City of Mountain View	DATE:	February 11, 2025
	CATEGORY:	New Business
COUNCIL	DEPT.:	Community Development
REPORT	TITLE:	Housing Element (Program 1.1.g) Zoning and General Plan Consistency with Site Inventory

RECOMMENDATION

That the City Council review and confirm the identified approaches for the proposed rezoning and General Plan amendments for the following sites, as identified in the Housing Element Program 1.1.g:

- Leong Drive and Fairchild Drive properties on the west end of Evandale Precise Plan;
- 1702 Miramonte Avenue, 777 Cuesta Drive, and 1949 Grant Road;
- 695 Calderon Avenue; and
- Mountain View Transit Center.

EXECUTIVE SUMMARY

Housing Element Program 1.1.g is intended to create housing opportunities for sites identified as opportunity sites in the Housing Element site inventory and additional sites in higher-opportunity neighborhoods. The proposed zoning and General Plan approaches, as discussed further in this report, are intended to meet the minimum densities and provide commercial components as identified in the Housing Element, to preserve existing commercial uses, and to consider zoning approaches that incorporate neighborhood transitions. Staff is seeking Council review and confirmation of the proposed approach for each of the sites in the program prior to developing Zoning Ordinance and Precise Plan language that would return to Council for a public hearing later in 2025.

The remainder of the document is organized as follows:

- 1. Background information on the Housing Element and related codes and policies.
- 2. Overview of the sites, including their existing General Plan and zoning designations, context, and other key information.

- 3. Overview of potential approaches to General Plan and zoning amendments that address the Housing Element program requirements.
- 4. Recommended approach for each area.

BACKGROUND

Sixth Cycle Housing Element 2023-2031 Implementation

On <u>April 11, 2023</u>, the City Council adopted the <u>Sixth Cycle Housing Element</u>, which covers the eight-year planning period between 2023 to 2031. The Housing Element included Program 1.1.g. (Zoning Ordinance Update for Consistency with State Laws) which requires updates to the Zoning Ordinance to:

"Ensure zoning and general plan for all sites is consistent with the Housing Element site inventory and pipeline projects. The following areas will be rezoned:

- a. Leong Drive and Fairchild Drive properties at the west end of the Evandale Precise Plan (up to at least 43 DU/ac)—the rezoning will also identify which sites will have required neighborhood commercial;
- b. 1702 Miramonte Avenue, 777 Cuesta Drive, and 1949 Grant Road (up to at least 30 DU/ac);
- c. Moffett Boulevard (up to at least 1.85 FAR, approximately 72 DU/ac)—the rezoning will also identify which sites will have required neighborhood commercial;
- d. 677-699 Calderon Avenue (up to at least 30 DU/ac)—with required neighborhood commercial;
- e. Mountain View Transit Center (up to at least 75 DU/ac)—in addition, the City will continue to work with and facilitate Caltrain in the development of residential on this site, possibly with other uses."

The Housing Element imposes a December 31, 2025 deadline to adopt zoning updates needed for any sites included in the sites inventory.¹ More information about the specific sites in the inventory is provided later in the report. This Housing Element program includes additional sites

¹ The program deadline also applies to rezonings for "pipeline rezoning projects." These were three affordable housing projects (1020-1040 Terra Bella Avenue, 87 East Evelyn Avenue, and 1012 Linda Vista Avenue) that required rezonings in order to proceed. The rezoning for 1020-1040 Terra Bella Avenue was completed on April 3, 2023, and the other two rezonings were completed on February 14, 2023, satisfying this requirement.

for rezoning that are not included in the sites inventory but were included as they will help increase housing opportunities to help the City meet its housing goals. While a specific deadline is not identified for sites that are extraneous to the sites inventory, staff intends to bring all rezonings related to Program 1.1.g to Council by the December 31, 2025 deadline.

