that cater to a wide range of demographics from toddler age to teens, adults and seniors. The amenity spaces provided will appeal to a wide range of residents. The landscape concept is focused around three big ideas including a screen around the perimeter where native plants are introduced and we preserve the 70 ft. redwoods that exist along the perimeter which provide a rich buffer to the street. The heart of the project is an elevated amenity deck, called linear park which features resident pools, informal and formal spaces, active and passive amenity spaces and portals. They are committed to LEAD gold certification or equivalent in this community.
- The architect and landscape architect showed a video presentation of their vision for the Hamptons project. Models of the project were also available for viewing. There was a short break in the meeting to allow the Commission and audience to view the models of the project.

**Com. Sun:**

- Questions to city staff and I would like to ask applicants about the BMR housing; what is the option you have and what is the basic tendency of whether you have any intention for increase to benefit some local residents.

**Carlene Matchniff, Irvine Company:**

- When we began this project we understood that the city was about to adopt the housing impact fee of \$25 per sq. ft. which we are paying on the 600 new units, about \$12.9 million. We also agreed to continue the original 34 BMR units which are low and very low in the Hamptons when it reopens, and also agreed to a BMR location program for the tenants so they will be taken care of and can move off property and then have the ability to return should they desire to return, or have other options if they chose not to return to the Hamptons.

**Com. Sun:**

- For the BMR, the other benefit whether it is relocation or not, not concerned about that; thinking whether the applicant is considering the proportional increase the BMR unit, instead of 34, the increase of the 600 units; is there any chance to increase the BMR proportion?

**Carlene Matchniff:**

- What they are looking at and studying is the opportunity to extend the timeframe because there are 12 years left on the original agreement; they are looking at extending that back to where it started with the 30 year commitment; have not finished the analysis yet. That is an option; as far as increasing, the economics of this project are very tight, given all of the community benefit package mentioned earlier and all of the fees, demolishing the 342 units in place and given the number of units given in the housing element and when started, asked for 750 units and got 600; economically are not able to increase the number of units but are studying the extension of years on those units. The housing fee is estimated to be \$12.9 million.

**Chair Takahashi:**

- How are those funds utilized with regard to BMR units?

**C.J. Valenzuela, Senior Housing Planner, City of Cupertino:**

- Annually the RFP is published and goes out not only to the local developers and non-profit agencies and public service agencies in Santa Clara County, but more outside the area, over 500 organizations. What has been done in the past is substantial acquisition, rehab, development loans, fair housing, tenant landlord services, it's a combination of things. Explained the process in place to be able to inquire to agencies to be able to apply, goes to the Housing Commission who does an initial rating and ranking and those recommendations are forwarded to City Council. Every year they spend money out of the BMR housing fund. The balance has been growing; other opportunities for the future could be looked at; acquisition of existing properties such as under-utilized properties such as apartment complexes, smaller scale apartment complexes for low income housing tax credit projects; we have recently got more funding. That fund has been carrying a low balance for some time; recently adopted updated housing mitigation fees last year which didn't go into effect until July; this would be one of the first projects that would pay the new level \$25 per sq. ft. in this particular scenario; prior to that it was at \$3 per sq. ft.

**Chair Takahashi:**

- From your perspective, which is a better trade because asking them to increase their BMR units and pay this fee does seem unreasonable, from a trade perspective and increasing units more quickly without having as much variability with regard to sites that are for sale, would it be possible to take some of this \$12.9 million reduce that requirement, and add more BMR units?

**C. J. Valenzuela:**

- The priority is getting more BMR units which is the intent of the program. The environment changed due to the state cost of the Hawkins Act and the famous court case Palmer vs. City of Los Angeles in 2009; the dissolution of the Redevelopment Agencies in 2011 changed the whole wave of California affordable housing; getting the units is a priority; coming up with the methodology that would say Irvine Company if you provide a very low income unit or a low income unit, it would equate to a reduction of your fee by X or Y, that would require an additional analysis by staff, maybe consultant working with Irvine Co., but that could definitely be something considered. Recently a nexus study was done as part of the fee update which does have some level of analysis; there could be a methodology that could come up to say lower fee to the Irvine Company for more BMR units to the city, and that could be something looked at.

**Chair Takahashi:**

- It seems like a natural extension; an inventory of units becoming available and then trying to make some level of commitment to increasing that by decreasing the financial requirement such that the development still makes sense.

**Com. Paulsen:**

- Along those lines, it seems that these are pretty high end apartments; would it make more sense in your mind to take the money and rehab a lower sort of grade unit than to ask Irvine to spend part of their mitigation fee on a unit in their own development?

**C. J. Valenzuela:**

- Once again the priority would be to get the units from the Irvine Company under this proposal. It is much harder especially without having a site identified in Cupertino; we have experienced in the recent past that even when a developer is willing to come in at full market price of what the seller is asking for, staff has been working with the development community on trying to acquire sites. Getting units within this development as many BMR units as possible, if we can come up with the methodology and we come to agreement, it would be ideal scenario, rather than give us money or trying to find a site.

**Vice Chair Gong:**

- You mentioned that you were doing an analysis of whether to extend the 12 year to the original 30 year; what does that analysis look like? Do you have a consultant? What are the other elements in addition to the financial ramifications?

**Carlene Matchniff:**

- The internal financial department is looking at that; they have to determine what that does to the economics of the project.

**Vice Chair Gong:**

- Said a staff member presented a very interesting compromise; asked if the Irvine Company would be open to exploring that?

**Carlene Matchniff:**

- I think we would need to look at that; the options are there. Perhaps if the city had a site they were considering, we could assist with taking the \$12.9 million and helping to create more units off site if there was an opportunity where we could work together with the city on that. If there was a site already available or some apartment units we could rehab, we would be open to working with the city on something that applies our fees so that you can real units sooner. We haven't looked at what you would be able to get onsite with that money. This is a new concept tonight, so we haven't studied that. We could look at that but would want that not to hold up your approval or action tonight.

**Vice Chair Gong:**

- How far along is your analysis on the 12 years vs. 30 years; are we at final stage?

