

CITY OF MOUNTAIN VIEW

ENVIRONMENTAL PLANNING COMMISSION
STAFF REPORT
MARCH 13, 2024

5. STUDY SESSION

5.1 R3 Zoning District Update—Goals, Phasing, Sub-Districts, and Location Criteria

RECOMMENDATION

Review and provide recommendations to the City Council on the R3 Zoning District Update, including the project goals, phasing, sub-districts, and criteria for developing alternatives.

PUBLIC NOTIFICATION

The Council agenda is advertised on Channel 26, and the agenda and this Study Session memorandum appear on the City’s website. All residents of the City and all owners of property in the City were sent a postcard regarding this meeting. Neighborhood associations were also notified. Electronic notices were sent to those who signed up to receive them regarding this project. Meeting information was also posted on the City’s website: www.mountainview.gov/r3zoningupdate. In addition, various outreach activities have advertised this project, as described below.

BACKGROUND

Project Overview

The R3 Zoning District (and the precise plans that refer to it) covers approximately 15% of the City’s area and contains approximately 50% of the City’s existing dwelling units. It is characterized by a broad diversity of housing types, including single-family, apartments, condominiums, rowhouses, townhouses, and duplexes. It also includes a small number of other uses, such as churches. Most buildings are one to three stories, with one to two parking spaces per unit, some common open area, and setbacks of at least 10’ to 15’. Allowed densities are described in greater detail later in this report. Exhibit 1 (R3 Maps and Data) includes additional information about the R3 Zoning District.

The R3 project was identified in the 2019-2021 City Council Goals, to “review and propose revisions to the R3 Zone standards that consider form-based zoning, incentivizing stacked flats, and updated rowhouse guidelines.” Among other reasons, the project was identified in response to several rowhouse projects proposed to replace and reduce the number of dwelling units existing on a site. The project has been included in each of the City Council’s

subsequent work plans. On November 12, 2019, the City Council authorized the scope of work and budget for this project, which included hiring the project consultant, Opticos.

The project has been reviewed by the City Council at two Study Sessions, on [October 13, 2020](#), and on [April 13, 2021](#). The first Study Session report focused on densities and development standards that would support development feasibility. The second Study Session report presented a character sub-zone framework and draft map for Council review.

Since these Study Sessions, the Project Planner has changed, additional outreach was conducted, and the project was put on a temporary hold as the City's Housing Element and Displacement Response Strategy were developed. A project chronology, including previous Council direction, is included in Exhibit 2.

Outreach

Project workshops were held in 2020 and 2021, prior to the Council Study Sessions. In 2022, a series of workshops were held for each of the City's six Council Neighborhoods Committee neighborhoods. Along with those workshops, the City collected comments through an online comment tool. In December 2023, a tenant-focused workshop was held. Throughout this time, staff met with neighborhood groups, interest groups, and other stakeholders about the project. A summary of 2022-2024 workshops, meetings and online input is attached as Exhibit 3.

The following are key themes of the public input:

- **Growth:** There is no clear consensus about the level of growth this project should consider:
 - Many feel strongly that the priority for the project should be to allow additional housing.
 - Many others are cautious about growth, including concerns about character, infrastructure, parks, schools, and other impacts.
 - Some who are cautious about growth still support it along major corridors and near transit.
- **Commercial:** Most commenters are supportive of better access to retail, services, and amenities, including allowing commercial in R3. However, it should not be required at the expense of housing. Some have concern about parking, noise, character, vacancies, and other impacts.

- **Walking and biking:** Broad support for improved walking and biking environment, including tree canopy, paseos, wide sidewalks, and bike lanes.
- **Concerns about taller buildings:** Taller buildings are associated with concerns such as loss of sunlight, privacy, and neighborhood character. Some advocate for taller buildings having larger setbacks, to accommodate trees and landscaping.
- **Frontage Character:** Some are looking for landscaping between buildings and sidewalk; others are looking for entrances and building interest.
- **Building Character:** Some desire differentiation between neighborhoods and/or cohesion within neighborhoods. Some have concern about blocky/modern buildings, and some support the inclusion of architectural features like porches, balconies, and bay windows.
- **Parking:** There is no clear consensus on the issue of parking:
 - Some believe that parking should not be required so that housing can be built less expensively for those who choose not to drive.
 - Some believe that parking should be required to ensure new residents are not forced into limited street parking.
- **Density Bonus:** Some are concerned about how allowances for concessions and waivers through the State Density Bonus will automatically compound any density and height increases.
- **Displacement:** Displacement and housing costs continue to be a major concern among renters.

State Laws

The following key state laws inform the R3 Zoning District Update Process:

- *State Density Bonus* allows applicants to increase their allowed density by a prescribed amount based on the number and type of affordable units they provide.¹ It also allows broad latitude to development applicants to select waivers of development standards

¹ The current maximum density bonus is 100% (i.e., double the allowed density). The maximum density bonus for projects that simply meet the City's 15% Below-Market-Rate (BMR) requirement is 50%. Under AB 1287, there are density bonuses higher than 50%; however, these would require more affordable units than required under the City's BMR Code requirements.

