

295 S. Mathilda Avenue: Project Description & Density Bonus Request Letter

Project Name: 295 S. Mathilda

Address: 295 S. Mathilda Avenue
Sunnyvale, CA 94086

APN: 165-13-051; 165-13-052; 165-13-053; 165-13-064

Legal Description:

Real property in the City of Sunnyvale, County of Santa Clara, State of California, described as follows:

Parcels 1, 2, 3 and 4 as shown on the parcel map entitled "Lands of Wells Fargo Bank and Fernandez, et ux", which map was filed for records in the office of the recorder of the County of Santa Clara, State of California on May 26, 1978 in book 419 of maps at pages 20 and 21.

APN:

165-13-051, as to Parcel 1

165-13-052, as to Parcel 2

165-13-053, as to Parcel 3

165-13-064, as to Parcel 4

Existing Uses and Major Proposed Physical Alterations:

Existing Uses

This 1.039 acre site is currently occupied by a 10,038 square foot vacant existing commercial building, previously occupied by Wells Fargo Bank. The existing building will be demolished prior to new construction.

Major Proposed Physical Alterations:

The 295 S Mathilda project aims to enhance the community by creating a transit -oriented and sustainable development within the Downtown Specific Plan area in Sunnyvale. The project is located approximately 0.3 mi from the Sunnyvale Caltrain Station. The proposed 5- story building will consist of 4 stories of fire-resistive wood or metal framing above a 1-story concrete podium, offering a total of 110 residential units and ancillary uses. All residential units will be restricted as affordable housing except 1 on-site manager units. To promote walkability and activate the street, a residential lobby, management offices, and bike parking will be located at the street level and the design will also provide a widened pedestrian zone along Mathilda Avenue. The design includes amenities such as a landscaped courtyard with play structures for children, a multi-purpose community room, and central laundry facility that will be available for residents. Parking will be accommodated with a ratio of 0.59 cars per unit, providing 65 parking spaces in a combination of enclosed and surface spaces. This building will function as a transition between the high-density Downtown Core to the east and the lower density residential neighborhood to the west by utilizing setbacks and stepped down building heights. With contemporary architecture and thoughtful use

of materials, this development seeks to create a vibrant sense of community while contributing much-needed below-market-rate housing.

Note that this project will comply with PGE requirements by utilizing above-ground, pad mounted transformers. PGE prohibits underground transformers where there is physical space to accommodate pad mounted transformers, and no longer allows underground transformers when required by the local jurisdiction. The pad mounted transformers will be located within the 10ft setback along W. McKinley.

State Density Bonus:

Affordability Levels:

This project meets the definition for a housing development under California's State Density Bonus Law as codified under Government Code Section 65195 b(1)(G), which provides that 100% units must be for lower income households, as defined by Health and Safety Code Section 50079.5¹, except that up to 20% of the units may be for moderate-income households, as defined in Health and Safety Code Section 50053².

The affordability level of units at 295 S. Mathilda shall be established based on specific requirements under various affordable housing funding sources, which shall be secured at a future time. The project shall provide units at affordability levels not to exceed the following table:

% of Units	# Units	Affordability
79%	87	Lower Income (80% AMI) ³
20%	22	Moderate (110% AMI) ⁴
1%	1	NA – Manager's
100%	110	

Government Code 65915(c)(1)(B)(ii) provides that rents for those developments meeting Govt. Code 65915(b)(1)(G)(above) shall be as follows:

- *Moderate Units: Rent for at least 20% of the units shall be set at an affordable rent, as defined in Health and Safety Code Section 50053.⁵*
- *Lower Income Units: Rent for the remaining 80% of the units shall be set at an amount consistent with the maximum rent levels for a housing development that receives an*

¹ Defined as follows: "Lower income households" means persons and families whose income does not exceed the qualifying limits for lower income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937. The limits shall be published by the department in the California Code of Regulations as soon as possible after adoption by the Secretary of Housing and Urban Development. In the event the federal standards are discontinued, the department shall, by regulation, establish income limits for lower income households for all geographic areas of the state at **80 percent of area median income**, adjusted for family size and revised annually.

² For moderate-income households, the product of 30 percent times **110 percent of the area median income** adjusted for family size appropriate for the unit.

³ See footnote 1

⁴ See footnote 2

⁵ See footnote 2.

allocation of state or federal low-income housing tax credits from the California Tax Credit Allocation Committee.

Density Bonus Pursuant to Govt. Code 65915(f)(3)(D)(ii):

- *Number of Units Allowed by DSP Zoning: 57 Units*
The site is currently zoned as Downtown Specific Plan (DSP) Block 16. The four parcels in this site are allocated a total of 57 housing units (DSP Appendix A, Table A-1) for a maximum density of 54.86 du/acre.
- *Proposed Number of Units: 110 Units*
The proposed project provides a total of 122 units (105.87 du/ac density) with a mix of one-bedroom, two-bedroom, and three-bedroom below market-rate units, including 1 on-site manager units.
- *Number of Proposed Density Bonus units: 53 Units*
The 53 units above the 57 housing units allocated to this site under the DSP are proposed as Density Bonus units. Per Govt. Code 65915(f)(3)(D)(ii), if such projects are also located with ½ mile of a major transit stop, the local jurisdiction “shall not impose any maximum controls on density”.
- *Number of Existing Residential Units on the Project Site that Will Be Demolished*
Zero. There are no existing residential units on site. The existing structure is a vacant commercial bank building that will be demolished prior to start of construction for the new affordable housing.

