



DATE: November 5, 2019

CATEGORY: Public Hearing

DEPT.: Community Development

TITLE: **East Whisman Precise Plan**

RECOMMENDATION

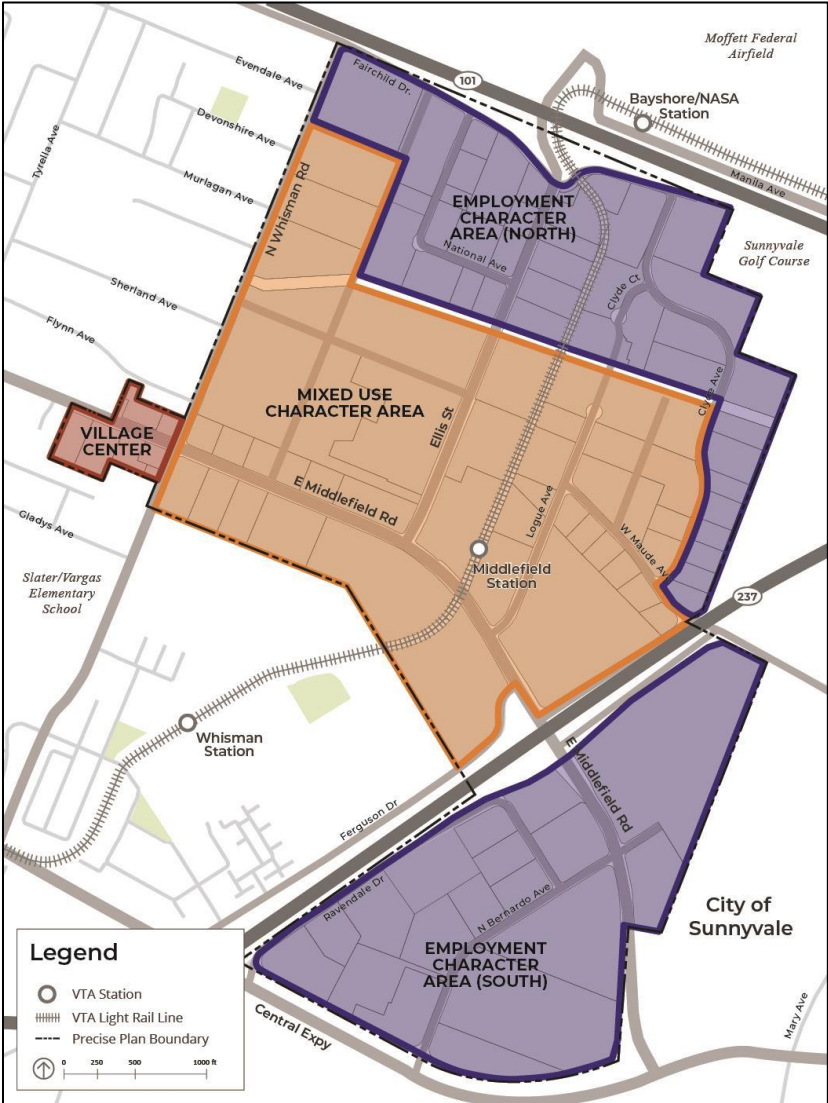
1. Adopt a Resolution Certifying the East Whisman Precise Plan Final Environmental Impact Report and Adopting the CEQA Findings, Including Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program, to be read in title only, further reading waived (Attachment 1 to the Council report).
2. Adopt a Resolution Approving a General Plan Map and Text Amendment for the East Whisman Mixed-Use Designation, Consistent with the East Whisman Precise Plan, to be read in title only, further reading waived (Attachment 2 to the Council report).
3. Introduce an Ordinance Amending the Zoning Map for Parcels Located in the East Whisman Precise Plan from ML (Limited Industrial), ML-T (Limited Industrial with Transit Floating), CN (Commercial – Neighborhood), CO (Commercial – Office), R3-2 (Residential – Multiple-Family), and P (Planned Community) to P-41 (East Whisman Precise Plan), to be read in title only, further reading waived, and set a second reading for December 10, 2019 (Attachment 3 to the Council report).
4. Adopt a Resolution Adopting the East Whisman Precise Plan, to be read in title only, further reading waived (Attachment 4 to the Council report).
5. Introduce an Ordinance Amending Chapter 36 of the Mountain View City Code to Remove the Transit (-T) District and Transit-Oriented Development Permit from Chapter 36 of the City Code, to be read in title only, further reading waived, and set a second reading for December 10, 2019 (Attachment 5 to the Council report).
6. Adopt a Resolution Approving Draft Administrative Guidelines for the East Whisman Precise Plan Jobs-Housing Linkage Program, to be read in title only, further reading waived (Attachment 6 to the Council report).

