

KT URBAN

September 14, 2017

David Brandt, City Manager
Aarti Shrivastava, Assistant City Manager
Cupertino City Hall
10300 Torres Avenue
Cupertino, CA 95014-3202

Subject: Westport Cupertino – General Plan Amendment Authorization

Dear City Manager Brandt and Assistant City Manager Shrivastava:

In accordance with my discussion with Ms. Shrivastava on September 11, 2017, we are pleased to resubmit the Westport Cupertino project for formal permission to go through the Gatekeeper process and be considered for a General Plan Amendment. Our resubmittal is made as a “minor amendment” within 30 days of the Council’s prior action on August 15, 2017, pursuant to Rule 2.h. of the Procedures for Processing of General Plan Amendment Applications.

In response to the comments from the City Council and public at the last hearing before the Council on August 1st, we have worked closely with our design team and retail experts in an effort to reshape our proposal to best fit the needs of the community. While there is no question that Cupertino has a real and immediate need for more housing, the loss of 200 residential units as directed by Council (605 vs. 405) in the former Alternative 1 does not allow the project to support the desired levels of below grade parking or affordable housing. In addition, we are very concerned about the long-term viability of the retail without an office component.

Accordingly, we have decided to exclusively submit the Mixed-Use Gateway project (formerly Alternative 2) with three modifications from our prior submittal and forego the Mixed-Use Residential project (formerly Alternative 1). The modifications are as follows:

- ✓ We significantly reduced height on the office component of the project by two floors result in a building of 65 feet, a 26% reduction from the 88 feet previously presented to the Council. The reduced height in the Mixed-Use Gateway Alternative would bring the

proposed office building in line with those of Main Street Cupertino, a fact previously noted by several members of the Council at the prior hearing. The project will maintain the vital components necessary to support a vibrant 24/7 retail district and provide much need housing and other community benefits, as previously presented. This alternative clearly creates a robust net positive fiscal impact to the City, as confirmed the City's consultant.

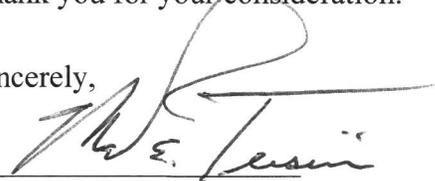
- ✓ We enhanced our commitment to affordable housing in the City by increasing the total percentage of affordable units from 20% to 25%. This would allow a more diverse mix of affordability levels, particularly for extremely low incomes, and incentivize affordable housing developers with greater availability of tax credit financing.
- ✓ We elected to modify our off-site plans by maintaining the on-street parking along Mary Avenue in its current condition due to community concerns.

We request approval of the Authorization by the City Council to allow us to work with your professional staff and to seek community engagement to create the best project. As part of that process, we are willing to share all of the consultant reports that we have prepared, including traffic and GHG analyses among others, for staff's review and comment. It is our intent to work with the Council and City Staff to explore and refine these alternatives, or variations thereof, and come up with a direction that is best suited to Cupertino. We expect that these alternatives will be fully and equally analyzed through the City's independent CEQA (Environmental Impact Report) review process.

As a Cupertino-based company with long-standing family and business relationships within the community, KT Urban is committed to working with you and the community-at-large to implement the Westport Cupertino project in a manner that provides inspiration and enhances our City's outstanding quality of life.

We respectfully request authorization to proceed with a General Plan Amendment application. Thank you for your consideration.

Sincerely,



Mark Tersini, Principal
KT Urban

cc: Mayor and Council