Appendix II – Development Modification Request Project Description

1. Introduction & Executive Summary

Vallco Property Owner LLC (Applicant) submitted its initial application for the Vallco Town Center Project, which is now referred to as The Rise ("Project"), pursuant to Government Code section 65913.4 ("SB 35") on March 27, 2018 ("Original Application"), which was approved by the City of Cupertino ("City") on September 21, 2018 ("Original Approval"). In order to make necessary revisions based on design advancements typical of large-scale projects, Applicant submitted: (1) an SB 35 modification request application ("2022 Modification") on March 24, 2022, which was approved by the City on June 3, 2022, and (2) an SB 35 modification request application ("2024 Modification") on December 5, 2023, which was approved by the City on February 16, 2024. This SB 35 modification request is now being submitted to incorporate proposed changes to the Project since the 2024 Modification (referred to throughout as the "modification request").

Since the 2024 Modification approval, Applicant has made further progress in readying the Project site and bringing forth the much-anticipated transformational change to the approximately 50.82-acre former Vallco Mall property. This modification request represents a natural and technical progression of the Project, reflecting the extent of design coordination and site construction to date and the imminence of future vertical construction. Thus far, demolition of above ground structures west of N. Wolfe Road has been completed, a series of construction permits have been issued, and since May 2023, construction activity has been ongoing within the Project site pursuant to issued City permits and County Department of Environmental Health (DEH) clearance. This construction work has included significant grading work, soil removal, mass excavation, and soil off-haul and make ready utility work. Currently, installation of wet utilities for the first phase of the Project is nearing completion, and dry utility installation and roadway construction will mark the early portion of 2026 and site improvements, including offsite improvements consistent with concept plans approved by the City this past summer, are expected to be permitted and constructed later in 2026. Commencement of building construction, beginning with a substantial phase of affordable housing, is planned to begin later in the year as well .

In connection with the Project site soil remediation efforts, Applicant entered into voluntary oversight with the DEH on June 23, 2021 and November 16, 2022, for the west and east sides, respectively. In December 2022, DEH approved a Soil Management Plan for the west side of the Project site; an updated SMP will be submitted to DEH shortly to reflect the updates set forth in this modification request.

As a threshold issue, this modification request remains in compliance with SB 35 and the objective standards applicable to the Project. The modification request remains consistent with the City's applicable Community Vision 2040 General Plan (General Plan) goals for redeveloping the aging and outdated indoor mall into a vibrant, sustainable, walkable and safe neighborhood. Specifically, this modification request retains or enhances the key hallmark features of the approved Project:

- Thousands of critically needed housing units, hundreds of which would be affordable to low- and very-low income residents;
- Robust open space and bicycle and pedestrian connectivity;
- A vibrant mixed-use "town center" design with residential, retail, entertainment, and office uses in a pedestrian-friendly, grid street network with high-quality architecture that serves as a community gateway for the City; and

- Sustainable design that reduces heat-island effect; optimizes energy efficiency across program types; enhances the quality and wellness of indoor environments for all occupants; and replaces an obsolete indoor mall with acres of open space throughout the Project site, in addition to landscaping throughout the Project site.

While most of the Project remains substantially the same as the 2024 Modification, the key changes reduce the office square footage and the number of low income units (in accordance with state law), increase the market rate housing units, and maintain the very low income units and retail square footage. This is achieved by changing the buildings at Block 13 from office to residential, changing Block 8 from below-market-rate units to market-rate units, and adjusting the units counts in several of the residential blocks. This also results in several minor changes throughout the Project. The Applicant expects the first phase of the Project, Blocks 1-8 also called "Town Square West," to start vertical construction in 2026 with the first buildings slated to become available in 2028.

2. SB 35 Framework Applicable to this Modification Request

Consistent with the 2022 and 2024 Modifications, SB 35 allows for applicants to request modifications to previously approved developments through the ministerial modification process set forth under Gov. Code § 65913.4(g). SB 35 establishes that the local government must approve such modification request if it does not affect the City's prior determinations regarding the Project's consistency with the objective planning standards in effect at the time of the Original Application. As described by the statute, the City's role is "strictly limited" to determining consistency with objective planning standards, a determination it must make within 60 days after submission of the modification where design review does not apply, as is the case here[1]. (§ 65913.4(g)(2)[2].)

When making its determination regarding consistency with objective planning standards, SB 35 directs that the City shall find consistency if there is "substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards[,]" and that a lack of certain application materials in the modification request submittal shall not be a basis for determining that the Project is inconsistent with objective standards as long as the application otherwise allows a reasonable person to conclude that the Project is consistent with such objective standards. (See § 65913.4(c)(3).)

A local government may only apply objective planning standards adopted after the development application was first submitted when: (a) the total square footage of construction increases by 15% or more, or (b) the total number of residential units decreases by 15% or more. (§ 65913.4(h)(3)(A)). A local government may, however, subject the development to an objective standard adopted after the application was submitted in order to mitigate or avoid a specific, adverse impact upon the public health or safety when: (i) the total square footage of construction increases by 5% or more, or (ii) the total number of residential units decreases by 5% or more. (§ 65913.4(h)(3)(B)). As the project does not increase the total square footage of construction nor reduce the number of residential units approved in the Original Approval, the City may not apply objective standards adopted after the Original Application

[1] The City's June 22, 2018 letter determining that the Project is eligible for streamlining under SB 35 confirmed that there are no applicable "objective design review standards."

[2] Unless otherwise stated, all references are to the California Government Code.

was submitted on March 23, 2018, regardless of whether such standards would mitigate or avoid a specific, adverse, impact.

The recently approved AB 712 (Stats. 2025, Ch. 496) further underscores the limited nature of local review for SB 35 housing developments. AB 712 designates Gov. Code § 65913.4 and related statutes as "housing reform laws" and authorizes large mandatory fines against public agencies that fail to comply with obligations of these laws.

