



**DATE:** December 12, 2017

**CATEGORY:** Public Hearing

**DEPT.:** Community Development

**TITLE:** **North Bayshore Precise Plan**

### **RECOMMENDATION**

1. Provide direction on policy questions discussed in this report.
2. Adopt a Resolution Certifying the North Bayshore Precise Plan Subsequent Final Environmental Impact Report (SEIR), including Adopting a Statement of Overriding Considerations, Mitigation Measures, and a Mitigation Monitoring and Reporting Program (MMRP), incorporating the attached findings, to be read in title only, further reading waived (Attachment 1 to the Council report).
3. Adopt a Resolution Amending the General Plan Land Use Map for *North Bayshore Mixed-Use and High-Intensity Office* boundaries and related General Plan text, incorporating the attached findings, to be read in title only, further reading waived (Attachment 2 to the Council report).
4. Introduce an Ordinance Amending the Zoning Map from *North Bayshore Precise Plan (P-34)* to *North Bayshore Precise Plan (P-39) and PF (Public Facilities)*; *MM-40 (General Industrial)* and *L'Avenida South Precise Plan (P-33)* to *PF (Public Facilities)*, incorporating the attached findings, to be read in title only, further reading waived (Attachment 3 to the Council report).
5. Adopt a Resolution Amending the North Bayshore Precise Plan, as amended, incorporating the attached findings, to be read in title only, further reading waived (Attachment 4 to the Council report).
6. Adopt a Resolution Adopting the Affordable Housing Administrative Guidelines for the North Bayshore Precise Plan (Attachment 5 to the Council report), as amended.

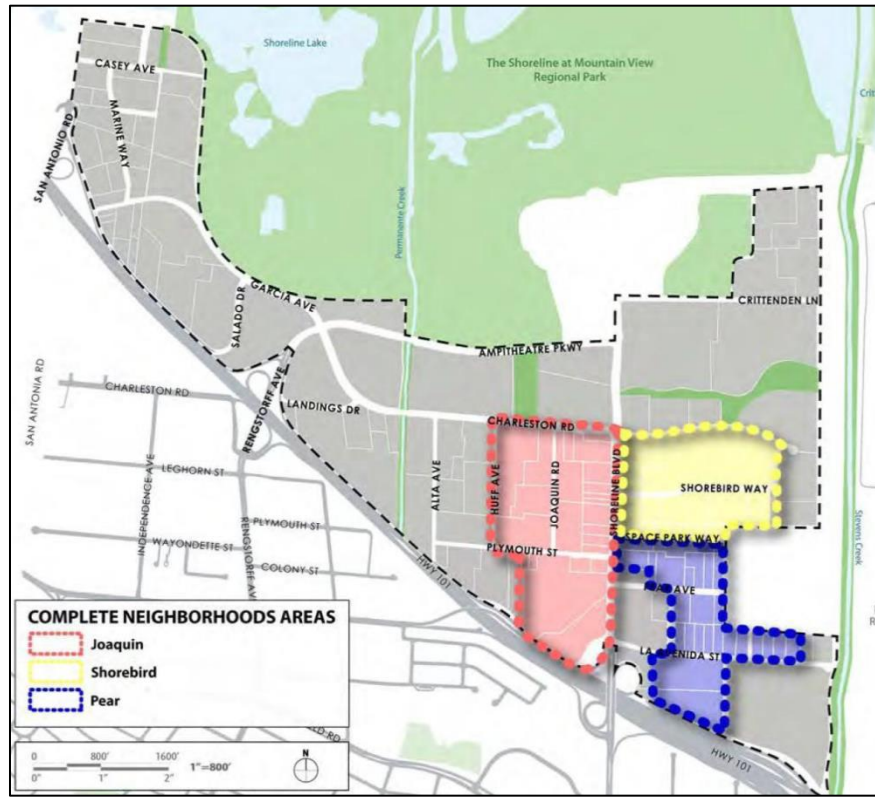
7. Adopt a Resolution Amending the Bonus Floor Area Ratio (FAR) Review Guidelines for the North Bayshore Precise Plan (Attachment 7 to the Council report), as amended.

## **BACKGROUND**

### *Project Overview*

The North Bayshore Precise Plan update process began in February 2015 at the request of the City Council. Since that time, there have been 24 public EPC and City Council meetings, including two community workshops.

The Precise Plan establishes a new vision for North Bayshore with three new complete neighborhoods. These neighborhoods are located adjacent to Shoreline Boulevard, and are within convenient walking distance to future commercial service uses and transit service (reversible dedicated bus lane) along this corridor. The complete neighborhoods include “land use targets” for different uses to help guide their development into full-service neighborhoods, with a mix of land uses and open space. The Plan allows up to 9,850 new housing units in these areas, with 70 percent of these units targeted as studio or one-bedroom units, and a goal of 20 percent of this total as affordable units.



The Plan includes revised urban design language to guide the transition of the area from an auto-centric, suburban office district to a more urban, higher-intensity, mixed-use district. Buildings may be taller and more urban than other parts of Mountain View, with simpler yet well-designed building facades. Buildings will be located closer to the street so they face public streets and sidewalks, making them more accessible to pedestrians, bicyclists, and transit users. Parking will be “hidden” by being placed behind buildings, underground, or in well-designed parking structures.

There will be an increase in the mix of uses, including new residential, office, hotel, entertainment, and retail/service uses. The Gateway area at Shoreline Boulevard and Highway 101 includes the highest allowed intensities within the Plan area, and mandates a Master Plan with a mix of uses, including retail. Policy language in the Plan, among other things, incentivizes affordable housing development through the Bonus FAR process; supports local school development; and increases Habitat Overlay Zone (HOZ) protections as new residential uses are proposed.