Relevant Programs and Policies

There are several programs and policies that affect implementation of Program 1.1.g. These include other Housing Element Program implementation items, state law, and other relevant policy documents as listed below:

- <u>Moffett Boulevard</u>: Moffett Boulevard was identified as a rezoning area in Program 1.1.g and is currently under way as a separate project; therefore, subsection c of Program 1.1.g will not be discussed further with subsections a, b, and d in this report. Unlike the other rezoning areas identified in this program, the parcels along Moffett Boulevard were identified as a change area in the General Plan, resulting in the need for additional analysis and Council direction. On November 14, 2023, the City Council held a Study Session and directed staff to move forward with the preparation of a Moffett Boulevard Precise Plan. On <u>November 19, 2024</u>, Council held a Study Session on the visioning framework and Precise Plan boundaries. Staff will return to the City Council in Q2 2025 to discuss land use and density alternatives.
- <u>Churches and Other South of El Camino Real (Affirmatively Further Fair Housing) Sites</u>: On <u>December 4, 2024</u>, the Environmental Planning Commission (EPC) held a Study Session regarding Housing Element Programs 1.4 and 2.6, which explore options, such as zoning incentives, to facilitate affordable housing development in high-opportunity neighborhoods. The analysis conducted in the preliminary steps of evaluating Program 2.6 included the 1702 Miramonte and 777 Cuesta Drive properties (subsection b of Program 1.1.g) that are discussed in this report. However, the rezonings associated with Program 1.1.g are focused on changing development standards and increasing intensities for any residential development, while Program 2.6 is intended to provide development incentives for affordable housing. A Council Study Session is expected in Q1 2025 to review the EPC's recommendations and provide direction for next steps on the density approach for program implementation.
- <u>Transit Center Master Plan</u>: On May 2017, the City Council adopted the <u>Transit Center</u> <u>Master Plan</u>, which includes suggested improvements to the circulation network around the Mountain View Caltrain Station as a result of the Caltrain electrification and high-speed rail, such as redirecting vehicular traffic along Castro Street at West Evelyn Avenue, a pedestrian and bicycle undercrossing, and high-level concepts of future development at Centennial Plaza and the Transit Center site. However, as Caltrain is the predominant property owner at the Transit Center, the plan acknowledges that a joint partnership is

needed in the future to determine the outcomes of this development opportunity and its viability. At this time, it is unclear what the joint development on the Transit Center site will be as additional conversations and viability analysis is needed. Therefore, the proposed amendment to subsection e of Program 1.1.g will need ongoing discussions with Caltrain, and further amendments may be needed in the future. Based on recent conversations with Caltrain staff, the next relevant check-in related to this subject is likely to occur in early Q2 2025.

- <u>Land Use Standards</u>: The General Plan Mixed-Use Village Center land use standards were adopted by Council on <u>January 24, 2023</u> to address inconsistencies between General Plan policies for residential mixed-use village centers (i.e., Mixed-Use Corridor, General Mixed-Use, and Neighborhood Mixed-Use) and the underlying zoning, which did not allow residential. These standards created a new allowed land use called a "General Plan Mixed-Use Village Center" land use in existing zoning districts, such as Commercial Neighborhood, Commercial Services, and the Grant-Phyllis Precise Plan. This allowed existing commercial to remain, creating additional standards to guide new residential development. Standards include:
 - Required minimum commercial space;
 - Maximum residential floor area and density limits;
 - Maximum height limits;
 - Required setbacks and residential transitions when adjacent to residential zoning districts;
 - Open area and publicly accessible open space requirements;
 - Personal storage requirements; and
 - Standards for parking and circulation to support shared parking and pedestrian pathways, when feasible.
- <u>State Density Bonus Law</u>: State Density Bonus Law (Government Code Section 65915, *et seq.*) allows housing developments a density increase above the maximum density that is allowed by the underlying zoning or general plan, whichever is greater, if a certain percentage of affordable units is provided. Additionally, qualifying projects are entitled to reduced parking requirements, regulatory incentives or concessions that result in actual and identifiable cost reductions to provide for affordable housing, and waivers of development standards that physically preclude the construction of the project at the density allowed under State Density Bonus Law. The rezonings associated with

Program 1.1.g do not account for additional density authorized by State Density Bonus Law. Any future projects proposed on a site would be subject to the new requirements of the rezonings but could also be eligible for density bonus, incentives or concessions, waivers, or reduced parking ratios pursuant to State Density Bonus Law.

Environmental Planning Commission Recommendation

On January 15, 2025, the EPC reviewed this item and provided a recommendation to the City Council on the proposed General Plan and zoning approach for each site. The City received two written comments prior to the meeting (Attachment 1—Public Comment), and four people spoke at the meeting. The following is a summary of public comment received at the meeting:

- Mountain View Transit Center:
 - Incorporate a train noise quiet zone as a part of the Evelyn Avenue Corridor Precise Plan.
 - Support for the higher densities.
- Evandale Precise Plan:
 - In addition to residential growth, incorporate updates to allow more commercial growth, particularly growth for hotels, as the current zoning is too restrictive.
 - Include a local market/neighborhood servicing use in the area.
- Miramonte/Cuesta/Grant and Calderon:
 - Support for densities and neighborhood transitions.
 - Encourage ownership opportunities at these sites.

