



Agenda Report

19-1010

Agenda Date: 10/23/2019

REPORT TO PLANNING COMMISSION

SUBJECT

Public Hearing: Action on 3035 El Camino Real Residential Project

EXECUTIVE SUMMARY

The applicant, Hayden Land Company LLC, is requesting land use entitlements to allow development of a new Mixed-Use Development with up to 48 residential condominium units, including six live/work units on a 1.88-acre site at 3035 El Camino Real (currently "Wheels and Deals").

The proposed development would consist of four buildings ranging from three- to four-stories in height along with a private street and visitor parking with access from El Camino Real, private landscaped open space, and an amenity area. Consistent with the pipeline provisions of the Affordable Housing Ordinance, four of the total number units are to be provided as affordable housing units, and a 0.8 fractional unit in-lieu fee paid to the City.

The project site is located within the General Plan - El Camino Real Focus Area - a local and regional commercial and transportation corridor envisioned in the City's 2010-2035 General Plan for a mix of high intensity commercial and residential development.

BACKGROUND

The project involves a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program prepared by the City; a Rezone from Thoroughfare Commercial (CT) to Planned Development (PD); a Tentative Subdivision Map; and Architectural Review (CEQ2018-01061, PLN2018-13265 and PLN2018-13266). These entitlements together would allow development of a 48-unit condominium development, inclusive of six live/work units. A rezoning is required to convert use of the site from commercial to residential use. The applicant has proposed a Planned Development zoning in order to establish unique development standards for the project.

Existing Site Conditions

The project site encompasses two contiguous parcels located on the north side of El Camino Real between Calabazas Boulevard and Bowers Avenue. Surrounding land uses include one- and two-story single-family houses to the north, a single-story retail auto repair building to the east, El Camino Real and one-story retail shopping centers to the south and a retail shopping center to the west.

The project site is developed with a 5,200 square foot auto dealership building, a paved parking lot located behind a front security fence and street frontage landscaping. The site is currently occupied and used by Wheels & Deals retail vehicle consignment sales as the sole retail business on the property.

DISCUSSION

The primary issues for the project are consistency with the City's General Plan, conformance with the Zoning Code for a Planned Development Zoning and quality of the project architecture and site design.

General Plan Conformance

The site is currently designated in the General Plan as Community Mixed Use within the El Camino Real Focus Area. The General Plan vision for the El Camino Real is to transform this Focus Area from a series of automobile-oriented commercial uses to a tree lined, pedestrian- and transit-oriented corridor with a mix of retail and residential uses at higher intensities of development.

To further this vision, in 2015 the City Council authorized the El Camino Real as a Priority Development Area (PDA) for the intensification of land uses along transit corridors. PDAs are locally designated areas within communities to focus compact and efficient growth and development that: 1) increases both the housing supply, including affordable housing for low-income residents and jobs within the planning area; 2) supports and increases transit ridership and thereby reducing vehicle miles traveled by PDA residents, employees and visitors; 3) promotes multi-modal connections for residents, employees and visitors within the PDA; and 4) locates key services and retail within the planning area.

In 2017, the City Council initiated preparation of a Specific Plan for the El Camino Real Focus Area to provide a more detailed level of policy and design guidance to support the successful transformation of the corridor. The Specific Plan process has been completed to the point sufficient for active development projects, consistent with prior Council discussion, to move forward in the entitlement process and to hearing for Council consideration (e.g. the majority of public outreach has been completed, a draft land use plan prepared, and right-of-way alternatives identified for environmental analysis).

A draft land use plan for the El Camino Real Specific Plan was presented at the February 5, 2019 City Council study session. The draft land use plan identifies the project site as having a proposed new General Plan designation of Medium Density Residential, which would support residential development at a density between 16 to 35 dwelling units per acre (du/ac) and 3-4 stories in height, and which would allow for commercial uses but does not require them. At the study session, the City Council was supportive of the draft land use plan as it was presented. While the Specific Plan is still under development, the project proposed - at a residential density of 26 du/ac with three- and four-story buildings - is aligned with the draft land use plan.

The proposed residential density of 26 du/ac is also consistent with the site's current General Plan designation of Community Mixed Use. The Community Mixed Use designation supports development consistent with a combination of the uses of the General Plan designations of Community Commercial and Medium Density Residential. Sites with Community Mixed Use designations support residential development between 20 to 36 du/ac. The project does not include sufficient commercial land uses to meet the minimum 0.10 floor area ratio (FAR), equivalent to 8,189 square feet, called for under the Community Mixed Use Designation. However, per General Plan policy 5.4.1-P2,

exclusively residential development is allowed within the Community Mixed Use Designation along El Camino Real.

