



COUNCIL REPORT

DATE: March 13, 2025

CATEGORY: Public Hearing

DEPT.: Community Development

TITLE: **Toyota Dealership/Service Center at 2249-2283, 2319-2325, and 2385 Old Middlefield Way and 775 Independence Avenue**

RECOMMENDATION

Adopt a Resolution of the City Council of the City of Mountain View Upholding the Zoning Administrator’s Environmental Determination and Approval of a Development Review Permit to Remove Two Commercial/Industrial Buildings, Including a Vacant 8,450 Square Foot Auto Service and Repair Building and a 14,880 Square Foot Office/Industrial Building, and Construct a New Two-Story, 39,399 Square Foot Automobile Dealership with Auto Service, Parts, and Repair Facility for Toyota; and a Heritage Tree Removal Permit to Remove 80 Heritage Trees (Including a Hedge of 61 Small Redwood Trees that Meet the Definition of Heritage Trees) on a 2.4-Acre Site at 2249-2283 Old Middlefield Way (APN 147-12-034), 2319-2325 Old Middlefield Way (APN 147-12-033), 2385 Old Middlefield Way (APN 147-12-061), and 775 Independence Avenue (APN 147-12-060), and Finding the Project to be Exempt from Review Under the California Environmental Quality Act, Pursuant to California Environmental Quality Act Guidelines Section 15332, to be read in title only, further reading waived (Attachment 1 to the Council report).

BACKGROUND

Project Location: 2249-2283, 2319-2325, and 2385 Old Middlefield Way and 775 Independence Avenue, on the southeast corner of Old Middlefield Way and Independence Avenue.

Project Site Size: Approximately 2.4 acres.

General Plan Designation: General Commercial.

Zoning Designation: CS (Commercial Services).

Surrounding Land Uses:

- North (across Old Middlefield Way)—car wash, auto uses, R&D/industrial uses;
- South—single- and multi-family residential uses;
- East—commercial and auto uses; and
- West (across Independence Avenue)—auto uses.

Current Site Conditions: Two commercial buildings, including a vacant 8,450 square foot auto service and repair building and a 14,880 square foot office/industrial building.

Applicant/Owner: Brenda Joy Gabbac for Magnussen’s Middlefield, LLC

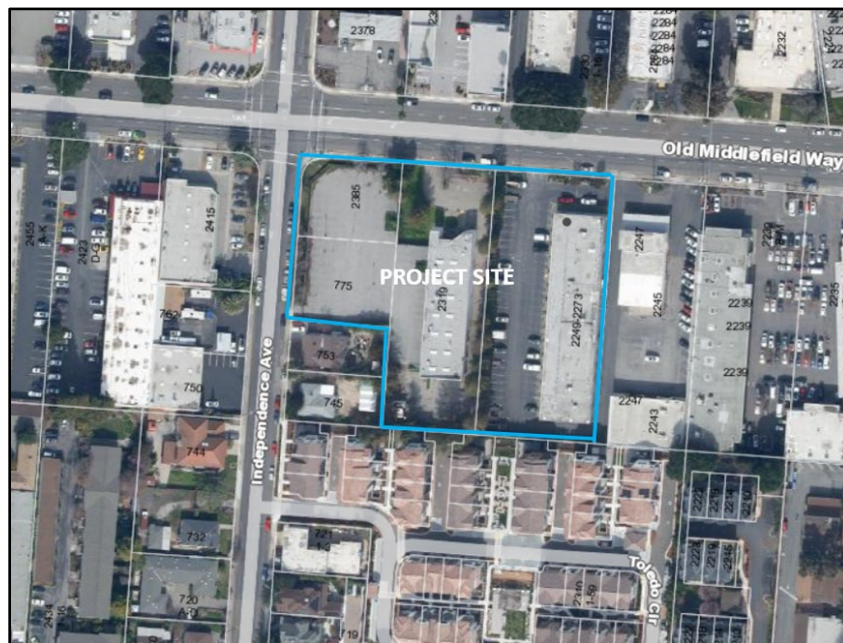


Figure 1: Location Map

Project Overview

The proposed project includes the removal of two commercial buildings, including a vacant auto service and repair building and an office/industrial building, and construction of a new two-story, 39,399 square foot automobile dealership with auto service, parts, and a repair facility for Toyota. Eighty (80) Heritage trees, including a hedge of 61 small redwood trees that meet the definition of Heritage tree, will be removed to accommodate the new development. The ground level will

contain approximately 28,000 square feet of showroom, parts and services, and sales offices; the second level will contain additional offices, training room, and an employee break room; and the project will also contain a roof parking deck for vehicle storage. The site around the building will be used to park vehicle inventory, service vehicles, and for customer parking.

Prior Meetings and Hearings

Neighborhood Meeting

The applicant held two neighborhood meetings with City staff in attendance, on June 19, 2024 and on July 23, 2024, to introduce the project and seek feedback. Over 30 community members attended the two meetings, mostly from the Maravilla Homeowners Association (HOA) (immediately south of the project site). Comments raised by the community members at the meetings included:

- Concerns about noise during business operations, especially early morning service repair operations.
- Use of the roof parking and why underground parking is not an option.
- Relocation of the ramp to the roof parking to alleviate noise concerns.
- Potential to move the building further toward Old Middlefield Way and away from the residential neighborhood to the south.
- Relocation of the trash enclosure away from the south property line.
- Retaining more trees on-site.
- Enhanced landscaping along the southern property line.
- Concerns with the overall height of the building, including the parapet height on the roof deck.
- Limiting the use of the driveway on Independence Avenue for test driving and car delivery.
- Ensuring Toyota provides adequate customer parking on-site to avoid customers parking in the adjacent residential neighborhoods.
- Questions on the environmental review process and what type of analysis would be done for the project.

Following the two neighborhood meetings, staff encouraged the applicant to maintain an open dialog with the community members to share any project design updates or to further discuss their concerns. The applicants then held a third neighborhood meeting (City staff were not in attendance) on August 16, 2024 with the Maravilla HOA to present the changes made to the site plan based on the concerns expressed during the two neighborhood meetings and to further discuss any additional concerns. Following this discussion, the project applicants submitted a further refined plan set to the City with additional modifications based on feedback received in the third neighborhood meeting.