- in order to physically construct the increased density. For example, under the current R3 Zoning District, a development at 918 Rich Avenue was recently entitled to five stories with the State Density Bonus, while the maximum allowed in the R3 Zoning District is only three stories. In addition, it also allows other exceptions to development standards, including incentives/concessions (which are related to lowering project costs) and reduced parking. **The City has no control over these waivers, concessions, and reduced parking, other than to verify that they are consistent with State Density Bonus Law, so it is not realistic for the R3 Zoning Update to anticipate every project that might be allowed within the district.** Nonetheless, an applicant is required to identify all waivers and concessions they are using, which may be able to inform future zoning policy.
- *Senate Bill (SB) 330* includes several major provisions that apply until 2030, including the following:²
 - Added provisions to the Housing Accountability Act to ensure only objective standards are used to deny or reduce the development capacity of a housing development project;
 - Limits actions that may reduce residential development capacity or implement growth-control measures; and
 - Imposes replacement housing and relocation requirements for projects that demolish residential units.³
 - *SB 478* prohibits the City from imposing the following standards on multi-family development between three and 10 units:
 - Minimum lot size;
 - Floor area ratio (FAR) less than 1.0 (three to seven units) or 1.25 (eight to 10 units); and
 - Lot coverage physically precluding FARs in the previous bullet.

² Other provisions have limited effect on the R3 Zoning District Update, such as the five-hearing limit and the preliminary application process.

³ State Density Bonus Law includes a similar replacement and relocation provision that does not expire.

- *SB 684* creates a ministerial (nondiscretionary) approval pathway for development projects with subdivisions up to 10 units in multi-family zoning districts. There are other key criteria for the subdivisions, including minimum densities, and the City is prohibited from imposing standards such as:
 - Side and rear setbacks more than 4’;
 - FAR less than those in SB 478; and
 - Minimum parking, if located near transit or car share.

Housing Element Programs

The City’s certified 2023-2031 Housing Element includes several programs affecting multi-family residential zoning. **While the Housing Element does not require increases in density in the R3 Zoning District, these programs affect the standards in R3 and should be completed during the R3 Zoning District Update process.** The deadline to implement these programs is December 2025.

- *Program 1.3.a:* “Conduct a development prototype study, update definitions as necessary for consistency between plans and districts, and revise multi-family development standards in major districts (including R3) and Precise Plans to ensure projects can, at minimum, meet their allowed density and are economically feasible, where possible through reductions of physical development standards. Economic feasibility and the cumulative effects of standards will be inputs in the reduction of standards. Where appropriate, calibrate standards to lot size. Focus on standards with the greatest feasibility impacts on underutilized sites, such as open area, parking, and building coverage.”
- *Program 1.3.c:* “Ensure that the Zoning Code is updated to reflect densities and other standards as required by state law (e.g., SB 478).”
- *Program 1.3.e:* “Study live-work as an allowed residential use near retail areas, major corridors, and other viable locations.”
- *Program 1.3.h:* “Conduct a review of R2-zoned properties. For all properties, upzone to either allow density greater than typical R1 properties under SB 9, (at least four units per typical parcel, plus ADUs) or integrate the sites into the R3 Zone. Sites selected to integrate into the R3 Zone should be based on affirmatively furthering fair housing, access to transit, schools, and services and other policy goals.”

Displacement Response Strategy—Related But Separate Council Priority Work Plan Item

The Fiscal Year 2023-25 Council Strategic Work Plan includes the Displacement Response Strategy (Strategy) to, among other priorities, evaluate local replacement requirements for redevelopment projects, evaluate an acquisition/preservation program, and update the Tenant Relocation Assistance Ordinance. Subsequent to the Housing Element adoption, the Strategy also includes other programs, such as the development of a Community Ownership Action Plan. The Strategy and R3 project are related since nearly all dwelling units covered by the Community Stabilization and Fair Rent Act (CSFRA) are within the R3 Zoning District. At the April 13, 2021 City Council meeting regarding R3, Council directed staff to address displacement prior to developing the R3 Zoning Update.

The City Council provided direction on the Strategy on [October 29, 2019](#), [September 22, 2020](#), and [October 10, 2023](#). At the latter meeting, the City Council directed staff to prepare a local replacement ordinance that would go into effect when SB 330 sunsets. A Study Session is also scheduled for March 19, 2024, when Council is expected to discuss acquisition and preservation, the Community Ownership Action Plan, and other efforts.

Displacement response and the R3 Zoning District affect each other in several ways, including the following:

- City requirements to replace demolished CSFRA units would preserve the affordable housing supply but make redevelopment projects on R3 less economically feasible while increasing allowable densities in the R3 Zoning District would make redevelopment more feasible and may create situations where tenants would have to vacate their current units either temporarily or permanently.
- Increasing allowed densities in the R3 Zoning District may increase property values and the incentive for property owners to redevelop, which may require more funding resources to achieve the City's acquisition/preservation and community ownership goals. The City's replacement provisions would support an additional supply of affordable units and the opportunity for affected tenants to return.

Both these issues are related to the economic feasibility of redevelopment in the R3 Zoning District. However, as described in the October 10, 2023 Study Session memorandum, there are several reasons why the R3 project does not need to result in economically feasible redevelopment of CSFRA properties at this time: (1) it is not a Housing Element requirement; (2) it is not necessary while SB 330 is in effect; (3) replacement requirements are based on the makeup of current residents, which is not a factor in R3 zoning; and (4) state guidance may evolve on these issues. Therefore, economic feasibility of CSFRA property redevelopment is best addressed closer to the sunset of SB 330 (for example, in 2028) and does not need to be addressed at this time.

