



DATE: November 17, 2014

CATEGORY: Public Hearing

DEPT.: Community Development

TITLE: **El Camino Real Precise Plan**

RECOMMENDATION

1. Adopt a Resolution Certifying the El Camino Real Precise Plan Environmental Impact Report and Adopting CEQA Findings, Mitigation Measures, and a Mitigation Monitoring and Reporting Program, to be read in title only, further reading waived (Attachment 1 to the Council report);
2. Introduce an Ordinance Amending the Zoning Map for the Properties Located in the El Camino Real Precise Plan Area from CRA (Commercial Residential-Arterial), R3 (Multiple-Family Residential), P(10) Ortega-El Camino Real Precise Plan, P(15) Clark-Marich Precise Plan, P(16) El Monte-El Camino Precise Plan, P(36) Americana Center Precise Plan, and P (Planned Community) to P(38) El Camino Real Precise Plan, to be read in title only, further reading waived, and set a second reading for December 9, 2014 (Attachment 2 to the Council report);
3. Adopt a Resolution Adopting the El Camino Real Precise Plan, to be read in title only, further reading waived (Attachment 3 to the Council report);
4. Introduce an Ordinance Amending Chapter 36 of the Mountain View City Code Relating to the El Camino Real Village Center Floating District, to be read in title only, further reading waived, and set a second reading for December 9, 2014 (Attachment 4 to the Council report); and
5. Adopt a Resolution Adopting a Minimum Value for Public Benefits Provided By El Camino Real Precise Plan Development, to be read in title only, further reading waived (Attachment 5 to the Council report).

BACKGROUND

During the El Camino Real Precise Plan process over the last 18 months, there have been 20 Corridor Advisory Group, Environmental Planning Commission (EPC), and City Council meetings and public workshops. The Public Draft of the Precise Plan was released on August 15, 2014 (the Public Draft is included as Exhibit A of Attachment 3).

On August 28 and September 23, 2014, the Public Draft was reviewed by the EPC and the City Council. The following key points were discussed, and the overall Public Draft direction was confirmed and not changed. The Analysis section of this report includes the items that were discussed that resulted in changes to the Plan.

1. **Village Center Height and Floor Area Ratio (FAR).** The Public Draft allows up to six stories and 2.3 FAR in Village Centers.

EPC and City Council Direction: The EPC did not discuss this requirement, but the City Council supported it.

2. **Upper-Floor Step-Backs.** The Public Draft did not include a requirement for 4th floor step-backs, but included design guidance supporting character variation for the top floor of the building.

EPC and City Council Direction: The EPC recommended requiring a 5' additional setback for the fourth floor, but the City Council did not support this change. They noted that design guidelines are adequate, allowing flexibility for construction needs or desired building features.

3. **Crosswalks.** The Plan includes direction for crosswalk design improvements, but does not include guidelines for major changes to intersection operations.

EPC and City Council Direction: The EPC requested analysis of the potential for crosswalk signals with an all-way pedestrian phase (when no cars are moving), including diagonal pedestrian movement. The City Council noted that this analysis was premature and challenging for El Camino Real since it is a State highway, and that City efforts should be focused on implementing Plan direction.

4. **Drive-Through Uses.** The Plan allows existing drive-through uses to continue, but does not allow new ones in Village Center areas and has requirements limiting their impact on pedestrian circulation.

EPC and City Council Direction: The EPC requested that the issue of drive-through uses, including a potential moratorium, be studied outside the Precise Plan process. The City Council supported study of the issue, but only during the Zoning Ordinance Update, scheduled to begin in Fiscal Year 2015-16.

5. **Mode-Share.** The Plan includes Transportation Demand Management requirements on new development, but does not establish specific mode-share targets for existing businesses and residents along the corridor.

EPC and City Council Direction: The EPC recommended that the Plan contain an implementation item to determine mode-share targets and a reporting program to measure success. However, the City Council stated that determining responsibility for mode-share target performance would be a misplaced effort since the corridor is used for so many regional trips. However, they supported the ongoing trip-reduction requirements and reporting for new development.

6. **Environmental Impact Report (EIR).** The Draft EIR analyzed roadways and intersections in Mountain View, Palo Alto, Sunnyvale, and Los Altos, and found no substantial evidence that the Plan would result in significant impacts. The Draft EIR is included as Attachment 6.