Design Review

The project applicant identified priorities for presenting Toyota-brand architecture at this site and worked cooperatively with staff to try to address key design feedback with particular focus on vehicle access/queuing, tree preservation, and accessory structure location(s)/noise impacts. These areas of design focus were identified by staff, and the applicant made some initial design changes prior to the neighborhood meeting; however, the applicant made further revisions based on community input from the subsequent neighborhood meetings. Overall, the design modifications included the concepts listed above in the Neighborhood Meeting section of this staff report. As the applicant strongly desired the use of Toyota-branded architecture, staff provided design suggestions to the applicant in writing in lieu of taking the project to a Design Review Consultation (DRC) meeting.

Administrative Zoning Meeting

The proposed project was reviewed at an [Administrative Zoning hearing on December 18, 2024](#), and the Zoning Administrator approved the project based on Findings of Approval and subject to conditions of approval (COA), including two modifications to COA Nos. 31 and 38 to enhance the language regarding lighting reduction (motion-sensor lighting) during nonbusiness hours and for the applicant to work with staff to modify the rooftop parapet screening wall height to reduce the visual impacts of lighting and rooftop deck uses from adjacent residential neighbors. The Zoning Administrator determined the project to be exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15332, "In-Fill Development Projects," of the CEQA Guidelines. Seven members of the public spoke on the item at the hearing with comments on varying topics but ultimately indicated the commenters were not supportive of the proposed project. Additionally, approximately 23 public comment letters were received prior to the meeting which detailed concerns with the proposed project. These comment letters are attached to the [Administrative Zoning Hearing Agenda from December 18, 2024](#).

Appeal Filed

On January 2, 2025, the City received a timely appeal from appellant Lindsay Harris on behalf of Residents of Maravilla (see Attachment 2—Appellant Letter). The appeal letter discusses multiple concerns over the development project which are further detailed and discussed below.

ANALYSIS

General Plan

The site has a General Plan Land Use Designation of General Commercial, which: “provides a broad range of commercial and light industrial uses serving businesses and residents, such as automotive repair, retail and wholesale businesses, carpentry shops, veterinary clinics, and similar types of uses.”

The proposed project advances the following Citywide priorities and is consistent with the General Plan’s vision for the area, which includes allowing a range of commercial uses, and promotes a number of General Plan policies, including the following:

- **LUD 3.7: Upgraded commercial areas.** Encourage the maintenance, enhancement and redevelopment of older commercial districts, shopping centers, and corridors.

The proposed project will redevelop a site with multiple older commercial buildings into one modern auto sales and repair facility. The redevelopment will also update the landscaping on the site as well as revitalize the Old Middlefield Way corridor.

- **LUD 3.8: Preserved land use districts.** Promote and preserve commercial and industrial districts that support a diversified economic base.

The proposed project promotes a use that is permitted in the Zoning District and will provide auto-related services for the community.

- **LUD 12.3: Land uses and revenue.** Encourage land uses that generate City revenue.

The proposed land use generates sales tax for the City in addition to increasing the assessed value of improvements on the site, which will generate increased property tax, which is then used to fund services for the residents of Mountain View.

Zoning

The site’s zoning designation is CS (Commercial Services), which: “allows service commercial and industrial uses that serve local residents and businesses. These uses include automotive repair, retail and wholesale businesses, carpentry shops, veterinary clinics and similar and related compatible uses. The CS zoning district is consistent with the general commercial land use designation of the general plan.” (City Code Section 36.18.)

The auto sales and repair uses that would be established upon approval of the proposed project are permitted uses by right in the CS Zoning District (City Code Section 36.18.05), and the project also complies with the applicable development standards for the site (as shown in Table 1 below).

**Table 1: Compliance with CS Zoning District Development Standards
(City Code Sections 36.18.55, 36.30.25)**

Standard	Requirement	Proposed
Height	No maximum	36’6” (top of stair); 32’8” (top of tallest parapet)
Floor Area Ratio	40% maximum	37.7% (39,399 square feet)
Front Setback	10’ of landscaping in front of parking	10’ of landscaping in front of parking (61’ from property line to “portal” entry feature)
Side Setbacks	10’ minimum on side street; 5’ landscaping next to parking	147’7” on side street; 5’ landscaping next to parking
Rear Setback	10’ landscaping and 7’ minimum sound wall next to residential 5’ landscaping next to parking	10’ to 26’6” of landscape buffer/bioretenion area next to parking to rear property line and 7’ tall “woodcrete” sound wall. Proposed building is setback 56’6” from the rear property line.
Street and Sidewalk Landscaping	Minimum 10’ wide landscape screen shall be provided along the street in front of parking	10’ wide landscape buffer along Old Middlefield Way and Independence Avenue
Landscaping Adjacent to Residential	Minimum 10’ wide landscape buffer and a 7’ high masonry wall shall be provided adjacent to residentially zoned uses	10’ to 26’6” landscape buffer/bioretenion areas and 7’ tall “woodcrete” sound wall
Perimeter Landscape Planting	Minimum 5’ wide along all interior property lines	≥ 10’ wide landscape planting area along rear property line; N/A along interior side property line
Vehicle Parking	Minimum 93 spaces	210 spaces
Bicycle Parking	5% of the minimum required vehicle parking total (5 spaces)	6 spaces

Project Details

Site Plan

The applicants will redevelop five existing parcels that total approximately 2.4 acres via a Lot Line Adjustment to combine four lots into one and a lot tie agreement to tie the fifth parcel to the other four to allow for the development to occur over the full site area. Two existing two-way driveways are located along Old Middlefield Way and Independence Avenue, providing access to the site. Additionally, the existing driveway located at the northeast corner of the project site will be preserved for shared use with the adjacent site (2243 Old Middlefield Way) and serve as the truck delivery route for inventory vehicles, where employees will off-load them during operating hours. The building is set back between approximately 61' to 148' from both street frontages toward the southeast corner of the site and 50' to 55' from the shared interior property lines adjacent to the single-family and multi-family residences abutting the site. Pedestrian access will be provided from new sidewalks to be installed as part of the project's public right-of-way improvements along Old Middlefield Way and Independence Avenue.

Automobile inventory display will be on the northern half of the site, along Old Middlefield Way, Independence Avenue, in front of the showroom, and on the roof deck. Customer and service drop-off parking will be in front of the showroom and near the service area along the Old Middlefield Way frontage, and employee parking will be along the southern property line. Trash storage is located within the building at the rear to prevent unsightly overflowing bins in publicly visible areas to aid in reducing odors and to improve the overall appearance of the site.