ANALYSIS

Executive Summary

The purpose of this Study Session is to reacquaint the Environmental Planning Commission (EPC), City Council, and community with the project, reestablish project goals, and provide high-level direction on the project scope which will be determined based on the answers to the following questions (further discussed below):

1. What feedback does the EPC have on the goals for the R3 project?
2. If the City Council wishes to increase General Plan densities in the R3 Zoning District, should the City phase the project by addressing the Housing Element and state law requirements and other related tasks first or should the City continue with the full scope of the project?
3. What densities and which character sub-districts should be included in developing alternatives that staff will bring back for EPC and Council consideration at a later date?
4. What feedback does the EPC have on the criteria for where to locate higher densities and commercial uses?

Benchmarking

Table 1 summarizes cities that have undertaken similar form-based code updates recently, including some information about the project's location, target character, and outcomes. These peers can help inform project alternatives throughout the process. As a basis of comparison, R3 currently allows heights of up to 45' and up to three stories.

Table 1: Benchmarking Cities

Location	Target Character	Development Outcomes*
Mesa, AZ, Main Street Area (Adopted 2014)	4 zones 2 to 3 stories 2 zones up to 5 stories 1 zone up to 8 stories 1 zone up to 15 stories	Mid-rise 4 to 7 stories 1 High-rise at 15 stories Total Projects: 13**
San Rafael, Downtown (Adopted 2021)	1 zone up to 3 stories 1 zone up to 4 stories 1 zone up to 5 stories 1 zone up to 7 stories	Mid-rise 4 to 8 stories Total Projects: 6**

Location	Target Character	Development Outcomes*
Campbell, Citywide (Adopted 2023)	2 zones up to 2 stories 1 zone up to 3 stories 1 zone up to 4 stories 1 zone up to 5 stories 2 zones up to 7 stories	Townhouses at 3 stories Mid-rise at 7 stories Total Projects: 4**
Davis, Downtown (Adopted 2023)	1 zone up to 2 stories 2 zones up to 4 stories 1 zone up to 5 stories 1 zone up to 7 stories	Mid-rise 4 to 7 stories Total Projects: 6**

* Includes built projects and projects that are approved but not yet built.

** Total projects as of March 5, 2024. Other projects may be near submittal or at some other unofficial point in the process that is unknown at this time.

Question No. 1: Draft Goals

Staff is seeking EPC and City Council direction on the project goals. The following draft goals are based on public input during outreach, as well as Council direction from previous Study Sessions.

1. Create opportunities for diverse unit types, including middle-income ownership and stacked flats.

The following concepts and actions will support this goal:

- a. Continue to analyze constraints on stacked and ownership units.
- b. Develop project prototypes for target densities in stacked and ownership configurations.
- c. Use the prototypes to generate standards that promote stacked units, rather than rowhouse units, on a range of sites.

2. Produce better design that reflects the community’s vision through objective form-based standards, including, but not limited to:

- **Pedestrian-friendly neighborhoods with a focus on building and property frontages;**

- **Respectful transitions and buffers between new development and lower-density neighborhoods; and**
- **Increased tree canopy and landscaping.**

The following concepts and actions will support this goal:

- a. Develop objective form-based standards for design, landscaping, and transition and pedestrian-friendly streetscape standards.
- b. Develop a Multi-Family Design Handbook, including a voluntary Pattern Book.

3. Create opportunities for neighborhood-serving uses.

The following concepts and actions will support this goal:

- a. Study allowed neighborhood commercial and commercial standards (including floor area and parking).
- b. Develop form-based standards for commercial spaces that are flexible for a variety of commercial uses.

4. Update the R3 Zoning District to be consistent with state law and the General Plan while addressing Housing Element programs and improving development review.

The following concepts and actions will support this goal:

- a. Develop a consistent General Plan and zoning designation framework.
- b. Study a range of building configurations, unit sizes, and other prototypes to determine development standards that are consistent with allowed densities.
- c. Establish form-based development standards and location criteria for live-work.
- d. Incorporate the latest state statutes, such as SB 478.
- e. Incorporate R2 areas as prescribed by the Housing Element.
- f. Update Zoning Ordinance definitions for additional clarity and consistency across all multi-family zoning districts and Precise Plans.

5. Create opportunities for increased densities in targeted areas if directed to do so by Council.

This goal represents a major point of disagreement in the community and has the most significant consequences on how the project is carried out. Therefore, this goal also affects the remaining questions in the report (as described in each of the sections below).

There is some existing capacity within existing General Plan designations, as shown in Exhibit 1. Rejecting this goal could result in some future growth through the existing General Plan capacity, while endorsing this goal would increase General Plan densities and result in additional growth.

There are several approaches the City could take to increasing density, such as by-right increases, establishing a local density bonus, or creating a “floating zone.” The latter two (local density bonus or floating zone) may preserve some discretion over developments or support the provision of community benefits. There is necessary legal analysis before implementing these approaches, which would be studied if Council supports this goal.