Applicant is committed to supporting the City with its review of this modification request and looks forward to a collaborative process over the next 60 days.

3. Summary of Modification Request

3.1 Key Project Elements and Land Use Program Remain Unchanged

The modification request retains the key Project features as approved under the Original Approval but includes updates to the site plan and land use program as further detailed in this Project Description. The modification request does not alter the community-serving intent of the Project; rather, it refines the program and technical design elements to ensure the Project can be efficiently built, financed, and operated sustainably for the long-term. Consistent with the General Plan vision in effect at the time of the Original Application submittal, including the Vallco Shopping District Special Area, the Project will continue to implement strategies to revitalize the aging and outdated indoor mall into a vibrant, sustainable, walkable and safe "town center" neighborhood.

Like the 2024 Modification, the Project includes the following key components and design approaches:

- **2,669 Residential Unit Count and With Significant Affordability**: This modification request maintains the total unit count of 2,669, although the project is reducing the number of units available at rents affordable to low- and very-low income households to 356 units. The residential units are designed to serve a wide range of households, with an emphasis on families, making a substantial impact in addressing the worsening housing and affordability crisis. Importantly, the number of affordable homes planned for the first construction phase remains substantially the same, ensuring early delivery of Cupertino's most urgently needed housing;
- **Mixed-Use Town Center Design**: Vibrant mixed-use "town center" design with residential, retail, entertainment, office, and open space uses in a pedestrian-friendly, grid street network that serves as a community gateway. This design continues to implement the Project's goal of transforming a defunct mall into a livable, walkable district that delivers homes first, followed by complementary amenities and jobs;
- **Traditional Neighborhood Layout**: Site plan that connects the community (internally and externally) via walkable, pedestrian- and bike-friendly streets, squares/plazas, trails, and pathways;
- **Open Space and Bicycle and Pedestrian Connectivity**: Robust open space program, including significant ground level open space that will provide convenient public and resident access, and feature a diverse set of programmatic uses, including event and community gathering spaces, recreational lawns, playgrounds, trails, and acres of natural landscape. Enhanced ground level open space amenities distributed throughout the Project site will be available for public and

private tenant use, which have replaced the green roof feature that was previously included in the Project design.

- **Sustainable Design**: Over 14 acres of total programmed open space; 927 onsite trees at buildout; and an extensive natural, drought tolerant landscape will replace the 50-acre hardscape of Vallco Mall to create a sustainable, climate responsive development with an unprecedented connection to nature in the heart of Silicon Valley.

3.2 Modification Request Land Use Summary

The modification request includes updates to the Project site plan and land use program, while maintaining the general mixed-use design approach and compliance with the two-thirds residential requirement. This Section 3.2 provides an overview of the land use program set forth under the modification request; Section 3.3 provides an overview of the modification request compliance with the two-thirds requirement; Section 4 below provides additional details regarding notable design and program features to assist the City's review of the modification request; and Section 5 provides an overview of the permit amendments anticipated to be required in connection with this modification request. This discussion is not intended to be comprehensive; reference should be made to **Appendix IV, *Modification Request Plan Sets*** for detailed information regarding design updates and the modification request project data.

Table 1: Land Use Program Summary below provides a comparative summary of the Project land use program as approved under the Original Approval, the 2024 Modification, and this modification request. As shown in Table 1, the modification request results in a Project-wide increase in total unit count of 11.12% and a decrease in total square footage of 13.47%, each as compared with the 2018 Original Approval. Compared to the 2024 Modification, this modification request proposes no change in the total unit count and a decrease in total square footage of 2.05%. The area decrease is a result of improving the efficiency of residential, office and retail back of house, parking, and reducing excess amenity areas, reducing the amount of office, and changing unit sizes and retail areas to meet current market demand. These refinements align with evolving regional economic conditions, reflecting a deliberate shift toward housing-focused growth, an approach consistent with City and state objectives.

The residential unit count increase (compared to 2018) reflects the allowable density based on amendments to the California Density Bonus Law (Gov. Code § 65915 et seq.) that allow for a 50% density bonus increase for projects providing a qualifying number of income-restricted units. This increased unit count also responds to community requests for more housing opportunities across the income spectrum (including for family households) and to the City's significantly increased Regional Housing Needs Assessment (RHNA) under the 6th Cycle Housing Element of 4,588 units (an increase from 1,064 units under the 5th Cycle RHNA). The incorporation of additional density bonus units also helps to ensure the financial feasibility of the affordable units.

The Project's residential units continue to allow for both rental and for-sale tenures, and support a wide variety of household types. Of the Project's 2,669 residential units, 356 units are affordable to low income households making less than 80% area median income (AMI) and 50% AMI in accordance with applicable SB 35, state Density Bonus Law, and local affordable housing requirements. The Project continues to include a range of unit types to accommodate a diverse demographic of future residents and families in both the affordable and market rate offerings, including unit types that range from studios to 4-bedroom units.

