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Gian Paolo Martire  
Associate Planner  
City of Cupertino  
10300 Torre Avenue  
Cupertino, CA 95014-3202

SUBJECT: Density Bonus Waiver Request: Enhanced Senior and Family Living Project (REVISED)  
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 (REVISED) at 21265 Stevens Creek Blvd. (aka "the project"). The current focus of this part of my firm's work on the Enhanced Senior and Family Living Project (REVISED) is to re-plan the interior of Building 1 as a state licensed, Senior Assisted Living facility with market rate senior units and Building 2 as an affordable (BMR), age restricted, Senior Independent Living facility. These changes will take the place of the original design, which was to have been a mixed-use, multi-family buildings. This new option will have ground floor retail, just as what was programmed for the base plan. Also, we have planned an additional story to be added to Building 2, which will provide for an additional nine (9) units in that structure.

Building 1 (the Market Rate, state licensed Senior Assisted Living Housing structure) and Building 2 (the affordable (BMR) Senior Independent Living Housing structure), will provide a total of 206 units of senior housing on the Westport Cupertino site. These two structures will be built at a location that has a direct connection to the Cupertino Senior Center. They will have on-site retail, access to public transportation, and will be the largest senior housing structures located in Cupertino's "Heart of the City."

### **Density Bonus Waivers**

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

- Height waivers for Building 1 and 2 from 45' to the heights illustrated on Sheet G204 and A211 thru A217.
- 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, age restricted, senior independent living units be located within Building 2.

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

- 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 will permit the viability of the development as a whole. The factors that affect this viability are:
  - **Product Mix:** The Westport Cupertino Enhanced Senior and Family Living Project (REVISED) provides a supportable and focused product mix that responds to the housing shortage and housing market currently faced by the City of Cupertino. In addition to Market Rate senior housing, it provides Below Market Rate senior housing as well as 88 units of Single Family housing. By adding the height to Buildings 1 and 2, and increasing building density, the numbers of both market rate and below market rate units are increased. The townhome component, seen as essential to the development, as it provides a broader reach of housing that will be occupied by people of all ages, remains unchanged.
  - **Construction Efficiency:** By consolidating the Senior housing into two taller structures, efficiencies in construction are created. Multiple floors comprised of stacking units, with a consolidated parking garage, building support systems, common areas and amenities, utility connections, trash rooms, elevators, and reduced building skin area are elements that denser developments achieve to provide construction savings and impact project viability.
  - **Increased Number of Housing Units:** The change from a multi-family project to a building comprised of Senior Living units adds 54 additional units over the allowed density. This number includes the removal of 9 BMR units from Building 1 into Building 2, giving Building 2 a total of 48 Senior BMR Units. The increased number of senior units in each building allows the project to attract top national management firms for licensed, assisted living, senior housing and affordable, independent living, senior housing
  - **Consolidating the State Licensed, Senior Assisted Living Housing in Building 1 and the Affordable Senior Independent Living Housing in Buildings 2:** New housing that is developed as senior housing is, by law, subject to specific design accessibility regulations which encourage social contact. There are also rules and restrictions on non-senior occupancy, as well as policies, and procedures, and marketing requirements. For these requirements to be met, the senior units must be integrated into the appropriately-designed Senior Housing Buildings 1 and 2. Furthermore, Building 1 is operating as a state licensed, Senior Assisted Living facility. Building 2 is operating as an affordable (BMR) age restricted, Senior Independent Living facility. A state-licensed, Assisted Living Facility (Building 1) has additional regulated requirements beyond an Affordable Senior

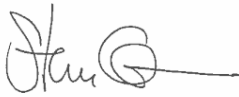
Independent Living facility. For a regulated assisted living senior facility, the service offering, operating costs and logistics, additional facility requirements and financing aspects create physical and financial obstacles that require this population to be separated, and therefore consolidated in Building 1. The affordable Senior Independent Living units will be consolidated in Building 2.

- **Retail Viability:** Positioning a greater number of residents immediately adjacent to retail will provide the opportunity for more support of the retail by Westport Cupertino residents, and reduce the need for reliance on commuters to the site to generate retail sales. There will be clear opportunities to place senior-focused retail in the same complex. This will permit the seniors residing in the complex to easily walk to retail shops and services, and it will encourage seniors who frequent the Cupertino Senior Center on the east side of Mary Avenue to visit the retail shops at Westport Cupertino. 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 become financially viable.
- **Density Bonus-Alternate Parking Standards:** California's Density Bonus Law allows for a reduction in parking requirements, which will permit the reduction of the size of the below-grade parking garage. This will have a positive economic and environmental impact to the project. The taller buildings provide for this density and ability to meet the Density Bonus Threshold of units provided. The reduced parking standards are reflected in the reduction of parking demand by the buildings' senior populations, which, because they drive less frequently, have a decreased need for multiple parking spaces per unit. Connecting the parking garage directly to each of 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, the pedestrian crossing to DeAnza college, the Central Green), public transportation (bus stop), and the bike route. The need to use one's own vehicle is reduced when there are nearby community resources within close proximity. It also helps to integrate seniors with the community by having immediate amenities to which they are able to walk. Feelings of isolation are reduced, permitting seniors to have improved and longer lives. These social elements create a more desirable location both for seniors and families.

- Without the height increase and setback waivers for Buildings 1 and 2, the project would be forced to reduce the variety of housing offered making it more difficult to build and to finance, for the following reasons:
  - A total of 102 senior units, including 18 senior Below Market Rate units, would not be able to be constructed. This would be a reduction of approximately 50% of the project's senior units. Furthermore, if the originally programmed amenity terraces must be preserved, an addition 15 senior units will be lost.
  - If more multi-unit buildings with a 45 foot height limit are required, the units inside these structures will be smaller. There will be fewer Below Market Rate units, and likely fewer senior units overall. This will impact the diversity of the community and the resulting product will respond only to a limited segment of the housing market.
  - Construction efficiencies would be 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.
  - Fewer of the units would be immediately adjacent to the project's retail offerings, which could negatively impact the viability and type of retail offered.
  - Spreading the community in lower structures across the site would mean that fewer residences would be immediately adjacent to the transportation hub at the southeast corner of the site. Further, many of the proposed senior units would be spread deeper into the site, making access to the Senior Center across Mary Avenue and the on-site retail more difficult reach on foot.
  - Additionally, if the taller buildings were to be placed deeper into the site in order to conform with the 1:1 slope, the site's circulation would be compromised. It would force a reduction of the required Open Space and would reduce distance between buildings to an unacceptable degree.
  - Any 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, the removal of the top three floors of Building 1 and top two of Building 2 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 presented with this document 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 housing program that responds to market demands for affordable and market rate 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,

A handwritten signature in black ink, appearing to read "Steven Ohlhaber", with a long horizontal flourish extending to the right.

Steven Ohlhaber AIA  
C2K Architecture