Increased densities could support other project goals. For example, redevelopment at higher densities would create opportunities for diverse unit types and would generate increased demand for neighborhood-serving commercial.

The following concepts and actions will support this goal:

- a. Study increased General Plan densities (as identified in Question No. 3).
- b. Study a bonus or overlay framework to allow density increases when a project meets community benefit criteria.

Question No. 1: What feedback does the EPC have on the goals for the R3 project? Does the EPC support Goal 5?

Question No. 2: Project Phasing

This section covers options for the order and timeline of the project’s key tasks. This project includes **tasks that the City is mandated to complete**, such as those that are required under state law and the Housing Element, and **tasks that the City has discretion over**, including density increases if that goal is endorsed by the City Council. There are two options for how the City can proceed with these tasks: a phased approach or a combined approach.

If additional tasks are identified in EPC discussion related to Question No. 1, these should also be considered in this section.

Phased Approach

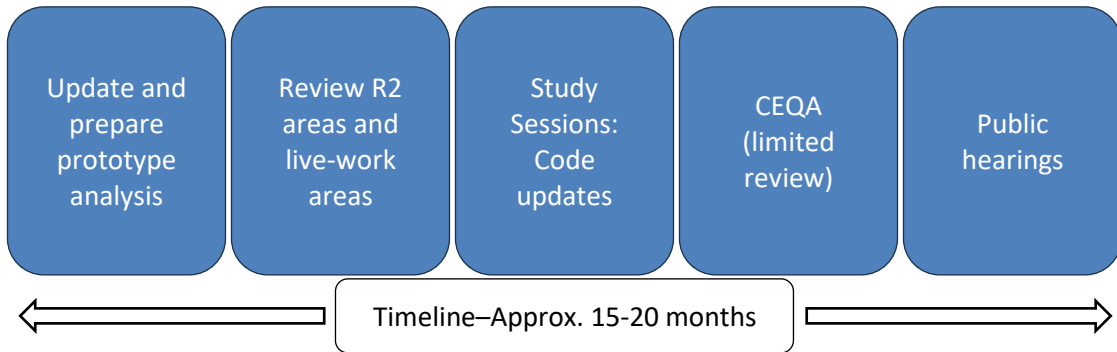
Figure 1 demonstrates a potential phased approach that would prioritize the mandated tasks first. To complete the mandated tasks, the project would start by developing zoning standards that align or closely align with existing General Plan designations (a framework for this is provided later in this report). Environmental review would be necessary to complete this phase but limited because the Housing Element contemplated this portion of the project. In order to limit the extent of environmental review, any growth contemplated in this project should be assigned to Phase 2.

In addition to the mandated tasks, Phase 1 would also address Goals 1 through 3 above, if and as endorsed by Council, for existing General Plan densities.

Upon completion of the mandatory tasks and adoption of the necessary code updates, staff could begin working on Phase 2 of the project, a preferred growth scenario for distributing new densities in the City. However, since this process is within the City's discretion, the Council is under no obligation to carry out Phase 2. In other words, if Council does not wish to study increased densities as part of this project (i.e., if Council does not support Goal 5 above), the project would only include Phase 1.

Phase 2 would also address Goals 1 through 3 above, if and as endorsed by Council, as they may be affected by the new General Plan densities.

PHASE 1—Mandated Tasks



PHASE 2 (IF DESIRED)—Increasing Densities (Discretionary Tasks)

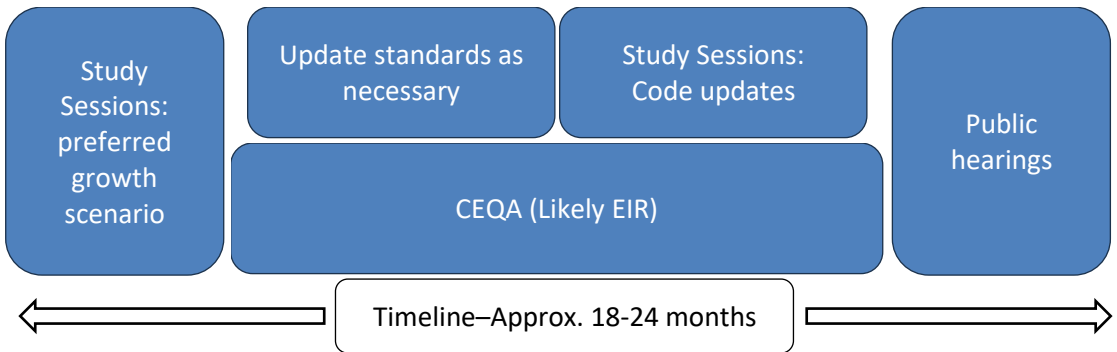


Figure 1: Phased Approach

Combined Approach

Figure 2 demonstrates a potential combined approach that would address the project’s tasks in a single sequence. If the City Council wishes to increase General Plan densities, the combined approach would carry out those increases concurrently with the mandated tasks.