Table 1: Land Use Program Summary – Modification Requests & Comparison to Original Approval[1] and 2024 Modification

	Original Approval		2024 Modification		Modification Request 3	
Land Use	**Amount[1]**	**% Project**	**Amount**	**% Project**	**Amount**	**% Project**
Residential Dwelling Units	**2,402 units**	**N/A**	2,669 units	N/A	**2,669 units**	**N/A**
Residential Uses	4,961,904 SF	66.8%	4,382,226 SF	74.7%	4,726,904 SF	73.53%
Office	1,981,447 SF	26.7%	1,954,613 SF	21.7%	1,474,946 SF	22.94%
Retail / Entertainment[2]	485,912 SF	6.5%	226,386 SF	3.6%	226,644 SF	3.53%
Total Square footage[3]	**7,429,263 SF**	100%	6,563,225 SF	100%	**6,428,494 SF**	100%
Percent Change[3] since Original Approval	N/A		Unit Count: +11.12% Square Footage: -11.66%		**Unit Count: +11.12%** **Square Footage: -13.47%**	
Percent Change since 2024 Modification	N/A		N/A		**Unit Count: 0%** **Square Footage: -2.05%**	

Table 1 Notes:
1. Calculations provided in this **Table 1** are based on the Cupertino Municipal Code 19.08.030 "floor area" methodology as utilized in the Original Approval
2. Any Entertainment component will be no more than 30% the total retail area in compliance with the City of Cupertino's General Plan.
3. Pursuant to SB 35, underground space shall not be included for purposes of calculating either (i) the two-thirds residential requirement or (ii) the square footage of construction changes for modifications. (See § 65913.4(a)(2)(C); see also § 65913.4(g)(3)(A)-(B).) Therefore, consistent with statutory requirements, this **Table 1** summarizes only at- and above-grade floor area.

3.3 Two-Thirds Residential Compliance

As shown in Table 1, the modification request remains in compliance with the SB 35 requirement that "at least two-thirds of the square footage of the development is designated for residential use." SB 35 establishes additional parameters for the calculation of the two-thirds requirement: (1) the square footage of the development shall not include underground space, such as basements or underground parking garages; and (2) any additional density, floor area, and units, and any other concession, incentive, or waiver of development standards granted pursuant to the Density Bonus Law shall be included in the square footage calculation. (§ 65913.4(a)(2)(C)(ii).) With a reduction of over 500,000 square feet of office space while retaining the same number of units as the 2024 Modification, the Project after the modification request remains well above the minimum two-thirds residential requirement.

As described in the City's June 22, 2018 letter ("90-Day Letter"), in evaluating the Original Application, the City utilized the definition of "floor area" as defined in the Cupertino Municipal Code Section 19.08.030(F) to determine what percentage of the proposed development is designated for residential use. In its 90-Day Letter, the City confirmed that the Original Application materials appropriately designated the residential and non-residential floor areas for purposes of calculating the two-thirds requirement. This approach was also upheld as proper by the Santa Clara County Superior Court.

This modification request utilizes the same approach as in the Original Application and the 2022 and 2024 Modifications for calculating the two-thirds requirement, as shown in **Appendix IV, *Modification Request Plan Sets*, Sheets P-0101, P-0106.01–0106.08**. This approach is consistent with the SB 35 requirement that the City utilize the same "assumptions and analytical methodology" that it used when processing the original application to assess consistency with objective planning standards. (§ 65913.4(h)(1)(C).) Through these adjustments, The Rise now greatly exceeds the SB 35 requirement for a residential project, reaffirming the Project's identity as one of the Bay Area's most significant housing-delivery efforts.

4 Modification Request Design Changes

4.1 Land Use Program

As described above, the overall Town Center-based land use program types remain the same. As with the 2024 modification, the site plan consists of 16 smaller blocks, which allows for improved multi-modal circulation, access to ground floor amenities (such as retail and open space), and an enhanced community feel by reducing the overall scale of individual blocks, when compared to the original Project's site plan. **Figure 1: Project Site Diagram** provides a simplified overview of the Project site layout and block numbering.

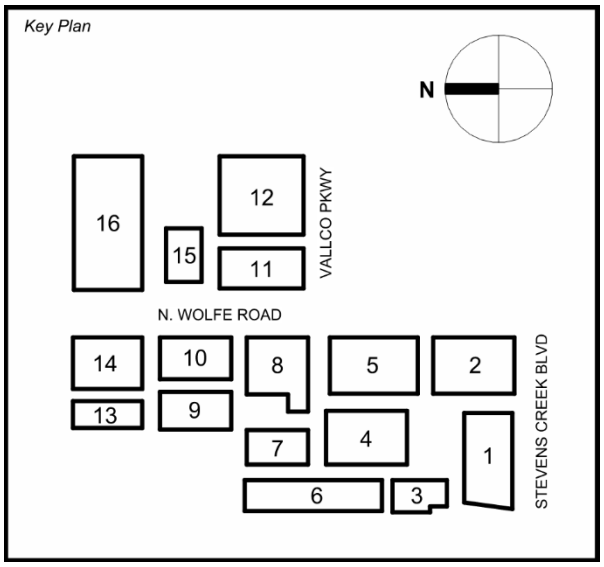

Figure 1: Project Site Diagram

Under the modification request, gross square footage allocations are as follows:

- **Residential**: 4,726,904square feet of residential areas, including 2,669 residential units, 356 units of which will be income-restricted affordable units, which is the same number of total units as the 2024 modification, although a reduction in affordable units;

- **Office**: 1,474,946 square feet of office space, which is a reduction of about 500,000 square feet compared to the 2024 Modification[3] and well within the General Plan office allocation of 2,000,000 square feet; and
- **Retail**: 226,644 square feet of retail space, which is consistent with the previously approved Density Bonus Law concession/incentive that provided relief from the General Plan standard regarding 600,000 minimum square feet of retail, allowing a new minimum of 200,000 square feet, all as further described in **Appendix III, *Density Bonus Application Materials*.**

Together, these updates reflect a practical evolution from a master plan vision to a constructable design – maintaining the ambitious vision of this vibrant town center while making refinements to ensure delivery in today's building environment. Town Square West, the first phase of the Project consisting of Blocks 1-8, is scheduled to bring 1,369 units of housing, 201,872 square feet of retail, and more than 3 acres of public parkland to Cupertino in 2028 and 2029. Additional details regarding the land use program distribution is shown in **Appendix IV, *Modification Request Plan Sets*.**

4.1.1 Residential Unit Mix, Layouts and Distribution

As described above, the overall unit mix includes 2,669 total residential units with 2,313 units offered at market rate and 356 units at income-restricted affordable levels. The residential uses are located in Blocks 1 through 13. This modification request retains a range of unit types, including larger townhome units and 2- and 3-bedroom affordable unit types, as well as more affordable studio and 1-bedroom units.