**Carlene Matchniff:**

- Said they were close to a decision and by the time it goes to Council they can present these options; if they wanted to consider a couple of alternatives, they could present those to Council with Commission's suggestion.

**Com. Paulsen:**

- Said he preferred some type of architectural feature along the top edge, such as a parapet, eave or roofline, and was told that this was modeled after a newer style in London. Although not his preference he said he was not going to vote against it, but asked for input on its blockiness. The Cupertino Inn is an example of architecture that is going to be remodeled and looks a little unfinished to some people.

**John Jenkins:**

- Said they develop properties in a wide range of architectural styles and a lot of it is driven by context, and they felt that in this particular location given the context the contemporary nature of the monumental building that was adjacent to it, they wanted to develop an idea that would be complimentary but not compete. Rather than doing something that was large and monumental, it was broken down into a human village-like scale; architecturally they felt that given the location and the views they wanted to maximize the amount of natural light into the unit's floor to ceiling glass, something that starts to feel like a loft apartment; those are very desirable both in the city and in other locations. That started to really drive the architecture. They were looking for something more contemporary and felt that was a better fit for the location.

**Com. Paulsen:**

- There is a trend these days for providing some kind of wild space for children to play in; a little wilderness experience on a postage stamp; has that been considered as part of the landscape plan at some place in the development?

**John Jenkins:**

- Said it hasn't been considered yet, but they want to create amenities that appeal to younger children in a variety of different ways and activate the senses and create much more engagement. Something like that could be appropriate given the natural surroundings and the ability to bring that into the site.

**Com. Paulsen:**

- Said this is the ideal project that Cupertino needs; it is unfortunate he believes that the General Plan restricted the number of housing units and they were not able to provide more housing across the street from the jobs. Said he was going to ask a question about public access around the back side, then Chair Takahashi mentioned his idea about a bicycle path connector from Tantau to Wolfe which is intriguing; whether it is built on the freeway side of the sound wall in conjunction with Caltrans protected by guardrail or whether the city purchases land from Apple and you put that in. It could be a very beneficial feature to both you and the city. It is not in any way part of our draft bicycle transportation plan, but perhaps you could talk with the city about having that be part of their plan. It could be built with city money, but it would be something that would be a very desirable feature especially since there are a lot of cyclists who bypass the cloverleafs on Wolfe which are scary and dangerous.

**John Jenkins:**

- Said if that is something the city is interested in, there are conversations to be had with a number of property owners along that edge to see what could be done. We talked a little about public access around the perimeter and we and probably our neighbor would be a little concerned about the security of that and how do you protect people in safety and welfare. If there was a way to do that, that satisfied the city's needs and everyone's need for a safe place to bike.

**Com. Paulsen:**

- Said he did not think the serious commute cyclist would be opposed to riding on the freeway side of the sound wall if they are protected by a guard rail. It wouldn't be like a weekend recreational trail, it would be a serious connector.



**Vice Chair Gong:**

- Noted that there were no 3 bedroom apartments, yet there was mention of play areas for the children. Asked if there was segmentation of demographics in the master plan or adult only buildings or pools.

**John Jenkins:**

- Said they haven't considered segmenting buildings based upon demographics; they introduce a variety of uses with the amenity spaces that gives variety to the residents; one of the swim pools being more of a fitness/lap pool and the other being more like a resort use. They typically don't develop 3 bedroom units, there are families living in the 2 bedroom units and 2 bedroom plus den units. The younger families at a certain point will migrate out into a single family residence. Said they were contemplating a design for a shuttle bus along Pruneridge for pickup for shuttle bus or Uber bus. There is also an opportunity to explore a gated entrance for pedestrians and bikers. The promenade is a public space, we see someone being able to walk or bike through that space to connect to AC2 and we see that as an opportunity for creating some activities. The EVA also does connect to the EVA that runs along the southern edge of the Apple campus which has a gate for emergency vehicles.

Chair Takahashi opened the public hearing.

**Heather Dean, Cupertino resident:**

- Said she was surprised so much emphasis was being placed on use of bicycles in the Cupertino area. She noted that parents drive their children to school and other locations, and she did not see that many bikes on the streets and roads of Cupertino. Said she appreciated Com. Sun's concerns about BMR units, but sympathized with the senior residents in Cupertino who, if they sell their Cupertino homes, they will get a good price for them, but most cannot afford to purchase or rent a smaller unit in Cupertino because of the high prices. She urged the city to have more BMR units rather than places to plug in electric vehicles. She said she was not opposed to the proposed project but would object to anything more high rise.

**Jennifer Griffin, Rancho Rinconada resident:**

- The proposed redevelopment of the Hampton Apartments will be the largest apartment complex in Cupertino; it is 12 acres and has no park of its own; suggested providing an acre for the complex to have its own park beside the property. The redevelopment of the complex will bring in approximately 1,000 new residents to the city. Parking will be affected. (Speaker ran out of time to speak)

**Liang Chao, Cupertino resident:**

- Said she was pleased that Cupertino was getting more housing; however, it needed more housing for teachers. She asked if the applicant could give Cupertino teachers priority in the housing. She asked if the Municipal Code addressed common open space in the housing developments, and how much guest parking would be available in the proposed development. ABAG requirements are 1,064 for Cupertino in this housing cycle; it has different requirements for BMR housing for low income, medium income and Cupertino does not provide enough BMR housing. Said Hampton development is not providing BMR housing; Valco is going to provide senior housing only because they want rents from senior citizens; Oaks is also going to provide senior housing instead of BMR units. Said she was pleased that the transportation impact fee will be implemented and will be part of the conditional permit. Asked if it was separate from the voluntary contribution provided for the Wolfe interchange.

**Steve Scharf, Cupertino resident:**

- Said 600 additional units and zero new BMR units was not acceptable; it should be proportional. Said he did not like the proposal that was suggested to rehabilitate some low end housing complex and put the BMR residents in them; that is not the concept of BMR. Said that the bicycle plan was nice, but he had 17 bikes in his garage and very few cyclists rode down Wolfe Road from south of I-280; they use other routes. He questioned how many cyclists would use Wolfe Rd. rather than the Hampton residents. Traffic would be negatively affected with 600 more housing units, adding approximately 3,000 more daily trips. Not providing 2 spaces per unit of parking is a mistake; currently there is so much retail traffic parking on the residential streets and employees of Apple I park on the residential streets. Apple has been adamant about rejecting any multi-use trails through their property; other two bedroom units at the Biltmore and Montebello have many children residing in them.