The project includes live/work units along the El Camino Real frontage that could support commercial uses. The live/work units are designed with 35-foot depths and 12-foot ceiling heights to provide flexibility for residents of those units to utilize the units for commercial use, but the proposed zoning does not require commercial activity in the live/work units. The applicant has identified in the project statement accountants, attorneys, financial advisors, insurance agents, tech start-ups, architects, engineers, real estate services, etc. as the types of uses expected to utilize the live work spaces. The applicant's statement further notes the proposed hours of operation for commercial uses occupying the live work units would be limited to the hours between 7:00 AM and 10:00 PM, and the Homeowners Association (HOA) will be given the right to change these hours as necessary.

El Camino Real Focus Area Policies

- 5.4.1 P2 Allow new development under the Community Mixed Use designation for exclusively residential or commercial uses provided that it meets the minimum requirements for the Medium Density Residential or Community Commercial land use classifications.

The proposed project is also consistent with General Plan Policies as follows:

General Land Use Policies

- 5.3.1-P2: Encourage advance notification and neighborhood meetings to provide an opportunity for early community review of new development proposals.
- 5.3.1-P26: Support a community initiated planning process so that existing neighborhoods can participate in developing more detailed plans for street, landscape and pedestrian facility improvements.

The applicant conducted public outreach through mailings and a community meeting to involve neighboring property owners in the design of the project. Notices were mailed by the applicant to property owners within 1,000 feet of the project boundaries and interested parties.

- 5.3.1-P8: Work with property owners to improve or redevelop underutilized and vacant properties.
- 5.3.1-P9: Require that new development provide adequate public services and facilities, infrastructure, and amenities to serve the new employment or residential growth.

The project would aggregate two underutilized parcels for the construction of 48 for-sale condominium units and public and private improvements, that include private street and utilities, guest parking, and landscape recreation and open space to serve the development.

- 5.3.1-P10: Provide opportunities for increased landscaping and trees in the community, including requirements for new development to provide street trees and a minimum 2:1 on- or of-site replacement for trees removed as part of the proposal to help increase the urban forest and minimize the heat island effect.

The proposed development plan includes landscaping of the site and the El Camino Real street frontage with a variety of plant and tree species and would replace the two existing Japanese palm

trees at front with more than 30 new trees on site, including five new Sycamore street trees behind the street curb in the planter along El Camino Real. The project further proposes an approximately 6,750 square foot private open and amenity space at the center rear area of the site.

El Camino Real Focus Area Policies

- 5.4.1-P5: Provide appropriate transition between new development in the Focus Area and adjacent uses consistent with General Plan Transition Policies.
- 5.4.1-P6: Encourage lower profile development in area designated Community Mixed Use in order to minimize land use conflicts with existing neighborhoods.

The proposed project transitions from four-story building heights at a maximum height of 50 feet along El Camino Real, down to three-story buildings at maximum heights of 37 feet within 71 feet of the north property line which abuts single family residential rear yards on Jerald Avenue. In addition, the two Type B buildings at the rear of the project site would be set back approximately 42 feet from the north rear property line, and would be separated from the north property line by a new 6 foot wooden good neighbor fence, a three foot landscaped buffer to be planted with screening shrubs and vines, and a landscaped private driveway with visitor parking spaces arranged parallel to the north property line. The proposed 42-foot building setbacks are consistent with the transition goals and policies of the General Plan and with the draft transition policy of the El Camino Real Specific Plan, which calls for a 45-degree daylight clearance plane from the rear property line for this type of building interface.

- 5.4.1-P8: Orient ground floor retail and residential entries to the public sidewalk on El Camino Real.
- 5.4.1-P9: Residential development should include front doors, windows, stoops, porches, and bay windows or balconies along street frontages.

Building A as shown on the site plan is designed with front doors, windows and central outdoor patio facing El Camino Real. Pedestrian paths would connect the units of the three rear buildings on site to the public sidewalk on El Camino Real.

- 5.4.1-P11: Locate parking at the side or rear of parcels and active uses along street frontages.

The project design includes a single garage or covered carport space for each unit in Building A at front, and a two-car garage in either a side-by-side or front-to-back tandem configuration for the units in three buildings at the rear. Unbundled visitor and resident parking spaces are also located along the private street behind Building A and disbursed along the perimeter for improved proximity to all of the units.