The mobility section of the Plan includes strategies to make multimodal travel more comfortable and convenient. The large area blocks will be broken up into smaller, more walkable blocks. Streets will include new pedestrian, bicycle, and transit infrastructure. New, and bike and pedestrian-only, greenways will weave throughout the area.

The area is congested during commute hours by the limited number of streets into North Bayshore (“gateways”). This condition will require continuous monitoring of available gateway vehicle capacity as new development and transportation infrastructure are proposed, and Transportation Demand Management (TDM) Plans are implemented. New resident travel behavior will be surveyed to determine the amount of internalization (the number of residents who both live and work internal to North Bayshore). Parking maximums will be required for new development to help restrict new vehicles from the area.

### ***Background***

The City Council adopted the North Bayshore Precise Plan on December 9, 2014. In February 2015, the Council directed staff to revise the Precise Plan to include new housing and complete neighborhoods. The Final Draft Precise Plan implements the 2030 General Plan’s vision, goals, and policies for North Bayshore, as amended. The Environmental Planning Commission (EPC) and City Council provided comments on North Bayshore Precise Plan topics at Study Sessions and public hearings beginning in 2015.

The Draft Plan and related materials were publicly released in November 2016. Additional public meetings were held since that time, and the Final Draft Plan and related materials were publicly released on November 2, 2017.

### **City Council Meeting Summary – September 26, 2017**

The most recent City Council meeting on the Precise Plan was September 26, 2017. The following is a summary of the Council input from that meeting.

#### **1. Residential Units and Gateway Capacity**

- Council confirmed existing Plan policy language regarding monitoring of residential growth and transportation performance.
- Future transportation monitoring and reporting should include additional multiple sources of data, including big data, trip internalization information, trip generation rates for residential projects, radius of employment, VMT, parking studies and usage, monitor peak and nonpeak hours.
- Council also directed staff to return to Council in November with additional trip cap policy options.

**2. Schools**

- Council supported Precise Plan school policy language proposed by staff and the school district.

**3. Master Plans**

- Council did not support Precise Plan policy language that could grant additional office through a Gatekeeper process.

**4. Urban Design**

- Council supported revised urban design language.

**5. Other**

- Council expressed interest in measuring other sustainability metrics in North Bayshore, such as topics related to area habitat and species.
- Council directed staff to further explore a local hire policy.

**EPC Meeting – November 15, 2017**

At this meeting, the EPC recommended the City Council adopt the amended Precise Plan, certify the EIR, and recommended approval of other related project actions. EPC summary comments from this meeting are included below under each policy topic in the Analysis section. The EPC also requested that Council receive a copy of their questions and staff responses from their November 15 meeting (see Attachment 8 to the Council report).

**ANALYSIS**

The Final Draft Precise Plan, Attachment 4, is a strikeout version of the Draft Plan so proposed text changes can be more easily identified. Some of the edits are proposed for clarity, technical accuracy, or for grammatical reasons. Staff seeks authority to make additional non-substantive cleanup changes prior to publishing the adopted Precise Plan.

The following is a discussion of key Precise Plan policy issues discussed at EPC. Staff has also raised three additional issues that were not addressed at EPC. Following

Council action on these items and any others, final policy language will be included in the Precise Plan.

### **Vehicle Trip Cap**

The EPC and City Council previously discussed North Bayshore transportation-related policies, including the proposed vehicle trip cap policy included in the Final Draft, Chapter 8:

1. ***District Vehicle Trip Cap.*** *The District Vehicle Trip Cap is established as 22,390 inbound and outbound vehicle trips (17,010 inbound; 5,370 outbound) during the a.m. peak period (7:00 a.m. to 10:00 a.m.).*

Several Councilmembers also requested additional information about potentially changing the peak-hour period methodology to a different monitoring period. One option is a peak-hour period, which essentially says at any given time, there is a set limited capacity. A peak-hour period would be more limiting than a longer monitoring period, with less tolerance for unusual traffic fluctuations. A three- or four-hour period also allows a greater buffer period for when trips arrive in North Bayshore, which account for longer commute distances recently observed. A three-hour peak monitoring period is also consistent with methodology used for analyzing traffic studies for new development; however, this would not limit the City from adopting a peak-hour policy.

Recent monitoring indicates that a.m. two-way peak-hour total gateway counts are approximately 6,840 trips. However, current gateway vehicle trips at Shoreline Boulevard alone are essentially at capacity, at approximately 2,100 a.m. peak-hour trips. Therefore, regardless of the trip cap policy option recommended (i.e., one-hour or three-hour), per existing Precise Plan policies, any new development will need to analyze how they will address Shoreline Boulevard gateway capacity constraints. A recent example is the Charleston East (Google) project, where projected Shoreline Boulevard vehicle trips were analyzed in conjunction with proposed transportation improvements such as the new Highway 101 off-ramp and Plymouth Street/Space Park Way realignment. Conditions were added to the project to ensure the number and timing of Google employees occupying Charleston East are tied to when new transportation improvements would be in place.

The Council could recommend that the existing trip cap policy language be changed to monitor the peak-hour period. This period would be the highest recorded number of trips during the a.m. and p.m. peak-hour periods.

**Table 1: North Bayshore Gateway Peak Hour Trip Cap  
(All Gateways Combined)**

Peak Hour Period	Two-Way Vehicle Trip Cap
A.M.	8,290
P.M.	8,030

The proposed one-hour trip cap would reflect trip cap numbers based on future North Bayshore growth and gateway (Shoreline Boulevard, Rengstorff Avenue, and San Antonio Road) vehicle capacity. The trip cap numbers noted above reflect the maximum vehicle gateway capacity that can be accommodated at any given one-hour period; therefore, the trip cap policy is established as these numbers. Two-way (inbound and outbound) trips are recommended so the City can measure the travel patterns of both future residential and commercial uses entering and exiting the area, not just inbound trips.

