



MILPITAS PLANNING COMMISSION STAFF REPORT

April 13, 2016

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- APPLICATION:** 1500-1646 Centre Pointe Drive – Site Development Permit No. SD-15-0012, Conditional Use Permit No. UP-15-0016, and Vesting Tentative Map MT15-0011 – A request for a Site Development Permit, Use Permit, and Vesting Tentative Map to allow for the construction of a new two mixed use buildings consisting of a total of 694 dwelling units, 36,500 square feet of ground floor commercial space, and other associated site improvements on a 9.84 acre site located at 1500-1646 Centre Pointe Drive (“Project”).
- RECOMMENDATION:** Staff recommends that the Planning Commission adopt Resolution No. 16-015 recommending approval of Site Development Permit No. SD-15-0012, Conditional Use Permit No. UP-15-0016, and Vesting Tentative Map MT15-0011 to the City Council, subject to the attached Conditions of Approval.
- LOCATION:**
Address/APN: 1646 Centre Pointe Drive (APNs 086-33-102 and 086-33-103)
Area of City: Transit Area Specific Plan (TASP), Montague Corridor sub-district
- PEOPLE:**
Project Applicant: Marshall Torre, SummerHill Apartment Communities,
Consultant(s): RJA Engineering/KTGY Architects
Property Owner: Centre Point Associates L.P., A California Limited Partnership
Project Planner: Lisa Costa Sanders, Planning Consultant
- LAND USE:**
General Plan Designation: Boulevard Very High Density Mixed Use (BVMU) and Residential-Retail High Density Mixed Use (RRMU)
Zoning District: Mixed Use High Density (MXD-2) and Mixed Use Very High-Density Mixed Use (MXD-3)
Overlay District: Transit Oriented Development (TOD)
Specific Plan: Transit Area Specific Plan (TASP)
Site Area: 9.84 acres
- ENVIRONMENTAL:** The Planning Division conducted an initial environmental assessment of the project in accordance with the California Environmental Quality Act (CEQA) and determined that the project is exempt from further environmental review pursuant to

Section 15168(c)(2) of the CEQA Guidelines because of its consistency with the certified EIR for the Transit Area Specific Plan adopted on June 3, 2008 by the City Council (See Attachment A).

EXECUTIVE SUMMARY

The proposed project includes entitlement requests for the construction of a new mixed use development consisting of 694 residential units and 36,500 square feet of ground floor commercial space in two new five-story buildings. The residential buildings wrap around the parking structure. The project also includes a new internal street, on-site and public landscaping improvements and utility connections. The project would require approval of a Site Development Permit, a Conditional Use Permit, and a Vesting Tentative Map.