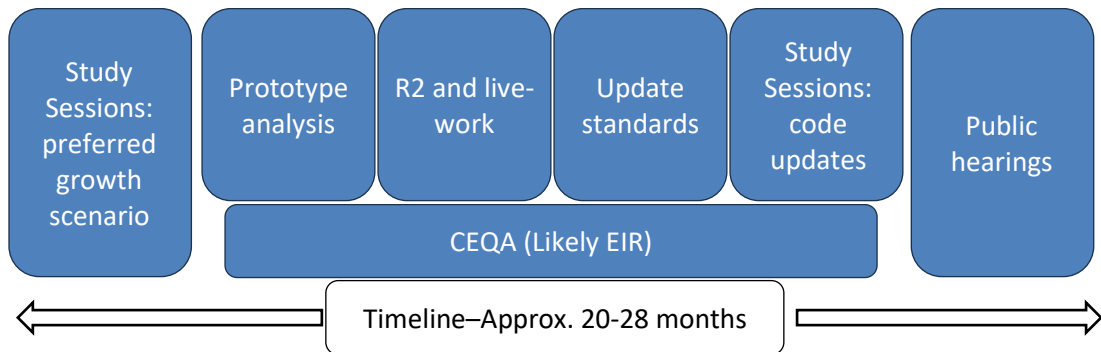


Figure 2: Combined Approach

Considerations

Table 2 below provides an analysis of the benefits of each approach.

Table 2: Benefits of Each Approach

Benefits of the Phased Approach	<ul style="list-style-type: none"> • Completes the required items quickly, allowing the City to focus on the nonrequired changes at a slower and more thoughtful pace. • Supports compliance with Housing Element timelines. • Density work could be done along with economic feasibility of replacement requirements, as described in the October 10, 2023, Displacement Response Study Session Report.
Benefits of the Combined Approach	<ul style="list-style-type: none"> • May reduce duplicated efforts. For example, standards may need to be updated twice if the City proceeds with higher densities later on. • Would likely result in lower overall costs and shorter timeline compared to the same outcomes in the phased approach; however, would likely not meet the Housing Element timelines.

Question No. 2: If the City Council wishes to increase General Plan densities in the R3 Zoning District, should the City phase the project by addressing the Housing Element and state law requirements and other related tasks first or should the City continue with the full scope of the project?

Question No. 3: R3 Sub-Districts and Densities to Study

This section covers the range of densities that currently exist in the R3 Zoning District and options for new density ranges to study. The question at the end of the section asks which sub-district densities the project should include.

The key upcoming tasks for this project include prototype analyses, development of objective standards, and other technical studies (including the California Environmental Quality Act (CEQA) process). Before these tasks can begin, the City Council must select a preferred growth alternative and any other alternatives that Council wishes to study in detail, including development densities. The purpose of this section is to help refine those growth alternatives by identifying the range of heights, densities, and character that Council




wishes to incorporate into the R3 Zoning Update project. A later question in the report will inform options for where the different sub-districts will land. **The project team is not seeking EPC/Council direction on a map of these sub-districts at this time.**

If the City Council does not endorse Goal 5, the preferred growth alternative would be consistent with the existing General Plan densities. More information about potential R3 designations consistent with existing General Plan densities is provided below. If the City Council prefers the phased approach, then any increases in density would be considered after Phase 1.

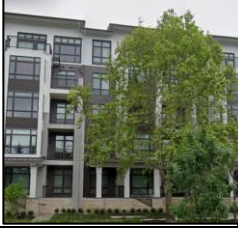




Existing Zoning and General Plan Designations

Table 3 illustrates a subset of existing multi-family residential zoning and General Plan designations, including a characteristic photo, and brief description of the densities and character allowed.

Table 3: Current Multi-Family General Plan and Zoning Designations⁴

Example Image	General Plan Designation	Zoning District	Comments
<i>Existing R3 Designations</i>			
	<i>Medium-Density</i> - Up to 25 DU/ac - 3 stories	R3-4 to R3-1.5	Typical rowhouse density.
	<i>Medium-High Density</i> - Up to 35 DU/ac - 3 stories	R3-1.25 R3-1	Typical 2- to 3-story garden apartment density.
	<i>High-Low Density</i> - Up to 50 DU/ac - 4 stories	N/A	Currently only the 555 West Middlefield Road project has this General Plan designation.

⁴ Other multi-family residential General Plan and zoning designations exist; however, these are the designations with the most development capacity and most recent projects.

Example Image	General Plan Designation	Zoning District	Comments
	<p><i>High-Density</i> - Up to 80 DU/ac - 5 stories</p>	<p>R3-D R4</p>	<p>R4 is a floating zone. The code includes criteria for its placement (such as minimum project size).</p>
<i>Other Designations Provided for Reference</i>			
	<p><i>Medium-Low Density</i> - Up to 12 DU/ac - 2 stories</p>	<p>R2</p>	<p>Intended for duplexes. Also allows small-lot, single family. Multi-family is a conditional use.</p>
	<p><i>Mixed-Use Corridor</i> - Up to 1.85 FAR Approx. 60 DU/ac - 4 stories</p>	<p>ECR PP SA PP (west side of San Antonio Road)</p>	<p>Density regulated by FAR. 1.85 FAR could vary from 50 to 75 DU/ac.</p>
	<p><i>East Whisman Mixed-Use</i> - Base: Up to 1.0 FAR Approx. 40 DU/ac Bonus allowed under Precise Plan - 6-8 stories</p>	<p>EW PP - Bonus up to 3.5 FAR</p>	<p>Density regulated by FAR. 3.5 FAR could vary from 100 to 150 DU/ac.</p>
	<p><i>North Bayshore Mixed-Use</i> - Base: Up to 1.0 FAR Approx. 40 DU/ac Bonus allowed under Precise Plan - 15 stories</p>	<p>NBS PP - Bonus up to 4.5 FAR</p>	<p>Density regulated by FAR. 4.5 FAR could vary from 150 to 200 DU/ac.</p>