Figure 2: Site Plan

Project Design

The proposed automobile dealership design is intended to meet Toyota brand image requirements, including the proposed metal panel facade, freestanding building entry portal, signage, and rooftop photovoltaic structure design. The building prioritizes a glassier showroom facade facing Old Middlefield Way and a more solid building wall design with wire structures supporting integrated vine growth around the service center area closer to adjacent residential uses.

The overall building design is compatible with and includes similar materials to other commercial/industrial buildings along Old Middlefield Way. Although the CS Zoning District does not provide a specific height limit (maximum), the proposed building has the same or lower heights as compared to immediately adjacent residential development (to the south). As noted above, the proposed building is set back from the adjacent residential site and includes a 7' tall sound wall that runs parallel to the southerly property line shared with the adjacent residential uses to the south and southeast.



Figure 3: Building Perspective Along Old Middlefield Way

Open Space and Landscaping

Open Space

Given that the intended use of the site will be primarily focused on auto sales, service, and repair, open space on the site is primarily located within the landscape buffer areas along the perimeter of the site along Old Middlefield Way, Independence Avenue, and the southern and western property lines along with parking islands throughout the surface parking lot. Two large bioretention areas break up rows of parking stalls located adjacent to the multi-family development (Maravilla) along the southern property line and the single-family homes (745 and 753 Independence Avenue) at the southwestern edge of the site. Additionally, a large circular landscaped area located near the main entrance off Old Middlefield Way features a large mature Coast redwood Heritage tree (Tree No. 12) and serves as a primary landscape design element. In total, these areas comprise approximately 17,412 square feet (16.6%) of open space for the project.

Tree Preservation and Removal

A total of 83 trees are proposed for removal, comprised of 80 Heritage trees (including a hedge of 61 small redwood trees that meet the definition of Heritage tree) and three non-Heritage trees. The removals are required due to construction activities associated with the project, including grading cuts near trees adjacent to property lines, construction of masonry walls along property lines, new sidewalk locations, bioretention zones, and construction of the building. The original application requested removal of additional Heritage trees, including five mature redwoods along the southern perimeter (Tree Nos. 25, 26, 28, 29, and 31); however, the applicant worked with staff to preserve these five Heritage trees and other trees for a total of 33 on-site trees which provide privacy mitigation for adjacent residences and enhance the visual appeal of the site (see Attachment 9—Arborist Report for detailed information).

Tree Planting

Based on the City's 2:1 replacement ratio for Heritage tree removals, the project would be required to provide 160 24" box trees. However, given the limited landscape planting areas onsite, the project will provide 38 24" box and five 36" box replacement tree plantings and will pay in-lieu fees (\$750 per tree) for the remaining balance of the required tree plantings (117 trees). Four street trees (including two transplanted crape myrtles) will be planted in new landscape planters that will be installed as part of a new partial detached sidewalk improvement to be constructed as part of the project along the Old Middlefield Way frontage. It is anticipated that the new tree plantings will nearly match the existing canopy on-site within five years and more than double the existing tree canopy within 20 years at full maturity. The project tree canopy site coverage through specified growth phases is summarized in Table 2 below.

Table 2: Tree Canopy Coverage

Canopy	Site Coverage
Existing Canopy	22.8%
New Canopy (i.e., at planting)	12.5%
New Canopy (5 years)	21.8%
New Canopy (10 years)	38.9%
New Canopy (at maturity)	55.4%

Transportation and Parking

Parking

The dealership proposes 210 parking spaces, including 113 surface stalls for inventory, display, customers, and employees, four showroom spaces, and 93 rooftop stalls for inventory and service vehicles. The proposed parking meets the minimum parking requirement (93 spaces) required by the City Code and provides additional parking to accommodate service and inventory vehicle parking needs typically required for an automobile dealership and service use.

Bicycle Parking

The project is required to provide on-site bicycle parking equal to at least 5% of the total number of required vehicle parking on-site. The project includes six bicycle parking spaces, which exceeds the five bicycle spaces required. The bike parking is comprised of two short-term spaces near the showroom on the northeastern side and four long-term bicycle lockers on the southern side of the service shop.

Transportation Demand Management

The City of Mountain View’s Vehicle Miles Traveled (VMT) policy specifies that retail uses smaller than 50,000 square feet are generally considered locally serving, providing goods and services to nearby residents. As such, the project meets the City’s screening criteria and, therefore, does not require VMT analysis. Most trips to this location would be preexisting trips that would need to travel farther without this business (for example, a nearby resident needing service on their vehicle), so the use would not result in new regional trip generation. The proposed automobile dealership would replace an existing one just 0.3 mile away to the west. As such, it would not generate significant new trips but instead replace existing ones. Additionally, automobile dealerships typically generate less than 25% of the vehicle trips of an equivalent-sized retail building. Therefore, the project is not expected to result in substantial transportation impacts. For these reasons, staff determined that a Transportation Demand Management plan was not necessary.

Appeal

As mentioned above, on January 2, 2025, the appellant filed an appeal of the December 18, 2024 decision by the Zoning Administrator. The appeal (see Attachment 2—Appellant Letter) raises the following three primary points: (1) the proposed project conflicts with the existing character and scale of the neighborhood; (2) the number of tree removals and proposed size of tree replacements are problematic; and (3) the CEQA infill exemption is not sufficient. The letter provides additional details on the main appeal points and offers seven potential mitigation points, described by the appellant as “proposed mitigations,” summarized here, with staff comments on the appeal points included in the next section:

1. **Remove the accessory structure (“the portal”) and reduce the height of the three-story sign (“the tower”).**

The appellant suggests removal of the “portal” design feature on the front of the building as well as reducing the size of the freestanding sign (i.e., “the tower”) on Old Middlefield Way as shown in the plans to mitigate the perceived difference in scale of the building relative to the surrounding neighborhood.

2. **Add screening for or relocate rooftop parking and rooftop employee lounge.**

The appellant requests that additional screening be provided on the roof deck or that the parking be relocated to under the building to minimize visual impacts of the roof deck on the adjacent neighborhood to the south while also reducing lighting on the roof deck and freestanding sign outside of operating hours. Lastly, the appellant requests that the

applicant provide additional renderings to fully evaluate the visibility of vehicles, people, mechanical equipment, and other items on the roof.

