



City of Sunnyvale

Agenda Item

16-0843
Agenda Date: 3/27/2017

REPORT TO PLANNING COMMISSION

SUBJECT

Land Use and Transportation Element and EIR

Forward Recommendations related to the **LAND USE AND TRANSPORTATION ELEMENT** of the General Plan (2016-7708) to the City Council to:

Adopt a Resolution to:

- Certify the EIR;
- Make the Findings Required by the California Environmental Quality Act;
- Adopt the Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program;
- Adopt the Water Supply Assessment;
- Repeal the Southern Pacific Corridor Specific Plan Sites 1, 6, 7, 8 and 9; and
- Amend the General Plan to Adopt the Land Use and Transportation Element.

REPORT IN BRIEF

The Land Use and Transportation Element (LUTE) of the Sunnyvale General Plan is an expression of community values and desired quality of life and provides a plan for accommodating and directing change in the community. It establishes a land use and related transportation plan for land use and development in the City. The LUTE typically plans for “buildout” (in Sunnyvale, buildout is primarily redevelopment of existing land uses) to occur over a 20-25 year timeframe, even though historically change has occurred at a slower pace.

The Horizon 2035 LUTE 2017 Public Hearing Draft (Attachment 4-which includes staff recommended modifications to respond to comments on the Draft EIR and community feedback on the LUTE) and LUTE Final EIR (Attachment 3) are available for public review. These documents, along with a strikeout version comparing the prior (2016) Draft LUTE to the most recent (2017) version, are also found on the project webpages *Horizon2035.inSunnyvale.com*. This staff report provides historical and contextual information on the update to the Horizon 2035 Land Use and Transportation Element (Horizon 2035 LUTE or LUTE) and the Environmental Impact Report (EIR) prepared for the LUTE.

Land Use and Transportation Element

The Land Use component of the LUTE addresses how much and where various categories of land use (e.g., housing, commercial, industrial, etc.) can be placed within the City. Note that the Housing Element (Chapter 5), which was updated in 2015, addresses housing affordability. Transportation policies in the draft LUTE focus on a regional approach to reducing vehicle miles traveled, complete streets, alternative transportation modes, and supporting mixed-use development that allows for car-light and car-free living in Sunnyvale.

The LUTE accommodates land use and transportation changes in areas highlighted in the Changing

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Conditions map (Figure 1 on page 11 of the Draft LUTE), including the areas covered by the Peery Park Specific Plan, Lawrence Station Area Plan, El Camino Real Plan, and proposed Village Centers.

The Horizon 2035 LUTE plans for the potential buildout of about 72,100 housing units and 59.8 million square feet of industrial, office and commercial space. Since the commencement of the update to the LUTE, several interim land use and policy decisions have been made, including adoption of the Peery Park Specific Plan, Lawrence Station Area Plan, part of the East Sunnyvale industrial to residential area and other smaller sites.

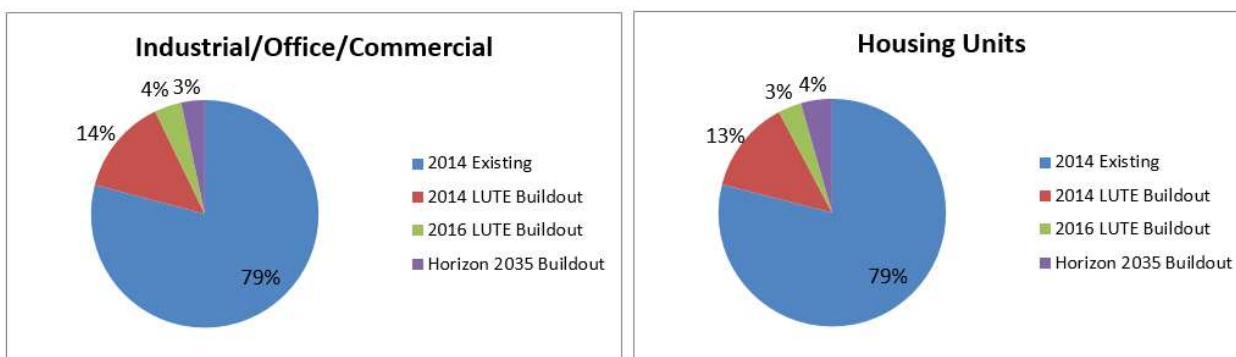
The following table shows the existing development (i.e. 2014 Conditions) and build out scenarios of several versions of the General Plan. The 2014 LUTE is described as the existing General Plan in the EIR.

	2014 Conditions	2014 “Existing” LUTE Buildout	Dec. 2016 LUTE Buildout	Horizon 2035 LUTE Buildout
Population	147,055	161,099	166,860	174,500
Housing Units	57,000	66,570	68,950	72,100
Industrial/Office/Commercial (million s.f.)	47.3	55.5	57.8	59.8
Jobs*	82,000	109,901	121,250	124,410
Jobs to Housing Units Ratio	1.44	1.65	1.74	1.73

*Jobs as reported

by U.S. Bureau of Census (2014) and as projected by ABAG (2035) for existing LUTE; Horizon 2035 estimate uses similar average jobs/sf plus 5%.

This information is also illustrated in the following pie-charts which reflect the percent of the Horizon 2035 buildout. See also, Attachment 16 for tables that show already approved and pending General Plan Buildout estimates.



As part of the City Council actions on the Peery Park Specific Plan and Lawrence Station Area Plan, staff was directed to return with possible amendments to those plans to increase allowable housing. These potential additional housing units are not reflected in the table or charts above.

Environmental Impact Report (EIR)

In compliance with CEQA, an Environmental Impact Report (EIR) was prepared for the LUTE. The purposes of CEQA (the EIR, in this case) are to:

- Disclose significant environmental effects and project concerns
- Identify avoidance or reduction of environmental impacts
- Require implementation of mitigation measures or alternatives
- Promote Inter-agency coordination
- Enhance public participation

The EIR does not advocate or oppose a project, require project denial due to adverse effects, or address economic or social concerns. The EIR will streamline the review of potential development projects in the city when those proposed projects are consistent with applicable policy documents.

Report Organization

The DISCUSSION of this report is divided into two major sections.

- EIR
- LUTE

The LUTE Discussion is organized to provide the following details.

- Overview, Context and Purpose of the LUTE
- Jobs to Housing Ratio
- Mixed-Use Development and Village Centers
- Multimodal Transportation System-Transportation Mode and Parking
- Airport Land Use Commission Review
- Feedback and Options to Address Feedback
- Next Steps

Committee and Commissions

The Horizon 2035 LUTE was created with the assistance of the Horizon 2035 Committee that recommends a series of Goals, Policies and Action Statements concerning land use and transportation in Sunnyvale-with a calculated buildout date of 2035.

The Sustainability Commission, Housing and Human Services Commission and Bicycle and Pedestrian Advisory Commissions considered the Draft LUTE in October 2016. They were not requested to provide a recommendation on the EIR. Minutes of those meetings can be found in Attachments 12, 13 and 14.