#### **EPC Recommendation and Comments**

- Keep the Draft Plan's three-hour trip cap policy (6-0; Kamei absent).
- A three-hour period is more indicative of the problem we are trying to address; it is more representative of the commute time frame.
- Allows more flexibility for commuters arriving.

**Question No. 1: Does the Council support the current three-hour peak-period trip cap monitoring policy, or a peak-hour trip cap policy?**

#### **School Policies**

At the September 26, 2017 City Council meeting, representatives from local school districts discussed draft school policy language suggested by staff. Proposed edits from that meeting are noted below as strikeout or underlined additions.

- ***City and School District Collaboration.*** Assist local school districts in identifying potential school locations to serve North Bayshore growth.
- ***Transfer of Development Rights (TDR).*** Allow areas adjacent to North Bayshore, such as the Terra Bella or North Rengstorff areas, that identify a location for a new school site to use Transfer of Development Rights (TDR). These school sites can transfer their unused site FAR to any location in the City at the discretion of the City Council. If extra office

*FAR in North Bayshore becomes available in the future, potential school sites in North Bayshore can transfer any unused FAR using TDR to any location in the City at the discretion of the City Council.*

- ***City and School District Partnerships.*** *Continue partnerships with local school districts on sharing of open space at school sites.*
- ***Local School District Strategy.*** *Any proposed residential development in North Bayshore requesting FAR (Floor Area Ratio) above the Plan's 1.0 residential Base FAR shall also submit to the School District and the City, a Local School District Strategy intended to support new local schools in or adjacent to the North Bayshore Precise Plan area. The School District and the Developer shall meet and confer in good faith to develop the School District Strategy to support new local schools. The School District Strategy shall be memorialized as a legally binding agreement. The strategy may include, but is not limited to, land dedication for new school development; additional funding for new school development; TDR strategies to benefit developer(s) that provide new school facilities, benefiting new school facilities; or other innovative strategies supporting schools.*
- ***Funding for Schools.*** *The Shoreline Community shall work with the Mountain View Whisman School District and the Mountain View Los Altos High School District to allocate revenue related to the growth in assessed value due to new residential development within the Community pursuant to/in accordance with the annual tax allocation for each school district, through mutually agreed to and legally binding agreements.*
- ***Residential Bonus FAR (Page 90 of revised Draft Plan, under both Tier I and Tier II A and B policies).***
  - *Propose Local School Strategy to support new local schools in or adjacent to the North Bayshore Precise Plan area.\**

*\*This wording will be further discussed later in the report.*

## **EPC Recommendation and Comments**

- Support revised school policy language (6-0).
- Question of how new language affects the financial feasibility of residential.
- Comment to Council: Any new NBS school should be a public neighborhood (i.e., elementary) school.



*Question No. 2: Does the Council support the updated North Bayshore Precise Plan school policy language?*

### **Local Hire Policy**

At the September 26, 2017 City Council meeting, there was Council discussion regarding potential Precise Plan language regarding a “local hire” policy. The original request has been further revised and refined. Based on this direction, staff has drafted a policy guidance statement that could be added to Chapter 3 of the Precise Plan (Section 3.4.3, Business Preservation, Retention, and Expansion):

**Local hire policy.** Encourage the use of local workforce and local business sourcing for development in the Plan area that generates quality construction and service jobs with career pathways, that provides job training opportunities for the local workforce, and that pays area standard wages for construction so that money in wages and materials used in the construction of these developments is invested in the local economy.

### **EPC Recommendation and Comments**

- Support local hire policy language (6-0).
- Can the City measure the effectiveness of this policy over time?

*Question No. 3: Does the Council support the proposed local hire policy language?*

### **North Bayshore District-Level Sustainability Measures**

The Precise Plan includes a strong district-level sustainability policy framework. Precise Plan standards will help implement this policy framework through new buildings and infrastructure to help the area become more highly sustainable. Examples of district-level sustainability strategies include area shuttles, recycled water, district energy systems, and habitat and species protections.

The Precise Plan includes an action item to further develop and monitor district-level sustainability measures. These measures will cover a variety of categories and metrics, and will focus how the City can measure the sustainability performance of the district over time. Staff will begin this work in spring 2018, and will report back to the EPC and Council on the findings, potentially including the information in the annual transportation monitoring report.

Staff received suggestions on sustainability measures from Council, the EPC, and several organizations at past Precise Plan meetings. These measures, including staff input, are included in Attachment 6 for Council review.

**EPC Recommendation and Comments**

- Support sustainability measures (6-0).
- Add miles of protected/unprotected bike infrastructure as a measure.
- Rethink how to report out performance of GHG reduction strategies when comparing to other cities, etc.
- Consider a metric that tracks the number/frequency of shuttle routes for NBS residents.

*Question No. 4: Does the Council support the proposed North Bayshore district-level sustainability measures?*

**Additional Edits**

Table 2 below includes proposed changes that were not included in the Final Draft Precise Plan because they could not be completed in time for the publication deadline of the Final Draft.

**Table 2: Proposed Precise Plan Edits**

<b>Page</b>	<b>Proposed Change</b>	<b>Discussion</b>
63	Standard #2. The maximum FAR exemption shall not exceed <u>5%</u> <del>10%</del> of the maximum allowed FAR. <del>or 10,000 square feet, whichever is less.</del>	Provides greater flexibility for exempting FAR that includes small business or public-serving uses such as schools. Any FAR exemption would still be required to meet all other standards such as height, parking, setbacks, etc.