- 5.4.1-P16: Facilitate the implementation of streetscape improvements consistent with those illustrated in Figures 5.4-2.

The project includes the replacement of the existing sidewalks along El Camino Real fronting the project site with a landscaped 4.5-foot park strip and sidewalk consistent with the Complete Streets design standards. Five sycamore street trees are proposed within the park strip and incorporate drought tolerant ground cover plantings.

Other General Plan Transition Policies

- 5.5.2-P1: Require that new development incorporate building articulation and architectural features, including front doors, windows, stoops, porches or bay windows along street frontages, to integrate new development into the existing neighborhoods.

The project incorporates offsets along the building planes and a mixture of exterior materials and architectural features to create visual breaks and interest in the design. Pedestrian paths connect the units facing El Camino Real to the public sidewalk and neighboring properties.

- 5.5.2-P3: Implement site design solutions, such as landscaping and increased building setbacks, to provide buffers between nonresidential and residential uses.
- 5.5.2-P5: Require that new development provide an appropriate transition to surrounding neighborhoods.

The project includes landscaped building setbacks at the front and rear of the site, a front patio feature on the El Camino Real frontage, and an internal private street to transition the proposed development of three- and four story buildings on the site from adjacent properties and the El Camino Real.

Zoning Conformance for a Planned Development Zoning

The project site consists of two parcels and one zoning designation. The two properties located at 3035 El Camino Real are zoned Thoroughfare Commercial (CT). The CT zoning designation is intended for auto-oriented uses on major commercial thoroughfares and does not allow residential uses. Development of fraternity, sorority, dormitory and boarding houses are allowed with approval of a Use Permit. As the City's existing Zoning Code does not have a zoning district that would allow a for-sale condominium development, a rezone of the project site to Planned Development is necessary to construct the project.

The proposed rezone to Planned Development would allow residential development with a live/work component and implement the General Plan vision for the El Camino Real Focus Area. The El Camino Real Focus Area discourages auto-related uses and is intended to promote a mix of residential and retail uses (either horizontal or vertical) along a tree-lined pedestrian-oriented corridor.

Chapter 18.54 of the Zoning Ordinance establishes a process and requirements for the establishment of Planned Development Zoning districts. Planned Development Zoning districts are intended to allow for creative design solutions and land uses not otherwise allowed in standard zoning districts while maintaining compatibility with the existing community and allowing for greater community ownership. The proposed Planned Development Zoning would establish standards for the new condominium development reflective of the general plan density, in a manner compatible with existing and approved land uses and development surrounding the project site.

Site Design and Architecture

The Planned Development Rezoning includes conceptual architectural designs that will be further refined through subsequent architectural review, should the City Council approve the Planned Development Rezoning.

The 48 condominium units would be distributed among four three- and four story buildings with a

maximum roof height of 50.1 feet at front along El Camino Real, stepping down to approximately 37 feet within 72 feet of the rear property line. Building A, fronting El Camino Real, would contain 26 units including a mix of one-and two-bedroom units along with six live/work units. The square footage of the units would range from 732 square feet to 1,571 square feet, with each unit having a dedicated one-car garage or carport space. Two of the live/work units are proposed as 1,044 square foot studio units. Each of the two Building B buildings located behind and perpendicular to Building A and El Camino Real, would contain eight units in a mix of townhouse and flat-style configuration in a combination of three- and four-bedroom units. Building C is a four-story six-unit building located behind and parallel to Building A and the El Camino Real, and would contain a mix of flats and townhouse style three-bedroom units - two units of which would be located beginning on the third floor and accessed only by a single stairwell.

Santa Clara does not have a citywide standard for floor to ceiling heights for live/work units. The Lawrence Station Area Plan has a standard requiring live/work units, which have a ground floor “work component,” to have a minimum floor to ceiling height of 12 feet and room depth of 35 feet. The proposed live/work units have been designed to be consistent with the Lawrence Station Area Plan standards. The storefront glass doors and windows on the ground floor live work units and signage affixed on awnings associated with the live/work units provide differentiation of commercial uses for those residents choosing to use their live/work units for commercial activity.