Staff Recommendation

Staff recommends the Planning Commission recommend to City Council: Certification of the EIR; Adoption of the Horizon 2035 Land Use and Transportation Element (as modified to address community feedback); and, related actions.

BACKGROUND**2011 to 2013**

The current update to the Sunnyvale LUTE began in 2011 as part of an effort titled Horizon 2035; the

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effort combined the preparation of the City's first Climate Action Plan (CAP) with the update to the Land Use and Transportation Element (LUTE) of the General Plan. A 15-person committee made up of residents and business representatives was appointed by a City Council sub-committee. The Horizon 2035 Committee recommended a set of integrated goals, policies and actions for the CAP and the LUTE. Preparation of an Environmental Impact Report commenced in 2013; however, due to a flaw in one of the supporting technical studies, work was temporarily put on hold.

2014 to 2017

The CAP was revised to reflect the adopted General Plan and was adopted by the City Council in 2014. In 2015, an updated transportation analysis was completed and additional community outreach was conducted using Open City Hall (an online participation center that allows additional community engagement and input). Study sessions were held with the Planning Commission and City Council to update them on the progress and receive feedback on the proposed LUTE policies. The 2016 revised Draft LUTE and a Draft EIR were released in August 2016. Comments on the adequacy of the Draft EIR closed on October 11, 2016. A third version of the LUTE (2017) was prepared for the public hearings (Attachment 4) to correct errors and respond to public feedback on policies and action statements.

The Draft LUTE was presented to the Bicycle and Pedestrian Advisory Commission, the Sustainability Commission and the Housing and Human Services Commission in October 2016.

The City Council is scheduled to consider the Final EIR and 2017 Draft LUTE on April 11, 2017.

EXISTING POLICY

The existing LUTE Goals and Policies are organized by the following themes to guide land development and transportation in Sunnyvale:

- Regional
- Citywide
 - Appropriate housing
 - Strong economy
 - Transportation efficiency
 - Community character
- Neighborhood

The complete text of the current Land Use and Transportation element can be found in the General Plan, Chapter 3, available on the City's website (see link in Attachment 6).

A detailed comparison of the Draft LUTE and the currently adopted LUTE is available as Attachment 11.

The proposed LUTE expands on the values expressed in the current General Plan LUTE creating an integrated set of policies to guide land use, development and transportation choices for the next 10-15 years as, most likely, the LUTE will be updated again before 2035.

ENVIRONMENTAL REVIEW DISCUSSION

The LUTE EIR analyzes the potential environmental impacts of LUTE policies and mitigates those impacts to less than significant levels, if feasible.

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Due to the length of time to prepare the LUTE and EIR, terminology used to describe existing conditions may be confusing. Technically, the “Existing Conditions” are the land use characteristics in Sunnyvale at the time of the issuance of the Notice of Preparation (NOP) on May 22, 2015. In some cases, this includes 2014 data, which was the best available data at the time and materially similar to 2015 conditions. The terms “Existing LUTE” or “Current General Plan Conditions” in the EIR refer to the anticipated buildout in 2035 under the existing adopted LUTE (2014). Adoption of the Draft Horizon 2035 LUTE would result in a net increase of 5,530 housing units and 4.3 million square feet of industrial, office, and commercial space. Taking into account adopted land use changes between 2014 and 2016 (primarily from adoption of the Peery Park Specific Plan and Lawrence Station Area Plan), the Horizon 2035 LUTE represents a net increase of a potential 3,135 housing units and a net increase of a potential 2.0 million square feet of industrial/office/commercial uses (I/O/C). The net increase in I/O/C square footage is the reversion of Futures 5 (Northrop Grumman area) from Industrial to Residential (ITR) to an Industrial only designation (1.7 M sf) and intensification of the industrial area near the Reamwood Light Rail Transit station on Tasman Drive (0.3 M sf). Attachment 16 highlights the status of various General Plan land use amendments.

EIR NOTICING

The EIR is a required informational document under the California Environmental Quality Act (CEQA) which describes the environmental effects of the project, identifies ways to minimize the significance of adverse impacts, responds to comments made during the public comment period, and discusses reasonable alternatives to the project that eliminate or reduce environmental impacts. Certification of an EIR does not automatically approve the LUTE. Certification means that the EIR was completed in compliance with CEQA; the agency has reviewed and considered the EIR; and the EIR reflects the agency’s independent judgment and analysis. Approval of the LUTE is a separate action.

Notice of Preparation Period and Scoping Meeting

On May 22, 2015, a Notice of Preparation (NOP) for the EIR was prepared and mailed to neighboring cities, the state, other public agencies, and property owners, requesting their input on the scoping of the EIR. In addition, a scoping meeting was held during the NOP period, as required by CEQA, on June 17, 2015, in the City Council Chambers. Outside agencies, members of the general public, and stakeholders were invited. The purpose of the NOP period and scoping meeting is to allow the community a forum to provide input on issues to be addressed in the EIR. Staff received five letters from community members, stakeholders, and outside agencies in response to the NOP.

Notice of Availability

The Draft EIR was issued for public review and comment on August 26, 2016. The link to the Draft EIR was mailed and/or emailed in the notice to appropriate agencies, members of the LUTE electronic interest list and neighborhood groups. Physical copies of the Draft EIR were placed at the Sunnyvale library, the One-Stop Permit Center, and the Community Center. During the 45-day review period, which concluded on October 11, 2016, members of the public and outside agencies could submit written comments on the Draft EIR and the LUTE.

SUMMARY OF IMPACTS

Overview of Impact Types

There are different levels of impacts identified in an EIR, as follows:

- Significant and unavoidable
- Significant that can be mitigated

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- Less than significant
- No impact

If an impact is shown to be significant and unavoidable, the decision-making body certifying the EIR- in this case, the City Council- must adopt a Statement of Overriding Considerations, which states that the ultimate benefits of the project outweigh its environmental impacts.

Significant Impacts Identified in the LUTE EIR

The EIR determined that the project would or could possibly cause significant impacts in four areas (see below).

Some of these potentially significant environmental impacts would be reduced to a less than significant level with the implementation of mitigation measures identified in the EIR (see link to Draft EIR in Attachment 6 and Final EIR in Attachment 4). Mitigation measures will be incorporated into the requirements for new development. The EIR also includes analysis of cumulative impacts, which considers approved and pending projects. As defined by CEQA, cumulative impacts refer to two or more individual effects, which, when combined, are considerable or which compound or increase other environmental impacts.

Significant and Unavoidable Impacts

A significant and unavoidable impact is an impact that cannot be mitigated to a less than significant level if the project is implemented as it is proposed. The LUTE EIR identifies the following areas where, after the implementation of mitigation measures, the project may still result in impacts that cannot be mitigated to less than significant levels:

- Transportation
- Air quality
- Cultural resources
- Noise

Information regarding the significant impacts for these areas is summarized in the Executive Summary of the EIR (see link to Draft EIR in Attachment 6 and Final EIR in Attachment 4), with the full discussion found in the individual sections of the EIR.