ECR PP = El Camino Real Precise Plan; SA PP = San Antonio Precise Plan; EW PP = East Whisman Precise Plan; NBS PP = North Bayshore Precise Plan

Proposed R3 Sub-Districts



Table 4 illustrates proposed sub-districts based on work done to date. Exhibit 4 (Building Types Images) includes additional images illustrating the sub-districts and their typical building types.

The density ranges shown in Table 4 below are approximate and only provided to convey the approximate residential capacity of the sub-districts, relative to the current zoning districts. Dwelling units per acre (DU/ac) has little relationship to form. More dwelling units are physically possible in a smaller form when the units are smaller or when the project provides less parking, open area, commercial, or amenity space. In addition, architectural choices and building types can reduce the visual impact of some densities. For example, it is physically possible to fit 40 DU/ac in forms that might be appropriate in R3-A if some of the project characteristics described above are incorporated into the project.

General Plan densities and their intersection with building types may change as the code is developed based on refinement of the sub-districts' character. However, **maximum densities in the General Plan for each sub-district should be on the low end of the ranges shown below.** This is based on best practice to provide flexibility for projects to reach their maximum density while complying with development standards. In other words, if the maximum density is high relative to the prescribed form, then a developer would not be able to build at that density while accommodating a range of unit sizes, parking, open space or other amenities within the form set by the standards. In addition, it also creates some capacity in the form-based standards to accommodate State Density Bonus (though, as stated above, developers can request waivers with few limitations). The "Recommended General Plan Consistency" in Table 4 reflects this consideration.

Table 4: Proposed Sub-Districts

Sub-District	Description
<p>R3-A. 2.5-Story, “House-scale”</p> 	<p>~15-25 DU/ac</p> <p><u>Building Types</u></p> <ul style="list-style-type: none"> - Duplex stacked - Cottage court - Pocket neighborhood - Fourplex - Neighborhood townhouse <p><i>Recommended General Plan Consistency:</i> May be appropriate for upzoning some Medium-Low Density Residential (R2) areas, as required under the Housing Element.</p>
<p>R3-B. 3.5-Story, “Neighborhood”</p> 	<p>~25-35 DU/ac</p> <p><u>Building Types</u></p> <ul style="list-style-type: none"> - Neighborhood courtyard - Multiplex - Neighborhood townhouse <p><i>Recommended General Plan Consistency:</i> Medium-Density Residential</p>
<p>R3-C. 3.5-Story, “Core”</p> 	<p>~35-50 DU/ac</p> <p><u>Building Types</u></p> <ul style="list-style-type: none"> - Core townhouse - Multiplex - Core courtyard <p><i>Recommended General Plan Consistency:</i> Medium-High Density Residential</p>

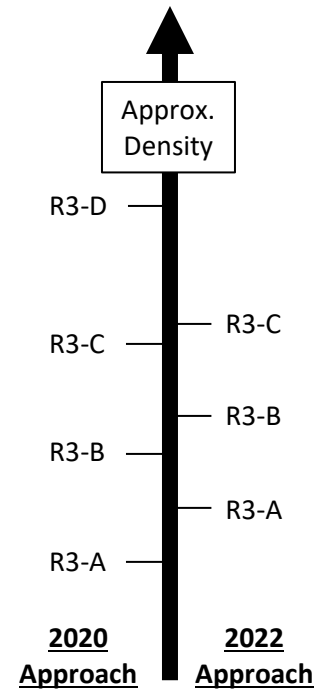
Sub-District	Description
<p>R3-D1. Four-Story, “Block-scale”</p> 	<p>~50-75 DU/ac</p> <p><u>Building Types</u></p> <ul style="list-style-type: none"> - Mid-rise - Core courtyard <p><i>Recommended General Plan Consistency:</i> High-Low-Density Residential</p>
<p>R3-D2. Six-Story, “Block-scale”</p> 	<p>~75-110 DU/ac</p> <p><u>Building Types</u></p> <ul style="list-style-type: none"> - Mid-rise - Core courtyard <p><i>Recommended General Plan Consistency:</i> High-Density Residential (incorporating R4 into project)</p>

Comparing Subdistricts from Past Outreach

Since 2020, the project team has presented two density sub-district frameworks to the community. These are shown in maps within Exhibit 3. The chart at right illustrates the density ranges of the two sub-district approaches. **During the community outreach, there was no clear consensus between these two maps.**

1. The **2020 Approach** had a broad range of different character sub-districts, from two stories to six stories. These sub-districts were allocated to locations in the City based on the feasibility of redevelopment, the prevailing existing character, and existing parcel sizes.
2. The **2022 Approach** had a narrower range of different character sub-districts, from three to four stories. These sub-districts were allocated to locations based on transitions to R1, access to transit, and, to a lesser extent, prevailing existing character.