Building Height Increase Pursuant to Govt. Code 65915(d)(2)(D)

This project is located within ½ mile of major transit stop and is a project that meets the affordability requirements defined under Government Code Section 65915 b(1)(G). Per Govt. Code 65915(d)(2)(D), this project is allowed a height increase of up to three additional stories, or 33 ft.

The Downtown Specific Plan limits the maximum building height for Block 16 to 30ft along Charles Street and 50ft along Mathilda Ave. This project proposes building heights of up to 38’-6” along some parts of Charles Street and up to 66’-4” ft along Mathilda. These are less than the maximum allowed building height under the State Density Bonus Law (63ft along Charles and 83 ft along Mathilda).

Minimum Parking Requirement Pursuant to Govt. Code Section 65195 (p)(3)(A)

Per Government Code Section 65195 (p)(3)(A), no vehicular parking standards shall be imposed if the developments is located within ½ mile of a major transit stop and also meets the criteria of Government Code Section 65195 b(1)(G) where one hundred percent of units are for lower income households. 295 S. Mathilda is 100% affordable housing and is located within ½ mile of the Sunnyvale Caltrain Station. No minimum vehicular parking standards shall apply.

Requested Concessions:

This project is located within ½ mile of major transit stop and is a project that meets the affordability requirements defined under Government Code Section 65915 b(1)(G). Per Govt. Code 65915(d)(2)(D), this project is allowed up to 5 concessions.

Per Govt. Code 65915 (k), a concession is defined to include a reduction of development standards that exceed the minimum building code requirements, as well as other regulatory concessions proposed by project sponsor, that result in identifiable and actual cost reductions to provide for affordable housing costs. Further, per Govt. Code 65915(e)(1), a local jurisdiction may not apply, and applicants may request waivers from any development standards that have the effect of physically precluding the construction of a development at densities otherwise permitted under Govt. Code 65915.

Requested concessions for the 295 S. Mathilda project are listed below.

- Concession #1: Individual Lockable Storage (SMC 19.38.040)

This project is required to provide 200 cubic of individual storage per studio and one-bedroom, and 300 cubic feet of storage for each other unit.

To provide individual lockable storage, the project would need to provide constructed, protected space that exceeds what is required under California Building Code. Given the high cost of construction in the Bay Area, it would be more efficient to focus on livable unit layouts that provide reasonable personal storage within each unit, as we have proposed. This concession would have no impact on public health and safety. This property will have an onsite property manager as well as other full-time maintenance and resident services staff that will assist residents in waste removal and bulk item pick-ups to prevent illegal dumping in the neighborhood or on the property.

- Concession #2: Parking Lot Shading (SMC 19.37.040)

The uncovered parking lot facing Charles Street is required to be shaded.

To shade the proposed uncovered parking lot without reducing parking, we would need to add a canopy or extend the concrete podium, which increases costs and adds bulk to the Charles Street frontage. This project seeks a concession from this requirement, as the uncovered area is relatively small (4,778 SF) and is shaded by our own building for a large portion of the day. Additionally, the parking surface will not be paved with asphalt like most surface parking lots, but a light-colored concrete which has a significantly smaller heat island effect. The design has located larger trees adjacent to the uncovered lot such that the canopy will shade 28% of the uncovered parking area.

- Concession #3: Transformer within Required Setback (SMC 19.38.020)

Transformers must be placed underground.

PGE no longer allows transformers to be located underground, even if included as a requirement within City Conditions of Approval. The project includes two above ground, pad mounted transformers located within a setback along W. McKinley Ave. PGE requires transformers to be within 15'-0" of a street. It was determined the West McKinley frontage was the best location for the two transformers where there was sufficient space and would not be either on the primary street frontage, S. Mathilda Avenue, or facing adjacent single-family and low-density residential properties on Charles Street. It was further determined that it is infeasible to locate the transformers inside the building without losing a significant number of parking spaces and adding significant construction expense.

As sited, the transformers have a required clear working space that overlaps the public right-of-way, thus a screen cannot be located between the transformer pad and the sidewalk. However, to mitigate the appearance of the transformers, they will be painted green, or to match the building to the extent allowed by PGE. Additionally, a 5'-0" tall, single-sided fence with a decorative metal panel has been added to the east of the transformers which screens views from the entry plaza and the South Mathilda Avenue frontage. A tall hedge between the transformers serves to further soften this edge and reduce the visual impact of the transformers.

- Concession #4: Building within Vision Triangle at S. Mathilda & W. McKinley (SMC 19.34.060)

Structures taller than 3.5ft are not permitted within the vision triangle.

A small portion of the structure at the SE corner of the building is located within the vision triangle. It is limited to one 20" column (inclusive of finishes) which extends from the ground to the second floor. The project seeks a concession for this condition since supporting the weight of all units in the stack above without a column would require a cost prohibitive cantilever structure that is excessively complex and is not recommended by our structural engineer. Per drawings provided by the project architect, the placement of the columns would still permit a clear view from S. Mathilda Ave to W. McKinley Ave