- 7. Adopt a Resolution Approving a Minimum Value for Community Benefits Provided by East Whisman Precise Plan Bonus FAR Development, to be read in title only, further reading waived (Attachment 7 to the Council report).

PROJECT OVERVIEW

- The Precise Plan establishes a new vision for the area (Figure 1), including new residential and neighborhood commercial uses, affordable housing, new parks and open space, and new multi-modal transportation improvements.

Figure 1: Map of Precise Plan Area



- The Plan creates a high-intensity, mixed-use core adjacent to the Middlefield Light Rail Station highlighted by a central open area for public gathering and shopping and dining activity.
- Development adjacent to Whisman Road will be lower-intensity, transitioning down to the scale of adjacent neighborhoods.
- Office areas in the north and south will include new campuses with high-quality site design and new public paths.
- The Plan's vision for the Village Center at Whisman Road and Middlefield Road maintains its neighborhood-serving role, adding a new mix of uses and public gathering areas.
- Character Area targets include 5,000 new residential units, 1,000 of which will be affordable, 2 million square feet of office, 100,000 square feet of new neighborhood commercial, and 30 acres of parks and open space.

BACKGROUND

The East Whisman Precise Plan process started in March 2016 and has included two community workshops, many stakeholder meetings, and 16 EPC and City Council Study Sessions. For an overview of prior workshops and meetings, see Attachment 8.

The Public Draft of the Precise Plan was released on April 8, 2019. The Draft Environmental Impact Report (DEIR) was released on June 7, 2019. The EPC reviewed the draft Precise Plan on April 17, 2019 and June 19, 2019 (along with the DEIR), and the Bicycle/Pedestrian Advisory Committee reviewed the draft Precise Plan on April 24, 2019. Detailed comments from those meetings are provided in Attachment 9.

The Final Draft Plan and related materials were publicly released on September 20, 2019.

Environmental Planning Commission (EPC) Meeting – October 2, 2019

The EPC reviewed the draft Precise Plan and recommended approval with the modifications included in the Resolution in Attachment 4. EPC comments on specific topics are provided in the Analysis section below.

Five members of the public spoke. Key comments included the following:

- One community member expressed concern that there were too many traffic impacts and not enough traffic improvements proposed in the Precise Plan.
- Another community member recommended that the Plan include standards to reduce the effect of airplane noise on interior spaces.
- A representative from the Los Altos School District explained that the transfer of development rights program is critical for them, and it is troubling to hear concerns from the project developers.
- A representative from SummerHill (one of the LASD TDR developers) explained how the LASD TDR program is being undermined and recommended that residential projects receive the same or similar benefit as if they were not in the program.
- A representative of other LASD TDR projects reiterated the concern about how the program is intersecting with the Precise Plan.

Public Comment Received

Since the last round of EPC and City Council meetings, the City has received letters from multiple agencies and stakeholders within the DEIR public comment period. These letters and staff responses are included in the Final EIR (Attachment 1). Several letters are narrowly responding to technical analysis in the EIR, while others touch on policy issues. The following are key policy issues from those letters.

- The Mountain View Whisman School District sent a letter recommending revised language to the Local School District Strategy standards. In general, these revisions would provide more certainty to the school districts but may reduce the City's discretion over these projects. In addition, they expressed concern over the potential traffic generated by students.
- Google sent a letter including the following:
 - Request to reduce the Jobs-Housing Linkage requirement from 3.0 units per 1,000 square feet to 2.61 units per 1,000 square feet;
 - Concern that a long-term project trip cap of 0.7 trip per 1,000 square feet is unachievable; and

- Other comments and questions related to EIR assumptions, groundwater contamination requirements, building heights, and VMT calculations.
- Other letters were received from Albert Jeans, NASA, City of Sunnyvale, Caltrans, and VTA and are included in the Final EIR in Attachment 1.

Additional letters are provided in Attachment 11 and include the following:

- One letter was received from Stephen Finn, a property owner at the corner of North Whisman Road and East Middlefield Road. The letter requested flexibility in the Whisman Road Transition Area, an FAR exemption for residential parking, and clarification regarding local workforce and prevailing wage requirements.
- A more recent letter was received from Google requesting rights to the Development Reserve when projects have an approved Master Plan. More information about this issue is provided in Attachment 10—Other Precise Plan Changes.
- A letter was received from SummerHill Housing Group regarding the disincentive to stay with the LASD TDR program (as discussed later in this report), modifications to building height standards, and flexibility in street design standards.
- A letter was received from Miramar Capital regarding the disincentive to stay with the LASD TDR program (as discussed later in this report).

