

April 23, 2020

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SUBJECT: Density Bonus Waiver Request: Enhanced Senior and Family Living Project

> 21265 Stevens Creek Blvd, (APN#326-27-043, 042) Development Permit, File# DP-2018-05 Architectural and Site Approval, File# ADA-2018-05 Tentative Map, File# TM-2018-03

Tree Removal, File# TR-2018-22 Environmental Assessment, File# EA-2018-04

Dear Gian:

This letter outlines the request for Density Bonus Waivers for the Enhanced Senior and Family Living Project of 21265 Stevens Creek Blvd. (aka "the project"). The focus of the Enhanced Senior and Family Living Project is to re-plan the interior of Building 1 as a Senior Living facility with BMR and market rate senior units, in the place of a mixed-use, multi-family building. The option will have ground floor retail, same as the base plan.

In conjunction with Building 2: BMR senior housing, this will provide a significant component of senior housing on the site. It will be in a location that has a direct connection to the Cupertino senior center, on-site retail, access to public transportation and one of the few new senior developments located in the Heart of the City.

Density Bonus Waivers

The project is requesting the following waivers, necessary to the development of the Enhanced Senior and Family Living Project for the Westport Cupertino project. The waivers relate to Building 1: Senior housing with BMR senior units and Building 2: All BMR senior housing.

- Height waivers for Building 1 and 2 from 45' to the heights illustrated on Sheet G204 and A211
- Slope setback waivers for Building 1 and 2, from 1:1 slope setback to the slope setback illustrated on Sheet G204.
- Waiver to CMC requirement that the affordable units be dispersed throughout the project (Section 19.56.050.G.1) to allow that all affordable senior units be located within the senior housing buildings (Building 1 and Building 2).

The following discussion outlines reasons necessary for Density Bonus Waivers to allow for the construction of the project per the established project program:

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• The Height increase in these two building allows an increase to the density of the site, primarily in the southeast corner. This density allows the project to offer a mix of housing choices and affordability that make the development, as a whole, viable. Factors effecting this viability are:

- o Product Mix: The Enhanced Senior and Family Living Project provides a supportable and focused project mix that responds to the housing shortage and housing market that Cupertino is currently facing: Senior housing, BMR senior housing and family housing. Through the height and added density of Building 1, the Enhanced Senior and Family Living Project significantly increases the housing offered for Seniors and BMR units over the base plan. The townhome component is essential to the development to provide a broader reach of housing, with the added benefit of potentially creating a community of all ages.
- Efficiency in construction: By consolidating the Senior housing into two taller, individual buildings, efficiencies in construction are created. Multiple floors of stacking units, consolidated parking garage, building support systems, common areas and amenities, utility connections, trash rooms, elevators, and reduced building skin area are areas that denser developments provide construction savings and impact project viability.
- More housing offered: The alternate of Senior Living to a multi-family project in the same building, provides for 54 more units above the allowed density, including an additional 9 BMR senior units to the 39 BMR senior units currently in the project. The larger and consolidated senior component also allows the project to attract top tier managers of senior living developments for this project.
- Consolidating the Senior and Affordable Senior Housing in Buildings 1 and 2: New housing that is developed as senior housing is subject, by law, to specific design accessibility features, features that encourage social contact, rules and restrictions on occupancy for non-seniors and policies, and procedures and marketing that demonstrates that the development is intended for seniors. For these requirements to be met, the affordable senior units must be integrated into the appropriately designed Senior Housing Buildings 1 and 2.
- o Retail viability: Positioning a greater number of residents immediately adjacent to retail, provides the opportunity for more support of the retail and less reliance on commuters to the site. The opportunity to place senior focused retail in the same complex, would also help with providing walkable services to seniors and more retail for seniors using the Senior Center across the street. The southeast corner of the site is the main access point to the site for public transportation, vehicles, and pedestrians. Concentrating retail here provides the best opportunity for it to financially succeed.
- Density Bonus-Alternate Parking Standards: The Density Bonus Law allows for a reduction in parking requirements, which reduces the size of the below grade parking garage. This has an economic and environmental impact to the project. The taller

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buildings provide for this density and ability to meet the Density Bonus Threshold of units provided. The reduced parking standards also matches with the senior population in the building, which has a lower need for multiple parking spaces per unit. Connecting the parking garage directly to the buildings also provides convenient and sheltered parking for seniors.

- A "Walkable" Community: Creating a greater concentration of senior residential units at the eastern hub of the site promotes walkable access to the retail stores, nearby amenities (such as the adjacent park, senior center, pedestrian crossing to DeAnza college, the Central Green), public transportation (bus stop), and the bike route. It creates less desire to drive if there are community resources accessible outside their doorstep. It also helps integrate seniors with the community by having immediate amenities to which they are able to walk. It can reduce the feeling of seniors being isolated, which can improve and lengthen their lives. These elements create a more desirable location for seniors and families choose to live.
- Without the height increase and setback waivers for Buildings 1 and 2, we would be forced to reduce the variety of housing offered and therefore be unable to build the project, for the following reasons:
 - The direct loss of 77 senior units from the project, inclusive of 9 BMR senior units. This is roughly 37% of senior units on the project.
 - Product mix is narrowed with more multi-unit buildings, smaller units being offered, fewer BMR units being offered and potentially less of a senior component. This impacts the diversity of the community as well as responding only to a limited segment of the housing market.
 - Construction efficiencies are lost as below grade parking garages, amenity spaces, building support systems, elevators, building envelope area, etc. need to be duplicated in multiple, multi-family buildings.
 - There would be fewer units immediately adjacent to retail, which can negatively impact the viability and type of retail offered.
 - The community becomes more homogenously spread across the site. Fewer residences
 would be immediately adjacent to the transportation hub at the southeast corner of the
 site. Senior units would be spread deeper into the site, making access to the Senior
 Center across the street and on-site retail more difficult to walk to.
 - Pushing the taller buildings deeper into the site to conform with the 1:1 slope would compromise the site circulation. It would reduce the required Open Space and reduce distance between buildings to an unacceptable degree.

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• The positive effect of the Density Bonus Alternate Parking Standards is reduced when multiple garages need to be created. The off haul of soils is also increased.

Alternately, removing the top floor of Building 2 and top 2 floors of Building 1 and
placing those units elsewhere on the site would displace townhome units which would
compromise the economic viability of the project and mix of housing offered.

The density and height of the project is a result of the project programming. The project program is the mix of housing and retail, determined by code, site, and market factors, that creates a viable project for development. As noted, it represents a <u>housing</u> program that responds to market demands for <u>affordable</u> and <u>market rate</u> units and presents a variety of living options, with a strong emphasis on serving the senior population of Cupertino and family housing. It is in the planning of the site and the variety of units, so that they physically work together, meet code criteria, and are designed in a meaningful way, that enhances the project and ultimately the community. The Density Bonus Waivers are essential in creating the overall project that will meet this goal.

Best regards,

Steven Ohlhaber AIA C2K Architecture