During the outreach, the distinction between sub-districts in the 2022 Approach was not intuitive to the community. Therefore, the project team has decided to revert to the 2020 sub-district categories, which are shown in Table 4 above. In addition, to facilitate discussion with the EPC and Council, the previous R3-D has been split into “D1” and “D2.”



Considerations

There are several key considerations that may inform this selection.

- **No net reduction in development capacity**—Under SB 330, the City is prohibited from reducing overall development capacity through this action. For example, the City cannot select only R3-A or only R3-A and R3-B because those sub-districts are less dense than significant portions of the existing R3 Zoning District. However, if the City significantly upzones one area, density could be reduced in another area.
- **Recommendation for limiting density increases**—If the EPC rejects Goal 5 above and is not interested in General Plan density increases, they should select R3-A, R3-B, and R3-C as those are the densities closest to what is allowed today.
- **Recommendation for phasing**—If the EPC wishes to phase the project, as described in the previous section, any zoning districts selected that are higher than R3-C would be developed during Phase 2.
- **Incorporating R4**—If R3-D2 is selected, it would be roughly equivalent to the existing R4 Zoning District. At a later date, Council could choose to incorporate the R4 Zoning District in the project, or leave it as an alternative zone that applicants could request through the Gatekeeper process.

- **Option to go higher**—The EPC could recommend density increases above R3-D2 (for example, similar to East Whisman or North Bayshore).
- **Height overlay areas**—The existing one- and two-story overlay areas⁵ may only be consistent with R3-A, no matter what General Plan designation currently applies. In other words, it may not be possible to craft a zoning district that can accommodate densities above ~15 to 25 dwelling units per acre within a one- or two-story volume. Therefore, if the EPC/City Council wishes to maintain or limit the change in these overlay areas, the City would need to identify areas to upzone to balance this downzoning under SB 330.
- **Existing R3-D Zone**—The existing R3-D (not to be confused with the proposed R3-D1 or R3-D2 Zoning District, or the previously proposed R3-D Zoning District) currently applies to five parcels in the Del Medio Avenue/Fayette Drive area (see Figure 3). Four of these parcels may be appropriate for the existing R4 Zoning District, but one is likely too small to develop under the R4 standards. If R3-D2 is not selected, then R4 would not be incorporated into the project, and this area would need to be rezoned to R4. Staff would identify options for the remaining parcel at a later date (which may include upzoning another small area).

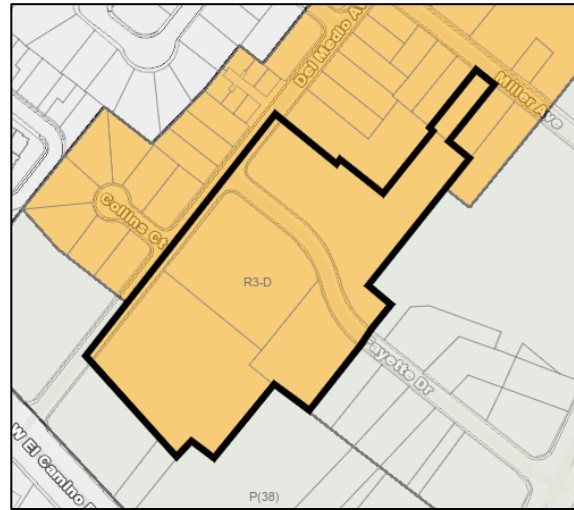


Figure 3: R3-D Area

Question No. 3: What densities and which character sub-districts should be included in developing alternatives that staff will bring back for EPC and Council consideration at a later date?

Question No. 4: Location Criteria for Densities and Commercial

Prior to developing alternatives for the distribution of densities and commercial uses, the project team is seeking EPC and Council input on potential siting criteria.

⁵ More information about these overlay areas can be found in the [April 13, 2021](#) Study Session memo.

The 2020 approach used feasibility of redevelopment, prevailing existing character, and existing parcel sizes as location criteria to allocate densities. This resulted in lower densities in some central locations near transit and services and some parcels that did not match their surrounding neighborhood. To address this, the 2022 approach was based on transitions to R1, access to transit and services, and, to a lesser extent, prevailing existing character. Existing parcel sizes were not considered unless there was a predominant neighborhood pattern; in other words, small parcels surrounded by large parcels had the same designation, but designations for neighborhoods were chosen based on prevailing parcel size.

The key criteria in Tables 5 and 6 could be considered when crafting a final density map for the project and areas where commercial uses might be allowed or incentivized. These criteria are based on best practices, benchmarking with other cities, previous Council direction, and outreach. In some cases, these criteria may be in conflict. For example, many areas with access to transit are near or within single-family neighborhoods. To respond to these conflicts, the project team will prepare several alternatives that weigh the criteria differently. The EPC is not expected to provide weighting comments at this time (some Commissioners may not wish to make such judgements unless they can see how it results) but may provide them if they wish.