Overall, the proposed building architecture for all buildings would be reflective of a modern design with flat roofs, both stucco wall siding, horizontal and vertical fiber cement panel siding, insulated vinyl windows and fiber cement trim. For Building A, where most visible along the El Camino Real, the building is proposed to be sided in a combination of stucco vertical v-groove fiber cement panel siding materials, a combination of porcelain tile and stone veneer siding materials and metal / mesh canopies for the ground floor of Building A to differentiate the commercial storefronts of the live/work units, horizontal metal guard railings for the balconies, and is proposed to have recessed windows for most windows on the El Camino Real building elevation and at building corners. If the rezoning is approved, staff will recommend that all windows on all outer perimeter sides of all buildings be redesigned as recessed windows to provide further articulation of the building walls.

Circulation and Parking

The project would be accessed by one new driveway providing access from El Camino Real at the west end of the property, and a private loop street/driveway for internal circulation. The existing public improvements along El Camino Real would be replaced with a separated sidewalk that includes a landscape strip between the curb and sidewalk.

The project proposes a total of 102 parking spaces on site (an average of 2.125 spaces per unit) - 71 of which are assigned covered parking spaces. Each unit in Building A would have a minimum of one covered assigned garage or carport space, and all units in Buildings B and C would have two-car garages. For each of the two eight-unit buildings labeled as Building style “B”, four of the two-car garages would be standard side-by-side garages and the other four two-car garages are designed in a tandem (one space in front of the other space) configuration. For the one Building style “C” all six of the two-car garages serving the six units in the building are designed in a tandem configuration. The proposed conditions of approval require that every garage be accessible for two-car parking at all times and that each be wired to allow for electrical vehicle charging.

The project proposes 31 uncovered parking spaces for use by visitors and residents. Four (4) of the

total 31 spaces are located by the entryway closest to El Camino Real and will be assigned to the six (6) live/work units for customer parking during business hours (7:00 a.m. -10:00 p.m.). During non-business hours these four spaces would be available to all units a general visitor parking. Staff has added a recommended condition of approval C30 to reflect this proposal and to encourage that visitors of the live/work units park on site.

The project proposes on-site parking for bicycles in the form of an enclosed room in Building A available for use by all residents that would provide Class I secured parking for 15 bicycles, and eight Class II bicycle rack spaces on site (four in front of Building A on El Camino Real, and four to the east (right) side of Building C).

Landscaping and Open Space

The project would implement a landscape plan for the site and public right-of-way that includes a mixture of plant species and trees for planting the common areas and setbacks as well as the planter strips fronting the project site. The two existing Japanese palm trees to be removed with demolition of existing development on-site and replaced in excess of the 2:1 requirement with a total of more than 30 replacement trees, including five new Sycamore street along El Camino Real.

An approximately 6,750 square foot private open and amenity space is proposed at the center rear area of the site. The landscape plans for this area include a lawn “multi-use” flex play and lounge space, a picnic area with shade canopy, picnic tables and trash receptacles, as well as landscaped stormwater treatment areas serving the property.

Affordable Housing

The proposed project is considered a “pipeline” project under the City’s inclusionary housing ordinance and would thus be subject to the General Plan Inclusionary Housing policy in place prior to the ordinance, which requires that private development projects with more than 10 units include 10 percent of new housing units as affordable. Consistent with the General Plan policy, the proposed project would designate four plus a 0.8 fractional in-lieu fee of the 48 units to be reserved for qualifying home buyers based on an income level at or below 100 percent of Area Median Income.

Construction Noise

The project will be required to comply with the noise and dust control mitigations included in the Mitigated Negative Declaration prepared for the project. Based on complaints received by the City related to noise and dust concerns arising from other projects under construction on the El Camino Real, the proposed conditions of approval provide clarity and support enforcement to address noise or dust abatement through the construction of the project. Condition of Rezoning Approval C8 and Condition of Tentative Subdivision Map Approval C3, would limit construction hours to avoid early morning hours and reduce impacts on nearby neighbors. Condition C7 states that noise generating construction activity (e.g., demolition, heavy equipment operations, jack hammering, truck loading and unloading of construction materials) not confined within a building shall be limited to the hours of 8:00 a.m. to 6:00 p.m. Monday through Friday, 9:00 a.m. to 6:00 p.m. on Saturdays, and shall not be permitted on Sundays or holidays. Construction activity confined within the building shall be limited to 7:00 a.m. to 6:00 p.m. weekdays and 9:00 a.m. to 6:00 p.m. on Saturdays.