Page	Proposed Change	Discussion
63	<p>Standard #3. FAR exemptions—<del>Retail and Grocery Stores.</del></p> <ul style="list-style-type: none"> <li>• Retail and grocery stores <del>may</del> <u>shall</u> be excluded from allowable gross floor area...</li> <li>• <i>Add sentence after...Gateway character area:</i> <u>Child care facilities within a larger development shall be excluded from allowable gross floor area calculations.</u></li> <li>• <i>Add last sentence:</i> <u>District-level utility systems (i.e. for energy, water, waste, etc.) shall be excluded from allowable gross floor area calculations.</u></li> </ul>	<ul style="list-style-type: none"> <li>• Provides greater clarity that desired retail/grocery store FAR are excluded from FAR</li> <li>• Encourages child care facilities to be included within larger developments and campuses.</li> <li>• Incentivizes district-level infrastructure to support North Bayshore as a highly sustainable district.</li> </ul>
67	Standard #7. ...section see page <del>88</del> <u>93</u> .	Typo
71	Standard #8. Rooftop features...equipment, <del>solar collectors</del> , <u>solar collectors</u> , <u>accessible stair or elevator features</u> , and...	Clarifies that solar collectors and features to access rooftop areas can be granted exceptions to building heights.
93	Standard #1. New <del>residential or mixed-use residential</del> projects ...part of a new <del>residential or mixed-use residential</del> project...	Clarifies that office FAR transfer can be used for any new project. This allows more flexibility for either mixed-use residential or office projects to provide space for office employees during multi-phase or Master Plan projects.
102	Standard #6. Developments with different character area/building height boundaries/ <u>mix of uses.</u> <i>Add last sentence:</i> <u>Master Plans proposing a mix of uses consistent with the purpose and intent of the Precise Plan may be granted exceptions to standards or guidelines under the process outlined in Section 3.5.6.</u>	Clarifies that Master Plans proposing a mix of uses desired by the Plan (either new residential or uses listed in the Plan’s complete neighborhood targets) can be granted more flexibility through the exceptions process if the Master Plan is consistent with the purpose and intent of the Plan.
111	Standard #3b. Any residential building...., and any <u>new</u> non-residential building....	Typo

Page	Proposed Change	Discussion
111	Standard #3c. New sentence: <u>A qualified biologist shall review any proposed building or site modifications and recommend strategies to the City to ensure there will be no adverse impacts to the egret rookery habitat.</u>	Outlines a process to ensure any modifications to existing buildings or the site within the egret rookery HOZ will not adversely impact this habitat area.
<b>Staff Proposed Changes – Post 11/15/17 EPC Meeting</b>		
Page	Proposed Change	Discussion
102	Guideline #1. Modify and move to Standard #10. “..construction shall <del>is encouraged to</del> ...use, <u>per the City’s most current codes.</u>	Clarification
118	First paragraph, add sentence: <u>These requirements supplement the City’s Water Conservation in Landscaping Regulations, last updated in 2015.</u>	Clarification
118	Standard #3. “...water features) shall <del>not</del> <u>exceed 25% of the landscape area comply with the City’s latest Water Conservation in Landscaping requirements.</u>	Clarification

Staff notes that should Council adopt the amended Precise Plan, staff will revise the Plan, including any required cleanup text revisions (i.e., typos, grammatical corrections, or clarifications).

**EPC Recommendation and Comments**

- Support Plan edits (6-0).
- Support the policy, noting that the City should retain a biologist to review any developer biologist report.
- Support affordable housing language edits.

**Question No. 5: Does the Council support the additional proposed changes to the Final Draft Precise Plan?**

## **North Bayshore Precise Plan Affordable Housing Policies and Strategies**

### *Administrative Guidelines*

North Bayshore Precise Plan Affordable Housing Administrative Guidelines (“Guidelines”) are proposed to implement the affordable housing goals and policies of the Precise Plan. The Council previously reviewed these guidelines at an earlier meeting.

The Draft Guidelines (Attachment 5 to the Council report) currently include provisions for 100 percent residential developments. However, the North Bayshore Area is intended to be a complete community that includes mixed-use developments. Therefore, staff recommends including language in the Guidelines regarding the affordable housing requirements related to mixed-use residential developments.

There are two sections where additional language is recommended. First, in Section D regarding “On-site Affordable Housing,” staff recommends a new subsection D8 be added with the following language:

- For mixed-use residential developments, the affordable housing requirements shall apply to and be based on the residential portion of the mixed-use development. The nonresidential portion of the mixed-use development shall be subject to the appropriate Housing Impact Fee.

Second, in Section E regarding “Land Dedication,” it is recommended that the following language be added to subsection E2:

- For mixed-use residential developments, the size of the dedicated land shall be sufficient to accommodate the affordable housing requirements, provided that the dedicated land meets at least the minimum parcel size and dimensions as specified in subsection E1. The nonresidential portion of the mixed-use development shall be subject to the appropriate Housing Impact Fee.

### **EPC Recommendation and Comments**

- Supported Affordable Housing Administrative Guidelines (6-0).

*Question No. 6: Does the Council support the additional proposed housing policy changes to the North Bayshore Precise Plan and its Affordable Housing Administrative Guidelines?*

Staff also seeks Council direction on several additional issues that were not addressed by the EPC.

**Bonus FAR Tiers**

The Precise Plan’s Bonus FAR Tier structure was developed as a way to incentivize more inclusionary housing in new development in the North Bayshore. The Bonus FAR Tier structure, which grants additional FAR to new residential developments in return for a percentage of affordable housing units, as is shown below.