**Kevin McClelland, Cupertino Chamber of Commerce:**

- This is one of those rare projects where the stars align with a great location, near the freeway, it is housing, there isn't an impact on the schools and it also near many amenities where people will be able to hopefully walk to work, shop and dine. The project is consistent with the General Plan requirements; it allows zoning use; additionally it is a priority housing element site in our housing element and the application has met the burden of proof to support their application and the Chamber urges the Commission to accept the staff's recommendation to move forward to the City Council.

**Lisa Warren, Cupertino resident:**

- Said she thought the applicant was willing to do more BMR units based on the number of increased units and was disappointed they were not. Said that she felt the parking should be considered, there is no room if they need more spaces. She said she would give them credit for having realistic visuals and she felt it should be a requirement for developers, including for single family homes. Also said she wanted story poles to be a requirement again; the R1 Ordinances and the requirements for building two story homes are not enough to present a good idea for what they really are. Said she wanted to have substantial renderings of two story homes, which the developer provided. Stated that she felt Sandhill Properties did not do that well.

**Ratthalli Sudesh, Cupertino resident:**

- Said he felt high density housing was important for Cupertino. The new development will create 1,000 units of housing, which will result in approximately 2,000 more cars in the area and most of the units will likely be occupied by young professional couples, probably not all with children and not biking in the already congested area. He said he is a surgeon at Kaiser Hospital and it was a dangerous area to bike and he and some of his colleagues have been almost killed riding down those roads. Most of the people will be driving cars and he felt that many of the residents would not be taking part in the community. The high density housing may be good, but not at that location in Cupertino.

Chair Takahashi closed the public hearing.

**Vice Chair Gong:**

- Said she was not an avid cyclist and asked why there was such a strong emphasis on cycling in the discussion of the proposed redevelopment.

**Carlene Matchniff:**

- Said they spent a lot of time working with the city staff and the outside architect that the city brought in, and analyzing the connectivity to the Apple campus and the pedestrian access as well as the bikeability because they do have bike parking all around the campus. They wanted to make sure they were offering that to reduce vehicle trips. The city really wanted to welcome the biking community

and pedestrians into the promenade, and the intent over time was to see more of the bike hubs across the city start to develop so there could be a connectivity between bike hubs and get people more oriented to getting out of their cars and using more alternative modes of transportation. This is something generated with concepts internally with the city. Relative to the park space question raised, looking at their site they have developed a lot of open space and recreation within the plan itself; there is over 7-1/2 acres that comprise the 12.4 acre site and around 5 acres of built environment of the buildings themselves. There is a lot of open space and places for people to recreate on the plan itself. In addition they are paying \$12.9 million in park fees which can be used locally to enhance other parks or to purchase land. There are 103 guest spaces.

**Com. Paulsen:**

- One developer discussed how they were going to build large dropoff areas for Uber and Lift. Asked if they were planning on accommodating that kind of transportation?

**Carlene Matchniff:**

- Said they were planning on a shuttle stop, conveniently located at the entrance where they will have shuttles, Uber, and other transportation options.

**Com. Paulsen:**

- Relative to the bicycle path connectivity access, he said he applauded their bicycle orientation; and understood the comments about the danger of Wolfe Road; it is not an ideal place to build a bicycle friendly development, however, it is their land. Said he was ready to vote yes on the project, but would like to see more serious discussion and perhaps a decision made before they build their project and leave town, about bicycle connectivity and access, real solutions. He suggested they look at Hamburg Germany freeway park; and consider a solution; they should be able to come up with something that could be commensurate with the creativity of their project.

**Com. Lee:**

- One of the two sites they compared to was the Biltmore; there were many resident complaints about it, being underparked and how residents had to park on Blaney. Why was Biltmore chosen as being an acceptable level of parking?
- How did Fehr and Peers come up with the ratio of 1.8?

**Franziska Church, Engineer, Fehr and Peers Transportation Consultants:**

- Said they weren't necessarily looking for sites that were acceptable for parking; just wanted to go to different multi-unit complexes in the City of Cupertino and survey those to see what the parking demand is; the intent wasn't to select ones that would be great, but to determine what the demand is for multi-use apartments within Cupertino; that is why Biltmore was one of the sites selected. The parking survey numbers shown do include the onstreet parking, when they did the parking surveys they were done in the middle of the night and actually counted the onstreet parking on Blaney as part of the Biltmore parking demand; that is included in the number in the table.

**Aarti Shrivastava, Assistant City Manager:**

- Said when they did the Biltmore project they wanted to make sure they were taking the worst case scenario and they were counting the cars even on the street; said what they were seeing there is the worst case scenario.

**Catarina Kidd, AICP, Senior Planner:**

- Remarked that the staff talked to the property managers as well, especially for those units that have designated garage enclosed spaces; one of the property management issues is that when folks sign a lease they agree to keep that garage as parking space and that is sometimes not enforced.

**Franziska Church:**

- Noted about residential parking; it is much easier to manage residential parking demand through different methodologies such as the unbundled parking that the Hamptons is proposing; then look at commercial developments such as The Oaks where there are different people coming in at different times for different reasons. With residential you have much more assigned parking; you know where people are going to park; that is much easier to manage than other types of parking scenarios.

**Chair Takahashi:**

- Said there were likely quite a few studies that show unbundled parking is more efficient than bundled parking; (Yes, when you have to consider the cost of parking you can weigh that option for yourself and make that decision. What does that parking fee look like or do you have a concept of what that value is? (Response: \$50 to \$75 per space for parking fee).

**Com. Sun:**

- Relative to traffic along Wolfe Rd. the apartment residents only exit is from Pruneridge and during the morning rush hours there will be a significant traffic jam with Apple employees' traffic. It will be very important for the cities to mitigate the public project along Wolfe Road and the adjacent area so it may have some impact on the traffic impact fees. He said this particular apartment complex would not be suitable for seniors but would better serve Apple employees, and he would encourage another developer to build a complex more suitable for senior citizens. He said his main concern was the BMR issue.