EIR Mitigation Monitoring

A Mitigation Monitoring and Reporting Program (MMRP) for significant impacts is required by CEQA to ensure implementation of required mitigation measures. An MMRP identifies each mitigation measure, the party responsible for implementation, the monitoring schedule, and who will perform the monitoring functions for each development project. While property owners and developers will be responsible for implementing many of the mitigation measures with construction of individual private projects, the City is primarily responsible for monitoring and verifying that the mitigation measures are satisfied. Public projects are also subject to the MMRP. City departments with oversight responsibility include Community Development, Public Works, and Public Safety.

EIR ALTERNATIVES

Completion of an EIR requires the consideration of project alternatives to evaluate the potential reduction in project impacts. The State CEQA Guidelines specify that an EIR must identify alternatives that “would feasibly attain the most basic objectives of the project but would avoid or

substantially lessen many of the significant environmental effects of the project.” It should be noted that the alternatives considered for purposes of the EIR (i.e., the “CEQA Alternatives”) differ from project alternatives that may have been considered in earlier or later phases of the planning process or through community engagement activities associated with the LUTE.

Chapter 5.0 of the Draft EIR (a link to the Draft EIR is provided in Attachment 6) provides detailed analysis of the selected three alternatives, which are described briefly below:

1. **CEQA Alternative 1: No Project.** This alternative assumes that the proposed LUTE is not implemented and the environmental impacts identified in the Draft EIR would be avoided. In the case of existing growth allowances in Sunnyvale, the no project alternative reflects what would be allowed under the existing LUTE of the Sunnyvale General Plan. The CEQA Alternative 1 describes 55.5 million square feet of nonresidential development and 66,570 housing units (which is less than the land uses approved through 2016). While the overall extent of urban development for the existing LUTE would be the same, notable differences include the lack of mixed-use land use designations that allow for additional intensity and density in select locations. The proposed LUTE also includes new policies (e.g., environmental sustainability, multimodal transportation, and village centers) that support the new project objectives. However, the No Project alternative is slightly modified as No Project would retain the General Plan decisions made during preparation of the EIR: e.g. Peery Park Specific Plan Lawrence Station Area Plan, and new residential development in the East Sunnyvale areas.
2. **CEQA Alternative 2: Reduced Jobs/Housing Ratio.** Alternative 2 would be similar to the proposed project, except that the residential development potential of the Draft LUTE would be increased and the employment potential would be reduced in order to achieve a jobs to housing ratio of approximately 1.49 to 1 (vs the “project” jobs to housing ratio of 1.73 to 1). This alternative would increase the number of housing units in all growth areas (Downtown, Industrial to Residential (ITR) sites, planned mixed-use areas, El Camino Real, etc.) by 60 percent. Alternative 2 would also reduce planned nonresidential floor area at the ITR 5 site (Northrop Grumman) by 40 percent. The proposed employment potential of all other project areas would be retained.

Alternative 2 would meet most of the LUTE’s guiding principles and objectives because it would result in adoption of the LUTE goals and policies. Replacing some area intended for employment uses with residential uses may not fully realize the project as planned and could result in less financial gain to the community in the form of community benefits and sense of place elements. However, it could result in increased housing opportunities near workplace locations, and result in a reduction of peak-hour trips in and out of the area because of the reduction in industrial/office square footage, possible internalization of trips, and/or differences in commuting patterns.

3. **CEQA Alternative 3: Redistribute a Portion of Neighborhood Village Growth to Commercial Nodes.** Alternative 3 would relocate 600 housing units (approximately 66 percent) currently identified in the Village Mixed-Use land use designation to the Transit Mixed-Use and Corridor Mixed-Use land use designations. Specifically, planned housing units in four Neighborhood Village areas would be redistributed, resulting in a higher concentration of these uses along transportation corridors (e.g., El Camino Real) and in transit Village Centers (e.g., Downtown, Lawrence Station). Proposed neighborhood Village Centers would be retained as neighborhood

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commercial uses. This alternative allows for the same number of housing units (72,100) and square feet of nonresidential development (59.8 million) as the “project.” All other policy provisions of the Draft LUTE would be included in this alternative. Alternative 3 would meet most of the LUTE’s guiding principles and objectives because it would result in the adoption of multimodal transportation policies and other objectives of the Horizon 2035 LUTE. Moving growth to only commercial nodes, however, may not fully realize the project as planned, as Village Centers are an important component of creating car-light or car-free living opportunities throughout the city.

Adoption Process if an Alternative is Selected

If the City Council selects a No Project CEQA Alternative, no further environmental review is required. The City’s existing LUTE policies and development standards will continue to apply to land use and transportation projects in Sunnyvale.

If the Council wishes to select either Alternative 2 or Alternative 3, additional community outreach and supplemental environmental review may be necessary because the Draft EIR does not fully evaluate the environmental impacts of these alternatives. Reduced development may be within the scope of the EIR; relocation or increases in development may require additional environmental documentation.

Council could also adopt the LUTE as recommended by staff and/or direct staff to return with proposed amendments to the LUTE after completing environmental review. This process may require recirculation and public comment on a revised EIR. The City would bear the cost of the additional environmental studies unless an application is filed for a mixed-use or higher-intensity project, which could provide the necessary funds.

Other modifications to the draft LUTE that are within the scope of the EIR could be approved if the EIR is certified. No further environmental analysis would be necessary. Modifications that remove features contributing to the mitigation of environmental impacts may require additional environmental review and analysis.

Environmentally Superior Alternative

CEQA Guidelines require that an EIR identify the environmentally superior alternative to the proposed project from among the alternatives analyzed. If the no project alternative is found to be the environmentally superior alternative, the EIR must also identify an environmentally superior alternative from among the other alternatives.

Section 5.6 of the EIR concludes that Alternative 1 (no project) would be the environmentally superior alternative, followed by Alternative 3 as the next environmentally superior.

The no project alternative would not meet many of the project objectives. On balance, the proposed project, as evaluated in the EIR, meets more key project objectives than Alternative 3, including the potential for car-light or car-free living and access to transit within walking distance throughout the city.

FINAL EIR

The Final EIR incorporates the Draft EIR by reference and includes the comments, responses to the

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comments, and revisions regarding the environmental review for the Draft LUTE.

Comments on the Adequacy of the Draft EIR

The City received eight letters of comment from public agencies, two letters from organizations, and 26 letters from individuals. The Final EIR (Attachment 3) includes copies of all the letters and a response to the comments in the letters. Many of the letters expressed opinions about the Draft LUTE that were not directed at the adequacy of the EIR; the response notes that those comments will be addressed in this staff report. Those responses can be found below, under the report heading "Feedback and Options to Address Feedback."

Determination of Adequacy

The "rule of reason standard" is applied to judicial review of EIR contents. The standard requires that an EIR show that an agency has made a good faith attempt at full disclosure. The scope of judicial review does not extend to correctness of the conclusion found in the EIR, but only the sufficiency of the EIR as an informative document for decision-makers and the public. Legal adequacy is characterized by the following:

- All required contents must be included
- Objective, good-faith effort at full disclosure
- Absolute perfection is not required
- Exhaustive treatment of issues is not required
- Minor technical defects are not necessarily fatal
- Disagreement among experts is acceptable

Environmental Review Recommendation

Staff finds that the EIR meets the requirements of CEQA both in content and format. The Final EIR (which includes the Draft EIR and technical appendices) can be viewed on the project website and at the One-Stop Center, Library and Community Center (see Attachment 3 for Final EIR and links to Draft EIR and Final EIR in Attachment 6).