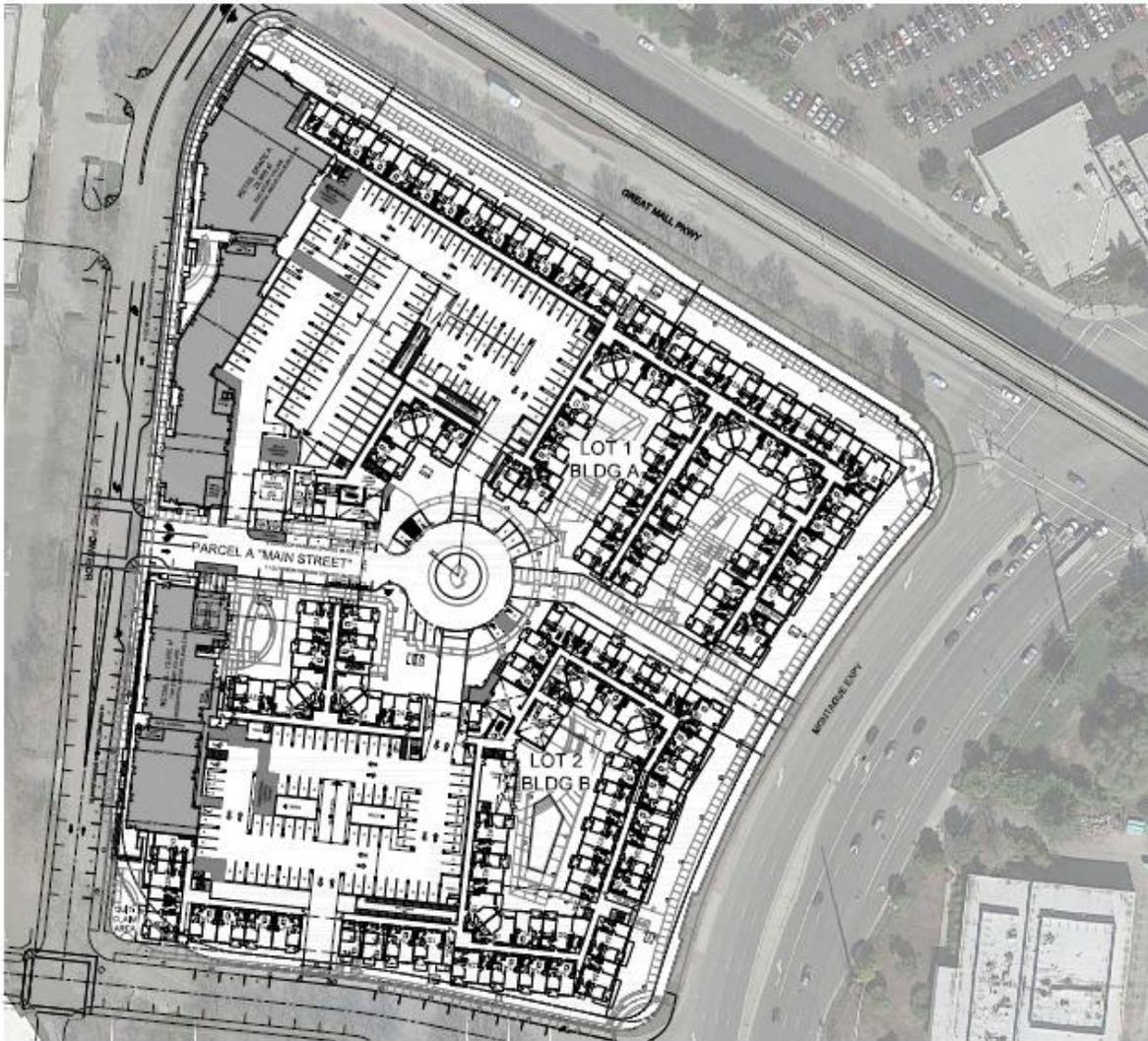
Map 1 **Project Location**



Map 2
Transit Area Specific Plan
Montague Corridor Sub-district



Map 3
Site Plan



BACKGROUND

History

On June 3, 2008, the City Council adopted the Transit Area Specific Plan. The Plan encompasses 437 acres and envisions the development of 7,109 dwelling units, 287,075 square feet of retail space, 993,843 square feet of office and industrial park space, and 350 hotel rooms. The plan includes development standards, goals and policies guiding development within the plan area. Because of the physical characteristics of the area, including major streets, railroads and creeks, the plan also established sub-districts with specific goals and policies to accommodate those unique characteristics.

The proposed project is within the Montague Corridor Sub-District of the Transit Area Specific Plan. The site is located approximately 600' from the future BART station and south of the Great Mall. For this sub-district, the TASP envisioned high-density residential neighborhoods near transit and shopping. The parcels fronting Montague Expressway are permitted to contain residential, employment or hotel uses. The site is located within two TASP land use categories: Boulevard Very High Density Mixed Use (BVMU) and Residential-Retail High Density Mixed Use (RRMU). The site, which is covered by a Transit Oriented Development Overlay, is also within two zoning districts: Mixed Use High Density (MXD-2) and Mixed Use Very High Density (MXD-3).

The Application

The following is a summary of the applicant's request:

- *Site Development Permit*: To evaluate the site layout and architecture for the project.
- *Vesting Tentative Map*: To establish condominium spaces and common area.
- *Conditional Use Permit*: To allow a density increase and exception to the City's Water Urgency Ordinance to permit swimming pools/spas, to permit tandem parking, and to permit development on lots greater than 4 acres, and to increase the density up to 25%.

PROJECT DESCRIPTION

Overview

The proposed project includes entitlement requests for the construction of a total of 694 new condominium units and 36,500 square feet of commercial space. The development includes two new mixed use buildings wrapping around parking structures. The retail space is located along Centre Pointe Drive with an outdoor plaza with seating. The project also includes a variety of site improvements, including roadway alignment improvements along a portion of Centre Pointe Drive, landscape and hardscape improvements along the perimeter of the property and stormwater treatment, utility, grading and other associated site improvements.