**Vice Chair Gong:**

- Said she agreed with Com. Sun on the BMR units. The parking issue and traffic flow will be worked out, it is for the residents. The BMR issue is vital in the city and residents are part of the community and city; BMR is teachers, people in our city that keep Cupertino strong, but can't afford to live here. Please continue with the analysis of the 34 BMR units for at least 30 years and hopefully that will be a positive outcome; if it is not proportional if it is not 90 units of BMR perhaps it is 60 units, doubling what is currently there but it is not unreasonable to ask for additional units for the community. She asked that they consider both the extension of the existing units as well as the increase; the staff member brought about a reasonable way of thinking about it; it is not a pay the fee and get more units - it is a let's work it out because we are together!

**Aarti Shrivastava:**

- Said she felt the Planning Commission could have an additional recommendation to find a way to either extend the existing units beyond the group proposal and work with staff to look for other ways to increase units on the site in lieu of the fee. They can have that additional recommendation that they can work on and bring to the Council.

**Com. Lee:**

- Said she supports the Municipal Code for two parking spaces per unit. It is hopeful and optimistic to have a lot of people bike but it will be more realistic with more drivers; right now, it's not a necessity for some people but it is more of a status; the two parking spaces per unit should be respected; everything else, the design, architectural details, the open space, the hardscape, the landscape seems sufficient. Without the two units per space she said she was unable to offer her support.

**Chair Takahashi:**

- Said he assumed if there was a parking problem built as proposed, since it is unbundled parking that you would structure contracts associated with this unbundled parking such that you can control the demand of the parking by the fee associated with the parking; is that the plan (that is the plan) Said to

Com. Lee that the advantages of what they are proposing and charging for parking will make a difference with regard to people who are saying, should I have two cars or one car when you talk about whether or not it is \$75 per month savings that will tend to drive parking down to a level that that may fit within this analysis.

**Com. Lee:**

- This is a recommendation to City Council. Two spaces is good to provide that.

**Aarti Shrivastava:**

- The city code requires 2 spaces per unit; but it is the same whether it is the studio or 3 bedroom unit and it recognizes that and the code also says if there is a parking study that shows that project would need less parking then that could be considered. Said they will be requiring it as part of the TDM plan and they will monitor it and send annual reports to staff. It is one of the most successful ways to control parking and one of the ideas is the fewer cars they do have under the unbundled parking, the fewer cars on the street making those trips.

**Vice Chair Gong:**

- Said at the beginning she was of the same opinion as Com. Lee that they should maintain the two parking spots per unit; but looking at it more, realizes that there is a large percentage of studios, so a 1.8 is not a drastic drop, it accommodates the studios for her.

**Chair Takahashi:**

- Said the other factor that has him supporting the 1.8 ratio is while our generation loves to drive, the younger generation coming out of college, don't drive as much, and some don't own a car; as well as the trend in transportation is going to be one of more demand transportation, Uber and Lift providing more transportation. Creating parking lots is just creating open space for the future from the standpoint of what they are going to turn into. At some point we have to start planning the communities accordingly with regard to that parking. It is painful in the beginning because that transition is just starting in terms of technology and transportation but it is definitely coming and so parking requirements will need to be consistently reviewed. In this particular case overflow is very problematic because there is not a lot of places; they would have to go over to the villages, there is a little hike there, or they would have to plug up the hotels across the street. I think those are the only options. I am sure that the hotels will be very concerned if their spaces are full. The unbundled element is a critical piece of trying to control that parking. He said he supports the 1.8 ratio.

**Com. Sun:**

- Is it possible to make a recommendation to the City Council as Com. Lee suggested, that they are concerned about that parking, and recommend two parking spaces per unit, but in the meantime suggest to City Council that we can increase and validate the parking for the visitors as a factor to meet the 1.8 criteria. There are two options; one is that we make a recommendation based on Com. Lee's suggestion because this unit is there and no other place to park, it is very tight, if we lose this it may cause some future trouble. In the meantime, we know after the traffic research if we have some paid parking, long term parking, some short term parking, we just base it on different rate; but maybe increase some parking space for the visitors or the paid parking space and then compromise 1.8 ratio.

**Chair Takahashi:**

- Said he assumed that the architect has put in as much parking as possible in the available space, and if that is the case, he understood the rationale; if there were more room for parking that would be desirable for everybody; but the fact that you have all underground parking is a benefit from the standpoint of overall look and feel of the development; you don't have a large surface parking lot; given the value plan, just not really an option in terms of using your space for parking a car.

**Com. Paulsen:**

- Said he spent a career as an analyst and then a public health manager and in both fields they relied on data and analysis to reach their conclusions. He asked staff if they were satisfied with the analysis that has been presented so that they can make this 1.8 recommendation, and could stand on that.

**Aarti Shrivastava:**

- Said yes, or they wouldn't make the recommendation. She said that they have conditions of approval that require unbundled parking that would require them to manage it; there really aren't any overflow spaces; there is a lot of incentive to manage the parking, to charge more for people. Said they felt confident that it is the right number.

**Chair Takahashi:**

- Asked traffic engineer if there are some published benefits of unbundled parking with regard to the ratio; before it was 2:1 and they are all full and then we implemented unbundling and now there are a lot of empty spaces.

**Carlene Matchniff:**

- Said she couldn't cite any specific research but one of the reasons unbundled parking is becoming more prominent is the reason that people in developments are looking to reduce their parking supply which plays on also with increasing multi modal access. If you have less parking, people are more likely to walk or bike, but unbundled parking is definitely becoming more popular for the reason that developments want to provide less parking and manage more efficiently because it is to the benefit of the project itself.

**Com. Paulsen:**

- Said he would support staff's conclusion about 1.8; it is unfortunate that they don't have good public transit alternatives here; it is a tough choice if you need two cars and you cannot afford them, then you are really going to struggle to find an alternate means. Said he wanted to trust staff analysis, and didn't think they need to have analysis paralysis and do more analysis on it.

**Com. Lee:**

- Said in order to increase their parking ratio, they could decrease the number of units.