If the Planning Commission determines the LUTE EIR is not adequate, a statement must be made to express how the document is deficient, with a recommendation that additional analysis be prepared prior to certification. A change to a mitigation measure in the EIR may affect the accompanying determination of significance (e.g., a change may result in a determination of a significant and unavoidable impact where a significant impact had been mitigated to a less than significant level). If a mitigation measure is changed that creates a significant and unavoidable impact, a Statement of Overriding Considerations would be needed, recirculation of the EIR may be required, and a new hearing would need to be conducted. No project-related actions may be taken until the EIR is certified. As noted earlier, certification of the EIR, in itself, does not adopt the Horizon 2035 LUTE or approve future development proposals.

ENVIRONMENTAL PUBLIC CONTACT:

All necessary public notification procedures for the Draft EIR were followed. The Draft EIR was made available in the required manner on August 26, 2016, for the required 45-day public review period. The Notice of Availability of the EIR was sent to public agencies and stakeholders, and mailed to interested parties. A public hearing to accept comments on the Draft EIR was held by the Planning Commission on October 10, 2016. Notice of the availability of the Final EIR was sent to the commenters at least 10 days before the Planning Commission hearing and availability of the Final

EIR was advertised in the *Sun* newspaper.

LAND USE AND TRANSPORTATION ELEMENT DISCUSSION

OVERVIEW, CONTEXT AND PURPOSE OF THE LUTE

The Land Use and Transportation Element (LUTE) of the Sunnyvale General Plan establishes a land use and related transportation plan for land use and development in the City. It is an expression of community values and desired quality of life and provides a plan for accommodating and directing change in the community. The LUTE typically plans for development (primarily redevelopment in Sunnyvale) to occur over a 20-25 year timeframe even though historically change has occurred at a slower pace. The table and charts in the Report In Brief provide data on 2014 conditions (actual development - referred to as “existing conditions” in the EIR) and several versions of the General Plan. Due to the adoption of the Peery Park Specific Plan, the Lawrence Station Area Plan and other site specific general plan amendments since 2014, almost half of this difference in buildout capacity has already been adopted.

The State of California requires every city and county in the state to prepare a General Plan to address the physical development of the city or county. There is not a prescribed format for a General Plan and chapters or elements can be named as deemed appropriate by each agency. At a minimum the General Plan needs to address these seven topics:

- Land Use Element
- Circulation Element
- Housing Element
- Conservation Element
- Open-Space Element
- Noise Element
- Safety Element

Other topics, such as Environmental Justice policies, are also required, but need not be a separate element of the General Plan. The General Plan is a foundational policy document that expresses many of a community’s values and quality of life objectives. The General Plan can be adopted in multiple phases (as has been the practice in Sunnyvale since the 1980s) or it can be adopted as a single document. In either case, it needs to be comprehensive and internally consistent. Each community’s General Plan will be unique due to differing natural features (e.g., geology, biology, climate) and due to different quality of life aspirations (density, variety or uniformity, sustainability, proximity to: transportation, institutions, and regional features, etc.). Overtime, General Plans are updated to reflect changes in community conditions and values and to address new requirements from the State.

The LUTE is a foundational component of Sunnyvale’s General Plan. Typically, the land use and transportation topics provide the basis for understanding the opportunities and challenges for providing services to the community. The other required and optional elements may tier off the planned land uses and transportation system-however they all need to work together in a consistent manner. The LUTE guides land use development and the management of the transportation system and allows the City to plan for what it wants to be. Because of Sunnyvale’s setting at the crossroads of major freeways and because it is bound by development on most of its edges (excepting the San

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Francisco Bay to the north), Sunnyvale is highly influenced by the regional transportation system. Sunnyvale both benefits from the proximity of major freeways and train stations, and is challenged by some of the impacts of these transportation systems. The draft update to the LUTE acknowledges this regional context while looking to optimize a variety of transportation modes throughout the community. The Horizon 2035 LUTE also continues programs established since the 1980s to be a *regional* player: to allow for more housing; to protect regional hillside and open spaces areas from development; to connect protected neighborhoods to regional facilities and services. Since the first general plan in 1955 the land use pattern for Sunnyvale has been more employment uses in the north and more residential uses in the south. As the economy has changed from canneries and manufacturing to more research and development the City has selectively identified employment generating areas for transition to residential use and provided areas for jobs to cluster.

Land Use and Transportation Elements estimate “buildout” of a community. Buildout is an estimate based on sites developed to their full potential. To facilitate the planning for adequate infrastructure and to be prepared if rates of growth change, the rate of buildout is usually condensed into a shorter time frame than has historically occurred.

The data concerning buildout does not illustrate *how* the plan will guide the way growth and change will be accomplished in the City. The proposed Horizon 2035 LUTE draft sets forth 12 objectives for land use and transportation in the city over the next 20 years. The goals, policies, and actions reflect these guiding objectives.

To achieve these components, the plan emphasizes mixed-use development and village centers, the jobs to housing ratio, and a multimodal transit system. The following three sections provide a brief overview of each of these planning concepts with historical context and a description of how the concept will be brought to fruition.

Plan Organization

The Horizon 2035 LUTE is organized into the following sections:

- Chapter lead-in
- Introduction
- Plan Structure
- Goals and Policies
- General Plan Land Use Framework
- Area Plans
- General Plan Transportation System

The Chapter lead-in provides background and legislative information that will not be included in the final adopted LUTE. It describes the California Government Code requirements for general plans, the relevant Sunnyvale planning documents, and a description of the Complete Community purpose and strategies.

The Introduction describes that the purpose of the General Plan is to guide the development and transportation system of the City by establishing a framework for decision-making regarding land use and transportation over the next 20 years. This section also summarizes the policy direction of the document, and provides information on addressing climate change, creating a complete community, and the character of change in Sunnyvale.

Guiding Principles and Goals

The Plan Structure includes the guiding principles for the Sunnyvale LUTE (listed below), and a list of the goals included in the element.

- Complete Community
- Regional Planning Coordination
- Neighborhood and Transit-Oriented Place-Making
- Economic Development
- Environmental Sustainability
- Multimodal Transportation
- Healthy Living
- Attractive Design
- Diverse Housing
- Special and Unique Land Uses
- Neighborhood Preservation

Goals and Policies follow, with a description of each goal's context and purpose, followed by supporting policies and action items.

The General Plan Land Use Framework section includes the land use designations for residential, mixed-use, and commercial, office, and industrial designations with descriptions and allowed density and intensity. It also includes maps of the allowed designations and their locations throughout the city.