The residential units are distributed among approximately the same blocks as the 2024 Modification, except residential units are now located on the former Block 13, now Blocks 13 Block 14. The 47 three-story townhomes along the western edge of the Project site have been maintained, which provides a transitional buffer to the existing adjacent lower density residential neighborhood. The height of Block 13, also located along with western edge, has also been significantly reduced.

The 356 affordable units are designed as family affordable housing projects, to be developed as two standalone buildings at Block 5, with 232 affordable units, and at Block 11, with 124 more affordable units. These standalone affordable buildings are dispersed on either side of Wolfe Road. Incorporation of affordable units within standalone blocks serves a City policy objective to allow for targeted provision of tenant amenities and services, as well as financing feasibility so those buildings qualify for tax credit funding programs, which is critical in Cupertino where local subsidies are not available.

4.1.2 Office Use

The modification request involves a reduction in the office square footage from 1,954,613 to 1,474,946 square feet. This reduction in over 500,000 square feet of office is accomplished by converting Block 13 to residential, while office is maintained in Blocks 15 and 16. The floorplates of the office buildings remain designed to flexibly meet requirements of office, R&D, and life science users. The office buildings have

[3]It is worth noting that the reduced project size will generate fewer peak hour trips, meaning that the modification request will result in less of an impact on emergency vehicle response times. Therefore, the conclusion reached in the Fire Response Time Study (February 6, 2025) that the Project will not cause response times to exceed the Fire District's Critical Response Time Standard remains valid for the Project as modified and no further analysis is required.

been designed in proximity to each other towards the northeastern end of the site to flexibly facilitate single- or multi-tenant users. The office buildings are also located in the area within the Project site that is proximate to I-280 and existing office uses at adjacent properties in order to facilitate efficient vehicle circulation for employees traveling to and from the site. In addition, the location contemplates that office buildings are likely to be the final buildings developed on the east side of N. Wolfe Road dependent upon market demand. This reduction in office area is intentional – to maximize, and allow for an optimal mix of, the residential offerings of the Project, which carries the benefit of lowering future traffic generation and helping to balance Cupertino's jobs housing ratio.

4.1.3 Retail Use

The modification request makes minor modifications to what had been included in the 2024 Modification with a new retail footprint of 226,644 square feet, which is allowed under the Density Bonus Law concession/incentive previously granted that reduced the minimum retail General Plan standard from 600,000 square feet to 200,000 square feet, as further described in **Appendix III, *Density Bonus Application Materials***. As before, retail uses are distributed throughout the project site on the ground floors of Blocks 1, 2, 3, 4, 5, 7, 8, 11, and 12. In addition, there is a retail kiosk in the Town Square West adjacent to Block 4. The overall mix of retail type, location, and design for a "downtown" environment is substantially the same as in the 2024 Modification.

Figure 2 below provides an overview of the retail walkability and intentional connectivity between the retail and proposed community open spaces distributed throughout the Project site.

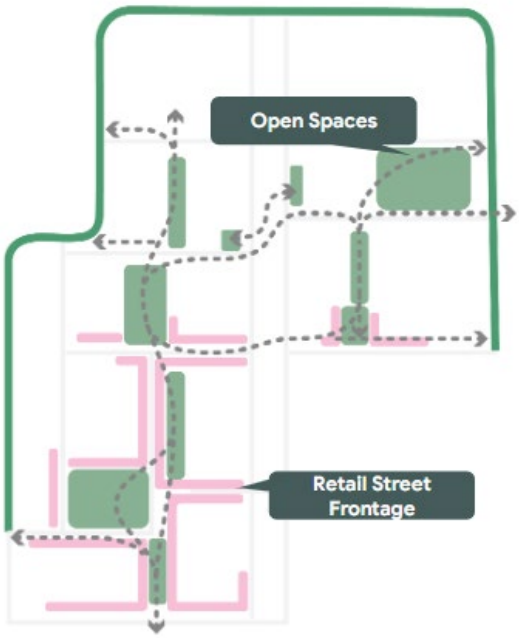

Figure 2: Retail Street Frontage Locations

4.1.4 Open Space

The open space strategy and design remains substantially the same to what was approved in the 2024 Modification and what the City accepted for dedication in the Settlement Agreement and Release. Although the configuration of individual areas of open space has changed slightly, the location, purpose

and type of open space is largely unchanged. If the City believes that the modification application includes "material changes" compared to the open space depicted in Exhibit E to the Settlement Agreement, then the City and applicant will "work together in good faith with the mutual objective of dedicating sufficient parkland and private open space to fully offset any Parkland Dedication Fee." Because the changes are minor and the applicant intends to dedicate public parkland easements benefiting the City, as agreed to in the Settlement Agreement, the open space offsets the need for payment of any Parkland Dedication Fee.

The modification request maintains the Project's commitment to providing an inspired open space design that connects the community with miles of trails and acres of natural landscape, recreational lawns, play areas and community gathering spaces in a City that is built-out with few remaining opportunities for these important features. Built and natural environments complement one another to create thriving communities.

The City, through its General Plan and Parks & Recreation System Master Plan, has identified eastern Cupertino, i.e., where the Project site is located, as an area with limited existing parks and an area where the City should focus new parks. However, given the limited availability of land to be made into new open space and parks, the primary strategy for achieving this goal is through incorporation of onsite open space within private developments such as the Project. The Project provides an innovative solution to address the need for a natural environment in this region of the City with inadequate existing open space or parks by providing acres of open space intended for community gathering, play areas, and pedestrian/bicycle trails.