3. Require the applicant to use mature trees for Heritage tree replacement.

The appellant suggests the project applicant be required to plant larger, more mature replacement trees to minimize the amount of time for the new trees to reach maturity.

4. Implement a performance bond to ensure landscape growth.

The appellant suggests the City collect a performance bond for the landscaping from the project applicant to ensure continued envisioned growth coupled with monthly site visits by a certified arborist for a period of five years after the completion of the construction.

5. Minimize light pollution by disabling unnecessary lighting after hours.

The appellant requests that the project applicant reduce the impact of the proposed lighting as follows:

- a. Require each lighting fixture in the ground and roof parking lots and surrounding the building to be dimmable and include a motion sensor. Require that, when no motion is detected and it is outside of the applicant's standard hours of operation, said fixtures be configured to produce the absolute minimum amount of light required for continuous security, safety, and operational needs in a motion-free environment.
- b. Require the "portal" lighting (if the "portal" accessory structure is maintained in any form) and the "tower" signage to be disabled after 10:00 p.m., Monday through Saturday, and 9:00 p.m., Sunday (one hour after the dealership's proposed closing time).

6. Require modest changes to address noise and air concerns.

The appellant requests that the project applicant adhere to additional requirements beyond the City's Basic Air Quality Construction Measures recommended by the Bay Area Air Quality Management District (BAAQMD), as outlined in the environmental analysis (see Attachment 7—CEQA Compliance Checklist). The requests include installation of a dust screen wall, no less than 20' tall, along any shared property lines during the demolition of the existing buildings, requiring the site "Disturbance Coordinator" to resolve any complaints within 24 hours, and requirements for the project applicant to produce and distribute (to a designated member of the Maravilla HOA) a weekly construction schedule.

7. Reject use of CEQA Exemption (“In-Fill Development (Exemption)”).

The appellant does not agree that the infill exemption (CEQA Guidelines Section 15332) is appropriate to use for this project because the project will be inconsistent, on balance, with applicable with Mountain View General Plan policies and goals and will result in significant negative effects on traffic, noise, or air quality.

Staff Comments on Points Raised by Appellant in Appeal

While the project details are analyzed above, including information on some of the aspects in the appeal letter, and the project applicant has provided written responses on the appeal points (see Attachment 3—Toyota Appeal Response Letter), staff is providing additional information in response to each of the seven enumerated points in the appeal.

Overall, the proposed use is an allowed use and permitted by right within both the CS Zoning District and the General Commercial General Plan Land Use Designation. The Old Middlefield Way corridor is lined with auto uses, including repair, industrial/commercial uses, and office buildings, with residential developments adjacent to many of the sites operating similar businesses within the neighborhood. Additionally, the proposed building meets or exceeds all zoning standards for construction of the dealership, and the project meets all required findings for the Development Review Permit and Heritage Tree Removal Permit (see Attachment 1—Resolution Upholding the Zoning Administrator’s Decision) to construct the building necessary for operation of the permitted by right use on the site. Importantly, the General Plan indicates in the Monta Loma/Farley/Rock Planning Area discussion that it is a key policy for the area to “protect the [CS] service commercial zone” given that the Old Middlefield Way corridor is one of the “few locations remaining” in Mountain View for service commercial uses, such as auto repair, with the General Plan calling for “protecting these important service commercial uses.” The proposed project does this, consistent with the General Plan’s intent for the project area.

1. Remove accessory structure (“the portal”) and reduce height of three-story sign (“the tower”).

Portal Feature—The portal feature on the building provides an architectural element that serves as a break to the massing on the front elevation and, although slightly taller than most of the front elevation, does not exceed any height requirements as there is no maximum height limit in the CS Zoning District. Removing this feature completely would result in a monolithic and plain look to the front elevation; however, it could potentially be lowered in height and still provide the massing break to the building. However, this is a standard Toyota-brand architectural feature and one the applicant would like to retain.

Tower Feature—The appellant has characterized the proposed freestanding sign as the “tower.” Signage approvals are typically processed through a staff level sign application after project entitlements are processed. COA No. 19 states that no signs are approved as a part of the current application. As such, the project applicant has removed all indications of signage from the project plan set and will work with staff to propose a freestanding sign that meets the requirements of the City Code and is compatible with the surrounding signage on Old Middlefield Way. Additionally, the applicant has stated in their appeal response letter that they will reduce the height of the sign when they submit for the sign permits for the site. As the signage has been removed from the project plans, it is no longer at issue in the appeal.

2. Add screening for, or relocate, rooftop parking and rooftop employee lounge.

The project contains multiple COAs (Nos. 22, 31, 37, and 38) that serve to mitigate light spillover and visibility of the rooftop parking deck. While the project that was approved at the Administrative Zoning hearing contained a 322 square foot employee area on the roof deck, the project applicant has removed this feature from their updated plans and has stated its removal in their appeal response letter in response to the request from the appellant. Additionally, no amplified noise will be allowed on the roof deck, the area will not be in use outside of the operational hours for the dealership, and the project applicant has agreed that the proposed lighting will include motion sensors to minimize illumination outside of operational hours and that the lighting will not face and/or spill onto the adjacent residential properties (COA No. 38). Therefore, because of the project revisions proposed by the applicant and other requirements of applicable COAs, the appellant’s concerns have been reasonably addressed.

3. Require applicant to use mature trees for Heritage tree replacement.

The project is required to comply with the City’s standard tree replacement requirements outlined in the City Code and the City’s Standard Conditions of Approval. As stated in the CEQA checklist document, the City’s standard tree replacement requirements call for two replacement trees at a 24” box size minimum for every Heritage tree removed, and one replacement tree for every non-Heritage tree removed. Therefore, the proposed project will require a total of 160 replacement trees. Thirty-three (33) of the existing trees on the site would remain. The project that was approved at the Administrative Zoning hearing proposed to transplant two existing trees, to replant 43 new trees on the site with a minimum 24” box size, and to provide in-lieu fees for the remaining 117 replacement trees; however, the applicant has stated in its appeal response letter and reflected in the plan set that it will revise the project to upsize the five island oaks along the south property line to a minimum 36” box size. The use of the 24” and 36” box size trees will aid in providing immediate screening. Further information on the tree replacement is included above in the

Tree Planting section but, according to the landscape plans, the existing tree canopy (22.8%) will almost be replaced within five years and will be approximately 70% greater than under existing conditions within 10 years. The canopy will be more than doubled in 20 years at full tree maturity. Therefore, because the project would comply with standard tree replacement size requirements, the applicant has exceeded standard tree replacement size for five trees, and the on-site tree canopy will exceed the existing canopy on the project site and project construction, the appellant's concerns have been reasonably addressed.