**Maximum Residential Building FAR by Tier**

	<b>Base</b>	<b>Tier I FAR Bonus 15% Affordable Housing Units</b>	<b>Tier II FAR Bonus 20% Affordable Housing Units</b>
<b>Gateway and Core</b>	1.0	3.20	4.50
<b>General</b>	1.0	2.50	3.50
<b>Edge</b>	1.0	1.85	N/A

Later, the “Palmer Fix” bill, AB 1505, clarified that local jurisdictions may require, as a condition of approval, inclusion of up to 15 percent affordable units in a multi-family residential development. The City Council provided direction at its November 28, 2017 meeting to increase the Citywide affordable housing requirement to 15 percent.

Given that 15 percent is intended to become the Citywide standard, it raises the question of why a bonus would be given for 15 percent. The following are several options for Council consideration on this issue:

**Option 1 – Maintain Existing Plan Bonus FAR Tier Structure**

- This option would keep the Plan’s Tier I and II Bonus FAR levels at 15 percent and 20 percent, respectively.
- New North Bayshore development at Tier I would, therefore, have the same 15 percent affordable unit requirement Citywide.

### **Option 2 – Modify the Plan’s Bonus FAR Tier Structure**

- This option could differentiate North Bayshore affordable housing requirements from Citywide requirements as follows:
  - The Base 1.0 would require 15 percent affordable housing units, consistent with the new Citywide policy direction;
  - Tier 1 would still require 15 percent affordable housing units but would also require more community benefits than in the Draft, including, but not limited to, transportation, local school contributions, or land dedication for local schools;
  - Tier II would still require 20 percent affordable housing units but would require additional community benefits as outlined under Tier I above, including a *requirement* for land dedication for local schools.
- This option would create greater affordable housing requirements in the Plan area compared to Citywide, while maintaining the Plan’s FAR incentive structure.

### **Option 3 – Remove Tier I from the Plan’s Bonus FAR Tier Structure**

- This option would remove Tier I, so only the Base requirement (which would be 15 percent affordable housing units consistent with Citywide requirements) and Tier II (20 percent affordable housing unit requirement) would remain.

### **Option 4 – Study an Increase in Potential Affordable Housing Percentages**

- This option would involve studying the feasibility of a greater percentage of affordable housing unit requirements above 20 percent for the Precise Plan.

Staff Recommendation: Staff recommends Option 2, as it maintains the Plan’s Bonus FAR structure while differentiating and clarifying the requirements of the Base, Tier I, and Tier II levels.

*Question No. 7: Which Bonus FAR Tier Option does Council support for the Plan?*

### **North Bayshore Precise Plan Office Bonus FAR Guidelines**

The City previously established North Bayshore Precise Plan Bonus FAR Guidelines to help the City determine which proposed commercial developments would be eligible to apply for a planning permit in North Bayshore. The City received requests for

approximately 6.8 million square feet of office development in 2015 and allocated approximately 2.2 million square feet based on the North Bayshore Precise Plan EIR.

In May 2015, the City Council authorized several Bonus FAR projects to apply for planning permits. Note that this authorization was not for a planning entitlement, just the eligibility to apply for a planning permit. These projects included Broadreach (1625 Plymouth Street); Google (Landings Drive site); LinkedIn-Shoreline Commons (Shoreline Boulevard/U.S. 101); Rees (Terminal Boulevard); and Shashi Group (Shoreline Boulevard).

Of these projects, Broadreach and Shashi have received planning entitlements, and the Shoreline Commons site, Google Landings, and Rees have not submitted planning applications. These applications total approximately 2 million square feet of office uses.

The adopted Bonus FAR Guidelines contained guidance on the Bonus FAR process, including evaluation criteria. However, it did not include a timeline by which eligible Bonus FAR projects must submit a planning application. Thus, approximately 2 million square feet allocated to these three Bonus FAR projects remain unused.

In November 2016 Council directed staff to modify the Bonus FAR guidelines and require authorized May 2015 Bonus FAR projects to apply for a planning application by December 1, 2018. Attachment 7 to the Council report includes this new deadline and other clarifying language such as also requiring submittal of a Master Plan, which is required within the Plan's Gateway character area.

If these Bonus FAR projects do not submit a planning application by this date, or receive an extension by this date, then this unused Bonus FAR square footage would be available to be reallocated by the City Council in another Bonus FAR process.

*Question No. 8: Does the City Council support the revisions to the North Bayshore Precise Plan Bonus FAR Guidelines?*

### **Master Plans**

The Precise Plan includes an Administration section in Chapter 3 which lays out Master Plan requirements. A Master Plan is a high-level plan for a large development area or multiple properties that shows proposed land uses; building locations; street improvements and circulation; and the overall phasing, timing, and improvement of the site.



### Process

The Draft Precise Plan states that Master Plans shall be reviewed by the EPC and approved by the City Council. This topic was previously discussed by both the EPC and City Council. The Precise Plan also states that development permits consistent with an approved Master Plan can be approved by the Zoning Administrator at a public hearing. The Zoning Administrator also has discretion to forward a development permit to the City Council if it does not comply with an approved Master Plan.

The Draft Precise Plan language seeks to balance Council review authority on initial Master Plan review with a somewhat more streamlined development review process for Master Plan-compliant development review permits through the Zoning Administrator. However, some Councilmembers have expressed concerns about this provision and at the September 26 Study Session, staff indicated we would bring this issue back to Council for reconsideration.

***Question No. 9A: Does the City Council support the Draft Precise Plan language regarding the Master Plan process, or would Council prefer all development projects that are part of a Master Plan be approved by the Council?***

### Requirements

The Plan requires submittal of a Master Plan for any development in the Gateway character area because it is a key, large site that requires coordinated planning among different property owners. The Gateway area is envisioned as a diverse mix of residential, commercial office, retail, entertainment, fitness, and hotel uses. Master Plans are optional in other areas. However, it is likely that any large multi-use site outside of the Gateway area will submit a Master Plan to help determine the timing of a large project involving street improvements, multiple buildings, construction phasing, and infrastructure improvements. Section 3.5.2 of the Plan lists the required Master Plan submittal materials.