The modification request incorporates updates to the configurations and layouts of the open space program throughout the Project site while maintaining over 14 acres of programmed open space. Details regarding the location and size of the various private and public open space areas are further described in **Appendix IV, *Modification Request Plan Sets*, Sheet P-0101.**

The modification request maintains the open space strategy of providing a range of programs and scales that are linked together with pedestrian paths and the internal street network. Both the west and east sides of the Project site are anchored by dynamic public open spaces, such as a turf playfield, town squares, and recreational parks. Intentionally sited paseos break down the overall blocks to create interconnected pedestrian-friendly corridors that allow for access to the network of Project site open spaces, as shown in **Figure 2** above and **Figure 3** below. Each community open space has been designed to be linked to the next, which creates pedestrian connectivity throughout the project. The project site remains framed by the fully separated Class I bike/pedestrian path, which connects to the regional bike network.

When fully built out, the Project site will meet the requirements for private parkland credit under the Cupertino Municipal Code. However, parkland will be provided in each phase of development, but not necessarily in proportion with the code requirements. Therefore, for any phase of the development after which the Project has provided less than the proportional parkland requirement, the Applicant will pay a bond equal to the parkland in-lieu that would be due for the amount of private parkland for which the Project is deficient at that stage, as agreed upon in the Settlement Agreement.

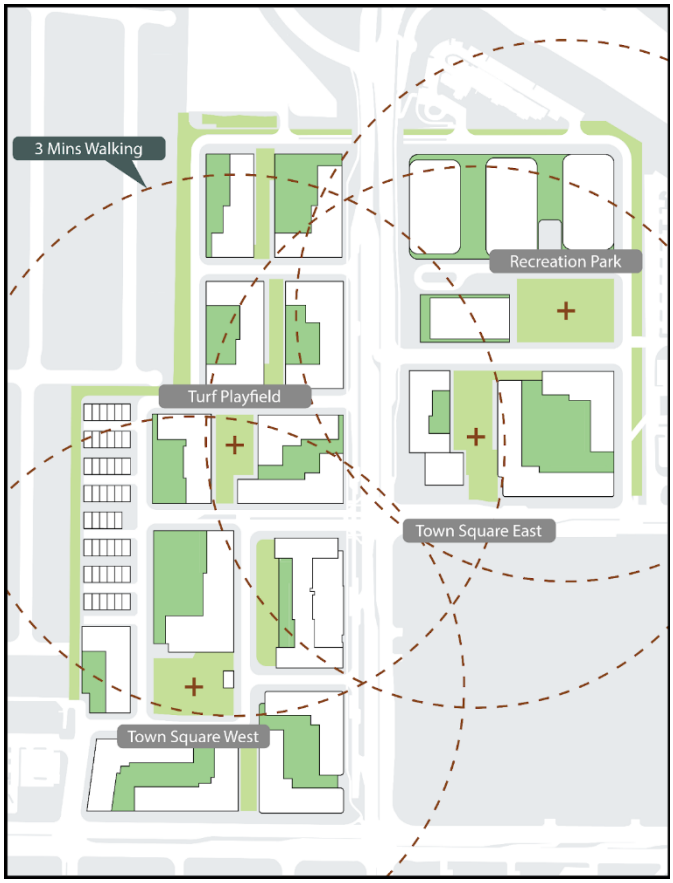

Figure 3: Key Open Space Locations and Site Connectivity

Town Square Plazas

The modification request retains the "town center" design centered around two outdoor plaza areas – the Town Square West and Town Square East plazas – which will provide placemaking for the Project site and surrounding area. The modification request includes minor changes to the design and configuration of the west and east plazas that were approved as part of the 2024 Modification and subsequent Settlement Agreement.

Town Square West plaza (from which the first phase of the project gets its name) is designed as an approximately 1.0 acre area located within the retail heart of the west side of the Project site. Town Square West plaza will remain a dynamic civic square destination for the community, designed to allow for a range of activated events and programming and providing a civic space that is missing in Cupertino as early as 2028. The design program continues to include a lively and flexible plaza area, seating and picnic areas, and capacity to accommodate seasonal and special events. Town Square West plaza is located adjacent to the key retail areas to inspire retail-driven activation and pedestrian traffic. Town Square West plaza includes one retail pavilion, which will create more intimate dining and retail opportunities while activating the plaza throughout the day. Town Square West plaza is envisioned as both an urban amenity and natural retreat with thoughtful landscaping distributed throughout.

On the other side of N. Wolf Road, Town Square East plaza is an approximately 1.0 acre area located within the east side of the Project site. As with the 2024 Modification, the Town Square East fronts immediately onto Vallco Parkway in order to provide better community visibility and connection, and thereby encourage participation and visits from the public. As shown in **Figure 2**, Town Square East is flanked by retail to further encourage an activated and placemaking environment and located adjacent to an extended landscaped corridor that will allow for passive recreation, as well as biofiltration and stormwater management.

Pedestrian and Bicycle Trails

The Project continues to incorporate a vast network of trails, including a pedestrian and Class I bikeway along Perimeter Road with potential connections to future City trails, that provide residents, workers and commuters alternative options to single-occupancy vehicle commuting. The modification request maintains the Class I bikeway along the perimeter of the Project site, which will significantly increase the City's existing Class I bikeway mileage. The modification request includes a new park for use as a children's playground at the northwest corner of the Class I trail near where it connects to the City's planned bike paths. Protected Class IV bike lanes are incorporated in the design at N. Wolfe Road and Stevens Creek Boulevard and will be coordinated with the City's in-progress Class IV separated bikeway project along the Project's Stevens Creek Boulevard frontage. Class III paths connect the internal project street grid. This new bikeway network will provide much needed safe bike routes in what currently is one of the City's highest stress biking areas.