EPC and City Council Direction: The EPC stated that the City needs a comprehensive plan to address the number of congested intersections if no individual project is causing the impact. It should address the regional causes of the impacts as well. The City Council acknowledged the issue. Staff will soon begin work on a City-Wide Multi-Modal Transportation Plan to guide transportation improvements for major transportation routes.

EPC Meeting Summary

On November 13, 2014, the EPC recommended for the City Council to certify the EIR and adopt the Precise Plan and associated actions identified at the beginning of this report. Nine members of the public spoke at the meeting, and their comments focused on the following issues:

- Office development should be required to provide public benefits.
- Zoning Administrator should not have final authority over new 1.35 FAR projects.
- Ensure trees provide shade.

- Support for a range of commercial space sizes.
- Plan needs more teeth in support of affordable housing.
- Connect Village Centers in Precise Plan to definition in General Plan.
- Concern about privacy.

Detailed recommendations from the EPC are provided throughout the remainder of this document.

ANALYSIS

Since the Public Draft was released, the Precise Plan team has further refined it in response to EPC and City Council direction, public comment, and for clarity, accuracy, and ease of implementation. The remainder of this report will describe proposed major changes. The text of these changes is included in Exhibit D (Changes from the El Camino Real Precise Plan Public Draft), which is a comprehensive table of proposed Plan changes. The table shows the page number of the original text, the source and reason for the change, and the text change itself. Text is shown with track changes (underline and strike-out) if it can be done so clearly, but as two separate text blocks (original and new) if not. A full strike-out version of the Plan will not be available due to technical constraints. Other changes with a small effect on meaning or policy (such as edits to introductory language to create a better connection between policy and standard) are not discussed in this report, but are included in Exhibit B of Attachment 3. Typographical errors and word-order changes are also included in Exhibit B of Attachment 3.

Exhibits C and D of Attachment 3 are proposed changes that do not fit into a table, including changes to development standards, allowed land uses, and figures.

Proposed Changes Based on EPC and City Council Direction

1. **EPC Review of Tier 1 Projects.** At their August 28, 2014 meeting, the EPC recommended that the Precise Plan require projects greater than 1.35 FAR to be reviewed by the EPC. The City Council supported this recommendation at their September 23, 2014 meeting.

Proposed Change: "Project Administration" in Chapter 4 has been amended (see Page 6 of Attachment 3, Exhibit B).

- 2. New Affordable Housing Policy.** The EPC recommended the Plan include a goal of 10 percent affordable units. It should also include a statement of potential strategies to achieve this, such as subsidizing affordable housing projects through the Notice of Funding Availability (NOFA) process, public benefits requirements, and encouragement of senior and moderate-income housing. The City Council supported these strategies, but preferred to reference the percentage goal maintained in the City's inclusionary housing ordinance.

Proposed Change: "Guiding Principles" in Chapter 1 have been amended (see Page 1 of Attachment 3, Exhibit B).

- 3. Transition from Parking to Bicycle Lanes.** The Public Draft included direction for bicycle lanes on El Camino Real. The City Council also directed staff to develop a clear vision for the transition from parking to bicycle lanes.

Proposed Change: "Vehicle Network" and "Bicycle Network" in Chapter 3 have been amended (see Pages 4 and 5 of Attachment 3, Exhibit B).

- 4. Potential for Lower Public Benefits.** The EPC recommended removal of the section allowing public benefits "of comparatively modest financial impact to a developer" (Page 67 of the Public Draft). They stated that if a developer is providing public benefits of modest financial impact, they should be able to provide more. The City Council concurred with this direction.

Proposed Change: This language has been deleted (see Page 8 of Attachment 3, Exhibit B).

- 5. Parking and Building Separation.** The EPC recommended that the separation between vehicle areas and buildings be a requirement, not a guideline. The City Council concurred with this direction.

Proposed Change: This language has been moved to the Standards section. The language has been modified slightly to support analysis of where pedestrian access is needed (see Page 3 of Attachment 3, Exhibit B).

- 6. Tree Canopy.** The EPC recommended that the Plan contain a goal for tree canopy coverage. In addition, the Corridor Advisory Group commented that there should be several tree species on El Camino Real. The City Council did not comment on this issue, but the EPC's recommendation was included in the September 23, 2014, Council report.