**Chair Takahashi:**

- Said he was well aligned with the rest of the Commission on BMR; the situation where most of our teachers commute from much further out of town because they can't afford to live here is a reality; this is the first opportunity where we have expanded our allocation and supply of housing significantly so there is an opportunity here; the city should be able to work a deal with the \$12.9 million assessment such that we can at least have some level of increase in the BMR units; as a Planning Commissioner, I would feel guilty having a discussion with somebody that needs to live here who is a teacher and approving a project that adds this many units; sorry we couldn't add any BMR units or at least we couldn't make that effort, so I feel strongly that it is a recommendation that the Planning Commission should make and I am hopeful that with the fee we have some leeway with Irvine Company that they can work that out and reduce that fee. Because a BMR in the hand is valuable and other comments associated with mixing BMR into our existing housing supply is an important element. We don't want to congregate all the BMR in this neighborhood, because it begins to question the motives. Said he agreed with the Commission; as part of the motions they can add that element.

**Com. Paulsen:**

- Unfortunately this puts the burden on the developer when really it is a much bigger structural problem at the federal level that we don't need to go into all the politics. It is sad that C. J. Valenzuela, Cupertino's housing expert is going to be leaving the city because he cannot afford to live here and will find a job closer to home. It is good to have public servants and others integrated into the community.

**Coleen Winchester:**

- Offered a suggestion with respect to the BMR if that is the way the Planning Commission wants to precede. Suggested that resolution DA-2015-01 which is the draft resolution of the City of Cupertino recommending that the City Council approve the development agreement; be included as a part of that recommendation, that staff pursue further negotiations with the developer to increase the affordable housing component as part of negotiations of a development agreement. It would be the appropriate location to include that suggestion.

**MOTION:** Motion by Vice Chair Gong, second by Com. Paulsen and unanimously carried 4-1-0, Com. Lee voted No; to approve Resolutions DP-2015-04, ASA-2015-13, R-2015-21, U-2015-05, (EA-2015-02) and DA-2015-01 with the addition of a recommendation to City Council that the 34 existing BMR units are extended to 38 years and to add additional BMR units in lieu of fee; staff continue negotiations with the Irvine Company as components of this particular development agreement.

**OLD BUSINESS:** None

**NEW BUSINESS:** None

**REPORT OF THE PLANNING COMMISSION**

**Environmental Review Committee:** Review of the Hamptons.

**Housing Commission:** No meeting.

**Economic Development Committee Meeting:** No meeting.

**Mayor's Monthly Meeting With Commissioners:**

**Sustainability Commission:** Commended current climate action plan city has in place.

**Library Commission:** Speaker Series discussing stormwater runoff and education event; looking to recommend to staff to hire full time safe routes to school individual.

**Library:** Library employee went to Palo Alto as Asst Librarian; Poet Laureate completed 6 poetry writing classes; 2 to be added; Library survey; New York Times available in Library with card.

**Teen Commission:** Preparing a booth for Cupertino Day promoting activities available for teens.

**TIC Commission:** Hackathon with Library.

**Parks and Rec:** Postponed study of Stevens Creek Corridor; Park Master Plan being revised; targeting completion for end of summer; Parks and Rec Survey online; Debating what to do with Stockmeir House, would like to renovate for small meetings; Input on how city parks can be improved.

**Bike/Ped Commission:** Working on getting bicycle transportation plans; go to City Council May 21<sup>st</sup>; trying to add more bike lanes, more protected lanes; Bike to Work Day May 12.

**Report of the Assistant Director of Community Development:** None

**ADJOURNMENT:**

- The meeting was adjourned to next Planning Commission meeting on May 24, 2016, 6:45 p.m.

Respectfully Submitted: /s/Elizabeth Ellis  
Elizabeth Ellis, Recording Secretary



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## PLANNING COMMISSION STAFF REPORT

Agenda Item No. 2

Agenda Date: May 10, 2016

### SUBJECT

Redevelopment of the Hamptons Apartments with associated amenities and landscaping.

### RECOMMENDATION

Staff recommends that the Planning Commission recommend that the City Council approve, in accordance with the draft resolutions, (Attachments 1A-1E):

1. Development permit (DP-2015-04) and Environmental analysis (Negative Declaration) (EA-2015-02) per attached resolution (*Attachment 1A*).
2. Architectural and site approval (ASA-2015-13) per attached resolution (*Attachment 1B*).
3. Tree removal permit (TR-2015-21) per attached resolution (*Attachment 1C*).
4. Conditional use permit (U-2015-05) per attached resolution (*Attachment 1D*).
5. Development agreement (DA-2015-01) per attached resolution (*Attachment 1E*).

### DESCRIPTION

#### A. Application Summary

Applications: DP-2015-04, ASA-2015-13, TR-2015-21, U-2015-05, DA-2015-01, EA-2015-02  
Applicant: Carlene Matchniff  
Property owner: Irvine Company  
Property Location: 19500 Pruneridge Avenue (APNs: 316-06-032 and 316-06-037), northeast of Wolfe Road and I-280.

#### B. Project Description

1. Development permit (DP-2015-04) to allow the demolition of a 342-unit apartment complex (The Hamptons) and the construction of a 942-unit apartment complex in a Planned Residential Zoning District.
2. Architectural and site approval (ASA-2015-103) for the demolition of a 342-unit apartment complex (The Hamptons) and the construction of a new 942-unit apartment development on the same site with associated site and landscaping improvements.
3. Tree removal permit (TR-2015-21) to allow the removal and replacement of 277 trees in conjunction with the construction of a new apartment development.
4. Use permit (U-2015-05) to allow a bicycle hub and separate bar facility within a club house located in a 942-unit apartment development.



5. Development agreement (DA-2015-01) for a new 942-unit apartment development in a Planned Residential Zoning District.
6. Environmental analysis (EA-2015-02). An Initial Study/Mitigated Negative Declaration is proposed.