The EPC recommendations are provided in the analysis below.

<u>ANALYSIS</u>

Overview of Sites

There are five areas (some are individual sites) identified by Housing Element Program 1.1.g, not including the sites on Moffett Boulevard. See Figure 1 for a Citywide map showing the location of the areas.

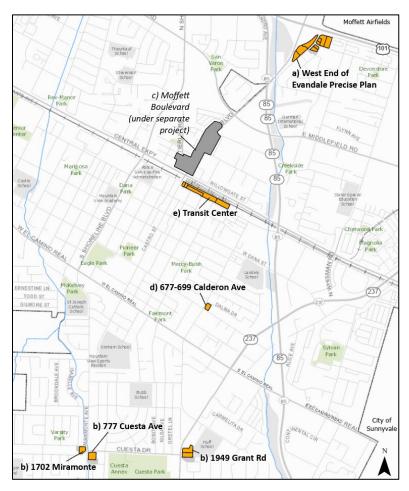


Figure 1: Program 1.1.g Sites

The following section provides an overview of subsections a, b, d, and e of Program 1.1.g, including existing conditions, regulations, Housing Element target densities and commercial requirements, and surrounding uses.



Leong and Fairchild Drive (West End of Evandale Precise Plan)

Figure 2: Leong and Fairchild Drive Existing Conditions

This area includes nine parcels occupied by a range of commercial uses, including a gas station, three hotels, and several small one-story retail and restaurant buildings. There is also a vacant site at 870 Leong Drive. Most of the buildings were built between 1950 and 1970. Five of these sites are in the Housing Element Sites Inventory, meaning that the existing uses are older, underutilized, or have other characteristics that support redevelopment. Table 1 includes additional key information about the area.

Existing Zoning	Evandale Precise Plan (P-32)—Area A (See Attachment 2, Evandale
	Precise Plan)
Existing General Plan	Neighborhood Commercial
Designation	
Residential Currently	No, except certain developments pursuant to AB 2011 ²
Allowed?	
Lot Area	6.03 acres
Housing Element	43 DU/acre + identify which sites will have required commercial
Program Direction	

² AB 2011 went into effect in July 2023 and is intended to permit through a streamlined by-right process: (a) affordable housing on any sites zoned for retail and/or office uses; and (b) mixed-income housing on sites zoned for retail and/or office uses located along corridors with rights-of-way between 70' and 150' (including, for example, Miramonte Avenue, Cuesta Drive, and Grant Road). These provisions are set to expire in 2033.

Neighborhood Characteristics	Accessible to freeway (adjacent to the U.S. 101 interchange). Accessible to Stevens Creek Trail (less than 1,000' away). Surrounding uses:	
	 North Side: U.S. 101 access South Side: Single-family residential and a multi-family apartment West Side (across Moffett Boulevard): Ameswell Hotel East Side: Rowhouses and apartments 	

1702 Miramonte Avenue and 777 Cuesta Drive



Figure 3: 1702 Miramonte and 777 Cuesta Drive Existing Conditions

These sites currently contain buildings with existing medical office uses. 777 Cuesta Drive is a condominium commercial property with 16 condominium units built in 1985 and is bordered by Permanente Creek on the west property line. 1702 Miramonte Avenue was built in 1954 and contains two medical office buildings. 1702 Miramonte Avenue is included in the Housing Element Site Inventory list, as it is an existing use with characteristics that support redevelopment. Table 2 includes additional key information about these two sites.

Existing Zoning	CO—Commercial-Office
Existing General Plan	Neighborhood Commercial
Designation	
Residential Currently	No, except certain developments pursuant to AB 2011
Allowed?	