ANALYSIS

Report Structure

Staff has identified recommended changes to the public draft of the Precise Plan, based on either City Council direction, EPC direction, public comment, or further staff review as discussed below. These changes can be clearly seen in the strike-out version of the Precise Plan in Attachment 4, or as further modified at the end of the Resolution in Attachment 4.

Attachment 10 includes descriptions of minor Precise Plan changes and changes based on clear City Council direction. In addition, staff may identify and seeks authority to make other nonsubstantive text changes (typos, word order, internal references, and

other nonpolicy language) after approval but prior to final publishing of the Precise Plan.

The remainder of this report includes the following key public draft revisions:

- Additional height allowances near the Middlefield Station.
- Jobs-Housing Linkage procedures and guidelines.
- Office transportation demand management (TDM) requirements.
- Open area standards.

Staff is seeking Council confirmation of the Revised Precise Plan direction on these topics.

In addition, the report also includes the following key topics for final Council direction:

- Determination of a community benefits value for Bonus FAR development in East Whisman.
- Consideration of residential Los Altos School District Transfer of Development Right (LASD TDR) development project incentives.

Lastly, the report includes summaries of the proposed Zoning Amendments, General Plan Amendments, and EIR.

High-Rise Standards Near Middlefield Station

At the June 25, 2019 City Council meeting, Council asked staff to study potential changes that could allow additional building heights consistent with the Precise Plan's goals, such as orienting growth near the Middlefield Station and maintaining neighborhood transitions. Based on this direction, staff developed high-rise standards for the area around the station.

These standards set the expectations for building heights and massing so they do not overwhelm public spaces or affect adjacent neighborhoods while allowing additional flexibility and incentives to create a range of public spaces near the Middlefield Station. They do not change the amount of floor area allowed. They would make it easier for

developments to build to the maximum density allowed while still providing open spaces and neighborhood commercial uses.¹

The EPC reviewed the draft standards and recommended changes, including the following:

- The boundary where the high-rise buildings are allowed was expanded to the north;
- The amount of commercial floor area should be proportional to the number of high-rise buildings; and
- High-rise buildings should have exceptional design.

Changes based on this direction are shown in the Resolution in Attachment 4. The following is a summary of the new high-rise standards, which are illustrated in Figure 2.

¹ During the outreach process, the community was split about whether to allow buildings higher than 8 stories. Half the groups at the second workshop indicated support for buildings higher than 8 stories near the Middlefield Station, and half did not. 16 of the 24 questionnaires received at the workshop were against buildings taller than 8 stories, but not all participants filled out a questionnaire or answered the question. 54 percent of online survey respondents (77 of 143) supported buildings taller than 8 stories near the station.

Figure 2: Massing Diagrams



New High-Rise Standards: Projects within 750' of the Middlefield Station, except within 200' of the Precise Plan boundary and including the parcels between Ellis Street and Logue Avenue, south of the Medium-Intensity Subarea (Figure 3), may be allowed up to 135' (about 11 or 12 stories) with the following additional requirements:

- *CLUP*—Consistency with the Moffett Field Comprehensive Land Use Plan (CLUP), which may further limit heights in certain parts of this area;
- *Neighborhood Commercial and Open Areas*—Projects must include ground-floor neighborhood commercial and open areas in excess of minimum standards;
- *Height Variety*—A variety of building heights must be provided;

- *Separation* – Tall buildings must be separated by 100'; and
- *Facade Width* – Facades may not exceed 190' in width.

Figure 3: Height Exception Area



Jobs-Housing Linkage

On August 19, 2019, City staff convened a meeting with developers regarding the Jobs-Housing Linkage program and other requirements of the Precise Plan. Developer comments included the following:

- *Feasibility* – Concern about the feasibility of the new ratio (3.0 units per 1,000 square feet). It may not be possible for office to bear the full feasibility gap of residential.
- *Timing* – Developers desire a longer timing window since there are limited properties in East Whisman that are negotiating leases at a time.

- *Respect Deals* – The City should not have discretion over the deals between developers.
- *Credit Marketplace* – Create a marketplace for buying and selling housing credits and demolished office.