**C. Project Data Summary**

<b><u>Requirement/Standard</u></b>	<b><u>Allowed/Required</u></b>	<b><u>Proposed</u></b>
General Plan designation	Residential – high density (> 35 units/acre); HE 85 units/acre	76 units/net acre
Zoning designation	P (Res) – Planned Development (Residential/multiple-family)	No change
Consistency with General Plan		Yes
Consistency with Zoning		Yes
Environmental Assessment		Initial study/Mitigated Negative Declaration
Height limit	60 – 75 feet	60 – 75 feet
Setbacks:		
<i>Front – along Pruneridge Avenue</i>	<i>1:1 slope line drawn from arterial curb line</i>	<i>1:1 slope line drawn from arterial curb line</i>
<i>Along Wolfe Road</i>	<i>1:1 slope line drawn from arterial curb line</i>	<i>1:1 slope line drawn from arterial curb line</i>
<i>Rear</i>	<i>n/a</i>	<i>25 feet</i>
Building area	n/a	1,088,775 sq.ft.
Lot area	n/a	12.5 gross acres/12.4 net acres
Lot coverage	n/a	61.3% including covered parking
Parking		
<i>Vehicles – 2 per unit</i>	<i>1882 spaces</i>	<i>1696 spaces (1.8 per unit)</i>
<i>Bikes - .4 per unit</i>	<i>377 (is this 5% of required auto parking)</i>	<i>377</i>

## **BACKGROUND**

The applicant, Irvine Company, is proposing to demolish an existing 342 unit apartment complex (The Hamptons) and construct a new 942 unit apartment complex in a Planned Residential Zoning District. Project Plans are included as Attachment 5. Surrounding land uses currently include a mix of these nearby commercial, residential and office:

- To the north and east, Apple Campus 2 under construction
- To the west on Wolfe Road, Arioso Apartments, Courtyard and Hilton Garden hotels
- To the northwest on Wolfe Road, Cupertino Village commercial center

The application was originally submitted on May 28, 2015. Following the formal application, the applicant worked with staff and the City's consultant to further refine the plans, development agreement terms, and community outreach, particularly commencing dialogue with current residents of the existing Hamptons. The applicant proposes to begin the construction phase in mid-2017, with projected completion date of 2020.

## **DISCUSSION**

### **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 is included as Attachment 6. 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. The General Plan EIR analyzes full implementation of uses and physical development proposed under the General Plan, and it identifies measures to mitigate the significant adverse program-level and cumulative impacts associated with that growth. The proposed project is an element of the growth that was anticipated in the General Plan and evaluated in the General Plan EIR.

As discussed in greater detail of the IS/MND Chapter 1.2, the CEQA concept of "tiering" refers to the evaluation of general environmental matters in a broad program-level EIR, with subsequent focused environmental documents for individual projects that implement the program. CEQA and the CEQA Guidelines encourage the use of tiered environmental documents to reduce delays and excessive paperwork in the environmental review process. This is accomplished in tiered documents by eliminating repetitive analyses of issues that were adequately addressed in the program EIR and by incorporating those analyses by reference.

The proposal is consistent with the General Plan and General Plan EIR because:

- The proposed project was included in the scope of the development projected in the General Plan and analyzed in the General Plan EIR, which also identified and analyzed project scenarios with a higher number of units and height limits.
- The project site is located in an area designated for residential land uses in the General Plan.
  - The changes to population associated with the proposed project are included within the scope of the General Plan's population projections; and

- The proposed project is within the scope of the cumulative analysis in the General Plan EIR.

A more detailed discussion is provided within the IS/MND, Chapter 4 under the topic "General Plan EIR Consistency Analysis."

On May 5, 2016, the Environmental Review Committee held a public meeting and recommended approval of the Initial Study/MND (See attachment 6b).

### **General Plan and Zoning**

***North Vallco Gateway.*** The parcels are identified within the General Plan as part of the North Vallco Gateway, located within North Vallco Park special planning area. The North Vallco Park area is envisioned to become a sustainable office and campus environment surrounded by a mix of connected, high-quality and pedestrian-oriented neighborhood center, hotels and residential uses. Taller heights may be allowed in the North Vallco Gateway per the Land Use and Community Design Element and additional residential development may be allowed per the Housing Element. The allowed General Plan land use designation is high density residential. The General Plan, Figure LU-1, references these development standards: maximum density of 85 units per acre, 1:1 slope line drawn from arterial curb line, 75 feet height limit, 60 feet height limit for buildings within 50 feet of the property line abutting Wolfe Road, Pruneridge Avenue and Apple Campus 2. The project is consistent with these requirements.

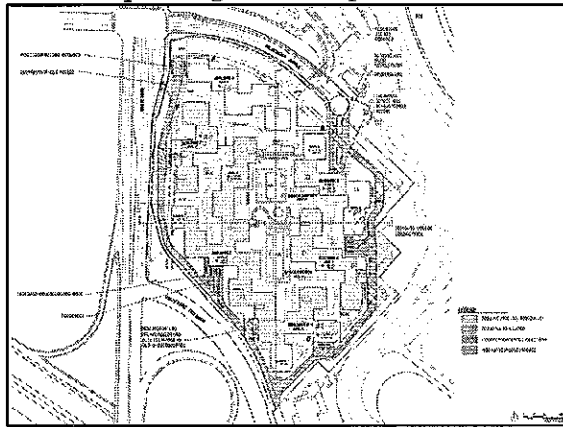
***Planned development (P) zoning district.*** The site is within a planned development zoning district for multi-family residential ("P(Res)"). Therefore, as a residential development, it is an allowed use consistent with the P zoning district.

### **Housing Element**

The site is identified as a "Priority Housing Element Site" in the Housing Element, which has been allocated 600 net new units in addition to the existing development. The project would provide a mix of studio (242), one- (413) and two-bedroom (287) units. Thirty-four units would continue their remaining obligation as below market rate (BMR) units, as was established through the original development approval and recorded with the parcel. In order to address relocation of tenants in the affordable housing currently on the project site, the applicant would provide relocation benefits to BMR tenants, to be implemented by the City through a third-party relocation consultant consistent with a relocation plan. Benefits include one-year advance notice of demolition, relocation to comparable replacement dwellings, paid moving expenses, and paid storage for one year. The City's housing planner and counsel are currently drafting and refining the terms, which will be included in the development agreement.