Table 2: 1702 Miramonte Avenue and 777 Cuest	a Drive Information
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Lot Area	1702 Miramonte Avenue: 0.67 acres		
LULAIEd			
	777 Cuesta Drive: 1.07 acres		
Housing Element	30 DU/acre		
Program Direction			
Neighborhood	1702 Miramonte Avenue:		
Characteristics	• Near open space (less than one-half mile from Cuesta Park).		
	Adjacent to commercial uses (Blossom Valley shopping		
	center).		
	Surrounding uses:		
	 North Side (across Sladky Avenue): Single-family 		
	residential		
	 South Side (across Cuesta Drive): Gas station and 		
	commercial uses		
	 West Side: Single-family and multi-family residential 		
	 East Side (across Miramonte Avenue): Church 		
	777 Cuesta Drive:		
	 Near open space (less than one-quarter mile from Cuesta 		
	Park).		
	Adjacent to commercial uses (Blossom Valley shopping		
	center).		
	Surrounding uses:		
	— North Side (across Cuesta Drive): Church		
	 South Side: Single-family residential 		
	 West Side (across Miramonte Avenue): Gas station 		
	 East Side: Single-family residential (under construction) 		

1949 Grant Road



Figure 4: 1949 Grant Road Existing Conditions

This site includes a convalescent hospital and surface parking lot for the hospital, which was built in the 1970s. The project site consists of two parcels under the same ownership. This site was not incorporated in the Housing Element Sites Inventory list. Table 3 includes additional key information about the site.

Existing Zoning	Grant Martens Precise Plan (P-26) Area B (see Attachment 3, Grant		
	Martens Precise Plan)		
Existing General Plan	Low-Density Residential		
Designation			
Residential Currently	Yes, at 6 DU/acre		
Allowed?			
Lot Area	2.04 acres		
Housing Element	30 DU/acre		
Program Direction			
Neighborhood Characteristics	 Near open space (adjacent to Amy Imai Elementary School park and less than one-quarter mile from Cuesta Park). Access to commercial uses (e.g., grocery stores, restaurants, etc.) and services (less than one-quarter mile from Grant Park Plaza). Surrounding Uses: North Side: Two-story residential South Side: Single-family residential West Side (across Grant Road): Fire station East Side: Amy Imai Elementary School Park 		

Table 3: 1949 Grant Road Information

677-699 Calderon Avenue



Figure 5: 677-699 Calderon Avenue Existing Conditions

This site includes a small commercial strip mall which contains a range of businesses, such as a restaurant, laundromat, liquor/convenience store, and other commercial businesses. The project site was built in 1949. The project is not included in the Housing Element Site Inventory list but is an older building that contains some of the characteristics associated with redevelopment potential. Table 4 includes additional key information about the site.

Existing Zoning	Commercial Neighborhood (CN)		
Existing Zoning	Commercial-Neighborhood (CN)		
Existing General Plan	Neighborhood Commercial		
Designation			
Residential Currently	No, except certain developments pursuant to AB 2011		
Allowed?			
Lot Area	0.55 acres		
Housing Element	30 DU/acre		
Program Direction			
Neighborhood	• Proximity to transit (less than three-quarter mile to Mountain		
Characteristics	View Transit Center).		
	• Proximity to commercial uses and services (less than one-half mile from downtown).		
	,		
	• Near open space (less than one-half mile from Stevens Creek Trail, Pioneer Park, and Eagle Park).		
	Surrounding uses:		
	 North Side (across Dalma Drive): Single-family residential 		
	 South Side (across Church Street): Future City park and historic structure 		
	 West Side (across Calderon Avenue): One- to two-story multi-family buildings 		
	 East Side: Two-story apartments 		

Table 4: 677-699 Calderon Avenue Information

Mountain View Transit Center

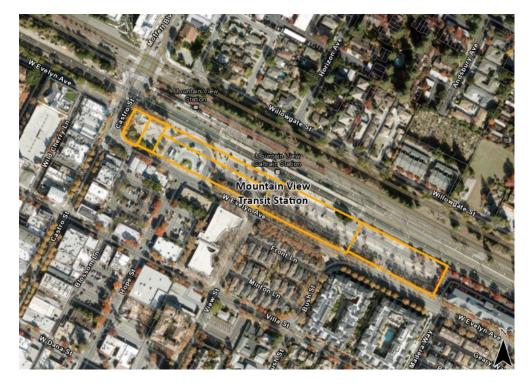


Figure 6: Mountain View Transit Station

The area consists of five parcels that include the transit station (access to VTA and Caltrain transit platforms, access to buses and shuttles), public plaza, and surface parking. The project site consists of four parcels under Caltrain ownership. This site was not incorporated in the Housing Element Site Inventory list. Table 1 includes other key information about the area.