ENVIRONMENTAL REVIEW

A Mitigated Negative Declaration (MND) was prepared for the project by the environmental consultant firm David Powers J. & Associates, Inc., in accordance with the California Environmental

Quality Act (CEQA). The MND and Notice of Availability were posted on the City's website at www.santaclaraca.gov/ceqa and circulated for 30-day review beginning on July 16, 2019 and closed on August 15, 2019, in accordance with CEQA requirements. The Planning Department received agency comments in response to the MND from the California Department of Transportation (Caltrans), which are attached to this staff report for review. The Santa Clara Valley Transportation Authority submitted an email statement that they have no specific comments. No other public comments on the MND were received by staff. Copies of the MND are available in the Planning Division office at City Hall and on the City's website.

The MND examined environmental impacts associated with project development and identified potential air quality, biological, cultural resources, geology and soils, hazardous materials, and noise impacts that with incorporation of mitigation measures into the project would reduce all potential impacts to less than significant levels. A detailed discussion of the potential impacts and mitigation measures to be applied to the project are specified in the MND and would be implemented through project conditions of approval and the Mitigation Monitoring and Reporting Program (MMRP) for the proposed project.

FISCAL IMPACT

There is no cost to the City for processing of the proposed entitlement actions other than administrative staff time and expense which are offset by permit application fees.

COORDINATION

This report has been coordinated with the Finance Department and City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

Public Notices and Comments: On October 11, 2019, the notice of public hearing for this item was posted in three conspicuous locations within 300 feet of the project site and mailed to property owners within 1,000 feet of the project site. Notice was also mailed to each local agency expected to provide water, sewage, streets, roads, schools, or other essential facilities or services to the project. Newspaper notice of this item was published in *The Weekly* on October 9, 2019. At the time of this staff report, one public comment has been received and is attached to this staff report for review.

Public Outreach Meetings

Two neighborhood community meetings were conducted by the Applicant - on April 11, 2018 and October 18, 2018. The first meeting was an early applicant-sponsored outreach meeting, and the second meeting was held in accordance with the City's Public Outreach Policy for Planning Applications, in order to engage neighbors in the planning process for the proposed 48-unit residential condominium development. The October 18, 2018 meeting was attended by staff and also by four residents. One resident questioned the viability of the proposed live/work space as commercial space at the October 18, 2018 meeting. Notices of both meetings were mailed by the applicant to property owners within 1,000 feet of the project boundaries and interested parties and

notice of the second meeting was also posted on the City's website.

ALTERNATIVES

1. Adopt a resolution to recommend the City Council adopt the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the 3035 El Camino Real Residential Project.
2. Adopt a resolution to recommend the City Council approve a rezoning from Thoroughfare Commercial (CT) to Planned Development (PD) to allow development of 48 condominium units, a private street, landscaped open space, surface parking and site improvements.
3. Adopt a resolution to recommend the City Council approve the Tentative Subdivision Map to subdivide the existing parcel into a single lot subdivision with 48 condominium units.
4. Recommend the City Council deny the rezoning from Thoroughfare Commercial (CT) to Planned Development (PD) to allow development of 48 condominium units, a private street, landscaped open space, surface parking and site improvements.
5. Recommend the City Council deny the Tentative Subdivision Map to subdivide the existing parcel into a single lot subdivision with 48 condominium units.

RECOMMENDATION

Alternatives 1, 2 and 3:

1. Adopt a resolution to recommend the City Council adopt the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the 3035 El Camino Real Residential Project.
2. Adopt a resolution to recommend the City Council approve a rezoning from Thoroughfare Commercial (CT) to Planned Development (PD) to allow development of 48 condominium units, a private street, landscaped open space, surface parking and site improvements.
3. Adopt a resolution to recommend the City Council approve the Tentative Subdivision Map to subdivide the existing parcel into a single-lot subdivision with 48 condominium units.

Reviewed by: Andrew Crabtree, Director of Community Development

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Web Link to 3035 El Camino Real Residential Project MND and MMRP
2. Responses to Comments Received on the Mitigated Negative Declaration
3. Project Data
4. Resolution to Recommend that the City Council Adopt MND and MMRP
5. Resolution to Recommend that the City Council Approve PD Rezone
6. Resolution to Recommend that the City Council Approve Tentative Subdivision Map
7. Conditions of Approval for Rezoning
8. Conditions of Approval Tentative Subdivision Map
9. Applicant Statement of Justification
10. Correspondence
11. MMRP
12. Development Plans
13. Tentative Subdivision Map