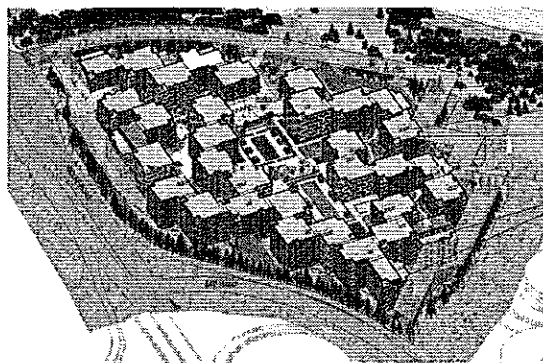
## Site Plan

The multi-family residential complex consists of six buildings and approximately 32,000 sq.ft. of associated recreation and amenity areas, such as a bicycle hub, pool areas, club house and three levels of parking within a podium and basement level.



The primary site access would be at the first level off of Pruneridge Avenue for guest parking and residential vehicle entry. The main bicycle and pedestrian access would be at the corner of Pruneridge and Wolfe, anchored by the bicycle hub and plaza area, where the required public art location is also proposed. There will be no general vehicular access from Wolfe Road other than for emergency vehicle access (EVA), which rings the site along the west, south and east property lines. The EVA would be multi-purpose for emergency,

service and move-in vehicle access only to enhance circulation, with designated loading docks along the interior of the site, as shown on the fire and service access exhibit on sheet A2.60. The site incorporates 60% open space throughout the site through balcony areas, ground level landscaped/pervious areas, outdoor plazas, amenity decks, as shown on plan sheet A0.50 and A0.60.



The proposed 3,400 sq.ft. bicycle hub is envisioned to be an amenity space for residents, surrounding community and Apple Campus 2 employees. The programming would include a gathering space, repair shop, short-term bike rentals, lockers, restrooms and coffee and juice bar. A separate bar facility would be located within the clubhouse. Staff recommends that odor abatement systems must be installed in any common food preparation area as a condition of approval, which is included

in the Development Permit resolution as Attachment 1A.

The application seeks to incorporate sustainability elements such as 40 EV charging stations, use of recycled water to water landscaping, plant list of California natives and climate-appropriate species, and promoting transportation alternatives to single occupancy vehicles. A more detailed discussion is provided within the transportation/parking section of the staff report.



- (e) the buildings step down along city streets so that the tallest portion of the buildings are within the center of the site.

The spaces between buildings are activated with a series of interior walkways, courtyards on all quadrants, and amenity spaces. These spaces also provide visual relief, gathering places, and walking/biking proximity and accessibility to Apple Campus 2 and other off-site resources.

The design elements support the intent of attracting a demographic that prefers to be less dependent on cars and a more active lifestyle. Additional recommendations by the consulting architect are included in the conditions of approval.

### **Landscaping and Tree Removal**

The proposed landscape plan seeks to create a California native palette, establish a unified identity and conserve water. The applicant would continue the recycled water extension from the north on Wolfe Road to its project. The demolition of the existing complex would result in the removal of 276 of the 433 existing trees from the center of the site. The majority of redwood trees along the property line perimeter would be preserved to maintain both the character of the site and the buffer between the buildings and city streets. Trees proposed for removal along the perimeter are limited to those not suitable for preservation to those in poor condition.

The majority of the species of the trees proposed for removal are Fern pine, Southern magnolia, London plane, Purpleleaf plum, Callery pear, Evergreen pear, Coast redwood, and Chinese elm. While not protected by species as defined by Cupertino Municipal Code Chapter 14.18, these trees are protected under the category of "approved development tree," because they were part of a development plan for the originally-approved Hamptons. Therefore, replacement plantings are required for those proposed for removal. 396 additional trees, within the range of 36"-60" box sizes, are proposed to be planted as part of the new landscape plan as shown on plan sheet L2.00. The schedule of species, number, size and locations are additionally detailed in the tree survey within the IS/MND's technical appendix and plan sheets L5.00 and L6.00-L6.11. Staff recommends an additional peer review be conducted prior to the issuance of demolition permits to confirm condition of trees, confirm installation of tree protection measures, and verify number and completion of replacement plantings.

### **Transportation/Parking**

*Traffic Impact Analysis.* The General Plan EIR included an analysis of 820 additional units for the site; however, the proposed project would have only 600 additional units on the project site. At a project-level analysis, the project would not cause any impacts per se. However, the GP EIR analyzed a number of projects, some of which were not finally adopted in the GP. The GP EIR showed that cumulatively, through the build-out horizon of 2040, traffic impacts are found to be significant and unavoidable in the General Plan EIR and a statement of overriding consideration was adopted after ensuring that all feasible mitigation measures were included. Since the project is tiering off that GP EIR, it would have to comply with all pertinent mitigation measures as outlined in the GP EIR. These include:

- Implementation of General Plan EIR Mitigation Measure TRAF-1 requires the City to commit to preparing and implementing a Transportation Mitigation Fee Program (TMFP) to guarantee funding for roadway and infrastructure improvements that are necessary to mitigate impacts from future projects based on the then current City standards. General Plan EIR Mitigation Measure TRAF-1, which was previously adopted by the City and incorporated into the General Plan, will be implemented by the City.

A detailed discussion of methodology and intersection analysis is within the IS/MND, page 5-81 and technical appendix.

*Transportation alternatives.* A Transportation Demand Management (TDM) Program proposes:

- Transportation coordinator
- Communications/information to tenants
- Rideshare facilitation
- Walking and biking routes designed into the complex
- Bicycle hub
- Unbundled parking

The concept behind unbundled parking is that no parking is truly free and can be presented as an option. The cost of parking is separated from rental costs and may either reduce the incentive to own a car as residents are charged per space, or reduce transportation costs for those who would already choose the alternative options.

*Parking.* Multi-family developments are currently required by the Municipal Code to have two parking spaces per unit, regardless of bedroom count. A parking demand study is required when an applicant is proposing a parking ratio of less than two spaces per unit for Planned Development zoning. The project proposes a parking ratio of 1.8 per unit (1696 spaces for 924 units).

