



City of Sunnyvale

Agenda Item

26-0354

Agenda Date: 4/13/2026

REPORT TO PLANNING COMMISSION

SUBJECT

Introduce an Ordinance of the City of Sunnyvale amending Chapter 19.96 (Heritage Preservation) of Title 19 (Zoning) of the Sunnyvale Municipal Code temporarily excluding the Murphy Station Heritage Landmark District located at the 100 block of South Murphy Avenue and surrounding parcels that make up the Heritage Landmark District, a historic resource on the local historic register, from applicability of SB 79 provisions, and amending the Zoning Map to add a note indicating this exclusion. (File No. PLNG-2026-0118)

BACKGROUND

Senate Bill 79, the Abundant and Affordable Homes Near Transit Act, was authored by Senator Scott Wiener and signed by Governor Newsom on October 10, 2025 (Attachment 2). The law will take effect on July 1, 2026. SB 79 supersedes local zoning and allows housing on all sites currently zoned for residential, mixed-use, or commercial development within one-half mile of certain transit stops and establishes maximum densities, heights, and FAR that a local agency must allow through a non-discretionary permit. SB 79 applies to counties with more than 15 passenger rail stations, and in the Bay Area this includes Santa Clara, Alameda, San Mateo, and San Francisco counties.

SB 79 allows local agencies to defer the application of the statute for sites with a historic resource designation as of January 1, 2025, until one year after the next Housing Element adoption. SB 79 also allows the exclusion of such sites through adoption of an alternative transit-oriented development (TOD) plan, so long as sites excluded from the density requirements of the legislation on that basis (historic) do not cumulatively exceed 10 percent of the eligible area of any transit-oriented development zone. The temporary exclusion and/or the alternative TOD plan must be adopted by ordinance in compliance with SB 79.

The Murphy Station Heritage Landmark Historic District was initially designated as a historic district by the City in 1981. The district includes properties on the 100 block of South Murphy Avenue (between Evelyn Avenue and Washington Avenue) and properties along West Washington Avenue between South Frances Street and South Sunnyvale Avenue (Attachment 3, 1981 Resolution designating the heritage district and 1983 rezoning ordinance with map). The area is officially named the Murphy Station Landmark District after the original name of the nearby train station. In 1983 the area was zoned C-H Commercial Heritage and the property at the northeast corner of Washington Avenue and Frances Street was excluded from the district, with no other change to the district. The 100 Block of South Murphy Avenue was later incorporated into the Downtown Specific Plan and is part of Block 2.

This historic district is the only designated heritage area affected by Senate Bill 79 within the City and qualifies for the exclusion under the statute, as it does not exceed 10% of the eligible area. The properties within the historic district, including Murphy Avenue itself, are about 1% of the total half

26-0354

Agenda Date: 4/13/2026

mile area measured from the Sunnyvale Caltrain Station, well below the 10% maximum in the bill. (see map, Attachment 4).

EXISTING POLICY

GENERAL PLAN

HERITAGE PRESERVATION

GOAL CC-5 PROTECTION OF SUNNYVALE'S HERITAGE - To enhance, preserve and protect Sunnyvale's heritage including natural features, the built environment and significant artifacts.

- **Policy CC-5.1** Preserve existing landmarks and cultural resources and their environmental settings.
- **Policy CC-5.6** Encourage a commercially strategic mix of uses on Murphy Avenue.

ENVIRONMENTAL REVIEW

The action is exempt pursuant to Public Resources Code Section 21080.17 and California Environmental Quality Act (CEQA) Guidelines Section 15061(b)(3) and 15268.

DISCUSSION

The purpose of the proposed code amendment is to ensure that the Murphy Station Heritage Landmark District maintains its unique place in the history and evolution of Sunnyvale. Murphy Avenue retains the look and feel that community members have identified as an area representative of the culture and history of the City.

The City has long prioritized the development of new housing to meet identified needs. Recent large Specific Plans such as Moffett Park, Downtown, Lawrence Station, and El Camino Real (all located along major transportation routes and stations) are evidence that housing opportunities have been an important element of land use policies for the City for decades. As significant change from new development is possible, the need to protect historically significant areas such as the 100 block of South Murphy Avenue becomes more important.

It is with that goal that, as allowed by SB 79, staff proposes adoption of an ordinance to temporarily exclude the Murphy Avenue Heritage District from the application of SB 79. (Attachment 5). SB 79 allows optional exclusions such as the one applicable to historic resources, which must be adopted by ordinance, to be in effect until one year after the next housing element adoption, to preserve the status quo until local agencies can develop their own TOD plans that meet the same or similar goals to provide housing. The adoption of the subject code amendment would exempt the requirement to provide the residential uses at the densities allowed by SB 79 in the Murphy Station Heritage District as well as exempt the need to assign the number of units elsewhere in the city.