Staff considered this input and is recommending the following revisions to the Precise Plan:

- Detailed timing requirements were removed and replaced with references to the Jobs-Housing Linkage Program Administrative Guidelines in order to add flexibility and opportunities for creative procedures.
- Detailed list of potential strategies were removed to ensure Council has oversight of specific linkage proposals and applicants are not led to believe that certain linkage actions would automatically be approved.
- Additional language was added clarifying that transferred floor area does not count as net new office floor area and is not subject to community benefits or a school strategy requirement. This is intended to reduce the risk to developers of taking part in the floor area transfer process. Net new office floor area (e.g., from the Development Reserve) would still be subject to community benefit and school strategy requirements.

The preliminary draft Jobs-Housing Linkage Program Administrative Guidelines are included in Attachment 6. These guidelines include procedures that the City may consider when office developments apply with a jobs-housing linkage plan.

While other procedures are possible in the Guidelines, the recommended procedure is that office and residential development submit applications together. If the office project needs to be significantly delayed relative to the residential development, the applicant would need to negotiate a development agreement. If the residential project needs to be significantly delayed relative to the office project, the City may consider it if the applicant can create an enforceable legal instrument that requires the existing office/industrial uses to be removed and residential to be built within a certain time.

In addition, the Guidelines provide additional flexibility for how long a residential development may hold onto its rights to allocate its transferred floor area and its rights to partner with an office developer. An office developer must submit a complete formal application within five years of the residential project's first building permit.

The draft guidelines also include other direction, such as dedication of land for affordable housing, prepayment of impact fees, and other procedures.

Office TDM Requirements (Section 3.9.1)

Google's letter in response to the EIR (in Attachment 1) expressed concern about the feasibility of the ultimate trip rate goal. Other developers have also expressed this concern. After further staff analysis, the Precise Plan was revised to provide more flexibility for implementation of the trip cap while maintaining the overall aggressive trip cap goal.

The previous goal was 0.7 a.m. trip per 1,000 square feet for all new development. The recommended new goal, consistent with the Draft EIR analysis and the TDR Bonus Alternative, is an *average* of 0.95 a.m. trip and 0.88 p.m. trip, including new development and older, existing ("legacy") office, R&D, and industrial development. This new strategy is expected to result in approximately the same number of trips generated by the district as the previous standard, but it may depend on how development occurs. For example, if more, smaller projects are built, the previous standard would result in fewer trips, but if fewer larger projects are built, the revised standard would result in fewer trips.

The revision has the following primary benefits:

- Consistency with the Precise Plan EIR is more assured.
- Developers can allocate their trip caps between new and legacy development, creating an incentive for additional buildings to control their trips with TDM programs.
- The City can require more or less aggressive trip caps from new development over time based on an analysis of legacy development and the remaining trip capacity of the district.

While this change adds flexibility in implementation, it also adds complexity in calculating a specific project's trip requirement. To provide that calculation, staff will prepare an Office Trip Cap Phasing and Administrative Guidelines to help staff and developers implement this requirement. This document will include the following:

- How to calculate specific projects' trip caps based on the areawide average;
- How to apply TDM programs to other sites;

- How monitoring of congestion may affect trip-cap requirements; and
- How early flexibility in trip cap requirements may be phased out (i.e., based on the construction of housing which will improve the efficacy of TDM programs).

Since the Precise Plan is a policy document, some details of the office TDM program were removed from the draft and will be included in the administrative document.

Open Area Standards

Developer letters and other public comment expressed concern regarding the Precise Plan's open area standards. Developers recommended that the Precise Plan count interior common (e.g., fitness) rooms, public paths, and smaller spaces towards "common usable open area." This proposal was based on the potential of these spaces to fulfill specific recreational activities (such as walking a dog). Staff does not recommend these changes because the intention of the standard is to maximize the size of open area spaces so residents can engage in a *range* of active and passive recreational activities. If the developer recommendations were followed, then new development would include smaller open areas that would not have as much utility for future residents.

However, staff is recommending changes to the open area standards for the high-intensity, mixed-use area. This is based on recent analysis that, at the highest densities, the amount of required open area would be unrealistic for high-density developments and may create a disincentive for achieving that higher density. For example, at 150 units per acre (the highest densities expected within a 3.5 FAR development), the common usable open area requirement in the Public Draft Plan would result in approximately 35 percent to 52 percent of lot area (depending on whether private open area is provided). This is not a feasible amount of open area for development at those densities, especially considering the space needs for circulation and other site constraints. To provide some context, Table 3 below includes two examples of recent, feasible open area percentages for developments at approximately 40 to 110 units per acre.

Table 3: Example Development Open Areas

Address	Units	Lot Size	Common Usable Open Area*	Percent
1255 Pear Avenue	635	656,000	158,000	24
400 San Antonio Road	583	229,000	48,000	21

* As defined by the East Whisman Precise Plan.