Existing Zoning	Evelyn Avenue Corridor Precise Plan (P-18)—Transit Services Area		
	(See Attachment 4, Evelyn Avenue Corridor Precise Plan)		
Existing General Plan	Downtown Mixed-Use		
Designation			
Residential Currently	No		
Allowed?			
Lot Area	4.71		
Housing Element	75 DU/acre, in addition, the City will continue to work with and		
Program Direction	facilitate Caltrain in the development of residential on this site,		
	possibly with other uses		
Neighborhood	Located at Mountain View Transit Center (includes access to		
Characteristics	Caltrain, VTA, and bus routes).		
	• Adjacent to downtown, which includes restaurants and other		
	services.		
	Surrounding uses:		
	 North Side (across Central Expressway): Residential 		
	neighborhoods		
	 South Side (across Evelyn Avenue): Mixed-residential 		
	and commercial uses		
	 West Side: Commercial uses 		
	 East Side: Offices 		

Table 5: Mountain View Transit Center Information

Evaluated Approaches to Implement Housing Element Program 1.1.g

The following are key considerations for rezonings and General Plan amendments to implement Housing Element Program 1.1.g subsections a, b, d, and e:

- Accommodate the minimum target densities and commercial components as identified in the Housing Element. Target densities of these sites range from 30 to 75 dwelling units per acre (DU/acre), as described in the previous section.
- Adopt standards or policies that allow the existing commercial uses to remain. Several sites include existing commercial uses. The new zoning could continue to allow the existing uses, or it could make them "nonconforming" by allowing only residential uses in the new standards. Typically, when a use is made nonconforming, there are restrictions applied that limit the ability to make improvements or expand operations, and sometimes there is a timeline for cessation of the use. For example, 1702 Miramonte Avenue is an existing medical office, which is permitted in the CO Zoning District. Rezoning to R3 would accomplish the program's target density goals but would create new limits on the existing

business since it would be considered a nonconforming use (e.g., a commercial use in a residential-only zone).

• **Consider development standards that require neighborhood transitions.** This may be particularly important for sites adjacent to existing single-family residential neighborhoods. Both the CRA Zoning District and the General Plan Mixed-Use Village Center land use include objective development standards that require taller buildings to be located farther away from property lines adjacent to lower-density development. These standards are summarized in Table 6 below. In addition, Council has directed staff to include neighborhood transition standards in the updated R3 Zoning District.

	Height Limit Adjacent to Residential	Setback Adjacent to Residential
CRA	45' and three stories maximum	Rear: 15' minimum, but not less than the height of the adjacent wall of the subject parcel (measured to top of wall plate) Side: 15' minimum
General Plan Mixed-Use	Wall plates at each floor of	25' minimum
Village Center Land Use	a building shall not be higher than the distance to an adjacent residentially zoned property	

Table 6: Neighborhood Transitions Standards

Staff considered and evaluated several potential approaches the City could take to address the required rezonings, which are summarized in Table 7 below. Prior to making the recommendations identified in the following sections, staff conducted some analysis on the potential approaches, some of which were refined and/or dismissed because certain key considerations above were not met.

Zoning and General Plan Approach	Possible Maximum Allowed Densities	Key Considerations
Rezone to an Existing Residential Zoning District (see Attachment 5, Multiple-Family Residential (R3) Standards)	 Medium-High Density (typically R3): 35 DU/acre High-Low Density (no associated zoning district): 50 DU/acre High Density (typically R4): 80 DU/acre 	 Many commercial uses generally not allowed, resulting in nonconforming uses R3 (Multiple-Family Residential) development standards currently being updated. If this is the preferred approach, consider integrating into R3 update process to provide sufficient clarity on resulting standards
Rezone to the Commercial/Residential Arterial (CRA) District (see Attachment 6, CRA Standards)	43 DU/acre	 Allows a broad range of commercial uses (not required) Includes objective development standards to promote neighborhood transitions
Rezone to allow the General Plan Mixed-Use Village Center land use and its development standards in Commercial District (see Attachment 7, GP Mixed-Use Village Center Standards)	 Neighborhood Mixed- Use: 1.05 FAR, approximately 30 DU/acre ³ General Mixed-Use: 1.35 FAR, approximately 43 DU/acre Mixed-Use Corridor: 1.85 FAR, approximately 72 DU/acre⁴ 	 Commercial uses allowed, subject to existing commercial zone Residential development requires a mixed-use neighborhood commercial component Includes neighborhood transition development standards
Amend Existing Precise Plans (Grant Martens and Evelyn Avenue Corridor)	Any maximum is possible	 Most flexible approach to allow area-specific densities, commercial, and other standards Time- and effort-intensive; would require additional policy direction Miramonte, Cuesta, and Calderon sites could not create new Precise Plans because they are under two acres