The TASP land use and circulation maps anticipate development of three parcels surrounding an interior street that accesses from Centre Pointe Drive. Staff and the applicant evaluated several design and building options to accommodate this theoretical use of the land. After these reviews it was agreed that the three parcel layout did not provide the City the best options for land use and

design and retail development. Consequently, the project is designed as two buildings on lots slightly larger than the four acre maximum called for in the Plan.

Location and Context

The site is 9.84 acres in area and is bound by Great Mall Parkway, Montague Expressway, Centre Pointe Drive. The site is to the west of the new BART station and south of the Great Mall. The site, which is generally level and consists of two parcels, is currently used for commercial office uses and is developed with six one-story buildings totaling 134,000 square feet with paved parking areas and associated landscape.

PROJECT ANALYSIS

General Plan and Zoning Conformance

General Plan Conformance

The project site is located within the TASP land use categories of Boulevard Very High Density Mixed Use (BVMU) and Residential-Retail High Density Mixed Use (RRMU) with Transit Oriented Development Overlay. The table below outlines the project's consistency with applicable General Plan Guiding Principles and Implementing Policies:

Table 4
General Plan Consistency

Policy	Consistency Finding
<i>2.a.I-25: Require development in the Transit Area to conform to the adopted design guidelines and requirements contained in the Transit Area Plan.</i>	Consistent. The project as proposed and conditioned conforms to the street layout, street sections, density and land use.
2.a-I-3 Encourage economic pursuits, which will strengthen and promote development through stability and balance.	Consistent: the project will strengthen and promote many businesses in the City of Milpitas by the redevelopment of a property with a long-standing vacant building, encouraging improvements by owners of other nearby properties
2.a-I-7 Provide opportunities to expand employment, participate in partnerships with local business to facilitate communication, and promote business retention.	Consistent: the project will provide opportunities to expand employment by constructing 36,500 square feet of new retail and office uses.
2.a-I-12 Use zoning for new residential developments to encourage a variety and mix in housing types and costs	Consistent: the project provides for-sale, high-density residential projects that the City needs to meet its housing obligations.

2.a-G-3 Provide for a variety of housing types and densities that meet the needs of individuals and families.	Consistent: the project offers a unique housing need that, in recent studies, is in demand by working people and families that seek high-quality, high-density, forsale residential units with amenities that are within walking distance.
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Zoning Conformance

The entire 9.84 acre site is within the Transit Oriented Development Overlay, and is zoned Mixed Use High Density (MXD2-TOD) and Mixed Use Very High Density (MXD3-TOD). The project is consistent with the City's Zoning Map as set forth in the attached Resolution #16-015. Other development standards, including density, are described in the Transit Area Specific Plan section below.

Subdivision Ordinance

The project is consistent with the provisions in Title XI, Chapter 1, Section 4, Tentative Maps of the City's Municipal Code regarding the form, content and dedications of the tract map as set forth in the attached Resolution #16-015. Tentative Tract Maps require a recommendation from the Planning Commission in the form of a resolution to the City Council for their ultimate approval.

Transit Area Specific Plan

The proposed project's land use, street layout and street sections are consistent with the Transit Area Specific Plan's Montague Corridor sub-district as set forth in the attached Resolution #16-015 with the issuance of a Conditional Use Permit shared parking and exceptions from the TASP development standards discussed below.

Development Standards

The table below demonstrates how the project is consistent with the development standards of the TASP land use categories of Boulevard Very High Density Mixed Use (BVMU) and Residential-Retail High Density Mixed Use (RRMU) and the zoning designations of Mixed Use High Density (MXD2-TOD) and Mixed Use Very High Density (MXD3-TOD). Because the two buildings each span two zoning districts (MXD-2 & 3), the setbacks and densities are calculated for each of those building portions within a specific zoning district.

