



COMMUNITY DEVELOPMENT DEPARTMENT

CITY HALL

10300 TORRE AVENUE • CUPERTINO, CA 95014-3255

(408) 777-3308 • FAX (408) 777-3333

PLANNING COMMISSION STAFF REPORT

Agenda Item No. \_\_\_\_\_

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

<u>Requirement/Standard</u>	<u>Allowed/Required</u>	<u>Proposed</u>
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.



### Architecture

The Irvine Company's design concept and intent is as follows:

- **Compatibility:** Compatible with the natural landscape around the Apple headquarters. Landscaping and buildings become integrated. Landscape between each dwelling and around the perimeter of the site results in a natural setting. Drought tolerant planting selected to promote minimal maintenance.
- **Form:** Buildings are 'pixelated', recalling the voids that once existed in early computer cards. Each building is composed with a series of interlocking cubes. Several facades shift forward or backward with respect to the other.
- **Color:** The facades are composed of painted metal panels, each 'pixel' a varying tone of silver or grey. Each façade represents a change in tonality from light to dark.
- **Pattern/rhythm:** The windows follow a rigid and expected order, while the infill panels provide an unexpected rhythm across each facade.



The project incorporates recommendations from the City's consulting architect to increase the quality to various design elements, such as pedestrian/bicycle sense of arrival and linkages, refinement of colors and materials, details to promote pedestrian scale, field review of plaster finish, and signs. The orientation of residential units, in relation to public and private spaces, provides a combination of privacy and natural light. Centrally located amenities and recreation areas promote use of on-site resources, which increases opportunities for a sense of community and reduction of vehicle miles

traveled. Perception of massing is reduced through several design elements:

- (a) the bicycle hub's location at the corner of Wolfe and Pruneridge Avenue anchors a pedestrian-oriented frontage including a plaza area;
- (b) articulated walls;
- (c) the preservation of large-scaled property line trees which create a landscape buffer zone at the exterior of the property on all sides, including Wolfe Road and I-280;
- (d) community buildings and amenity areas utilize larger glass facades or windows;

- (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 1/2 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:

<b>Public Notice</b>	<b>Agenda</b>
<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.

---

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>