***Question No. 9B: Does the City Council support the Draft Plan approach that Master Plans are required for Gateway area development but are optional in other areas, or would Council prefer requiring a Master Plan for other projects bases on criteria such as size, ownership, phasing, etc.?***

### General Plan and Precise Plan Amendments

The proposed Precise Plan also requires a General Plan amendment, rezoning, and Precise Plan amendment. The General Plan amendment includes a map amendment, Exhibit 2, to align the General Plan North Bayshore Mixed-Use Land Use Map

boundaries with the Precise Plan complete neighborhood boundaries. The General Plan amendment also includes a text amendment, Attachment 2 to the Council report, that clarifies the allowed uses and FAR for the North Bayshore Mixed-Use Designation. These General Plan amendments provide the necessary internal consistency between the General Plan and Precise Plan, and also establish the General Plan residential FAR at 1.0, which aligns with the Base 1.0 FAR level in the Precise Plan's Bonus FAR strategy. Specific findings for the General Plan amendment are also included in Attachment 2 to the Council report.

The rezoning request is a clean-up action which eliminates outdated zoning designations (older North Bayshore Precise Plan P-34, L'Avenida Precise Plan P-33, and MM-40, General Industrial) from the North Bayshore Area. This action includes rezoning the City-owned parcel at Charleston Park to the new North Bayshore Precise Plan P-39, where park uses are allowed. The City-owned parcels at Crittenden Hill and Vista Slope are not within the North Bayshore Precise Plan area, but are proposed to be rezoned from the outdated P-34 designation to PF (Public Facilities). The PF designation, which allows public and quasi-public uses such as parks and government facilities, is consistent with how these parcels are used (Attachment 3 to the Council report). These actions would align the allowed zoning of these parcels with their corresponding General Plan Land Use Designations for greater internal policy consistency. Specific findings for the rezoning action are included in Attachment 3 to the Council report.

An amendment to the existing Precise Plan is also required to adopt the new Precise Plan. Required findings for this action are included in Attachment 4 to the Council report.

## **ENVIRONMENTAL REVIEW**

An Environmental Impact Report (EIR) was prepared to conform with the California Environmental Quality Act (CEQA), CEQA Guidelines (California Code of Regulations 15000 *et seq.*). The EIR evaluates the potential environmental impacts that might reasonably be anticipated to result from implementation of the Precise Plan. The Draft EIR was prepared for the City by David J. Powers, Inc., and is available at [www.mountainview.gov](http://www.mountainview.gov).

### **A. Notice of Preparation**

In 2016, the City circulated a Notice of Preparation (NOP) to help identify the types of impacts that could result from the proposed project, as well as potential areas of controversy. The NOP was mailed to public agencies (including the State

Clearinghouse), organizations, and individuals considered likely to be interested in the proposed project and its potential impacts. A scoping meeting on the Draft EIR was held on April 11, 2016. Comments received by the City on the NOP and at the scoping meeting were taken into account during the preparation of the Draft EIR.

## **B. Draft EIR – Summary**

The Draft EIR was made available for public review on March 22, 2016 and was distributed to local and State responsible and trustee agencies. The Draft EIR and an announcement of its availability were posted electronically on the City's website, and hard copies were available for public review at the City of Mountain View Community Development Department and the Mountain View Public Library. The CEQA-mandated 45-day public comment period was from March 1, 2017 to April 14, 2017.

## **C. Final EIR**

Copies of all responses to comments and EIR text revisions (which together with the Draft EIR comprise the Final EIR) were made available to the public on November 2, 2017 in the Mountain View Community Development Department, the City's website, and the Mountain View Public Library. The City received 19 written letters with comments on the Draft EIR. A response to all the comments is included in the Final EIR, which is attached to this Council report.

## **D. Significant Unavoidable Impacts and Additional Plan Strategies**

### *Key Plan Strategies*

Although the project results in significant unavoidable impacts, it should be noted that the Precise Plan includes a strong policy framework of the following strategies that seek to help lessen new development's impact on the environment:

- **Mix of uses.** A new mix of diverse uses, including substantial residential and supportive retail services, will add a complementary set of uses to the predominant office uses in the area. This will result in more new area residents and employees biking or walking to destinations in the area, thereby reducing their need for private autos for some of their daily trips.
- **Residential vehicle trip performance standard.** The Plan requires that new development address the Plan's residential vehicle trip performance

standard. This standard will be determined based on available gateway capacity and will help reduce the number of vehicle trips from new residential development.

- **Parking requirements.** The Plan requires an average maximum parking requirement of 0.5 parking space per bedroom. This standard will help reduce the number of residential vehicles in the area and, therefore, reduce overall trips in the area. The Plan also requires unbundled parking—separately pricing residential parking spaces from rent of an apartment unit—to support residents who do not wish to own a private car in North Bayshore.
- **Multimodal transportation improvements.** The Plan includes significant new multimodal transportation improvements, including, but not limited to, a new dedicated, reversible bus lane on Shoreline Boulevard; new cycle tracks and bike lanes; new greenways (dedicated bike and pedestrian paths); improvements to facilitate new transit service along Charleston Road; new bike, pedestrian, and transit bridges—across Highway 101 and Stevens Creek.
- **TDM requirements.** The Plan includes an action item to develop new TDM guidelines, which will be applied to new residential development in the area.
- **Transportation performance monitoring.** The City has already been monitoring how the North Bayshore gateways perform in terms of vehicle capacity and in meeting the Plan’s 45 percent Single Occupancy Vehicle (SOV) target. The City will continue and expand this transportation performance monitoring to survey new residential trip behavior, including parking utilization. This information will help inform new or modified TDM requirements and will inform City and developer investment in new transportation improvements.
- **Vehicle Miles Travelled (VMT).** The EIR analysis uses LOS as a metric for evaluating transportation impacts since this was the methodology used in the first Plan EIR and because the City has not established any VMT thresholds for use in CEQA analysis. However, supplemental analysis shows that the project is expected to increase absolute VMT, but decrease VMT per service population. These results support the concept that providing housing near jobs increases the likelihood that trips can remain within a local area, thus shortening travel distances and increasing residents’ ability to accomplish some travel needs by walking, cycling, or using short-distance transit.