Table 1:
Summary of Development Standards

MXD3-TOD	Standard	Proposed	Complies?
Setbacks (Minimum) Front Street Side	45' (Montague) 8'-20'	45' (Montague) 10' (Centre)	Yes Yes

Density (Units/Acre)	Site average 86 max du/ac 25% increase with Use Permit	70.53 du/ac	Yes with Use Permit
Building Height (Maximum)	12 stories	5 stories, 60'±	Yes

MXD2-TOD	Standard	Proposed	Complies?
Setbacks (Minimum) Front	15' sidewalks on retail	15' sidewalks	Yes
Density (Units/Acre)	Site average 86 max du/ac 25% increase with Use Permit	70.53 du/ac	Yes with Use Permit
Building Height (Maximum)	12 stories	5 stories, 60'±	Yes

Site & Architectural Design

The Site Development Permit considers the site layout, compliance with various development standards and the architectural design of the buildings.

Site Layout

The development is proposed with two buildings on two lots with a central private street. Lot 1, Building A is accessible from Centre Pointe Drive with a new private street. Lot 2, Building B is also accessible from the private street as well as a driveway to the parking structure mid-block on Centre Point Drive. A driveway for emergency vehicle only access is provided from Montague Expressway, connecting to the new private street. The new retail space with outdoor plaza is located along Centre Pointe Drive. The residential units surround two landscape courtyards and a pool.

Street Setbacks

The Transit Area Specific Plan (TASP) includes specific design criteria for existing and new streets within the development, which include the width of the street, width of sidewalks, parking lane dimensions, street trees, landscaping and minimum setbacks to the buildings from the back of the sidewalk or curb. The development setbacks as proposed conform to the street section dimensions and have been reviewed by Staff.

Height

The maximum building height permitted by right in these zones is 12 stories or 150'. The project proposes two five story (approximately 60'-2") buildings. The parking structures are interior to the building and are proposed as five stories for Building A and six stories for Building B. The proposed buildings conform to the height limit.

Block Dimension

The Transit Area Specific Plan calls for a 500-foot maximum distance between publicly accessible paths of travel for a block. The longest public face of the buildings is 416' and there is public access through the site via the cul de sac and pedestrian routes to Montague Expressway. .

Architecture and Massing

The development is designed in a contemporary architectural style. The elevations include mix of materials including: stucco finish, tile veneer, decorative wood accent panels, fiber cement lap siding panels and masonry veneer. Individual condominium units include balconies, and the retail space is designed with tall storefront windows and metal awning. The retail space includes metal canopies and a decorative trellis at the retail plaza. The roof equipment will be screened and the parking structure will not be visible.

Floor plans

The development includes a mix of studio units (36), one bedroom units (383) and two bedroom units (275). Unit sizes range from 648 square feet to 1,176 square feet. The 36,500 square foot commercial space is designed with an adjacent outdoor seating plaza.

Density

The allowed density within the TASP land use designation of Boulevard Very High Density Mixed Use range from 41 - 60 units per acre maximum, with up to 75 units per acre with the 25% TOD density increase. The land use designation of Residential-Retail High Density Mixed Use permits densities from 31-50 units per acre, with up to 63 units per acre with the TOD density increase. The TASP further provides for an additional 25% density increase with a Use Permit. This would allow a maximum average site density of 86 units per acre. The developer proposes 694 units resulting in an overall site density of 70.53 units per acre. The development complies with the density standards with the issuance of a Use Permit.

Design Guidelines

The design guidelines include both general design guidelines and specific standards to guide future development within the Transit Area. These design guidelines cover site planning, building design and landscaping and lighting. The project conforms to these design guidelines.

Project Amenities

The applicant proposes the construction of a swimming pool and spa for use by project residents. The City has enacted Supplemental Water Use Restrictions (MMC VIII-6-5.00), which prohibit the construction of new swimming pools. (VIII-6-5.03.) However, exceptions to this prohibition may be granted by the City Council. (VIII-6-5.08.). Applicant seeks such an exception to allow the construction of a pool and spa, which will be available for use by project residents as an amenity. Applicant believes that the inclusion of such features will significantly increase the marketability of the residential units, thereby attracting homeowners to the project, and fulfilling the City's vision of high density residential usage at this location.

Landscaping & Open Space Design

Landscaping and lighting

The project provides a combination of soft and hardscape in both public and private areas. See sheets L-1.0 through L-1.3 of the plans for the illustrative landscape plan and planting details.

Tree Removal and Replacement –The applicant has submitted an arborist report describing the 277 trees on the site, including 124 protected trees. The proposed development would result in the removal of 90 protected trees on the site. The applicant proposes to replace the removed trees with 204 trees, ranging in size from 24” box to 48” box size within the development and along the street frontage, resulting in a total of 270 trees on-site (including 66 trees to remain).