To address this issue, staff proposes the following changes:

- Lower the minimum common usable and private open area standard in the high-intensity, mixed-use area to a rate consistent with the North Bayshore Precise Plan and roughly equal to 30 percent of lot area for the highest densities, as shown in Table 4 (see Section 3.4 – Mixed-Use Character Area).

Table 4: Proposed Open Area Standards

	Previous Standard	New Standard
Common Usable Open Area Minimum	100 square feet per unit	80 square feet per unit
Total Private and Common Usable Open Area Minimum	150 square feet per unit	120 square feet per unit

- Allow flexibility for residential and commercial mixed-use projects to combine the required common usable open areas, subject to compatibility (such as adjacency, hours, and users’ needs), accessibility, and other considerations (see Section 3.3.3 – General Open Area Standards).
- Allow greater flexibility for emergency access areas and wider public paths to count to common usable open areas, if they have a range of open area amenities (see Section 3.3.3 – General Open Area Standards).
- A new open area standard for hotels based on the number of rooms, instead of providing open area based the amount of their structure parking (See Sections 3.4 and 3.5 – Mixed-Use and Employment Area Character Areas).

Council Question No. 1: Does the City Council support the recommended modifications to the Draft Precise Plan language regarding High-Rise Standards, Jobs-Housing Linkage, Office TDM, and Open Area?

Council Question No. 2: Does the City Council wish to modify any other parts of the Draft Precise Plan?

Community Benefits Value

Community benefits are expected from developments when they build more than 0.4 FAR office or more than 1.0 FAR residential or hotel. Potential categories that community benefits can be used for can be found in Section 6.1.2 (Table 33), including affordable housing, transportation and utility improvements, open spaces, support for small businesses, shared parking, and additional support for schools.

In the El Camino Real and San Antonio Precise Plans, an expected value for community benefits was established based on reasonable developer returns for Bonus FAR projects. A similar analysis was conducted for East Whisman, for both residential and office development (Exhibit A to Attachment 7). Several factors differentiated the East Whisman analysis; however:

- The jobs-housing linkage is currently impossible to value, as a benefit for residential or a cost for office.
- Residential development with reasonable developer returns is not feasible based on the analysis, but this analysis may not reflect all project sizes and configurations, or the jobs-housing linkage benefits.
- The school strategy contribution is not firmly established. However, based on direction provided at the October 15, 2019 School Strategy study session, inputs of \$10 per square foot (residential) and \$20 per square foot (office) were assumed.

Staff recommends community benefit values of \$25 per bonus square foot office and \$5 per bonus square foot residential and hotel. The office community benefits value was established based on a residual value analysis of a prototypical development.² Since residential projects are less feasible, the community benefits value was established based on a reasonably small amount that also ensures residential projects contribute to the improvement in the neighborhood. Staff also recommends reevaluation of

² Using a pro forma model, Strategic Economics calculated the “residual value” that would be generated by a prototypical development after accounting for all development costs and a target developer return. The residual value represents an estimate of the project’s potential capacity to provide community benefits: in other words, the maximum dollar amount the office prototype could contribute before the project becomes financially infeasible.

community benefits expectations when jobs-housing linkage values can be better determined, possibly within the next five years.

The resolution in Attachment 7 also includes language allowing City Council to set a different community benefits for LASD TDR projects (see next section).

Council Question No. 3: Does the City Council support the Community Benefits values be as proposed in Attachment 7?

If not, the Council could adopt a different community benefits value or not adopt a community benefits value now and require case-by-case negotiations on projects until a community benefits value can be adopted.

Los Altos School District TDR Projects

There are five development projects under review in the East Whisman area, which are providing funding for a new Los Altos School District (LASD) school in the San Antonio area under a "Transfer of Development Rights" (TDR) program. In addition, one other site has offered funding, but it has not yet submitted a development application (the Vanni project site). Of the six total TDR projects, two are residential projects, and four are office projects, including Vanni.

On May 7, 2019, the City Council gave staff direction regarding these projects' compliance with the Jobs-Housing Linkage program. Specifically, Council allowed these four office projects to go forward collectively, subject to limitations. The intent of this option was to consider the TDR projects as a group, limiting their ability to partner outside the group, and enforcing the balance within the group.