- **Internalization.** The CEQA analysis uses a conservative assumption of 27 percent internalization, that is, the percentage of new residents who may be expected to work in North Bayshore. It is very likely this number could be greater than 27 percent, which would, therefore, result in less vehicle trip impacts to surrounding intersections and freeways.
- **GHG emission reduction strategies.** The EIR notes the City will develop additional, feasible, and practical GHG emission strategies that will be placed on new development in order to reduce GHG emissions as much as possible.

*Significant Unavoidable Impacts*

The EIR identifies many impacts resulting from the Draft Plan that could be reduced to less-than-significant levels with mitigation measures. However, the project also results in significant unavoidable impacts for intersections, freeways, transit vehicle delay, cumulative transportation impacts, and greenhouse gas emissions, as detailed below:

**Intersection Impacts:** As shown in Table 4.14-12 of the Draft EIR, implementation of the proposed project would increase motor vehicle traffic and congestion, resulting in significant and unavoidable impacts to the following intersections:

- No. 1. San Antonio Road and Bayshore Parkway (Palo Alto)
- No. 13. Amphitheatre Parkway and Garcia Avenue-Charleston Road (Mountain View)
- No. 15. Rengstorff Avenue and U.S. 101 southbound ramps (Mountain View)
- No. 16. Rengstorff Avenue and Leghorn Street (Mountain View)
- No. 32. Shoreline Boulevard and Space Park Way (Mountain View)
- No. 33. Shoreline Boulevard and Plymouth Street (Mountain View)
- No. 34. Shoreline Boulevard and Pear Avenue (Mountain View)
- No. 35. Shoreline Boulevard and La Avenida/U.S. 101 northbound ramps (Mountain View)
- No. 38. Shoreline Boulevard and Middlefield Road (Mountain View)

Outside Plan area intersections

- No. 17. Rengstorff Avenue and Old Middlefield Way (Mountain View)
- No. 20. Rengstorff Avenue and Central Expressway (Santa Clara County)
- No. 24. Springer Road-Magdalena Avenue/Foothill Expressway (Santa Clara County)
- No. 49. Moffett Boulevard-Castro Street/Central Expressway (Mountain View)
- No. 57. Bayfront Expressway /University Avenue (Menlo Park)
- No. 59. Donohoe Street/University Avenue (East Palo Alto)
- No. 62. Embarcadero Road/East Bayshore Road (Palo Alto)
- No. 66. Arastradero Road/Foothill Expressway (Santa Clara County)
- No. 67. Page Mill Road/I-280 southbound off-ramp Arastradero Road (Santa Clara County)

As noted in the EIR, mitigation measures were considered for these impacts (refer to Table 4.14-12), and improvements identified would not ultimately improve the intersection operations to an acceptable level of service, or are not guaranteed to be implemented. For example, realignment of the U.S. 101 northbound off-ramp (a potential mitigation measure for impacts at Intersection No. 35) would require coordination with Caltrans. While the City is moving forward on this, since it cannot be guaranteed that Caltrans would approve this mitigation measure, and the City cannot solely implement it, this impact is designated as significant and unavoidable.

No other improvements are feasible due to right-of-way constraints; therefore, the project's impact to these 18 intersections is considered significant and unavoidable.

**Freeway Impacts:** Project traffic would result in significant impacts to 74 freeway segments during the a.m. peak hour and 84 freeway segments during the p.m. peak hour. The complete mitigation of freeway impacts is considered beyond the scope of an individual development project or City plan due to the inability of any

individual project or City to: (1) acquire right-of-way for freeway widening; and (2) fully fund a major freeway mainline improvement. Freeway improvements also would require approval by VTA and Caltrans and, as such, the City cannot guarantee implementation of any improvement in the freeway right-of-way. Therefore, impacts to these freeway segments are considered significant and unavoidable.

**Transit Vehicle Delay Impacts:** Implementation of the amended Precise Plan would not disrupt existing or interfere with planned transit services or facilities; however, the increase in transit vehicles, congestion at the North Bayshore gateways, and increased delay at off-site intersections would delay transit vehicles. Therefore, the project would have a significant and unavoidable effect on transit vehicle operations, in particular at those intersections with a significant and unavoidable impact determination for traffic delay. Transit operational improvements such as signal coordination and transit vehicle could potentially improve the overall reliability of transit in congested areas, are not likely to fully mitigate this effect.

### **Cumulative Impacts**

**Cumulative Transportation Impacts:** The cumulative projects, including the amended Precise Plan, would result in cumulatively significant and unavoidable impacts to intersections, freeway segments, and transit levels of service.

- Implementation of the proposed Precise Plan would result in significant and unavoidable impacts to 45 intersections during either the a.m. and/or p.m. peak hours under Year 2030 Cumulative with Project Conditions.
- Implementation of the project would result in a cumulatively considerable contribution to impacts to 130 freeway segments in the a.m. peak hour (67 mixed-flow, 63 HOV lanes) and 122 freeway segments in the p.m. peak hour (66 mixed-flow and 56 HOV lanes) under Year 2030 Cumulative with Project Conditions.
- Implementation of the amended North Bayshore Precise Plan would have a significant and unavoidable cumulative effect on transit vehicle operations under Year 2030 with Cumulative with Project Conditions, in particular at those intersections with a significant and unavoidable impact determination for traffic delay.