SB 79 allows the option to develop alternative plans to essentially move the additional housing opportunities from specifically defined areas to other areas within the ½ mile radius defined in SB 79. Staff is not recommending an alternative plan at this time, as additional analysis is needed to evaluate appropriate locations and impacts. Staff will provide a more thorough discussion to describe how SB 79 affects the City at a future Council hearing. The goal of the recommended action is to amend the zoning code prior to the effective date for SB 79 of July 1, 2026

Next Steps

26-0354

Agenda Date: 4/13/2026

Other aspects of SB 79 specify other considerations the City can consider in complying with the requirements. Staff will continue to evaluate these options, which could include:

- **Alternative plan:** SB 79 provides the opportunity to exempt specific areas from the requirements providing the units that would be assigned to the area within ½ mile of the major transit stop are provided elsewhere within that area. Staff will review options that could apply and return to Council with that study.
- **Noise and Safety:** SB 79 states that any proposed development contemplated by the law must be consistent with specified noise and safety standards, among others. The area within the ½ mile radius immediately north of the Downtown Caltrain station is located in the Santa Clara Comprehensive Land Use Plan (CLUP) for the Moffett Federal Airfield outer safety zone. This zone of the CLUP potentially limits population density, building heights (an unlikely concern), and minimum open space requirements inside that safety zone. Staff will study the potential implications of these requirements in meeting the goals of SB 79.
- **Moffett Park Specific Plan (MPSP) commercial/residential flex zoning-** protect commercial aspects: An important aspect of land use in the City, are the addition of commercial and retail options in new development. The MPSP area, which has several transit stops along the VTA Light Rail line, have properties that allow both residential and retail uses. Staff will evaluate options to preserve commercial and retail uses within mixed-use areas, particularly in the MPSP. This review could also include taking action to specify that the MPSP meets the intent of SB 79 for residential development.

FISCAL IMPACT

There are no fiscal impacts from this action.

PUBLIC CONTACT

Public contact was made by posting the Council meeting agenda on the City's official-notice bulletin board at City Hall. In addition, the agenda and this report are available at the City Hall reception desk located on the first floor of City Hall at 456 W. Olive Avenue (during normal business hours), and on the City's website.

ALTERNATIVES

Recommend to City Council:

1. Introduce an ordinance of the City of Sunnyvale (Attachment 5 to this report) amending Chapter 19.96 (Heritage Preservation) of Title 19 (Zoning) of the Sunnyvale Municipal Code temporarily excluding the Murphy Station Heritage Landmark District located at the 100 block of South Murphy Avenue and surrounding parcels that make up the Heritage Landmark District, a historic resource on the local historic register, from applicability of SB 79 provisions, and amending the Zoning Map to add a note indicating this exclusion.
2. Alternative 1 with modifications.
3. Take no action.

STAFF RECOMMENDATION

Recommend to City Council:

Alternative 1: Introduce an ordinance (Attachment 5 to this report) of the City of Sunnyvale amending Chapter 19.96 (Heritage Preservation) of Title 19 (Zoning) of the Sunnyvale Municipal Code temporarily excluding the Murphy Station Heritage Landmark District located at the 100 block of South Murphy Avenue and surrounding parcels that make up the Heritage Landmark District, a

26-0354

Agenda Date: 4/13/2026

historic resource on the local historic register, from applicability of SB 79 provisions, and amending the Zoning Map to add a note indicating this exclusion.

The Murphy Station Heritage District is an important aspect in the development of the City of Sunnyvale and preservation of some of its history. Ensuring that an ordinance is in place to protect the integrity of the historic commercial district will allow the Murphy Station Landmark District to be preserved.

LEVINE ACT

The Levine Act (Gov. Code Section 84308) prohibits city officials from participating in certain decisions regarding licenses, permits, and other entitlements for use if the official has received a campaign contribution of more than \$500 from a party, participant, or agent of a party or participant in the previous 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

An "X" in the checklist below indicates that the action being considered falls under a Levine Act category or exemption:

SUBJECT TO THE LEVINE ACT

- Land development entitlements
- Other permit, license, or entitlement for use (affects small number of parcels)
- Contract or franchise

EXEMPT FROM THE LEVINE ACT

- Competitively bid contract*
- Labor or personal employment contract
- Contract under \$50,000 or non-fiscal
- Contract between public agencies
- General policy and legislative actions

* "Competitively bid" means a contract that must be awarded to the lowest responsive and responsible bidder.

Prepared by: Andrew Miner, Assistant Director, Community Development

Reviewed by: Trudi Ryan, Director, Community Development

Reviewed by: Connie Verceles Deputy City Manager

Approved by: Tim Kirby, City Manager

ATTACHMENTS

1. Reserved for Report to Council
2. Senate Bill 79 Text
3. 1981 Resolution creating the Murphy Station Heritage District and 1983 C-H rezoning ordinance with map
4. Map of ½ mile radius from Downtown Caltrain station
5. Draft Ordinance