Within the west side of the project site, a pedestrian corridor (with enhanced crosswalk facilities at internal street crossings) extends from the southernmost to northernmost extents, allowing for safe and efficient pedestrian flows within the entirety of the west side.

4.2 Building Bulk, Setbacks, and Height

The building design closely matches the 2024 Modification, which complements the surrounding land use context, while delivering upon the General Plan requirement that the Project provide a vibrant, mixed-use town center with a mix of residential, retail, office and open space uses.

The modification request continues the trend of further reducing the Project's building bulk and height compared to the designs in the Original Approval and the 2022 Modification. With the conversion of Block 13 from office to residential, the height and bulk of several buildings has been reduced, particularly along N. Wolfe Road. In this modification, the height of Block 13 has been reduced from 12 floors to 7 floors, and the height of Block 8 has been reduced from 18 floors to 8 floors. Taller buildings continue to be set back from the residential community to the extent possible. For example, townhomes continue to be located along the westernmost area of the Project site adjacent to the Portal lower-density residential neighborhood. The majority of the Project buildings are 85 feet or lower, which are intended to better harmonize with the existing neighborhood scale. The conversion of Block 13 to residential means that all office buildings are located in the northeast portion of the Project site, proximate to I-280 and commercial uses and away from residential.

The office uses within Blocks 15 and 16 and the residential/retail buildings within Blocks 1, 2, 5, 8, 10, 11 & 14 located along N. Wolfe Road and Stevens Creek Boulevard continue to pierce the General Plan 1:1 set-back plane as measured from the arterial/boulevard curb lines, in order to accommodate the Project

land use program, while avoiding further increased heights particularly along neighboring properties that are developed with lower intensity land uses. The extent of the encroachment into the set-back plane is substantially similar to that in the 2024 Modification. See **Appendix III, *Density Bonus Application Materials*** for additional details regarding the request for relief from setback requirements.

4.3 Transit, Circulation & Parking

4.3.1 Vehicular Circulation

The Project's overall vehicular circulation plan is substantially the same as that in the 2024 Modification. The Project continues to maintain major egress and ingress along N. Wolfe Road, Stevens Creek Boulevard and Vallco Parkway and centers internal vehicular circulation within the Project site around an internal small block-street network, which has been designed consistent with the City's "complete streets" General Plan Policies M-2 and M-2.2.

Within the west side of the Project site, primary public ingress/egress is located at Vallco Parkway/N. Wolfe Road and Perimeter Road/Stevens Creek Boulevard, utilizing the existing intersections at those locations. From these entries, community traffic flows will be directed to street parking and underground parking garages for the retail uses. Residential tenants will enter the west side of the site from these same main ingress/egress locations, as well as smaller entrance points along Wolfe Road and Stevens Creek Boulevard. Within the east side of the Project site, primary ingress/egress will be at Wolfe Road and Vallco Parkway, as well as at N. Wolfe Road and Street 5 at a proposed new signal (allowing for left-turn motion only).

As under the 2024 Modification, street parking and private streets may be periodically closed for events, seasonally or temporarily for the privacy, safety and security of residents, office users and retail tenants and shoppers.

4.3.2 Transportation Demand Management

The Project will continue to incorporate and implement various Transportation Demand Management (TDM) measures that will result in reduced single occupancy vehicle trips, consistent with City policies favoring alternative mode use and alternate transit solutions. The following are examples of TDM infrastructure and operational measures that may be included in the project and will result in significant vehicle trip reductions. The TDM measures are intended to be dynamic and respond to the changing market, technologies and commute patterns, so specific details will be determined with each phase and may change as necessary:

- Parking supply limits below City Municipal Code requirements
- Unbundled residential parking
- High quality transit stop on Stevens Creek (which also will serve as a mobility hub, in that the facility will include bike storage and repair along with transit service)
- Transit stops on Wolfe Road (which will also serve as mobility hubs)
- Rideshare/Transportation Network Company locations provided throughout the site at building specific locations
- Capacity for carpool/vanpool and car share parking spaces
- EV parking spaces
- Infrastructure for priced retail and workplace parking

- Bike hubs (bicycle storage and repair facilities) distributed throughout the Project
- Class I bike trail around perimeter of the site consistent with the City's future bike plan with connectivity to City's planned Class I trails
- Class IV bike lanes on Wolfe Road and Stevens Creek Boulevard
- Bike and pedestrian access on all internal roadways
- Pedestrian corridor located throughout the west side of the site, running from north to south
- Pedestrian connectivity grid network throughout the Project optimized for shortest walking paths
- Showers and lockers for office users
- Potential space for a day care facility for children
- Provision of BMR units (which have demonstrated reduced VMT)

Through marketing and tenant agreements, among other means, the Project will also promote various TDM measures to the extent possible, such as work-from-home, car-pooling, bicycling, walking between office spaces, residential units, and restaurants and shops, the use of VTA transit, and the use of private shuttles. Additional details regarding operational TDM components may change over time depending, in part, on new transit services and emerging technologies, as new commuter patterns and preferences arise, and based on tenant needs and market conditions at the time of implementation.

Furthermore, the modification request continues to dedicate significant land to the City for implementation of traffic improvements, such as frontage roads, bikeways, sidewalks, and turn lanes.

4.3.3 Vehicle and Bicycle Parking

Because the Project site is located within one-half mile of public transit, parking standards are not applicable to the Project, including this modification request. (See §65913.4(e)(1).) Nonetheless, the Project continues to provide parking to adequately meet the demands of the various uses, as described below for informational purposes.