General Plan Land Use Map

The updated General Plan Land Use Map looks very similar to the current plan. What is different is the plan updates the General Plan designation on several sites to reflect the current use of the property when it is not expected that the use will change (e.g., lower density townhouses in a higher density designation). The map also employs new descriptions of land use designations, better aligning the residential densities to the zoning maximums. The current range reflects a 10% increase in density that was allowed through inclusionary zoning categories. State laws have changed the landscape on inclusionary housing and density bonus so that a simpler General Plan density range is maintained. Policies in the housing element to support at least 75% of maximum zoning density are unchanged.

Area Plans

The Area Plans section describes the existing and future area and specific plans in place for Sunnyvale. These plans include the following:

- Arques Campus Specific Plan
- Downtown Specific Plan
- East Sunnyvale Sense of Place Plan
- Fair Oaks Junction Sense of Place Plan
- Lakeside Specific Plan
- Lawrence/101 Site Specific Plan
- Lawrence Station Area Plan

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- Moffett Park Specific Plan
- Peery Park Specific Plan
- Precise Plan for El Camino Real
- Reamwood Light Rail (*future*)
- Mixed-Use Villages (*future, one per site*)

Southern Pacific Corridor Specific Plan

The Southern Pacific Corridor Specific Plan (SPCSP) was adopted in 1984. The Plan was intended to guide redevelopment of older industrial sites (mostly canneries) and included nine areas adjacent to the railroad tracks. Several of these sites have been incorporated into other plans (Peery Park, Downtown) and most others have been redeveloped in accordance with the plan (see Attachment 8 for the status of the plan areas). Staff recommends repeal of the remainder of the SPCSP.

Transportation System

The General Plan Transportation System section identifies the classifications of roadways and their descriptions, and explains that the updated LUTE prioritizes investment in pedestrian, bicycle, and transit improvements. It also states that to stay ahead of state legislation and transportation advancements, Sunnyvale will require that all new projects requiring a traffic impact analysis assess both level of service (LOS) and vehicle miles traveled (VMT) impacts. The LOS approach measures levels of delay at specific intersections and roadway segments resulting from a project and grades them from a free-flowing LOS A to a stop-and-go LOS F. The VMT approach focuses on the anticipated vehicle travel distances associated with a project. In the future, multi-modal measures of effectiveness will provide better insight into the impacts or benefits on all methods of transportation. More discussion about the transportation system and policies are below under the heading "Multimodal Transportation System - Transportation Mode - Parking."

JOBS TO HOUSING RATIO

In 1979 the City Council adopted a policy on the "Jobs-Housing Imbalance" acknowledging that the problem was endemic to all cities in Santa Clara County and that all the cities needed to be part of the solution (Attachment 7). In 1972 the General Plan buildout predicted 52,604 housing units; there was not a prediction of buildout for jobs (compare, also, to the 1955 General Plan which estimated 120,000 jobs at buildout and 47,789 housing units). In the early 1980s the City embarked on a series of planning and housing programs over the next 25 years to increase the housing supply, increase the availability of affordable housing and decrease the number of potential jobs. These efforts included:

- Rezoning industrial and commercial properties to allow for additional housing (three phases over 13 years, including the final phase called Futures)
- Implementing controls on the intensity of industrially zoned developments and require payment of a housing mitigation fee for developments approved by Use Permit to exceed 35% floor area ratio (FAR)
- Allowing higher density housing in transit rich areas such as Downtown and Lawrence Station
- Allowing the development of accessory living units on single-family and duplex properties of minimum size;
- Allowing housing in all zoning districts
- Preserving the mobile home parks by creating a Mobile Home Park General Plan designation (previously, most mobile home parks had an underlying industrial general plan designation);

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- Requiring inclusionary affordable dwelling units (Below Market Rate);
- Requiring housing mitigation fees for net new non-residential development regardless of zoning district
- In compliance with State requirements, removing barriers to obtaining approvals for new residential development

In addition, the City considered private property owner requests to amend the General Plan to allow housing on industrially zoned sites, and to consider mixed-use commercial and housing development on El Camino Real.

Although net new industrial/office development has taken place in Sunnyvale since 1979, the number of jobs has decreased (i.e. ABAG reports the number of jobs in 1990 was 121,000 compared to 82,000 in 2014). This decrease in jobs is a result of changes in the character of industry (e.g. fewer businesses supporting two or three daily shifts of employees and fewer assembly line/cannery operations) and also changes in the local economy (a considerable number of jobs were lost during the recession in 2008). In 1989, the City of Sunnyvale formalized the Economic Development program and created staffing positions to coordinate with long-range planning activities and development services, and to support and represent business as business needs changed. As part of the business-attraction program was a recognition that the across-the-board 35% FAR requirement limited the variety of job types that would be attracted to the City. This recognition resulted in the Futures intensification areas that allowed higher FAR developments on industrial properties in Moffett Park (50% FAR) and Peery Park (70% and 100% FAR). Later, specific plans for these areas further increased the allowable development; the increased allowances were made dependent on the reduction of vehicle trips through transportation demand management (TDM) programs, requiring up to 35% reduction in peak-hour trips. Options of modifications to land use that could be considered to affect the jobs to housing ratio are presented below under the heading of "Feedback and Options to Address Feedback."

ABAG and the Regional Housing Need Allocation (RHNA)

Per State requirements, the Association of Bay Area Governments (ABAG), develops an allocation of housing units for cities and counties within its region prior to the preparation of updates to local housing elements. The housing needs of the region are assigned by the State and ABAG develops a formula to distribute the need amongst the cities and counties. The cycle repeats approximately every eight years and the process to develop the allocations takes several years. In recent cycles, there has been more coordination with the various agencies in developing the formulas. The general plans and projected growth for each city or county are factored into the final formula as is region-wide plan: Sustainable Community Strategy. During the prior housing element cycle there were about 40 factors that were used to create the formula for allocating the housing needs estimates. The existing and planned transportation network now plays a role in distributing the housing allocations. The formula changes each cycle. ABAG does not attempt to achieve a specific jobs to housing ratio for each city/county but looks at the ratio at a region and sub-regional level to inform the allocation process. Since the requirement for a state mandated Housing Element (and to address planning for the RHNA) the City of Sunnyvale has had adequate sites already planned for housing to meet the assigned RHNA.

Concerns have been expressed that increases in the local jobs to housing ratio in the LUTE could raise the City's RHNA for the next Housing Element cycle. It cannot be predicted whether

Sunnyvale's allocation would change as many factors are involved: the State's housing allocation to the region, changes in other communities' general plans, economic forecasts of job growth, forecasts of population increases, planned or desired changes to the regional transportation system, etc.

MIXED-USE DEVELOPMENT AND VILLAGE CENTERS

While transit mixed-use and corridor mixed-use developments are already present in Sunnyvale, the goals and policies of the updated LUTE provide for additional mixed-use areas, and introduce the new Village Centers concept. Village Centers will serve existing lower density residential neighborhoods by providing retail and service uses along with additional variety of residential types. They will be accessible via multiple modes of transportation and include gathering spaces such as plazas and parks.