This had the unforeseen consequence that it created an incentive for residential projects to leave the TDR program, forcing the possibility of three undesired outcomes:

- Residential projects could leave the TDR program and gain the ability to sell their Jobs-Housing Linkage benefit to other projects, leaving the office TDR projects "unbalanced" and creating a net increase of 243,000 to 515,000 square feet of office (depending how you count the Vanni project on North Bernardo Avenue).
- If the City expects East Whisman residential projects in the LASD TDR program (to keep balance), but those residential projects do not receive the Jobs-Housing Linkage benefits, LASD would likely be unable to sell additional floor area. This could lead to failure of the TDR program, unless the City is willing to lose the jobs-housing balance.

- Office projects could be forced to pay off residential projects to keep them in the program. If this occurs, office projects would likely withdraw their application since the residential projects would have the incentive to take all value from the office developments. This would likely lead to failure of the TDR program.

To eliminate these outcomes, staff is recommending the following incentives be offered to the residential projects (SummerHill at 355-401 East Middlefield Road and Miramar at 400 Logue Avenue), to encourage them to stay in the LASD TDR program.

1. Allow SummerHill and Miramar to sell their demolished office floor area, plus allow them to partner with office development for Development Reserve office floor area after calculating the balance between their projects and the Sand Hill and Sobrato office projects. If Sand Hill or Sobrato withdraw any of their applications, SummerHill and Miramar would receive more Development Reserve office area on which to base a partnership. If the amount of office is more than the amount of residential (for example, if one residential project withdraws, but not the other), the residential project(s) would be allowed to sell their demolished floor area but would not be able to partner with an office developer for Development Reserve floor area.³

This would remove any “rights” Vanni may have had to remaining office area under Council’s previous direction. However, those “rights” would not have existed if SummerHill and Miramar withdrew from the TDR program. Vanni is welcome to offer SummerHill and Miramar partnership offers to reacquire those rights. If Vanni withdraws based on this direction, LASD would need to find another buyer for 100,000 square feet of floor area.

2. Apply SummerHill’s BMR program to Miramar, and make it a condition of the TDR. SummerHill received authorization for a BMR program on October 16, 2018, which included 15 percent of their rental units at Moderate Income and 10 percent of their rental units at Low Income. This is equivalent to 9 percent and 6 percent of their total units (including ownership), respectively. Staff recommends applying the latter standard to both projects to equalize them based on their different ratios of ownership and rental units. This is a benefit for the projects: the proposed BMR

³ This section refers to “demolished floor area” and “Development Reserve floor area”. Under the Jobs-Housing Linkage Program, residential projects can sell the office/R&D floor area they are replacing. This floor area is not considered net new, and is exempt from certain fees and contributions. Alternately, residential projects can partner with office developers and satisfy their Jobs-Housing Linkage requirement. This potentially unlocks some Development Reserve floor area for that office developer.

program has fewer very low-income units than would otherwise be required and has no affordable ownership units which would otherwise be required. However, it does maintain the 15 percent affordability goal within Bonus FAR projects. This program is based on the exceptions to standards the Precise Plan allows when associated with TDR.

Staff notes that the residential and office projects have already received significant benefits from being part of the LASD TDR program, including early review of developments and flexibility on some development standards. Office projects are being exempted from the Jobs-Housing Linkage program. If any projects withdraw and attempt to resubmit without the TDR, they would be subject to a new review process that could significantly change their project designs.

If the residential projects withdraw from the TDR program despite the recommended incentives, staff recommends maintaining the higher community benefit requirement on office, but otherwise allowing the jobs-housing imbalance.

EPC Input

The EPC discussed this issue and recommended that the residential projects should receive incentives to stay in the TDR program. They also commented that it is important that the LASD program be maintained.

Council Question No. 4: Does the City Council endorse the incentives for residential LASD TDR projects?

Alternatives:

1. Allow office projects (not including Vanni) to proceed without the jobs-housing linkage requirements, and allow residential projects full rights to their jobs-housing linkage benefit, resulting in a jobs-housing imbalance among the projects.
2. Require office projects to comply with the Jobs-Housing Linkage program. This could result in their withdrawal and failure of the LASD TDR program.
3. Reduce Community Benefit contributions for LASD TDR projects. This would provide an additional incentive for these developments to stay with the program. As currently designed, the five developments under review would contribute about \$9.7 million in community benefits at the values proposed in the previous section. The City Council could reduce their community benefit expectation which would reduce the amount of community benefits received.

General Plan Update

The Precise Plan requires General Plan amendments, which are attached to this Council report (Attachment 2). The proposed General Plan amendments reflect policy direction established through the Precise Plan process, including outreach, and EPC and City Council direction.

General Plan Text Amendment: These amendments create a new East Whisman Mixed-Use Designation and update the Change Area policies consistent with the Plan. The East Whisman Mixed-Use Designation is similar to the North Bayshore Mixed-Use Designation, reflecting the specific heights and FARs proposed for the area.