Private Open Space - Private open space is provided in interior courtyards with pools, roof deck and private balconies. The private balconies comply with the open space requirement of a minimum of 40 square feet per unit, as required by XI-10-6.04bi.

Lighting - The applicant is required to submit a lighting plan, including a photometric study, with the building permit application.

Parking - Table 3 demonstrates the project's compliance with the parking standards outlined in the TASP district. A total of 86 tandem spaces are included in the total parking for the project.

Table 2
Project Compliance with Parking

	Number of Units	Minimum Parking Required	Spaces Required
Residential			
Studio	36	0.8 per unit	29
1BR	383	1.2 per unit	460
2 BR	275	1.6 per unit	440
Guest		15% of required	140
Retail		0.8 stalls/250 sf	117
<i>Total required</i>			<i>1,186</i>
<i>Total provided on-site</i>			<i>1,168</i>
<i>Total provided w/ street parking</i>			<i>1,189</i>

Bicycle Parking

For residential uses within the TASP area, long term bicycle parking is required to be provided at a rate of one space for every four housing units (174) and short term bicycle parking shall be provided at 5% of the total vehicle parking required (9). In addition, for non-residential uses, bicycle parking is required at the rate of 5% of the total non-residential vehicle parking required,

which yields a need for 6 bicycle spaces. The total project bicycle parking requirement is thus 189 spaces, which will be provided by the project.

Tentative Map

The project proposes a new vesting tentative map for condominium purposes. The project also includes a 0.05 acre quitclaim of land for the 90 degree Centre Pointe Drive alignment.

Off-site Improvements

The development includes the improvement the 90 degree Centre Pointe Drive alignment and perimeter sidewalk and landscape improvements.

FINDINGS FOR APPROVAL

A finding is a statement of fact relating to the information that the Planning Commission has considered in making a decision. Findings shall identify the rationale behind the decision to take a certain action.

Major Tentative Map (Section XI-1-20.01)

The proposed Major Tentative Map is consistent with the requirements of the General Plan in that it appropriately allows for residential development and necessary improvements such as streets, open space, and public utilities for the health and safety of the residents and the City.

Site Development Permit (Section XI-10-57-03-1(F)) /

- 1. The layout of the site and design of the proposed buildings, structures and landscaping are compatible and aesthetically harmonious with adjacent and surrounding development.*

The project includes buildings using high quality contemporary architectural design and a mix of architectural finish materials that are consistent with the other housing and mixed uses developments presently under construction within the TASP.

- 2. The project is consistent with the Milpitas Zoning Ordinance.*

The Project site is zoned MXD-3 (Mixed Use, Very High Density) and MXD-2 (Mixed Use High Density) with a Transit Oriented Development (TOD) Overlay. The proposed residential and retail uses are permitted in the zoning district. The Project conforms to the zoning district and meets the intent for this type of project envisioned in this area. The five-story height of the buildings is also within the standards of the TOD Overlay, where up to twelve stories in height is allowed by right.

- 3. The project is consistent with the Milpitas General Plan.*

The General Plan land use designations for the project site are; Boulevard Very High Density Mixed Use (BVMU) and Residential-Retail High Density Mixed Use (RRMU). The intent of these designation is to provide high-density housing with retail uses within the Montague Corridor Sub-district at a minimum density range of 31 units per acre, and a maximum density of 75 units per acre with an additional 25% density increase with a Use Permit.

The Project is consistent with the Milpitas General Plan because the proposed Project meets the intent of the designation by providing a residential project within the district with an overall average site density of more than 70 dwelling units per acre. Furthermore, the project is consistent with the following General Plan Guiding Principle and Implementing Policies:

- *2.a 1-31 Develop the Transit area, as shown on the Transit Area Plan, as attractive, high density, urban neighborhoods with a mix of land uses around the light rail stations and the future BART station. Create pedestrian connections so that residents, visitors, and workers will walk, bike, and take transit. Design streets and public spaces to create a lively and attractive street character, and a distinctive identity for each sub-district.*

The proposed Project is consistent with this policy because it includes attractive five-story buildings with 694 residential units in proximity to the future Milpitas BART Station. The Project also includes significant streetscape improvements enabling and encouraging pedestrian and bicycle movement throughout the Montague Corridor Sub-district with connections to the BART and Light Rail transportation hubs. The project is also designed with active retail space with outdoor seating, as envisioned by the TASP.