Proposed Change: Chapter 2 has been amended to include a 50 percent goal for tree canopy coverage in parking lots at maturity, consistent with recent direction by the City Council for the Community Tree Master Plan. Chapter 3 has been amended to include guidance for a range of tree species and Chapter 4 has been amended to include an implementation action to develop a tree palette. See Pages 3 and 5 of Attachment 3, Exhibit B for this language.

Changes Based on Public Comment

Several architects, developers, and property owners have commented on the Plan, explaining that certain requirements and criteria would be challenging to meet the way they are written. In addition, some members of the public have commented on topics such as open area character and the distance between crosswalks. Staff has analyzed the following proposed changes and found them consistent with the Plan's purpose and intent.

1. **Gas Stations and Other Auto-Oriented Uses.** The Plan provides development guidance to improve pedestrian access to destinations such as commercial uses, new residences, and offices. Maximum setback standards and maximum parking frontage guidelines are examples that support this guidance. However, some uses such as gas stations, car washes, and minor car repair businesses have limited need for pedestrian access since so few people would ever access those destinations on foot.

Proposed Change: These uses are proposed to have flexibility from these standards and guidelines, though additional proposed guidance will help reduce the number of curb cuts, provide pedestrian access to retail spaces, and improve landscape screening. This language is included on Page 34 of Attachment 3, Exhibit B.

November 13, 2014 EPC Recommendation: The EPC recommended approval of this change.

2. **Balconies.** The Public Draft includes a requirement for new balconies to not be "in visual range" of existing residential. However, after further review, staff notes that this language would be difficult to regulate and interpret.

Proposed Change: Instead of the draft requirement, the revised standard requires screening of balconies near single-family and duplex development. This could be accomplished through landscaping, fencing, or building configuration. The revised language is included on Page 3 of Attachment 3, Exhibit B.

November 13, 2014 EPC Recommendation: The EPC recommended two modifications to this change. First, screening should be required adjacent to all residentially zoned properties. Second, architectural design and building orientation shall also be considered to address privacy impacts of balconies. See Attachment 3, Exhibit C for proposed language.

3. **New Plaza Guidelines.** The Public Draft included a requirement for Village Center development to include a public plaza or open space where residents can comfortably gather. However, the Public Draft did not include any guidance for the design of such public open space.

Proposed Change: The Plan now includes guidance for design of spaces and adjacent buildings to support public gathering (see Page 3 of Attachment 3, Exhibit B).

November 13, 2014 EPC Recommendation: The EPC recommended approval of this change.

4. **2,000' Crosswalk Requirement.** The Public Draft included direction to add new crosswalks across El Camino Real where the distance between crossings is greater than 2,000', including Mariposa Avenue, Bonita Avenue, and Crestview Drive.

Proposed Change: Since future new crosswalks may be considered in spans shorter than this distance, the number was removed. This language is included on Page 4 of Attachment 3 Exhibit B.

November 13, 2014 EPC Recommendation: The EPC recommended approval of this change.

Changes for Clarity and Ease of Implementation

The following changes were based on staff and consultant review of the Public Draft text for more clarity and simplicity of implementation. In most cases, they result in relatively small or nonexistent changes in outcome.

1. **Ground-Floor Commercial.** The Public Draft included a requirement for Village Centers to have 100 percent ground-floor commercial uses.

Proposed Change: The City Council supported this direction, but additional guidance is proposed, including:

- a. Direction that commercial spaces should occupy street, open space, paseo, and other highly visible frontages in the area.
- b. Flexibility for cases where commercial would be inappropriate, such as fronting on neighborhood streets.

This language is included on Page 2 of Attachment 3, Exhibit B.

November 13, 2014 EPC Recommendation: The EPC recommended approval of this change.

2. **Public Access Easements for Sidewalks.** The Plan proposes increasing the sidewalk area (including planters) from 8' to 12'. The additional 4' would be located on private property with a public access easement. The easement would not affect setbacks or allowed floor area. The Public Draft includes a list of development types that would trigger the creation of the easements.

Proposed Change: The proposed change would provide more certainty to applicants about when the easement will be required. This language is included on Page 7 of Attachment 3, Exhibit B.