Table 7: Possible Zoning Approaches

Recommended Approaches

Among the range of options considered above, applying the General Plan Mixed-Use Village Center land use and its development standards would best accomplish the goals of target densities, neighborhood transitions, and preservation of existing commercial businesses. This approach would be most economical by utilizing existing standards to achieve Housing Element policy outcomes where possible while limiting reliance on the time- and resource-intensive processes to revise or create Precise Plans to only those instances when required. As a result, staff recommends rezoning the Leong/Fairchild, Cuesta/Miramonte, and Calderon areas to allow the General Plan Mixed-Use Village Center land use. The Grant Road and Transit Center areas are recommended for a more flexible Precise Plan approach, as described later in this report. See Table 8 for the staff-recommended proposed zoning and General Plan designations for these sites.

Housing Element Site	Housing Element Density Goal	Housing Element Commercial	Proposed Rezoning	Proposed General Plan Amendment	Proposed Density
Leong Drive and Fairchild Drive (west end of Evandale Precise Plan)	43	Identify sites to have required neighborhood commercial	Amend Evandale Avenue Precise Plan Subarea A—Allow General Plan Mixed-Use Village Center land use	Amend from Neighborhood Commercial to General Mixed- Use	1.35 FAR, which is equivalent to approximately43 DU/acre

Table 8: Summary of Proposed Rezonings and Gener	al Plan Amendments
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³ The Neighborhood Mixed-Use General Plan Land Use Designation indicates that developments with a maximum 1.05 FAR would result in approximately 25 DU/acre. More recently, as part of the Housing Element, the City studied precedent projects and found the realistic unit capacity of projects with a 1.05 FAR was approximately 30 DU/acre. Therefore, the Neighborhood Mixed-Use designation is consistent with a maximum density standard of 30 DU/acre.

⁴ See previous footnote. The General Plan designation states 60 DU/acre. However, the Housing Element analysis found that 72 DU/acre is a realistic capacity of 1.85 FAR.

Housing Element Site	Housing Element Density Goal	Housing Element Commercial	Proposed Rezoning	Proposed General Plan Amendment	Proposed Density
1702 Miramonte Avenue and 777 Cuesta Drive	30	None identified	Amend the Commercial Office (CO) Zoning District to allow General Plan Mixed-Use Village Center land use	Amend from Office to Neighborhood Mixed-Use	1.05 FAR, which is equivalent to approximately 30 DU/acre
1949 Grant Road	30	None identified	Amend Grant- Martens Precise Plan Area— Create Area C and allow multi- family residential, consistent with the R3 (Multiple- Family) Zoning District	Amend from Low Density Residential to Medium-High Density Residential	1.05 FAR, which is equivalent to approximately 30 DU/acre
677-699 Calderon Avenue	30	Yes, require neighborhood commercial	No changes proposed. In combination with the General Plan amendment, General Plan Mixed-Use Village Center land use would automatically be allowed.	Amend from Neighborhood Commercial to Neighborhood Mixed-Use	1.05 FAR, which is equivalent to approximately 30 DU/acre
Mountain View Transit Center	75	Possibly	Amend Evelyn Avenue Corridor Precise Plan— Allow residential up to 75 DU/acre	Allow residential up to 75 DU/acre	75 DU/acre

The remaining sections of the report provide more detail and analysis of the recommended approaches for each area.

Leong Drive and Fairchild Drive

The Evandale Precise Plan is separated into three subareas that each have their own development standards and land uses (i.e., Subarea A, Subarea B, and Subarea C). The Housing Element project boundaries indicate rezoning "Leong Drive and Fairchild Drive boundaries at the west end of Evandale Precise Plan," which largely coincides with Subarea A. Additionally, the opportunity sites in the Housing Element Site Inventory list are distributed across Subarea A. See Figure 7 below for a map of the Evandale Precise Plan and location of opportunity sites.

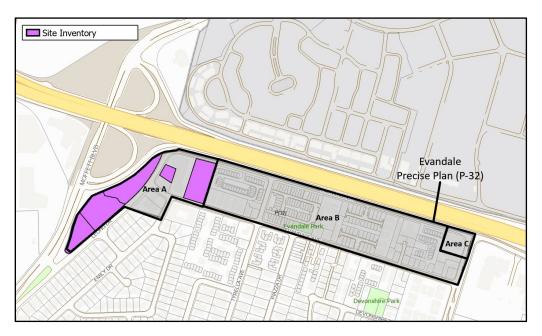


Figure 7: Evandale Precise Plan and Opportunity Sites

Staff proposes to rezone the entirety of Subarea A to ensure a cohesive approach to the neighborhood and allow for the potential of lot consolidation to create more viable mixed-use projects.