Mixed-use development is not a new concept for Sunnyvale. It was introduced to Sunnyvale when private developers offered mixed-use retail/housing projects on El Camino Real; two such sites were built in the 1980s. The 1989 101/Lawrence Specific Plan envisioned mixed-use (although the non-residential component was not exercised). The nearby Lakeside Specific Plan (2005) allows hotel and residential uses on the same site. Horizontal mixed-use with shared driveways was accomplished in 2001 at the Cherry Orchard shopping center and apartments, also on El Camino Real. In 2006 the Precise Plan for El Camino Real enabled more mixed-use developments in the corridor; however, the Precise Plan provided more guidance on preserving the retail nature of the corridor and little guidance on desirable residential densities. A mixed-use retail development with high-density housing was enabled through updated zoning at the Tasman Fair Oaks Light Rail Transit station (completed in 2011) and a mixed-use zoning combining district was developed in 2008 and implemented at Lawrence Station Road/Elko in 2012.

The 2003 update to the Downtown Specific Plan required and encouraged mixed-use development at higher residential densities than allowed elsewhere in the community. Downtown was the first mixed-use transit village for Sunnyvale. No change to the Downtown Specific Plan is included in the Draft LUTE. The Lawrence Station Area Plan, an area confirmed by the Horizon 2035 Committee to accommodate a mixed-use transit village with increased development potential (both office and residential) was approved in November 2016.

The Horizon 2035 Committee has recommended an increase in allowable housing along El Camino Real of 2,700 dwelling units more than the adopted plans (an update to the Precise Plan is currently underway). The Horizon 2035 Committee also recommends mixed-use village centers at several existing shopping centers throughout the City. These sites would be required to provide basic retail/service needs for the surrounding neighborhood, in a redesigned form that also incorporates residential uses. Each of the village center sites would be subject to the preparation of a more detailed plan before it could transition to mixed-use. These sites allow "neighborhood-serving commercial uses integrated with residential uses, typically located near arterial intersections or major collector streets providing pedestrian and bicycle connections." Page 72 of the 2017 Draft LUTE provides more details about these areas and Figure 5 (page 71) shows where they would be located.

How is a Village Center Different from Other Mixed-Use?

As described above, mixed-use development already exists in Sunnyvale. Single site mixed-use developments along El Camino Real and other locations, primarily have been built on sites selected by the property owners. The Transit Villages (Downtown and Lawrence Station) are larger scale neighborhood areas with adopted long-range plans near the Sunnyvale Caltrain stations, which provide for Sunnyvale's highest residential densities with companion uses of retail/office (Downtown)

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or office/research and development (Lawrence Station). Corridor mixed-use (El Camino Real-which includes several of the sites described above) will be better defined through the update to the Precise Plan for El Camino Real. This area will provide medium to high density residential uses and retail/service uses.

Village Centers (also called Village Mixed-Use) are more fully described on pages 35-40 of the Draft LUTE. The distinction between the two types of mixed use is that the Villages Centers are intended to be a focal point for the neighborhood, to provide options for residents that desire a car-light or car-free life style and to allow residents to stay in a neighborhood. Each new Village Center is required to have a Village Center Plan, subject to approval by the City Council, to address integration into the neighborhood and how the site accommodates pedestrians, bicyclists, and transit riders, as well as drivers. The features and development parameters of the Villages are sprinkled throughout the LUTE. Policy 53, Action 2 has been updated to bring together, in a single action statement, the range of topics that should be included in a Village Center Plan.

MULTIMODAL TRANSPORTATION SYSTEM - TRANSPORTATION MODE - PARKING

A significant change from the currently adopted LUTE is a stronger emphasis on complete streets, carpooling, transit, and the integration of land uses so that a resident has choices to live without or to live with less reliance on automobiles. The use of Level of Service will be phased out over a number of years with direction to focus on vehicle miles travelled, and, when available, multi-modal measures of effectiveness (see Policy 29 on page 28 of the Draft LUTE). The policies and resulting design of the transportation system will create safer and more convenient travel while providing greater choice in mobility and reducing traffic, emissions, and the need for large, multi-lane streets.

The 1972 General Plan Circulation chapter focused largely on automobile use of the street system, better flow and traffic signal interconnects, and keeping roads safe and efficient (for automobiles). Transit use was promoted, with policies about coordinating with transit agencies. Only one goal addressed bicycles, which was to provide an experimental bike route on Hollenbeck. The 1981 Transportation Element of the General Plan introduced goals for convenient and efficient alternatives to the automobile and for increased use of non-auto travel and off-peak travel (demand management). In 1997 the combined Land Use and Transportation Element continued the trend to support more modes of travel; however, the Level of Service standards measuring delay at intersections were still important values in the community. The element was updated in 2008 when complete streets policies were added with a focus on modal balance and transport vs. non-transport uses.

Since 1981 the City has supported a number of infrastructure, policy and regulatory changes to address a broader set of transportation modes.

- Industrial sites prior to 1982 had no sidewalk requirements. Sidewalk installation is required on new industrial development and for additions and change of use over specified sizes.
- New standards requiring wider sidewalks were adopted in 2014.
- A bicycle master plan has been adopted and will be updated in 2017.
- Bicycle infrastructure and network have been significantly expanded through the City:

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- 31 miles of bike lanes in 1993, 79 miles in 2006, 169 miles in 2016.
- New bicycle standards have been developed including the use of buffered bike lanes, bike boxes, and green bike lanes.
- Bicycle parking is required in new multi-family residential and non-residential development.
- Light rail was constructed through the northern portion of Sunnyvale.
- Area plans have been adopted to support transit ridership near Caltrain and VTA Light Rail Transit stations.
- Sense of Place plans have been adopted for transitioning neighborhoods to expand pedestrian and bicycle connections and to improve the overall experience on public streets.
- City Staff members and Councilmembers participate in regional transportation planning activities: staff on technical/advisory committees at Valley Transportation Agency (VTA); Councilmembers serve on the VTA advisory committees and the Board of Directors, as Sunnyvale's rotation allows.
- The City has partnered with the Santa Clara Valley Water District on pedestrian pathways as a joint use with streams and flood control channels. The SCVWD is scheduled to construct the East-West Channel trail in 2017-2018.
- Traffic signals have been timed to interconnect and optimize vehicle travel but also modified to provide safe pedestrian crossing. The new signal system includes a SafeWalk 3D pedestrian detection system and an infra-red bike detection system.
- Transportation Demand Management (TDM) programs are required for higher intensity non-residential development.
- Residential TDM requirements were adopted recently.

As outlined above, the City of Sunnyvale has adopted policies to support a range of transportation options since at least 1982. The proposed LUTE builds on these past policies and more clearly supports user choice of travel mode. The adoption of a vehicle miles traveled (VMT) measurement is geared to reducing reliance on the single-occupant automobile as the primary mode of travel. Removing Level of Service (LOS) standards (which helps optimizes vehicle use of the roadways) will assist in supporting all modes of travel. The umbrella policy is **Goal C: An Effective Multimodal Transportation System**. The transportation policies pair with the land use patterns to offer options for living and working in the community with less use of cars. The draft LUTE also builds on the concept that Sunnyvale is part of a region and effective transportation options need to be coordinated with other agencies and as part of a regional system. **Goal A: Coordinated Regional and Local Planning includes policies on regional participation** includes transportation policies that support regional participation, notes bordering cities and addresses regional infrastructure.