November 13, 2014 EPC Recommendation: The EPC recommended approval of this change.

3. **Setbacks Adjacent to Residential.** In the Public Draft, the rear setback adjacent to residential was based on the lot depth of the project to support flexibility for smaller lots. However, each of the areas of the Plan (e.g., Village Centers, Medium Intensity, etc.) have relatively homogenous lot depths throughout the area.

Proposed Change: The proposed change has a single setback for the whole area. In the deepest areas, Village Centers, and Medium Intensity, the setback is the largest from the Public Draft—25'. In the Castro/Miramonte Area, the setback is the middle distance—20'. In the Low-Intensity area, the setback is the smallest—15' (see Pages 35 to 38 of Attachment 3, Exhibit B).

November 13, 2014 EPC Recommendation: The EPC recommended approval of this change.

4. **Edits to Height/FAR Map.** The Height/FAR map is based on the Focused strategy, endorsed by the EPC and City Council at the beginning of 2014. The Plan intensity area boundaries were refined from the Strategy Map based on parcel size, surrounding uses, General Plan land use designation, and road configurations.

Proposed Change: Several locations have changed area on the Height/FAR map. There are two reasons behind these changes. First, some locations changed for greater accuracy to the General Plan Land Use Map. Second, allowed FAR was reduced in several locations (such as from Village Center to Medium-Intensity Corridor or Medium-Intensity Corridor to Low-Intensity Corridor). Higher FAR areas have higher setback requirements and/or requirements for ground-floor commercial. They also have minimum lot sizes to be allowed the higher FAR. For some sites that are too small to reach the higher FAR (and have no way to merge with other parcels), being in the higher FAR area is detrimental to their viability because of the additional requirements. See Pages 41 to 43 of Attachment 3, Exhibit B for the revised Height and FAR map (labeled "Revision of Figure 4 on Page 17").

November 13, 2014 EPC Recommendation: The EPC recommended approval of this change.

5. **Diagrams.** Diagrams are used throughout the document to illustrate guidelines and standards, to show locations of key improvements, and to convey a sense of future character.

Proposed Change: Diagrams throughout the document have been revised to more clearly show future character and requirements. Many of the changes improve consistency among diagrams. Other changes improve accuracy to standards and guidelines, such as by adding more trees and building articulation. Revised diagrams start on Page 39 of Attachment 3, Exhibit B.

November 13, 2014 EPC Recommendation: The EPC did not have any recommended modifications to diagrams.

Additional Changes Recommended by the EPC

The following other changes were recommended by the EPC on November 13, 2014. Specific language for these changes is included as Attachment 3, Exhibit C.

1. **Village Center Definition.** The Plan does not include a cohesive vision for Village Centers.

Proposed Change: Add a brief paragraph to Page 5 of the Public Draft, explaining the shared definition with General Plan Village Centers, including access to goods and services, public gathering areas, and improved connections to surrounding neighborhoods and other Village Centers.

2. **Suggested Routes to Parks and Schools.** Pedestrian and bicycle improvements should be prioritized for routes to parks as well as schools.

Proposed Change: Add “parks” to guideline for suggested routes to schools on Page 4 of Attachment 3, Exhibit B.

3. **Gradual Bicycle Facility Implementation.** Proposed language on Page 5 of Attachment 3, Exhibit B (“This change will occur gradually over time...”) gives false impression that the City advocates slowing the process down.

Proposed Change: Include clearer language communicating the City’s vision for bike lanes.

4. **Ground-Floor Commercial Exemption From Public Benefits.** If ground-floor commercial is required (such as in Village Centers), an applicant should not be allowed to exempt it from their public benefits calculation (as on Page 8 of Attachment 3, Exhibit B). More discussion is provided on this issue under “Public Benefits Value,” later in this report.

Village Center Floating District

The Plan specifies that projects requesting FAR above 1.85 must rezone their property to the Village Center Floating District on the Zoning Map as part of the “Tier 2” process. The Zoning Ordinance edits in Attachment 4 (Ordinance Amending Chapter 36 of the Mountain View City Code) permit the district so it can “land” when a project is approved. Staff notes that approving this amendment does not change the Zoning Map to allow Village Center projects above 1.85 FAR; it only enables the Zoning Map amendment in the future.