The Evandale Precise Plan Subarea A currently allows neighborhood commercial uses subject to the CN Zoning District development standards, along with motels and hotels. Staff proposes to introduce General Plan Mixed-Use Village Center land use as an allowed land use and reference the development standards in Chapter 36 (Zoning) of the City Code. This approach does not change the underlying zoning, introduces opportunities for residential development, and requires a neighborhood commercial aspect to maintain the Precise Plan's goal of maintaining Subarea A as a neighborhood commercial center that serves the larger Whisman Area.

The General Plan land use designation is currently Neighborhood Commercial. Under the staff recommendation, it would be amended to General Mixed-Use, which permits up to 43 dwelling units per acre, similar to the target density specified in the Housing Element.

<u>EPC Recommendation</u>: At the January 15 EPC hearing, EPC unanimously supported staff's recommended General Plan Mixed Use Village Center land use approach (6-0).

1702 Miramonte Avenue and 777 Cuesta Drive

The current zoning designation for these sites is Commercial-Office (CO), which currently does not allow the General Plan Mixed-Use Village Center land use. Staff proposes amending Chapter 36 (Zoning) of the City Code to introduce the General Plan Mixed-Use Village Center land use as a conditionally permitted land use in the CO Zoning District. This approach does not change the underlying zoning, introduces opportunities for residential development, and allows the existing medical office uses to remain as they are permitted uses in the CO Zoning District. Any new mixed-use development would need to comply with the General Plan Mixed-Use Village Center land use standards as shown in Attachment 3. Introducing this land use would not impact other CO-zoned sites as the General Plan Mixed-Use Village Center land use are only allowed where prescribed by the General Plan.

Under the staff recommendation, the General Plan would then be amended from Office to Neighborhood Mixed-Use for these sites. The Neighborhood Mixed-Use General Plan designation would permit residential densities at 1.05 FAR, or approximately 30 dwelling units per acre, similar to the target densities specified in the Housing Element.

<u>EPC Recommendation</u>: EPC unanimously supported staff's recommended General Plan Mixed Use Village Center land use approach for 1702 Miramonte Avenue (5-0-1; Dempsey recused) and 777 Cuesta Drive (6-0).

1949 Grant Road

The current zoning for 1949 Grant Road is P-26 (Grant-Martens Precise Plan) Area B, which currently permits uses that are permitted in the R1 Zoning District and explicitly allows the existing convalescent hospital at this site to be a permanent compatible use for the area. Since the Precise Plan allows greater flexibility to permit the existing convalescent hospital to continue, staff recommends amending the Precise Plan to include policy language that continues to permit the existing land use but includes references to the R3 Zoning District for new development for this site which would then be known as Area C.

Under the staff recommendation, the existing General Plan land use designation of low-density residential would be changed to Medium-High Density Residential, which allows approximately

25 to 35 dwelling units per acre. This would achieve the minimum 30 dwelling unit per acre as identified in the Housing Element for this site.

<u>EPC Recommendation</u>: EPC unanimously supported staff's recommended R3 (Multiple-Family) Zoning District approach (6-0). In addition to the approach, EPC recommended that Council direct staff to utilize the flexible Precise Plan approach to allow a convalescent home at 1949 Grant Road to develop at a similar density as the proposed residential.

677-699 Calderon Avenue

The existing zoning for this site is Commercial Neighborhood (CN), and the existing General Plan land use designation is Neighborhood Commercial. The Housing Element requires the site to permit a minimum 30 DU/acre and require commercial uses. Therefore, staff recommends amending the General Plan designation to Neighborhood Mixed-Use, which would allow a General Plan Mixed-Use Village Center land use with the correct density and required commercial, pursuant to the development standards in Chapter 36 (Zoning) of the City Code. A zoning amendment would not be necessary in this case because the existing zoning conditionally permits the General Plan Mixed-Use Village Center land use.

<u>EPC Recommendation</u>: EPC unanimously supported staff's recommended General Plan Mixed Use Village Center land use approach (6-0).