4. Implement performance bond to ensure landscape growth.

The City's practice is to require performance bonds to secure the installation and warranty of off-site street and utility improvements as a condition of approval for development projects, which is implemented for this project as COA No. 147. The City does not typically require a performance bond for on-site improvements on a nonphased or single-occupant project. Any such requirement would be difficult to enforce and regulate through a performance bond mechanism and would also be cumbersome on the project applicant. The applicant is required to have all landscaping installed per the project plans prior to occupancy, and the City has imposed several other COAs (Nos. 41 through 65) that regulate the installation of the landscape and irrigation. The City possesses other regulatory tools, such as pursuing the applicant over violations of COAs, that will enable the City to ensure landscaping remains installed consistent with the project approval. Therefore, because it is not typical of the City to require a performance bond for the project components described by the appellant, because of practical limitations of using a performance bond for the appellant's desired purpose, and because the City has other enforcement tools to ensure ongoing installation of landscaping consistent with the project approval, the appellant's concerns can be reasonably addressed if this issue arises in the future.

5. Minimize light pollution by disabling unnecessary lighting after hours.

As stated above, the project contains multiple COAs (Nos. 22, 31, 37, and 38) that serve to mitigate light spillover and reduce lighting during nonbusiness hours. Specifically, COA No. 38 was modified at the Administrative Zoning hearing to state: "The photometric lighting plan for the roof deck shall ensure proposed lighting installed reduces impacts onto adjacent residential properties and may include the use of motion-sensor lighting to avoid excessive lighting when the business is closed." Additionally, COA No. 37 requires the applicant to submit a lighting plan in the building permit drawings which demonstrates lighting will not spillover onto surrounding properties. Lastly, while staff will review the lighting plan in coordination with Toyota, it is unlikely that there would be no lighting on the property when the business is closed as it would create security issues for the business and surrounding neighborhood; however, the project applicant has stated that they are committed to "shielding roof top and site lighting to prevent spillage over the property line,

utilizing motion detectors after hours while maintaining levels appropriate for safety and security” in the appeal response letter. Therefore, because COAs address site lighting to avoid adverse impacts on adjacent properties while continuing to ensure on-site safety and security, the appellant’s concerns have been reasonably addressed.

6. Require modest changes to address noise and air concerns.

Air Quality—The project will not have a significant effect relating to air quality. The project approval is conditioned upon applicant’s adherence to the City’s standard COAs and BAAQMD Best Management Practices to control fugitive dust and construction emissions (see COA No. 5 (Air Quality), COA No. 77 (Hazardous Materials Contamination), and COA No. 78 (Basic Air Quality Construction Measures)). With adherence to these construction Best Management Practices, BAAQMD considers construction air emissions and dust impacts to be less than significant under CEQA.

In addition, the project explicitly proposes to use Tier 4 interim equipment during construction to minimize diesel particulate matter exhaust emissions (see Attachment 4—Plan Set). All diesel-powered construction equipment larger than 25 horsepower used at the site for more than two continuous days or 20 hours total will meet U.S. EPA Tier 4 interim emission standards. The Air Quality/Greenhouse Gas Emissions Assessment (prepared by Illingworth and Rodkin, Inc., dated November 4, 2024) completed for the CEQA analysis determined that, given the incorporation of Tier 4 equipment, the project would not result in health risk impacts to nearby receptors.

Noise—The project will not have a significant effect relating to noise. The Noise and Vibration Assessment (prepared by Illingworth and Rodkin, Inc., dated November 6, 2024) completed for the CEQA analysis found that hourly construction noise levels would intermittently range from 74 to 85 dBA at a distance of 50’ from the operational equipment, from 58 to 79 dBA at the surrounding residential land uses, and from 58 to 78 dBA at the surrounding commercial and light industrial uses when activities are focused near the center of the proposed project site.

The project would result in construction noise and vibration at levels similar to other construction projects within the City. There is nothing unique or peculiar about the project or its construction that would suggest that the project would have greater construction noise impacts than other construction projects for a commercial use. While construction activity would be a temporary disturbance for nearby residential uses, the project does not propose particularly noise-intensive construction work, such as pile driving or extensive soil excavation. As an additional measure, the project would also be required to implement the standard City COAs to reduce construction noise, including COA No. 68 (Construction Noise-Reduction Measures) and COA No. 75 which requires that a “Disturbance Coordinator” be

identified for the project who will be responsible for responding to any local complaints regarding construction noise. In response to the request from the appellant, the project applicant has committed to the Disturbance Coordinator, “responding to complaints within 24 hours and resolving identified issues within 48 hours when possible,” which is reflected in the updated project COA.

In addition, in order to avoid any potential vibration impacts to the adjacent single-family residences to the southwest and the commercial building to the east, the project applicant proposes to use smaller grading and excavation equipment within 25’ of the property lines (see Attachment 4—Plan Set). As explained in the noise study for the CEQA Checklist, this would minimize the potential for vibration to affect these structures.

The project would also result in operational noise and vibration levels consistent with City standards for acceptable noise levels. Approval of the project is conditioned, through the City’s standard COAs, upon the applicant’s adherence to the City’s interior and exterior noise limits. In other words, the project is prohibited from operating above noise performance standards (for example, see COA No. 66 (Mechanical Equipment (Noise)) and COA No. 67 (Noise Generation)) and if any operational noise problems arise, the Zoning Administrator may hold a public hearing to review the problems and impose new or modified COAs (see COA No. 20 (Operational Criteria) and COA No. 22 (Roof Deck Operation)). The project proposes an automobile dealership, which would introduce additional commercial business activity and auto-related noise to the site during business hours, including noise from vehicle trips, dealership operations such as auto repair, maintenance work, and vehicle deliveries, as well as noise from mechanical equipment. However, the noise analysis determined that the long-term operation of the project would not exceed the City’s applicable significance thresholds related to noise or vibration. Moreover, the General Plan calls for protection of auto repair and light manufacturing uses on the Old Middlefield Way corridor, and these kinds of operations generate noise levels consistent with the proposed project.