While the parking strategy remains substantially the same as the 2024 Modification, the modification request includes changes to vehicle parking counts and location, which are detailed in **Appendix IV, *Modification Request Plan Sets*, Sheets P-0101 and P-0900.0B1 through P-0900.06.** Overall, the modification request maintains vehicle parking counts that are below the City's Municipal Code requirements; reduction in parking supply remains one of the most effective TDM measures for reducing vehicular trip generation and encouraging the use of alternative modes of transportation. The Project's total parking count is 8,576 vehicle stalls, inclusive of dedicated residential, office and retail parking.

The parking count is inclusive only of striped stalls and does not include additional parking accommodation that may be provided through parking management strategies, including valet parking programs and mechanical stackers where feasible, which would be deployed based on future tenant requirements. It is estimated that implementing these parking demand strategies could increase the parking capacity, thereby yielding a similar effective parking supply while avoiding construction of surplus physical parking, consistent with best TDM practices to reduce physical parking supply.

Parking for the residential uses continues to be provided per each residential building within at- and above-grade garages. The majority of podium parking garages are wrapped by units to screen the parking from public view and to create an attractive and active street front. All residential parking includes a secure access system and is reserved for the residents and guests use only. Parking for the retail uses

within the west side of the Project site is provided in below-grade garages located at Blocks 1, 2 and 4, with some additional at-grade retail parking at Blocks 1 and 4. Parking for the retail uses within the east side of the Project site is provided in a podium garage located at Block 12. Retail parking includes separate access from the residential uses at Blocks 1, 2, 4 and 12, and is clearly signed and marked for the convenience of shoppers and visitors.

Office uses in Blocks 15 and 16 (east side) are provided in three levels of below-grade parking; Building 16 includes six levels of podium parking. Office parking structures each have dedicated entrances and exits from the other uses.

The modification request continues to incorporate significant bicycle parking, including 2,632 Class I spaces and 471 Class II bicycle parking spaces that are well distributed throughout the Project site and have been sited for convenient, user-friendly access, which meet or exceed Cupertino standards. The modification maintains several bike hubs throughout the project, at which cyclists can store and repair bikes, creating convenient and frequent facilities to encourage bicycle commuting to and from the Project.

4.4 Utility Connections and Stormwater Improvements

The modification request does not make changes to the utility connections and stormwater improvements. Mechanical, electrical and plumbing (MEP) equipment will continue to be provided to all Project site uses on a building by building basis. Utility connection, sizes, and distribution will be designed and coordinated to meet respective City, County, and State agency requirements. Above-grade utility components that will be screened to meet Cupertino standards. Individual buildings will have their own water utility meters, backflow devices, and fire sprinkler laterals with all appropriate fire appurtenances, and will obtain service from existing public water mains through easements along the internal street network. A network of public fire hydrants will be located throughout the Project site as required by the California Fire Code. Private sanitary sewer mains will be located in the street network of the development, with as many laterals for each building as is necessary for the program of that building. Some laterals may directly connect to the mains in the public right of way on Stevens Creek Boulevard, N. Wolfe Road and Vallco Parkway. With respect to power and gas, each building will have its own electrical and gas connection, meters and transformers as required for the program and size of the building. New public gas and electric lines will be located in the street network of the Project and dedicated to PG&E through separate easements. Communication services will be provided to each building through fiber, coax, and copper facilities. The Project will install necessary conduit and service connection through the internal street network, and will provide any necessary easements to communication providers.

The Project site will incorporate onsite stormwater treatment in compliance with applicable Low Impact Development (LID) measures. Specific treatment measures may vary across the site but may include bioretention/flow-through planters, silva cells, self-retaining areas, self-treating areas, and potentially small portions of green roofs. Finalized stormwater treatment methods will be determined and detailed during the building permit processes in the normal course and in compliance with applicable Conditions of Approval.

4.5 Project Phasing

Development of the Project is expected to occur in multiple phases over several years, depending on market conditions and absorption rates across various land uses, with both sequenced starts and concurrent openings. The construction phasing plan remains conceptual until such time as building

permits are issued, and actual phases may vary as to scope or sequence at that time. In response to community feedback, Applicant has prioritized the delivery of the Project's much-needed housing, including the majority of the Project's affordable units, as well as west side retail and at-grade open space. To this end, the Applicant anticipates that Town Square West, the first phase of the Project consisting of Blocks 1-8, will be delivered in 2028 and 2029 which will include 1,369 units of housing (including 232 affordable units), 201,872 square feet of retail, and more than 3 acres of public parkland.

This phasing underscores the Project's commitment to housing-first delivery, ensuring affordable and market-rate homes are constructed at the outset while later office components follow pursuant to market conditions. Consistent with the previously issued Conditions of Approval, the Project will continue to deliver site improvements concurrent with required improvements for delivered buildings. Project phasing is subject to be further refined and the completion of any individual building will depend upon a number of factors, including construction logistics, relocation of any remaining existing tenants, availability of contractors, and other market conditions and will continue to be implemented with the Conditions of Approval, such that the last certificate of occupancy for non-residential construction shall not be issued until two-thirds residential square footage is constructed.

5. Summary of Modification Request Entitlement Amendments

In connection with the Original Approval, the City issued the following specific entitlements: (1) Development Permit – Major; (2) Architectural and Site Approval – Major; (3) Tentative Subdivision Map for Condominium Purposes (Tentative Map); and (4) Tree Removal Permit. This modification request includes amendments to each of these permits. This modification request also continues to utilize the previously granted density bonus waivers and three concessions, although with some minor changes, as separately discussed in **Appendix III, *Density Bonus Application Materials*.** Collectively, these updates maintain the integrity of the entitlements while incorporating lessons learned from site work and advancing the Project toward vertical construction.

Because the modification request is being submitted pursuant to SB 35, the City's normal permitting process and any findings or other requirements are not applicable to the extent that such requirements go beyond confirming SB 35 compliance and whether the modification affects the City's prior determination of the Project's consistency with objective standards. SB 35 prohibits the City from requiring discretionary approvals for the modification request, consistent with the Original Approval process.