The Floating District includes two key elements, consistent with City Council direction provided at previous meetings. First, there is a requirement for public benefits as a part of the rezoning, in addition to the project requirements. Second, several key criteria need to be demonstrated to Council’s satisfaction within any development. These factors are based on the Precise Plan’s guiding principles and include neighborhood

transitions, pedestrian and transit-oriented design, an active and flexible public open area, accessible ground-floor commercial, and transportation demand management.

November 13, 2014 EPC Recommendation: The EPC recommended approval of this amendment.

Environmental Impact Report

The Draft Environmental Impact Report (EIR) (Attachment 6) was made available for public review on August 15, 2014. It was posted on the City's website, hard copies were made available at City Hall and the Library, and a notice of its availability was included on postcards sent to property owners and residents within 300' of the Plan area. The EPC reviewed the EIR at their August 28, 2014 meeting and the City Council reviewed it at their September 23, 2014 meeting. It was also distributed to local and State agencies. The CEQA-mandated 45-day public comment period ended on September 29, 2014. Questions and comments from the EPC, City Council, agencies, and public received during this period are included in the Final EIR (Attachment 7). Formal responses to these comments are also included in the Final EIR.

The Final EIR was made available for review on November 3, 2014, and was distributed to all agencies and individuals that commented on the Draft. It was also posted to the City website and hard copies were made available at City Hall and the Library.

The Final EIR did not identify any significant unavoidable impacts. A more detailed discussion of identified impacts, mitigations, and Plan alternatives can be found in the September 23, 2014 City Council Study Session Memo (Attachment 8). The required mitigations are being included in the Precise Plan as an Appendix.

November 13, 2014 EPC Recommendation: The EPC recommended certification of the EIR.

Public Benefits Value

The Plan allows applicants to request increased square footage in exchange for the provision of public benefits. Chapter 4 of the Plan includes a detailed description of this process. To ensure consistency in the application of this requirement, and to provide cost predictability to applicants, a required public benefits value will be adopted by the City Council along with this Plan. This value increases with the Consumer Price Index, unless modified by the City Council in the future.

The Plan's economic consultants conducted a feasibility analysis to determine an appropriate public benefits value. The value was based on maintaining a reasonable developer return of 5 percent to 10 percent (based on development type) and ensuring

that development costs in Mountain View remain competitive with surrounding cities, taking into account existing fees. This analysis was previously provided to the City Council on September 23, 2014, and it is provided again as Attachment 9 (Community Benefits Strategy Memo).

The total value of public benefits will be based on the additional building square footage requested by the applicant over the “Base” intensity of 1.35 FAR. For example, if a project is requesting a 185,000-square-foot project on a 100,000-square-foot site (2.3 acres at 1.85 FAR), public benefits will be provided based on 50,000 square feet (the difference between 185,000 square feet and 135,000 square feet).

Ground-floor commercial floor area could be either included or exempt from the calculation. Since commercial floor area generally provides lower return than residential, feasibility analysis would support \$20 per square foot if ground-floor commercial is exempt, but only \$15 per square foot if it is included. For example, if the project above has 10,000 square feet of ground-floor commercial, the two options would be:

1. **Exempt ground-floor commercial and require a value of \$20.** In this case, the example project would provide \$800,000 worth of public benefits.
2. **Include ground-floor commercial and require a value of \$15.** In this case, the example project would provide \$750,000 worth of public benefits.

The discussion below compares each approach based on a number of factors.

Expected Total Value: This is difficult to anticipate since many different development types could be built. Based on previous applications, Option 1 would provide more total public benefits. Option 2 would only provide more public benefits if more mixed-use projects are built.

Consistency With Analysis: Economic analysis found that additional residential floor area adds value to a project more than commercial floor area. Consistent with this finding, Option 1 would better reflect developer return across a range of intensities and development types. Option 2 may undervalue single-use residential projects and overvalue mixed-use projects.

Support for Commercial: The City Council has expressed support for commercial uses in the Precise Plan area. Option 2 would disincentivize commercial space, but Option 1 may incentivize commercial space.

Ease of Implementation: Option 2 is a simpler and more transparent calculation. In Option 1, ground-floor commercial may not always be easy to define, such as with live/work uses or other special cases.

Based on the factors above, staff is recommending Option 1, a public benefits value of \$20 per square foot, exempting ground-floor commercial space.