Therefore, because the project would comply with applicable BAAQMD standards regulating air quality, the project would utilize Tier 4 interim equipment, the project would comply with noise limits, including through the use of smaller equipment near property lines, the project incorporates design changes and conditions of approval to address potential operational noise, and the project would utilize a Disturbance Coordinator to timely address noise complaints, the project would not result in significant effects relating to air quality or noise.

7. **Reject use of CEQA Exemption (“In-Fill Development (Exemption)”).**

The appellant argues that the project does not qualify for the categorical exemption provided in CEQA Guidelines Section 15332 because the project is inconsistent on balance with Mountain View General Plan policies and goals and because it would result in significant negative effects on traffic, noise, air quality, and/or water quality.

CEQA Guidelines Section 15332 categorically exempts urban infill development projects that meet certain conditions from CEQA. The appellant asserts that conditions in subdivisions (a) and (d) were not satisfied. Subdivision (a) requires that projects be consistent with applicable General Plan designations and policies and all applicable zoning designations and regulations. Subdivision (d) requires that approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.

The Zoning Administrator determined the project meets all of the criteria for a categorical exemption from CEQA pursuant to Section 15332 (“In-Fill Development Projects”) of the CEQA Guidelines; therefore, an environmental impact report (EIR) is not required for approval of the project. **The Zoning Administrator’s application of the categorical exemption is appropriate because the project meets each of the five conditions for a Class 32 infill exemption in Subdivisions (a) through (e) of CEQA Guidelines Section 15332.** The Zoning Administrator’s conditional approval of the project concluded that it is consistent with the following General Plan policies:

- **LUD 3.7: Upgraded commercial areas.** Encourage the maintenance, enhancement, and redevelopment of older commercial districts, shopping centers, and corridors.

The proposed project will redevelop a site with multiple older commercial buildings into one modern auto sales and repair facility. The redevelopment will also update the landscaping on the site as well as revitalize the Old Middlefield Way corridor.

- **LUD 3.8: Preserved land use districts.** Promote and preserve commercial and industrial districts that support a diversified economic base.

The proposed project promotes a use that is permitted in the Zoning District and will provide auto-related services for the community.

- **LUD 12.3: Land uses and revenue.** Encourage land uses that generate City revenue.

The proposed land use generates sales tax for the City in addition to increasing the assessed value of improvements on the site, which will generate increased property tax, which is then used to fund services for the residents of Mountain View.

City staff reviewed the project in light of all General Plan policies and zoning standards and determined that, overall, the project is consistent with the existing General Plan and zoning. According to State Planning and Zoning Law (Government Code Sections 65000, *et seq.*) and case law, strict conformity with all aspects of a General Plan is not required for project approval. A proposed project should be considered to be consistent with the local General Plan if it furthers one or more policies and does not obstruct other policies. Given that land use plans reflect a range of competing interests, a project should be compatible with the plan's overall goals and objectives but need not be in perfect conformity with every plan policy. (*Source: Continuing Education of the Bar, Practice Under the California Environmental Quality Act, Second Edition, March 2024, Section 12.33*) The courts have determined that cities are best equipped to determine consistency with their own General Plan and zoning policies.

The CEQA checklist document evaluates the project against the thresholds adopted by the City and in the CEQA and State of California guidance. While some disturbance to adjacent uses may occur with any construction project and is an important consideration, this does not necessarily rise to the level of a significant impact under CEQA.

The project site is a commercial site with a Commercial Services zoning designation. The site is at the border of both commercial and residential uses. Because the project proposes redevelopment of the existing commercial site, the project will change the character of the site itself from a partially vacant and underutilized commercial property to an active automobile dealership. It should be stated, however, that the project would not impact the overall character and nature of the larger neighborhood. Much of the Old Middlefield Way commercial corridor contains commercial uses (many auto-related) fronting onto Old Middlefield Way with residential uses behind those parcels. This is the situation at the existing Toyota dealership approximately 0.3 mile to the west in the City of Palo Alto as well.

The appellant also claims that the project will result in significant negative effects on traffic, noise, air quality, and water quality and requests that the City prepare an EIR for the project instead of relying on the Section 15332 ("Infill Exemption"). However, an EIR is only warranted if the project does not fall within an exemption and an initial study concludes that the project may have a significant effect on the environment. The Zoning Administrator's Findings Report (Development Review Permit Finding F.4 and Heritage Tree Removal Permit Finding G.4) provides detailed analysis regarding why the project would not result in any significant effects relating to traffic, noise, air quality, or water quality. This staff report in preceding sections also summarizes various project components and COAs that will ensure the project does not result in any significant impacts relating to traffic, noise, air quality, or water quality.

In addition, the CEQA guidance and case law provide clear direction to cities that infill projects consistent with existing General Plan and zoning designations which do not result in significant CEQA impacts should be processed with streamlined environmental review.

As it pertains to the appellant's claims of the proposed project's inconsistency with specific policies in the General Plan, the following provides a brief response demonstrating how the project is consistent with the respective General Plan policies. Staff notes that many of these policies were identified in the appellant's letter to the City, dated May 20, 2024, which preceded the many project revisions made by the applicant to respond to neighbor concerns and COAs imposed on the project by the Zoning Administrator's review and approval; therefore, it is unclear how many of these claimed inconsistencies remain at issue based on their omission from the body of the appellant's appeal letter:

- **Policy LUD 2.3: Local collaboration.** *Collaborate with neighboring jurisdictions on issues of mutual interest.*

The appellant's claim in relation to this General Plan policy is unclear. No interjurisdictional coordination is required for the applicant to propose construction of a new dealership building at the subject site. The appellant also has not identified any issue of mutual interest between the City of Mountain View and a neighboring jurisdiction that requires collaboration, nor does staff believe it is necessary.