5.1 Planning Permit Amendments

Specifically, Applicant anticipates that both the Development Permit – Major and the Architectural and Site Approval – Major will be amended to reflect the design revisions described above and as reflected in the **Appendix IV, *Modification Request Plan Sets*.**

5.2 Tree Removal Permit Amendments

The Tree Removal Permit amendment will be required to account for removal of additional on-site tree removals consistent with Condition 35 of the 2024 Modification, which states that a Tree Removal Permit is required for removal of additional on-site protected trees. All trees slated for removal were proposed to be removed on the Tree Disposition Plan included in the Approved Plans for the 2024 Modification.

However, some of the on-site trees were mistakenly listed as street trees. Therefore, some of these on-site trees are part of a separate Tree Removal Permit that was recently approved while others are now included in the Tree Removal Permit for this modification. These tree removals are required due to ongoing degrading tree condition, location of Project building footprints, driveways and loading areas along Wolfe Road, as well as Project grade requirements. The tree removals are shown in the tree disposition plan in **Appendix IV, *Modification Request Plan Sets*, Sheets P-0101 and P-0602A-B** and as further described in the **Appendix VIII, *Updated Arborist Report.*** Considerable efforts have been made to preserve existing trees on site, unless impacted by existing tree conditions, the building footprint, service access, and roadway configurations. Additionally, the Coast Redwood trees along Perimeter will continue to be preserved to the extent possible to provide a buffer screen for the adjacent neighborhood. In total, the Project will include 927 onsite trees (inclusive of new and retained trees), which exceed City tree replacement requirements**.**

In connection with Project implementation, tree removal permits will be separately required for street tree removals (i.e., trees located within public rights of way). The City recently approved the Conceptual Offsite Improvement Plans, the completion of which will require removal of street trees. Although the approval did not include approval for removal of street trees, it anticipated that street tree removals would occur on a phased basis based on the construction sequence that impacts the trees and street tree removal permits will be obtained at that time. Appendix VIII, *Arborist* Report, includes an evaluation of these street trees and finds that the majority are in declining condition (characterized as "Very Poor" or "Poor" health). The street tree removals are needed to provide a better quality of streetscape and long-term viability of the tree canopy along N. Wolfe Road and Stevens Creek Boulevard, which will also provide improved stormwater management along those streets. The street tree removals would include the replanting of the streetscapes with suitable native trees within the recommended soil volumes. As further elaborated on in the Arborist Report, removal of these street trees will achieve many beneficial purposes, including reducing water usage by replanting with native drought-tolerant species, improving the streetscape aesthetic by replanting healthy trees, and installation of improved irrigation systems. See Appendix VIII for additional details.

5.3 Tentative Map Amendments

The Tentative Map approved by the 2024 Modification includes several parcels to establish a parcel per building, as is typical for large multi-building developments, as well as the right to create up to 2,700 residential and commercial/retail condominiums. The modification request includes a Tentative Map that is substantially the same as the previously approved map with minor modifications to reflect the changes to the updated Project. In addition, the Tentative Map amendment proposes locations for Public Parkland Easements that will be dedicated, although the exact location, configuration and timing of such easements will be documented through a separate written easement agreement, or series of easement agreements. The Tentative Map amendment would retain the option to file multiple phased Final Maps as allowed under the California Subdivision Map Act (§ 66456.1). Such parcelization facilitates financing and more efficient operation of building services, amenities, and parking. Common parcels are included throughout the Project site that are anticipated to be owned and managed by a master association entity. None of the proposed changes to the Tentative Map relate to an objective standard applicable to the Property.

5.4 Residential Affordability and Density Bonus Approval Amendments

Under the applicable General Plan Land Use Element policies, the "base density" for the Project site remains 1,779 units. As described in the Original Approval and 2022 and 2024 Modifications, the Project

qualified for and was granted a density bonus under the State Density Bonus Law (as implemented by the Cupertino Municipal Code). Under the Original Approval, the City granted a density bonus of 35 percent, yielding 623 additional market rate density bonus units in addition to the base density of 1,779 units (totaling 2,402 units), and granted three concessions. Under the 2024 Modification, due to amendments to the State Density Bonus Law, the City granted a density bonus of 50 percent yielding 890 additional market rate density bonus units, bringing the total to 2,669 units. Each iteration of the Project has also included three concessions.

This modification request maintains the 50% density bonus, so has the same total of 2,669 units. To achieve a 50% density bonus, the modification request includes 15% of the units as affordable to very low-income households. The State Density Bonus Law allows three concessions for projects with 15% of the "total units," where that term is defined to exclude units added by the density bonus, available for very low-income households. As a result, the Project continues to qualify for three concessions. The modification request retains each of the three previously granted concessions, with some minor clarifications. Additional details are provided in **Appendix III, *Density Bonus Application Materials*.**

Under the modification request, the Project will make 356 units affordable to at least 80% AMI households; these 356 affordable units satisfy the updated requirements of SB 35 that the Project provide 20% affordable units as calculated excluding any market rate density bonus units. (See § 65913.4(m)(2)(B).) See **Table 2** below for a summary of the density bonus and affordable units under the SB 35 Application compared to this modification request.

Table 2: Density Bonus and Affordable Unit Summary Table

	Max Units Permitted Excluding Bonus	Max Units Permitted with Bonus	Total Units Proposed	Affordable Units by Income Level	Bonus Percentage	Incentives/ Concessions	Waivers	Bonus Units
Original SB 35 Approval	1,779	2,402	2,402	Very Low: 361 Low: 840	35%	3	0	623
Modification Request 3	**1,779**	**2,669**	**2,669**	**Very Low: 267** **Low: 89**	**50%**	**3**	**1**	**890**