Table 5: Draft Location Criteria for Considering Increased Density

Criteria	Notes
1. Existing General Plan and zoning designations: minimal change	This is the baseline option if the EPC wishes to only carry out Phase 1 of the project.
2. Existing General Plan and zoning designations: most dense	Target growth to areas with Medium-High, High-Low, and High-Density General Plan designations.
3. Access to public transit	Five- to 15-minute walk, equivalent to about 1,000' to 3,000'.
4. Access to commercial areas	
5. Access to employment areas	
6. Along major corridors	Four-lane and larger arterials, such as Rengstorff Avenue, Middlefield Road, and Grant Road.
7. Density transitions near single-family neighborhoods	An exception to this may apply near major freeways or major corridors.

Criteria	Notes
8. Individual parcel size	Consideration of increased densities on large enough sites to support parking, open area, transitions, or other area-intensive standards.
9. Prevailing parcel size	Alternatively, to Criterion No. 8, consider increased densities in neighborhoods where larger parcels predominate and incentivize smaller parcels within these neighborhoods to consolidate into larger parcels.
10. Other	The EPC may wish to identify other criteria for Council to consider.

Table 6: Draft Location Criteria for Neighborhood Commercial⁶

Criteria	Notes
1. Areas supporting high density	Combine areas of the highest existing or proposed density with neighborhood commercial uses.
2. Look for opportunities at walkable distances from all affected neighborhoods at key intersections	The “15-minute city” approach, where everyone has access to some commercial uses within a 15-minute walk of their home.
3. Adjacent to public transit	Next to or across the street from these locations.
4. Adjacent to commercial areas	
5. Adjacent to employment areas	
6. Along major corridors	Four-lane and larger arterials, such as Rengstorff Avenue, Middlefield Road, and Grant Road.
7. Individual parcel size	Promote commercial uses on sites large enough to support parking, screened trash facilities, or other area-intensive requirements.
8. Other	The EPC may wish to identify other criteria for Council to consider.

⁶ There are several ways that the Code could treat neighborhood commercial, such as requiring it, offering incentives for it, or simply not prohibiting it. These options depend on other factors developed in the Code and will be provided for the EPC and Council review in the future.

There is significant support for commercial uses from the community and previous Council direction, often for reasons related to opportunities for small businesses, shorter trips, trips using alternative modes, placemaking, and additional goods and services. However, it should be noted that there are potential issues with commercial uses in residential neighborhoods as well: traffic, parking, noises, smells (e.g., food service trash), lighting, and other impacts are often associated with commercial uses. In addition, there are often benefits for businesses to locate in areas with other businesses, so spaces may have a harder time finding tenants.

As stated above, the project team will consider these factors as project alternatives are developed. When alternatives are presented to the EPC and City Council, additional analysis will be provided to help decision-makers evaluate the alternatives. These data points may include:

- Overall growth capacity;
- Realistic growth capacity;
- Units near transit, commercial, or employment areas;
- Growth in each of the Council Neighborhoods Committee neighborhoods;
- Evaluation against the project goals; and
- Evaluation against the criteria selected by Council.

Benchmarking

Our consultants provided a summary of how cities generally distribute increased density. The general approach that most cities use can be sorted into four typical intensities and locations. Table 7 is a summary of those approaches.

Table 7: Typical Criteria for Increased Densities

Intensity (stories)	Intended Building Scale/Size (see attached slides for description)	Typical Locations	Building Types (see attached slides for descriptions and photos)
Higher (up to 12)	Block-scale	Within 1,000' (short walk distance) of "amenities": transit or shopping or services or major employer and very low to no parking expectations.	Core Courtyard, Mid-rise
High (4 to 6)	Block-scale		Core Courtyard, Core Multiplex, Core Townhouse

Intensity (stories)	Intended Building Scale/Size (see attached slides for description)	Typical Locations	Building Types (see attached slides for descriptions and photos)
Moderate (up to 4)	Block-scale	In neighborhoods more intense than single-unit neighborhoods and not within short walking distance of “amenities.”	Neighborhood Courtyard, Neighborhood Multiplex, Neighborhood Townhouse
Lower (2 to 3)	House-scale	In existing single-unit neighborhoods with or without Middle Housing, where minimal change is intended.	Neighborhood Multiplex, Neighborhood Townhouse

Question No. 4: What feedback does the EPC have on the criteria for where to locate higher densities and commercial uses?

Next Steps

The EPC’s recommendations on these questions will be forwarded to the City Council, tentatively scheduled for April 9, 2024. After the City Council provides direction, the project will proceed as directed in the phasing section above (either focusing on the mandated portions of the project in a first phase and the discretionary portions in a second phase, or working on mandatory and discretionary portions all in one phase). Depending on the direction from Council at their upcoming Study Session, the project may need to return to Council for a new scope of work and consultant agreement.

Mandatory portions of this project should be completed by December 31, 2025, consistent with the Housing Element.

CONCLUSION

The R3 Zoning District Update project team is seeking EPC recommendations on the following key questions:

1. What feedback does the EPC have on the goals for the R3 project?
2. If the City Council wishes to increase General Plan densities in the R3 Zoning District, should the City phase the project by addressing the Housing Element and state law requirements and other related tasks first or should the City continue with the full scope of the project?

3. What densities and which character sub-districts should be included in developing alternatives that staff will bring back for EPC and Council consideration at a later date?
4. What feedback does the EPC have on the criteria for where to locate higher densities and commercial uses?

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- Exhibits:
1. R3 Maps and Data
 2. Project Chronology
 3. 2022-2024 Public Input
 4. Building Types Library