General Plan Map Amendment: This amendment modifies the 2030 General Plan Land Use Map to apply the East Whisman Mixed-Use Land Use Designation to the Mixed-Use Character Area and the Village Center.

Zoning Text Amendment

The East Whisman Precise Plan would replace the existing zoning for the area. The zoning for this area includes the -T (Transit) floating zone, which allows higher-intensity office (up to 0.5 or 0.65 FAR) near light rail stations. It also intends to implement land use, circulation, and urban design policies, encouraging rail, bicycle, and pedestrian travel in these areas. The new Precise Plan will implement these same objectives but with different strategies and at higher intensities. In addition, the Transit-Oriented Development Permit is only applied within that zone. Staff is recommending removing these sections of the Zoning Code since they are no longer needed (Attachment 5).

Final Environmental Impact Report

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

1. ***Notice of Preparation***

In 2017, the City circulated a Notice of Preparation (NOP) to help identify the types of impacts that could result from the proposed project as well as potential areas of controversy. The NOP was mailed to public agencies (including the State Clearinghouse), organizations, and individuals considered likely to be interested in the proposed project and its potential impacts. A scoping meeting on the Draft EIR was held on September 7, 2017. Comments received by the City on the NOP and at the scoping meeting were taken into account during the preparation of the Draft EIR.

2. ***Draft EIR – Summary***

The Draft EIR (Attachment 12) was made available for public review on June 7, 2019 and was distributed to local and State responsible and trustee agencies. The Draft EIR and an announcement of its availability were posted electronically on the City's website, and hard copies were available for public review at the City of Mountain View Community Development Department and the Mountain View Library. The CEQA-mandated 45-day public comment period was from June 7, 2019 to July 22, 2019.

3. ***Final EIR***

Copies of all responses to comments and EIR text revisions (which, together with the Draft EIR, comprise the Final EIR) were made available to the public on September 20, 2019 in the Mountain View Community Development Department, the City's website, and the Mountain View Public Library. The City received eight written letters with comments on the Draft EIR. A response to all the comments is included in the Final EIR, which is attached to this report.

4. ***Significant Unavoidable Impacts and Additional Plan Strategies***

Key Plan Strategies

Although the project results in significant unavoidable impacts, due in part to high baseline congestion and the need for improvements outside our control, it should be noted that the Precise Plan includes a strong policy framework of the following strategies that seek to lessen new development's impact on the environment:

- *Mix of Uses* – A new mix of diverse uses, including residential and supportive retail services, will add a complementary set of uses to the predominant office

uses in the area. This will result in more new area for residents and employees biking or walking to destinations in the area, thereby reducing their need for private autos for some of their daily trips.

- *Parking Requirements*—The Plan imposes an average maximum parking requirement of one to two spaces per unit. This standard will help reduce the number of residential vehicles in the area and, therefore, reduce overall trips in the area. The Plan also requires unbundled parking—separately pricing residential parking spaces from rent of an apartment unit—to support residents who do not wish to own a private car in East Whisman.
- *Multi-Modal Transportation Improvements*—The Plan includes significant new multi-modal transportation improvements, including new pedestrian and bicycle connections within East Whisman and to adjacent neighborhoods.
- *Transportation Performance Monitoring*—The City will continue to monitor and enforce trip counts at office developments and will begin monitoring trips from new residential developments as well.

Two significant unavoidable impacts were identified in addition to roadway operation deficiencies (which cannot be considered impacts under SB 743). All other impacts of the project would be mitigated to less-than-significant levels with incorporation of the Precise Plan standards and guidelines, applicable project-level mitigation measures, and General Plan policies and actions identified in this EIR.

Vehicle Miles Traveled Impact

As discussed in the June 25, 2019 City Council Study Session (Attachment 13), the DEIR identifies a significant impact to project-generated VMT. The project team used an ad hoc threshold based on State guidelines of 15 percent below Citywide or Countywide average VMT. This is a significant, unavoidable impact. However, the East Whisman Precise Plan is a reduction in VMT from existing uses, many of which will remain as “legacy” development within the district. While significant measures to reduce vehicle trips are included in the Precise Plan, the land use changes and TDM levels necessary to reduce the impact to less-than-significant levels are not feasible.

Transit Delay Impact

The Precise Plan will result in delay at intersections used by buses, which is a significant impact. Since many of these intersections are located outside the City and the City cannot solely guarantee its implementation, this impact is designated as significant and

unavoidable. However, the City will work with neighbors and regional agencies to improve intersections, roadways, and transit performance.