- *2.a 1-32 Require development in the Transit area to conform to the adopted design guidelines/requirements contained in the Transit Area Plan.*

The proposed Project is consistent with this policy because it has been designed per the adopted design guidelines/requirements contained in the Transit Area Plan. With the issuance of a Use Permit, the project meets all guidelines and requirements of the Transit Area Plan, including building setbacks and height, floor area ratio and density, parking, open space and landscaping. It also meets the requirements for access and circulation with the deviations outlined below.

4. *The project is consistent with the Transit Area Specific Plan.*

The project is consistent with this finding because the proposed project's land use and street layout are consistent with the TASP Montague Corridor Sub-district.

Conditional Use Permit (Section XI-10-57-04(F))

1. *The proposed use, at the proposed location, will not be detrimental or injurious to property or improvements in the vicinity nor to the public health, safety and general welfare.*

The project is consistent with this finding because the overall development density is within the TASP range of residential density and provides housing near transit and shopping. The residential development contains sufficient parking and private open space amenities to serve the new residential population and not impact the community. The project also complies with the overall on-site open space requirement and includes significant perimeter landscape improvements.

2. *The project is consistent with the Milpitas Zoning Ordinance.*

The proposed density is consistent with the TASP standards and Zoning Ordinance, subject to a Conditional Use Permit in order to analyze potential impacts to the public. The project provides sufficient on-site parking and private open space to serve the residents.

3. *The project is consistent with the Milpitas General Plan.*

The proposed density of this development is consistent with the high density residential land use in the TASP and is appropriate at this location given the close proximity to BART and the Great Mall. The density of the development is archived within the height limits, with sufficient on-site parking and private open spaces. The development also provides retail space to activate the area consistent with the goals of the TASP.

4. *The project is consistent with the Transit Area Specific Plan.*

The project is consistent with this finding because the density of development is consistent with the TASP Montague Corridor Sub-district. The project complies with all other development regulations identified in the TASP including site design, streetscape, height, parking and provision of open space. The requested density bonus provides greater support for the goals of TASP and the encouragement of a pedestrian environment. Development of swimming pools for residents' use will increase their access to open space and recreation. The development of lot sizes greater than four acres does not adversely affect the private use of the property or the public's ability to access the site and its amenities. Consequently, the improved design of the project through massing and amenities and community benefits to be determined by the City Council through funds provided by the applicant enable the project to be consistent with this finding. The use of tandem parking spaces is consistent with the overall goals of the TASP to encourage alternate transportation uses.

ENVIRONMENTAL REVIEW

The Planning Division conducted an initial environmental assessment of the project in accordance with the California Environmental Quality Act (CEQA). The project is exempt from further environmental review pursuant to Section 15168(c)(2) of the CEQA Guidelines because staff determined that the project is consistent with the certified EIR for the Transit Area Specific Plan adopted on June 3, 2008 by the City Council.

PUBLIC COMMENT/OUTREACH

Staff provided public notice the application in accordance with City and State public noticing requirements. At the time of writing this report, there have been no inquiries from the public. A notice was published in the Milpitas Post on April 1, 2016. Notices were sent to 892 owners and occupants within 1,000 feet of the project site. A public notice was also provided on the project site, on the City's Website, www.ci.milpitas.ca.gov, and posted at City Hall.

CITY COUNCIL REVIEW

This project requires review by the City Council and is tentatively scheduled on its May 17, 2016 agenda.

CONCLUSION

The proposed project is substantially consistent with the Transit Area Specific Plan in terms of land use and density, and conforms to the previously-approved street layout. The product type complements the other proposed developments within the Montague Corridor Sub-district. The project is consistent with the minimum density requirements for the zoning districts.

RECOMMENDATION

STAFF RECOMMENDS THAT the Planning Commission:

1. Open and Close the Public Hearing
2. Adopt Resolution No. 16-015 recommending approval of Site Development Permit No. SD-15-0012, Conditional Use Permit No. UP-15-0016, and Major Tentative Map No. MT-15-0011 to the City Council, subject to the attached Conditions of Approval

ATTACHMENTS

A: Resolution 16-015/COAs

B: Project Plans