Fehr & Peers conducted a third party parking demand study in April 2016 as scoped by the City. The third party studies included on-site studies of two sites within the City of Cupertino, entire "old and new" (circa 1972 plus circa 2014 units) Biltmore Apartments site and existing Hamptons, between the hours of midnight and 3 a.m. on a weekday to determine a projected parking demand; due to limited/gated access to residence-only parking facilities, Arioso was studied qualitatively only based upon information about the site, including their use of unbundled parking, in which parking is not "free" or hidden within the cost of rent. Rather, each unit is assigned one space per unit and each additional car pays separately for the space.

While no two sites are identical, the sites were selected as those that most closely resemble the future operations of the proposed project. The results are detailed within Attachment 2 and summarized as follows:

Profile	Hamptons (existing) 19500 Pruneridge Ave. 1/2/3 bedrooms	Biltmore Stevens Creek & Blaney Ave. 1/2 bedrooms (entire development)	Arioso 19608 Pruneridge Ave. 1/2 bedrooms
Occupancy rate	96%	95%	95%
Parking spaces total	603	479	379
Residential units	342	259	201
Assigned parking	356	259	201
Open guest parking	182	220	31
Unbundled parking (charge for extra space)	n/a	n/a	167
Parking demand ratio per study	1.7	1.8	1.6

The parking ratio of 1.8 can be supported for this site because:

- (1) existing multi-family sites within Cupertino located along arterials are shown to adequately accommodate parking with a ratio of less than 2 spaces per unit in a high occupancy rate scenario;
- (2) A previous 2010 parking demand study at the existing Hamptons complex indicated the project had adequate parking at a development approved ratio (supply) of 1.76 per unit with demand at 1.7 per unit;
- (3) The average parking demand ratio for surveyed apartments is 1.69;
- (4) 68% of the mix of unit size within the proposed Hamptons redevelopment is either a studio or one bedroom unit, whereas for the existing Hamptons, more than half of the units are 2 or 3 bedrooms;
- (5) the application provides alternative transportation options through both programming and site design;
- (6) the location of the site is in close proximity to employment centers, shopping, schools and quick access to major routes, allows alternative transportation options to be more realistic.

#### **Development Agreement**

Standard and required impact fees such as housing, parks, and schools are not included in the review of public benefits. Public benefits are characterized as those voluntary contributions beyond required fees, outlined as follows and to be included in the development agreement:

1. Contribution toward civic facilities, \$7,000,000
2. Extend reclaimed water line for potable water conservation, \$1,800,000
3. Wolfe Interchange Assessment District Pro Rata "Fair Share," \$7,000,000



4. Continuing obligation of existing term for 34 below market rate units, valued at \$17,000,000
5. Contribution toward 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.
6. Affordable housing agreement
7. Affordable housing relocation agreement
8. Amended and restated below market rental housing to be recorded with the property
9. Transportation demand management program

Staff recommends these additional TDM contents:

1. Participate in fair-share contribution if and when a Transportation Management Association (TMA) is formed.
2. Provide VTA eco passes to residents who have one or no car per residential unit and to employees of Irvine Company.

The Planning Commission's role is to evaluate and make a recommendation regarding the consistency of the proposed development agreement deal points with the General Plan, with the agreement to be enacted by City Council ordinance after a public hearing. Findings regarding development agreements are within the applicable draft resolution in Attachment 1.

## PUBLIC NOTICING & OUTREACH

The following is a brief summary of the noticing completed for the project:

Public Notice	Agenda
<ul style="list-style-type: none"> <li>▪ Legal ad placed in newspaper at least 10 days prior to the hearing</li> <li>▪ Mailed notice of public hearing to property owners within 300 feet radius</li> <li>▪ Posted site notice on two property lines abutting street</li> <li>▪ Project updates provided to subscribers of e-notices on <a href="http://www.cupertino.org">www.cupertino.org</a></li> <li>▪ Community meeting held on October 26, 2015</li> </ul>	<ul style="list-style-type: none"> <li>▪ Posted on the City's official notice bulletin board at least one week prior to the hearing</li> <li>▪ Posted on the City of Cupertino's Web site at least one week prior to the hearing</li> </ul>

## PUBLIC COMMENTS

Public comments and questions received to date of the posting of this report are included as Attachment 3. The main concerns and questions, and staff response, are summarized as:

1. Tree removal – staff confirmed that perimeter trees are being preserved.
2. Tenant relocation – one-year advance notice are being provided to all residents and comprehensive, state-level relocation benefits are being provided to below market rate housing tenants.

3. Traffic – the traffic section of the IS/MND and this staff report outlines the findings regarding traffic; in general, this project will contribute its fair share to improvements required to address cumulative traffic impacts and has designed the project to promote reduction of car trips.
4. Schools – the project is located within the Santa Clara Unified School District. The project is subject to paying impact fees to the district and has made a one-time voluntary contribution of \$2.4 million.

### **PERMIT STREAMLINING ACT**

This application is not subject to the Permit Streamlining Act (Government Code Section 65920 – 65964) because a development agreement is a legislative act and shall be enacted by ordinance only after a public hearing before the City Council.

### **NEXT STEPS**

The Commission's recommendations will be forwarded to the City Council for action. Staff will amend the draft resolutions to be consistent with Planning Commission's recommendations and present them for City Council consideration at its June 21, 2016 hearing date. The City Council will review the IS/MND for adequacy and will exercise its independent judgment regarding adoption. The Council will also make a decision on the discretionary permits for the project, which include a Development Permit, Use Permit, Architectural and Site Approval, and the Tree Removal Permit and may conduct the first reading of the ordinance for the Development Agreement. Since an ordinance is being presented, a second reading would be scheduled for July 5, 2016. All approvals granted by the City Council shall go into effect after 30 days of the second reading of the project.

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Prepared by: Catarina Kidd, Senior Planner

Reviewed by: Benjamin Fu, Assistant Director of Community Development

Approved by: Aarti Shrivastava, Assistant City Manager

### **ATTACHMENTS:**

1 - Draft resolutions (1A-1E)

2A - Parking demand study

2B – Consulting architect

3 - Public comments

4 – ERC recommendation

5 – Project plans

6 - Initial Study/Mitigated Negative Declaration

PDF files available here: <http://cupertino.org/index.aspx?page=1306>