- **Policy LUD 3.3: Health.** *Promote community health through land use and design.*

The promotion of health through development can be accomplished in a number of ways, including by managing hazardous emissions from a site. One such potential hazardous emission is noise, which will be suitably controlled by project design and COAs. For example, configuration of vehicle deliveries through the on-site circulation design to avoid close proximity to residential areas would ensure noise levels are compatible with the adjacent residences. The appellant also claims the potential for "low-dose or accidental high-dose releases of automotive fluids" and other chemicals. This claim is speculative and unsupported by substantial evidence as it relates to the proposed project. The proposed project is required to comply with applicable local, state, and federal requirements for handling of hazardous materials, which will suitably control the potential for this to occur as part of the project.

- **Policy LUD 3.4: Land use conflicts.** *Minimize conflicts between different land uses.*

The proposed project is presumed to be compatible and not in conflict with the adjacent residential area based the City Council's prior enactment of the General Plan land use map and zoning map for the City which identify the project site and appellant's property by their

respective commercial and residential designations. This is further reinforced by the proposed project being a permitted use in the CS Zoning District. Additionally, required compliance with applicable BAAQMD air quality regulations, the careful site design, including significant setbacks from residential areas, construction of a sound wall, a vehicle delivery circulation pattern that minimizes noises at residential property lines, and motion-sensor lighting, all contribute to a proposed development that is compatible and not in conflict with adjacent land uses.

- **Policy LUD 3.7: Upgraded commercial areas.** *Encourage the maintenance, enhancement, and redevelopment of older commercial districts, shopping centers, and corridors.*

The proposed project replaces existing, underutilized, and aged commercial buildings with a well-designed new commercial building. This fundamentally enhances and redevelops the older commercial property. The relative location of the existing operation outside of the City of Mountain View is irrelevant for purposes of this General Plan policy which addresses properties located within the City of Mountain View.

- **Policy LUD 6.1: Neighborhood character.** *Ensure that new development in or near residential neighborhoods is compatible with neighborhood character.*

The proposed project would be compatible with neighborhood character. While most commercial buildings along Old Middlefield Way are single-story structures, there are some two-story commercial buildings or single-story buildings with high ceiling heights that are similar to two-story buildings. Additionally, there are several residential buildings in the neighborhood that are up to three stories in height, most immediately including the Maravilla development, which includes buildings nearly 39' in height, which is greater than the height of the proposed project. In sum, the neighborhood surrounding the project site includes a variety of scale among the developments in the area.

In addition, while the appellant contests how the project would assemble several parcels to enable a larger development, the project would be consistent with Policy LUD 3.9: Parcel assembly (*Support the assembly of smaller parcels to encourage infill development that meets City standards and spurs neighborhood reinvestment*) because the project assembles smaller parcels to encourage infill development that meets or exceeds all zoning standards and results in significant reinvestment in underutilized properties to achieve a project that generates significantly more property tax and new sales tax revenues. As it relates to neighborhood character and scale of the proposed development, the project would occur on an approximately 2.51-acre site which is compatible with the scale of the Maravilla development, which was constructed on an approximately 3.05-acre project site.

- **Policy LUD 9.1: Height and setback transitions.** *Ensure that new development includes sensitive height and setback transitions to adjacent structures and surrounding neighborhoods.*

The proposed project would be sensitive to height and setback transitions to adjacent structures and surrounding neighborhoods. The project meets or exceeds applicable zoning standards for development. As noted above, the project would be of a comparable (but lesser) height to the tallest buildings in the Maravilla project to the immediate south of the site. In addition, the proposed project would have a substantial 56'6" rear setback from the property line abutting the Maravilla HOA property, far exceeding the 10' minimum setback allowable in the CS Zoning District.

- **Policy LUD 9.5: View preservation.** *Preserve significant views throughout the community.*

As it relates to consideration of views in the context of the Class 32 categorical exemption, CEQA requires consideration of public views only, not private views. Therefore, this policy in the context of the Class 32 exemption must only consider public views from public property. The project would not obstruct any significant views in the community. Beyond the CEQA context for consideration of views, the absence of any height standard in the CS Zoning District is indicative that height is not a significant consideration for neighborhood compatibility in the General Commercial General Plan Land Use Designation and within the CS Zoning District.

- **Policy LUD 9.6: Light and glare.** *Minimize light and glare from new development.*

The proposed project would minimize light and glare from affecting adjacent properties. It would accomplish this by including screening at the rooftop level near the adjacent Maravilla residential property. It would also accomplish this through modifications to the site lighting proposed by the applicant and required by condition of approval, such as, but not limited to, required approval of a final lighting plan and utilization of motion detectors to minimize light and glare outside of operational hours. These factors would result in compatibility of the project with nearby residential uses and avoid glare.

- **General Plan Narrative (Monta Loma/Farley/Rock Planning Area, p. 24):** *At the same time, [the Monta Loma Planning Area] will become more complete through revitalization of shopping centers and underused commercial parcels to provide opportunities for new commercial goods and services. A principal strategy is to provide a wider range of retail and commercial services in mixed-use and commercial centers accessible to the neighborhood.*

The proposed project would revitalize the existing commercial site by replacing existing, underutilized, and aged buildings with a well-designed new commercial building. This

fundamentally enhances and redevelops the older commercial property. The relocation of the existing operation from outside of the City of Mountain View into the City provides an expanded range of retail and auto maintenance services accessible to the neighborhood from a location within Mountain View.

- **General Plan Narrative (Monta Loma/Farley/Rock Planning Area, p. 24):** *Encourage new service uses. The area will support enhanced services within neighborhood shopping centers and other retail areas. It will also include new commercial uses on underused sites.*

The proposed project provides new retail and service uses, specifically automobile sales and service, within the Monta Loma/Farley/Rock planning area because the existing dealership location is not within the City of Mountain View and its relocation with the proposed project from outside of Mountain View into Mountain View would orient an important automobile retail and service opportunity within the City and respective General Plan neighborhood area described in this policy.

- **General Plan Narrative (Monta Loma/Farley/Rock Planning Area, p. 24):** *Protect the service commercial zone. The Old Middlefield Way corridor is one of the few locations remaining in the City for service commercial uses such as auto repair and light manufacturing. The General Plan calls for protecting these important service commercial uses.*

The proposed use directly protects the CS Zoning District by proposing a permitted auto sales, service, and repair use rather than proposing conversion of the site to a different zoning district (such as residential use). The appellant's contentions about scale of the proposed use or reliance on fewer, larger businesses are not factually related to the plain language of this General Plan narrative or the factual circumstances of the proposed auto sales, service, and repair use, which is consistent with this General Plan narrative and the CS Zoning District.