Transportation Mode and Parking

While many community members applaud the inclusion of more progressive parking and transportation policies in the LUTE, many others have expressed concerns that the policies are unrealistic and/or inconsistent with community values. At the City Council Study Session on March 7, 2017 staff presented updated language for several of the transportation mode and parking policies. These modifications are intended to keep the spirit of the policies as identified by the Horizon 2035

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Committee and reduce the concerns that the policies may be overreaching. These modifications are reflected in the 2017 Draft LUTE.

SANTA CLARA COUNTY AIRPORT LAND USE COMMISSION

The Airport Land-Use Commission (ALUC) was established to provide for appropriate development of areas surrounding public airports in Santa Clara County. It is intended to minimize the public's exposure to excessive noise and safety hazards, and to ensure that the approaches to airports are kept clear of structures that could pose an aviation safety hazard. State law requires the ALUC to formulate and maintain a comprehensive land use plan (CLUP) for the area surrounding each public-use airport within Santa Clara County and has opted to also prepare a CLUP for Moffett Federal Airfield. Moffett Federal Airfield (Moffett CLUP) is defined as an Air Carrier Airport for the purposes of the CLUP due to the type of aircraft that use this airport. The Moffett CLUP was adopted in November 2012. A portion of the Air Influence Area for Moffett Federal Airfield is within the City of Sunnyvale. The CLUP addresses land use, height of structures, and development intensity. State law requires that whenever an ALUC adopts a CLUP, or amendments to a CLUP, the amendments must be reflected in the General Plan and or Specific Plans of the affected jurisdiction.

As the EIR and LUTE were started prior to the adoption of the Moffett CLUP there was no mention of it in the draft LUTE policies and an incorrect reference to it in the Draft EIR. The Final EIR corrects the references to the Moffett CLUP (as adopted) and includes a review of Draft policies referring to consistency with the Moffett CLUP. These policies were presented to the ALUC in January 2017. The ALUC and City staff discussed clarifying language to the policies. The ALUC made a determination of consistency with the CLUP (see Attachment 15 for minutes of the January 25, 2017 ALUC meeting and Consistency Letter).

FEEDBACK AND OPTIONS TO ADDRESS FEEDBACK

Feedback from Boards and Commissions

The LUTE was presented to three City Commissions in October 2016: Sustainability Commission, Housing and Human Services Commission and Bicycle and Pedestrian Advisory Commission. All three commissions made recommendations to reduce the jobs to housing ratio in the LUTE; more detail of the motions and minutes is provided in Minutes from each commission: Attachments 12, 13 and 14.

Sustainability Commission

The Sustainability Commission considered the Draft LUTE on October 17, 2016. The Commission supported the LUTE with special emphasis on the inclusion of future village centers in the land use map and policies. The Commission recommended, unanimously, that the LUTE draft be adopted with an additional policy that introduces a growth phasing target (maximum) jobs to housing ratio of 1.65 to 1 and a LUTE land plan that is adjusted to accommodate that ratio.

Housing and Human Services Commission

The Housing and Human Services Commission considered the Draft LUTE on October 19, 2016. The Commission had a number of questions about the LUTE regarding parking policies, as well as the impacts of the growth accommodated by the LUTE and the resulting impacts on traffic, schools, and parks. The Commission recommended that City staff and Council consider altering the LUTE to accommodate more housing and/or less jobs growth that results in a jobs-housing ratio ranging between 1.73 to 1 (Draft LUTE) and 1.5 to 1 (briefly assessed in Alternative 2 of the EIR).

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Bicycle and Pedestrian Advisory Commission

The Bicycle and Pedestrian Advisory Commission considered the Draft LUTE on October 20, 2016. The Commission discussed the jobs to housing ratio and the possibility that the LUTE accommodate additional housing. The Commission passed two motions recommending that: the LUTE be adopted with an increased housing target of 25,000 residential units, and a targeted jobs to housing ratio of 1.20 to 1; and that several policies relating to multi-modal transportation and road design that are in the existing LUTE be re-instated verbatim.

The Public Hearing Draft LUTE (2017) recommended by staff includes modification to Policy 19, Action 1, in response to the recommendation of the BPAC.

Other Public Feedback on the LUTE

As part of the community outreach on the Draft LUTE comments were received from community members, both in support and in opposition to portions of the plan. These same comments were received during the public comment period on the adequacy of the Draft EIR. Attachment 10 is a table that summarizes the opinions about the LUTE document received during the Draft EIR phase. The two main types of comments were: 1) the jobs to housing ratio should be reduced; and, 2) the mixed-use Village Centers, particularly the ones identified at the intersection of Mary Avenue and Fremont Avenue, should be eliminated from the plan. There were also comments on the desire for expanded use of TDM, encouragement to implement cost-driven parking policies, as well as several detailed suggestions of the timing and application of policies, particularly associated with the mixed-use village centers.

Options to Address Feedback

In response to City Council and Planning Commission requests to identify ways to address public feedback, City staff identified possible changes to the LUTE in response to the results from Open City Hall and the comments letters on the Draft EIR. The following changes were developed for consideration:

- A. Reduction in Mixed-Use Village Centers. Consider lowering the number of allowable residential units in certain portions of the mixed-use areas or removing a few potential mixed-use village sites. There are four corners at Fremont and Mary shown as mixed-use villages. Currently the properties at the northwest and the southeast corners are zoned Neighborhood Commercial, the other two sites are zoned Office. If the Council is interested in reducing the village center sites at this intersection staff recommends keeping the Neighborhood Commercial sites (northwest and southeast corners) and deleting the office sites as mixed-use village centers. The Horizon 2035 Committee feedback on this suggestion was that they did not want to reduce the number of sites.
- B. Parking. Revise policies on reduced parking to phase in parking reductions for mixed-use projects or allow case-by-case consideration of reduced parking.
- C. Jobs to Housing Ratio. There are three types of land use changes that would affect the jobs to housing ratio: increase housing, decrease jobs, or a combination of both.
 - i. *Increase Housing: Three Key Areas.* Recently the City Council provided direction to study an increase in allowable housing units in both the Peery Park and Lawrence Station areas. In addition, the City Council will consider the preferred alternative for the comprehensive update to the Precise Plan for El Camino Real. The Public Advisory

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Committee (ECR-PAC) has recommended an alternative with more housing than is included in the Draft LUTE (City Council will consider a preferred land use alternative for El Camino Real after action on the LUTE, potentially late Spring 2017).

While no studies have commenced, staff estimates a potential for an additional 2,500-6,000 housing units if these plans are modified to allow more residential units than contemplated in the LUTE. Using a mid-range number of 4,000 housing units would reduce the projected jobs to housing ratio to 1.63 to 1. The Council cannot consider those increases as part of the LUTE adoption; amendments to each of those plans would require separate environmental review and public outreach.