Mountain View Transit Center

The Mountain View Transit Center is a site with high development opportunity, given its transit location and proximity to downtown. The primary landowner of the Mountain View Transit Center is Caltrain. Therefore, any future development at this site will require a joint partnership with Caltrain. However, further coordination with Caltrain is needed, along with additional analysis on financially viable developments before additional details of the Transit Center can be further developed.

As further coordination is needed with Caltrain on the Transit Center site, staff proposes minimal amendments to the zoning and General Plan for the Transit Center. These changes would allow residential land uses at the densities identified in the Housing Element, which is 75 DU/acre. Any additional standards will be further developed with Caltrain through the Master Plan process to identify appropriate land uses, development characteristics, and other design policies.

<u>EPC Recommendation</u>: EPC unanimously supported staff's recommended Precise Plan approach to allow 75 DU/ac (6-0).

Additional EPC Recommendation

In addition to the recommendations above, the EPC recommended that the City Council direct staff to study the issue of small business loss and displacement due to redevelopment of older, "naturally affordable" commercial sites and consider incentives to encourage developers to accommodate the previous businesses within the new development.

Environmental Review

Once given direction from Council on the proposed approaches, staff will conduct environmental review as necessary. As the Housing Element Environmental Impact Report (EIR) studied the environmental impacts of additional densities, a consistency checklist will likely be needed to ensure no further environmental analysis is needed as part of the proposed rezonings, assuming the densities are maintained similar to what was proposed in the Housing Element.

Outreach

Once given direction from Council on the proposed approaches, informational letters will be sent to property owners regarding the proposed General Plan Amendments and/or rezonings. Postcards were previously sent out to property owners and tenants within 750' of these sites for these EPC and City Council meetings and will also be sent out for the final hearings.

A significant amount of outreach occurred during the development of the Housing Element. These sites were introduced to the community, EPC, and Council as additional sites for consideration in May 2022 when the first draft Housing Element was published. At that time, attempts were made to reach out directly to property owners through phone calls, mailers, or emails with varying success. Toward the end of the process, these areas were elevated to rezoning programs, and several of the sites were integrated into the Sites Inventory. This information was included in Citywide notices and emails to neighborhood associations and those who signed up to receive electronic notices. There was varying interest from property owners in redevelopment, with the most interest in the Leong Drive area.

As outreach had previously been conducted as part of the development of the Housing Element, no additional outreach is anticipated to be conducted unless Council directs staff to do more outreach or direction is provided that differs greatly from the densities laid out for these areas in the Housing Element.

NEXT STEPS

Key next steps include drafting the amendments based on EPC and City Council feedback, conducting environmental review, and returning to the EPC and City Council at the end of 2025

for a final adoption hearing of the proposed amendments before the Housing Element deadline of December 31, 2025.

FISCAL IMPACT

A <u>Fiscal Impact Analysis (FIA)</u> report was completed and evaluated the impacts of the Housing Element implementation as part of the Sixth Cycle Housing Element update. The FIA concluded that the implementation of the Housing Element programs would have a positive net impact on the City's General Fund and Shoreline Regional Park Community Fund. This was presented at the January 24, 2023 City Council public hearing.

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.

EXEMPT FROM THE LEVINE ACT

 \boxtimes General policy and legislative actions

CONCLUSION

The Housing Element Program is intended to create housing opportunities for sites identified as opportunity sites in the Housing Element and additional sites that are viable for redevelopment. The proposed General Plan rezoning approaches for Housing Element Program 1.1.g are intended to meet the minimum densities identified in the Housing Element. These approaches also take into account policies for neighborhood transitions and preservation of existing commercial uses. The City Council may provide additional feedback on these approaches or indicate other policies that should be considered in the updates.

ALTERNATIVES

- 1. Direct staff to study alternative General Plan Amendment and/or zoning approaches.
- 2. Direct staff to conduct additional analysis, outreach, or other process and return with revised approaches. This alternative could result in delays to the implementation of the Housing Element program and may result in missing the Housing Element deadline.
- 3. 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 a 750' radius were notified of the meeting. Electronic notices were sent to those who signed up on the Housing Element website to receive information regarding updates for housing element program implementation. Meeting information was also posted on the Housing Element webpage of the City website.

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KP-DP-EA/6/CAM 828-02-11-25CR 204424

Public Comment Attachments: 1.

- **Evandale Precise Plan** 2.
- **Grant-Martens Precise Plan** 3.
- 4. **Evelyn Avenue Corridor Precise Plan**
- **Residential Standards** 5.
- **CRA Standards** 6.
- 7. General Plan Mixed-Use Village Center Land Use Standards