November 13, 2014 EPC Recommendation: The EPC recommended a modification to Option 1. They stated that required ground-floor commercial (for example, in Village Centers and Neighborhood Corners) should provide public benefits. They recommended adoption of a public benefits value of \$20 per square foot in excess of 1.35 FAR, exempting only ground-floor commercial square footage provided in excess of Plan requirements.

Additional Analysis: The EPC stated that there are commercial uses that should provide public benefits, specifically, administrative and R&D offices. However, staff notes that it is possible for developments outside of Village Centers and Neighborhood Corners to construct “ground-floor commercial,” but occupy that space with administrative or R&D offices since these areas are allowed a broader and more flexible range of uses. The EPC’s direction to limit exemption to neighborhood-serving commercial uses would create new challenges to implementing this exemption. For example, staff would need to continually monitor these commercial spaces to ensure they remain neighborhood-serving.

Summary: Staff has identified three options for public benefits. These are Option 1 (\$20 and exempt commercial), the EPC modification to Option 1 (\$20 and exempt nonrequired commercial), and Option 2 (\$15 applied to all types of floor area).

Implementation

The Plan includes a list of City implementation actions starting on Page 69 of the Public Draft. Staff has identified several actions that may be initiated within the next year:

Public Benefits Fund. A fund for in-lieu payment of public benefits requirements will be established.

Bicycle Transportation Plan. Bicycle improvement guidance in the Plan will be coordinated with the Bicycle Transportation Plan Update.

Reporting and Monitoring. Staff will begin monitoring key data points about the corridor, including development entitlements, parking, transportation demand management programs, and the provision of public benefits.

Parking Study and Updated Standards. Work will begin on an update to the City's parking standards which could be part of a comprehensive update to the City's Zoning Ordinance. Early work on the parking standards may include analysis of parking utilization, comparison with other cities, and a summary of recent Best Practices.

Design Palette for Public Improvements. Design development for landscaping, trees, planters, crosswalks, and other improvements may include outreach to property owners, coordination with Caltrans, and cost analysis.

Staff is determining needed outcomes and cost estimates for these projects and will return to Council in 2015 with more information.

FISCAL IMPACT

The Zoning Ordinance requires a fiscal analysis for new Precise Plans and Precise Plan amendments. This Precise Plan is consistent with the 2030 General Plan, so it is also consistent with the General Plan's fiscal analysis completed in 2012. The 2030 General Plan analysis found that new development would be expected to bring increases in revenue from public improvement and park fees, and property and sales taxes. The study also found that City costs may also increase for public services due to an increase in City population. However, the analysis found that the General Plan would result in a net fiscal balance.

CONCLUSION

Staff is recommending that the City Council adopt the El Camino Real Precise Plan, certify the EIR, and adopt the associated ordinances and resolutions.

ALTERNATIVES

1. Make minor modifications to the Plan or the Village Center Floating District code amendment that are substantially consistent with overall strategies, objectives, principles, and implementation, which would not trigger any additional environmental analysis.

2. Do not certify the EIR, do not adopt the Precise Plan and P District rezoning, or do not adopt the amendment to Chapter 36 of the City Code creating the Village Center Floating District.
3. Adopt a different public benefits value on building area above 1.35 FAR.

PUBLIC NOTICING

Postcards were sent to all residents and property owners within 300' of the Precise Plan boundary, and e-mails were sent to interested parties. Notice of the meeting was put on the project website, the City website, and announced on Cable Television Channel 26 and the City Calendar.

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EA/7/CAM
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- Attachments:
1. Resolution Certifying the El Camino Real Precise Plan Final Environmental Impact Report
 2. Ordinance Amending the Zoning Map
 3. Resolution Approving the El Camino Real Precise Plan
 4. Ordinance Amending Chapter 36 of the Mountain View City Code
 5. Resolution Establishing a Public Benefits Contribution Value
 6. Draft Environmental Impact Report
 7. Final Environmental Impact Report and Response to Comments
 8. [September 23, 2014 City Council Study Session Memo](#)
 9. Community Benefits Strategy Memo
 10. Option 2 Resolution Establishing a Public Benefits Contribution Value
 11. EPC-Recommended Option Establishing a Public Benefits Contribution Value
 12. Written Public Comments