Intersection and Freeway Deficiencies

As discussed in the June 25, 2019 City Council Study Session (Attachment 13), the DEIR identifies roadway deficiencies at four City intersections (that cannot be addressed without street widening) and seven regional intersections. In addition, deficiencies at up to 80 regional freeway segments were also identified.

Statement of Overriding Considerations

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

- Includes significant new land use strategies in the area such as “character area targets” that blend a mix of uses with multi-modal transportation options for new residents and employees. These strategies will allow area residents and employees to make local trips in the area by walking and biking. This will help reduce the area’s vehicle miles traveled per capita and use of private automobiles, thereby helping achieve longer-range goals to lessen air pollution, traffic impacts, and greenhouse gas emissions;
- Improves the area’s and City’s job-housing balance by allowing up to 5,000 new units in East Whisman and a jobs-housing linkage program, ensuring they will be provided prior to new office development;
- Provides a strategy to increase the amount of affordable housing in the area; and
- Sets requirements for new public parks and open spaces, providing valuable passive and active recreation amenities for nearby residents.

FISCAL IMPACT

The project team prepared a fiscal impact report (Attachment 14), which analyzed the increase in annual property tax, sales tax, transient occupancy tax, and other revenues resulting from the project. The analysis also analyzed the increase in service costs based

on the projected increase in population and employees. The additional service cost would be due to possible additional staffing in areas such as Police and Planning, in addition to new park and roadway maintenance costs, etc. The outcomes of this analysis are summarized in Table 5. In sum, full build-out of the Precise Plan has the potential to be fiscally beneficial as the Plan's projected growth and future revenues would likely exceed expenditures.

Table 5: Summary of Annual Revenues and Expenditures

Project Increase in Annual Revenue	\$15,429,200
Project Increase in Annual Expenditures	\$ 5,427,400
Net Increase	\$10,001,800

In addition to the annual costs, the Precise Plan proposes significant capital improvements, including open spaces and transportation, water and sewer infrastructure. Funding these one-time costs may be through a number of sources, including developer fees, community benefits and grants, which are summarized in Section 6.7 of the Precise Plan (Funding Strategy). In addition, the Precise Plan includes an action item to prepare a nexus study for impact fees to fund many of these improvements. It is possible that developer sources may not cover all of the Plan's envisioned improvements. If the City prioritizes these improvements prior to collecting developer funds, other sources may need to be used, such as the CIP Reserve.

CONCLUSION

This report is the culmination of more than three years of work, including dozens of City Council, EPC, outreach, and stakeholder meetings.

Prior to adopting the Precise Plan, staff is seeking City Council direction on the following questions:

1. Does the City Council support the recommended modifications to the Draft Precise Plan language regarding High-Rise Standards, Jobs-Housing Linkage, Office TDM, and Open Area?
2. Does the City Council wish to modify any other parts of the Draft Precise Plan?
3. Does the City Council support the Community Benefits values be as proposed in Attachment 7?
4. Does the City Council endorse the incentives for residential LASD TDR projects?

ALTERNATIVES

1. Make minor modifications to the Precise Plan 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 amend the General Plan, do not adopt the Precise Plan or P District rezoning, and do not adopt the amendment to Chapter 36 of the City Code removing the -T Floating Zone.
3. Identify a different jobs-housing linkage strategy for LASD TDR projects.
4. Adopt different community benefits values or do not adopt community benefits values at this time.
5. Provide other direction.

PUBLIC NOTICING

The City Council agenda is advertised on Channel 26, and the agenda and this report appear on the City's website. All property owners and tenants within the Plan area and within a 750' radius of the Plan area (including property owners in the City of Sunnyvale) were notified of this meeting by mailed notice. Other interested stakeholders were notified of this meeting via the project's e-mail notification system, including adjacent neighborhood associations (Wagon Wheel, North Whisman, and Slater). Project and meeting information is posted on the project website:

<http://www.mountainview.gov/eastwhisman>.

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- Attachments:
1. Resolution – EIR, Findings, MMRP
 2. Resolution – General Plan Amendment
 3. Ordinance – Zoning Map Amendment
 4. Resolution – East Whisman Precise Plan
 5. Ordinance – Zoning Amendment Removing T Zone
 6. Resolution – Jobs-Housing Linkage Program Guidelines
 7. Resolution – Community Benefits
 8. Summary of Prior Meetings
 9. Detailed EPC and B/PAC Comments
 10. Other Precise Plan Changes
 11. Public Comment
 12. Draft EIR
 13. [June 25, 2019 City Council Staff Report](#)
 14. Fiscal Analysis