- **General Plan Narrative (Monta Loma/Farley/Rock Planning Area, p. 24):** *Connect the neighborhood. Improved pedestrian and bicycle connections will knit together new and existing development to create a more cohesive neighborhood with safe and attractive connections to parks, open space, and commercial uses. Streetscape improvements will occur along key corridors on public and private property through new development and public improvements.*

The scale and size of the proposed project are unrelated to consistency with this General Plan policy related to pedestrian and bicycle connections. The proposed project would include new sidewalks and new bicycle parking areas that encourage and enhance pedestrian and bicycle circulation in and around the project site. In addition, the City's

analysis found that auto dealership uses result in fewer automobile trips than other retail uses.

City staff has carefully reviewed this project, considering the input from the neighbors and other interested parties. As outlined in the CEQA checklist document, based on the analysis and substantial evidence in the administrative record (including this Council report), the project has been determined to meet the criteria under CEQA Guidelines Section 15332, and the City has determined that the project is categorically exempt from CEQA pursuant to the infill exemption.

ENVIRONMENTAL REVIEW

This project is categorically exempt pursuant to Section 15332 (“In-Fill Development Projects”) of the CEQA Guidelines, and none of the exceptions in CEQA Guidelines Section 15300.2 apply. This project is exempt from CEQA because it meets the following criteria: (1) the project is consistent with the General Plan Land Use Designation and all applicable General Plan policies and applicable zoning regulations and designations; (2) the project occurs within City limits, is located on a project site of no more than five acres, and is substantially surrounded by urban uses; (3) the site has no value as habitat for endangered, rare, or threatened species; (4) the project would not result in any significant impacts relating to traffic, noise, air quality, or water quality; and (5) the site can be served by all required utilities and public services. None of the exceptions in CEQA Guidelines Section 15300.2 apply.

FISCAL IMPACT

The sales of automobiles from the proposed Toyota operation would generate much needed sales tax revenue for the City. Sales tax revenue could be approximately \$1.6 million per year or more based on typical sales by other dealerships across the state.

The City’s current share of the County of Santa Clara property taxes from the project site is approximately \$16,000 per year for the General Operating Fund (GOF). If the site were redeveloped with the proposed project, the City would receive a net additional property tax of approximately \$19,000 for a total projected property tax of \$35,000.

The project is also subject to the City’s Housing Impact fees based on the net new commercial floor area of the project. The estimated fee for the project, which is required to be paid prior to building permit issuance, is \$33,744.

The project is subject to Water and Sewer Capacity Fees for nonresidential development. The reimbursed water capacity fee is higher than the charged water capacity fee resulting in an estimated Water Capacity Fee of \$0. However, the City may adjust the Water Capacity Fee if the

sizes of the proposed water meters change during the building plan check review. The Sewer Capacity Fee is an estimated \$34,514.

The project is subject to the Citywide Transportation Impact Fee (TIF) with an estimated fee payment of approximately \$111,134 based on the current Master Fee Schedule.

The project is subject to the Off-Site Storm Drainage Connection Fee with an estimated fee payment of approximately \$35,782 to pay the City for storm drainage improvements located outside of the development.

LEVINE ACT

California Government Code Section 84308 (also known as the Levine Act) prohibits city officials from participating in any proceeding involving a “license, permit, or other entitlement for use” if the official has received a campaign contribution exceeding \$500 from a party, participant, or agent of a party or participant within the last 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the Fair Political Practices Commission website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html

Please see below for information about whether the recommended action for this agenda item is subject to or exempt from the Levine Act.

SUBJECT TO THE LEVINE ACT

Land development entitlements

CONCLUSION

The project is consistent with the General Plan policies for upgrading commercial areas, preserving land use districts to support a diversified economic base, and encouraging land uses that generate City revenue and complies with the development standards in the CS Zoning District. The project will revitalize the project site, which consists of some buildings that have been vacant for several years, and bring an auto sales, service, and repair use to the community.

The project applicant has held several neighborhood meetings and made multiple modifications to the project plan set, including modifications in response to the requests from the appellant, in a good-faith effort to address the neighbors’ concerns over noise, visibility, and screening.

Staff recommends that the City Council uphold the Zoning Administrator’s environmental determination and approval of the proposed project, subject to modified conditions of approval. The Zoning Administrator approved the proposed project because the proposal

promotes a well-designed development that is compatible with the zoning district, will create a high-quality addition to the Old Middlefield Way corridor, and will not result in any significant environmental impacts.

PROCEDURE FOR APPEAL

Staff will begin the item by giving a brief presentation and introducing the item to Council. The project applicant will then be given up to seven minutes to give a presentation followed by the appellant's presentation of their appeal (also up to seven minutes). The City Council may then allow the project applicant to speak once more for up to two minutes for a rebuttal. Following the presentations, the City Council may ask questions and will open the item for public comment. At its discretion, the City Council may ask additional questions, allow the appellant or project applicant additional time, and then deliberate and act on the item.

At the conclusion of the hearing, the City Council will vote on whether to uphold the Zoning Administrator's decision or take alternative action, examples of which have been provided below.

ALTERNATIVES

1. Uphold the Zoning Administrator's decision with additional and/or modified conditions of approval.
2. Refer the project back to the Zoning Administrator for additional consideration or project modifications.
3. Overturn the Zoning Administrator's decision, which will have the effect of denying the project.

PUBLIC NOTICING

The City Council's agenda is advertised on Channel 26, and the agenda and this report appear on the City's website. All property owners and tenants within a 750' radius and interested stakeholders were notified of this meeting.

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PB-AS-AB/6/CAM
824-03-13-25CR
204899

- Attachments:
1. Resolution Upholding the Zoning Administrator's Approval
 2. Appellant Letter
 3. Toyota Appeal Response Letter
 4. Plan Set
 5. [Administrative Zoning Hearing Documents, December 18, 2024](#)
 6. Final Findings Report from Administrative Zoning Hearing with Updated Conditions of Approval
 7. [Administrative Zoning Hearing Agenda, December 18, 2024](#)
 8. CEQA Compliance Checklist—Class 32 Exemption
 9. Arborist Report
 10. Queuing Analysis
 11. Public Comment Received After the Administrative Zoning Hearing