## Greenhouse Gas Emissions

**Operational Emissions:** Under the 2030 full build-out of the amended North Bayshore Precise Plan, annual service population emissions of CO<sub>2</sub>e/yr/service population would exceed the threshold of 4.5 MT of CO<sub>2</sub>e/year/service population for the Precise Plan area changes. The project proposes to implement feasible energy efficiency and TDM measures identified in the City's GGRP and North Bayshore Precise Plan to minimize impacts; however, these measures would not reduce impacts to a less-than-significant level. This impact is, therefore, significant and unavoidable.

- **Consistency with Plans:** New development will be required to implement TDM measures and other emissions-reduction features in the GGRP and the additional housing could allow for internalization of trips or increased walking or bicycling trips. However, total emissions in the North Bayshore Area are projected to increase beyond those previously assumed in the City's GGRP and Plan Bay Area. Therefore, implementation of the Precise Plan would conflict with plans, policies, or regulations for reducing GHG emissions adopted by the California Legislature, CARB, BAAQMD, and City of Mountain View. This impact is, therefore, significant and unavoidable.
- **Cumulative Greenhouse Gas Emissions:** The amended Precise Plan would result in a significant cumulative impact to global climate change because the projected GHG emissions per service population in 2030 would exceed the average carbon-efficiency target in the City's GGRP to maintain a trajectory to meet Statewide 2050 goals. These are the same impacts as those identified previously in the project impacts. This impact is, therefore, significant and unavoidable.

All other impacts of the project would be mitigated to less-than-significant levels with incorporation of the Precise Plan standards and guidelines, applicable project-level mitigation measures, and General Plan policies and actions identified in this EIR.

The significant and unavoidable impacts require the adoption of a Statement of Overriding Considerations by the City Council at the time the Final EIR is certified. A Statement of Overriding Considerations demonstrates that the benefits of a project outweigh the significant unavoidable impacts. The following key benefits of the project have been included in the attached "Statement of Overriding Considerations," with additional details in Attachment 1 to the Council report.



- A. Includes significant new land use strategies in the area such as “complete neighborhoods” that blend a mix of uses with multimodal transportation options for new residents and employees. These strategies will allow area residents and employees to make local trips in the area by walking and biking. This will help reduce the area’s vehicle miles travelled per capita and use of private automobiles, thereby helping achieve longer-range goals to lessen air pollution, traffic impacts, and greenhouse gas emissions;
- B. Improves the area’s and City’s job-housing balance by allowing up to 9,850 new units in North Bayshore;
- C. Provides a strategy to increase the amount of affordable housing in the area through the North Bayshore Precise Plan affordable housing strategy.

### **FISCAL IMPACT**

Compared to the adopted 2014 North Bayshore Precise Plan, the amended North Bayshore Precise Plan allows up to 9,850 new residential units. Upon full build-out of the 9,850 residential units, annual property tax revenues for the Shoreline Regional Park Community (SRPC) would increase approximately \$30 million (in 2016 dollars), net of the pass-through payments to the County and School Districts. To help support local schools, the Precise Plan includes a proposed policy whereby the SRPC will work with the local school districts to address the potential impacts on schools from growth related to the Plan’s new residential development.

The Plan’s new development also anticipates an annual increase in General Operating Fund revenue of approximately \$6.1 million: \$3.4 million from sales tax, \$1.4 million from hotel occupancy tax, and about \$1.3 million from other revenues. New transportation, water, and sewer improvements in the area would be needed to service this new growth and would be funded in part by the adopted North Bayshore Development Impact Fee for new office, R&D, hotel, and retail development in the area. The Precise Plan also includes an action item to study updating this existing fee, which would potentially extend the fee to new residential development.

It is assumed there would be additional annual operating costs due to the increase in population, but it would require further detailed study to quantify. The additional service cost would be due to possible additional staffing for things such as police and park rangers for the area, in addition to new park and roadway maintenance costs, etc. Other unknown costs could include new community facilities and would depend on the type of services, programs, or staffing needed. The City is currently working on a

Citywide service level study to develop information on potential effects that long-term growth, including in the North Bayshore Area, may have on Citywide service levels.

In sum, full build-out of the Precise Plan has the potential to be fiscally beneficial, as the Plan's projected growth and future revenues would likely exceed expenditures.

## **CONCLUSION**

In conclusion, after several years of study and public meetings, staff is requesting that the Council address the questions in this report and adopt the North Bayshore Precise Plan.

## **ALTERNATIVES**

1. Recommend modifications to the Final Draft Precise Plan and any proposed policy language within this report.
2. Find that the proposed benefits of the project do not outweigh the impacts and recommend findings for denial of the EIR.

**PUBLIC NOTICING**

Agenda posting, web posting, and notice to interested parties.

Prepared by:

Martin Alkire  
Principal Planner

Randal Tsuda  
Community Development Director

Approved by:

Daniel H. Rich  
City Manager

MA-RT/3/CAM  
891-12-12-17-CR-E

- Attachments:
1. Resolution: North Bayshore Precise Plan Final EIR, including Findings of Approval, Draft North Bayshore Precise Plan EIR, and Mitigation Monitoring and Reporting Program
  2. Resolution: General Plan Map/Text Amendment and Findings
  3. Resolution: Zoning Map Amendment and Findings
  4. Resolution: Final Draft Precise Plan and Findings
  5. Resolution: North Bayshore Precise Plan Affordable Housing Guidelines and Findings
  6. Draft North Bayshore Precise Plan Sustainability Measures
  7. Amended North Bayshore Precise Plan Bonus FAR Guidelines
  8. November 15, 2017 EPC Questions and Staff Responses