- ii. *Decrease Jobs: Eliminate an Employment Village.* The village at the Reamwood Light Rail Transit (LRT) station represents an increase of about 625 potential jobs. Except for the area around Northrop Grumman (see discussion below), this is the only area in the LUTE to allow more employment uses than the current General Plan, for which a separate plan has not already been adopted (both Peery Park and Lawrence Station included increase in potential jobs). Staff considers the number of additional jobs relatively small and notes that this location is ideal for intensification due to the convenient access to the LRT. Deleting this employment village would not significantly change the jobs to housing ratio (less than 0.01 jobs to one housing unit). To make a material change in the jobs to housing ratio by decreasing jobs, City Council would have to identify an area to decrease allowable employment producing uses.
- iii. *Both: Revert a portion of the Futures 5 area to housing.* Futures 5 is an Industrial to Residential (ITR) area that includes Northrop Grumman. This option is part of CEQA Alternative 2. The General Plan land use designation for this area was changed in 1993, however implementing zoning (such as industrial to residential) was never approved for this area. The Northrop Grumman representatives have indicated that this is a key business location and that they intend to stay; they have also indicated a reluctance to ever sell their land for residential use due to contamination in the soil and groundwater, currently undergoing cleanup. The Horizon 2035 committee recommendation was to remove the ITR General Plan land use designation which has the effect of decreasing future housing potential and increasing future job totals. The LUTE is a long-term document and circumstances could change if the site is cleaned to residential screening levels. Also, not all of the land in this area belongs to Northrop Grumman; the Council could follow the concept provided in the EIR (CEQA Alternative 2) to allow 40 percent of Futures 5 to stay ITR. Under the existing Low-Medium residential densities this could allow 360 housing units (at a low-medium density similar to the 1993 general plan designation) on 40 percent of the area and decrease job potential by about 1,400 jobs. The site is near the Downtown and train station; additional density could be explored through a separate study.

Modifications to LUTE

The 2017 Draft LUTE (Attachment 4) includes staff recommended modifications to address comments received on the Draft EIR and to address community feedback. A strikeout version is available on the project website Horizon2035.inSunnyvale.com (link provided in Attachment 6).

NEXT STEPS

After adoption of an updated Land Use and Transportation Element, staff will embark on several

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implementation efforts and updates to other plans. These include:

- Transportation Strategic Plan (Transportation Impact Fee) - update
- Noise and Air Quality Elements of the General Plan - update
- Climate Action Plan - implementation items and potential update
- Housing Element - implementation items
- Affordable Housing Strategy
- Bicycle Plan - update
- Green Building Program - update
- Environmental Justice (*assess need for new General Plan policies*)

FISCAL IMPACT

Costs associated with the preparation of the LUTE and EIR were covered with operating budgets (primarily staff hours), and from a special project (EIR) funded with General Plan Maintenance fees and from other General Fund revenues. The special project included funding for EIR consultants and project specific expenses.

The updated General Plan Land Use and Transportation Element will allow the City to be more competitive for funding, particularly transportation projects.

The plan will support reinvestment in properties which generate additional revenue through increased property taxes, sales taxes, and in-lieu fees (such as transportation impact fees) which can be utilized for capital improvements and services throughout the City. In addition, proposed Community Benefits policy (Policy 104 of the Draft LUTE) ensures that future development projects provide appropriate improvements or resources to meet the City's future infrastructure and facility needs, and that in turn, the City provides development incentives that result in community benefits and enhance quality of life for residents and workers. These Community Benefits revenues can be used to support specific City projects that will be prioritized by the City Council.

As no specific development projects are proposed by the LUTE, no financial analysis has been prepared to assess any potential increase in land values that could be realized from adoption and implementation of the LUTE or value of revenue that could be realized by the City under the Community Benefits policy.

PUBLIC CONTACT

The Horizon 2035 Committee met 29 times from December 2010 to September 2016 to work on the LUTE and the CAP, including hosting public outreach/information sessions and reconvening twice after the first document was prepared. In January 2015, staff updated the committee on the reinvigorated work on the LUTE and its relation to other specific plans and projects underway, and requested guidance on incorporation of certain key existing LUTE policies into the proposed Horizon 2035 policies.

In September 2016, staff provided the committee with a summary of the revised Draft LUTE and the Draft EIR, answered questions, and accepted comments. The Committee generally endorsed the changes to the plan. Staff presented two potential modifications to the LUTE that could be considered to address community feedback from the Open City Hall topics: reassigning density from some of the village centers to El Camino Real, and removing the policy on unbundled parking. Several Horizon 2035 committee members expressed concern about or objections to these possible

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modifications to the plan. Agendas, handouts and notes of the Horizon 2035 committee meetings are available on the project website: [Horizon2035.inSunnyvale.com](http://www.Horizon2035.inSunnyvale.com) [<http://www.Horizon2035.inSunnyvale.com>](http://www.Horizon2035.inSunnyvale.com).

Staff also held a meeting for an all Boards and Commissions in September 2016, presenting the Draft LUTE to a broader audience than the boards and commissions who will provide formal feedback on the Draft LUTE.

The LUTE was shared for public review on the Horizon 2035 website, tabled at community events, and shared on business and neighborhood group listservs.

In summary, between 2010 and 2016, public contact regarding the LUTE included outreach through the following:

- City Council Study Sessions (*see details below*)
- Neighborhood associations
- Business groups
- Boards and commissions
 - Planning Commission
 - Bicycle and Pedestrian Advisory Commission
 - Housing Commission
 - Sustainability Commission
- Interested-party mail and email lists
- Open City Hall (*see fuller description below*)
- Paper and online surveys
- Pop-up venues
- Project Website ([Horizon2035.inSunnyvale.com](http://www.Horizon2035.inSunnyvale.com) [<http://www.Horizon2035.inSunnyvale.com>](http://www.Horizon2035.inSunnyvale.com))

Open City Hall

The most extensive public outreach conducted for the LUTE over the last two years took place through Open City Hall, Sunnyvale's online public participation tool. Four topics were posted for public participation and open comment. These topics and participation rates are summarized in the table below. Summary results are available in Attachment 9 and full results including all comments made on Open City Hall are available on the Open City Hall website (see link in Attachment 6).

LUTE Open City Hall Topics and Response

Topic	Time Period	Views	Responses
LUTE Objectives	May, 2015	468	110
Alternative Transportation	September, 2015	333	134
Mixed-Use Areas	September, 2015	420	140
Growth and Development	December, 2015	256	104
Total		1,477	488

2015-2016 Study Sessions with City Council and Planning Commission

May 5, 2015 Joint Study Session with Planning Commission

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- Land Use and Transportation Element (LUTE)

August 18, 2015 City Council Study Session

- Update on Draft Land Use and Transportation Element and Consideration of Land Use Alternatives for Environmental Impact Report

August 23, 2016, Joint Study Session with City Council and Planning Commission

- Draft Environmental Impact Report and Land Use and Transportation Element

2017 Study Session with City Council

January 31, 2017 Study Session

- Overview of LUTE and EIR

March 7, 2017 Study Session

- LUTE Village Centers and Parking Policies

Sustainability Commission

The Sustainability Commission considered the Draft LUTE on October 17, 2016.

Housing and Human Services Commission

The Housing and Human Services Commission considered the Draft LUTE on October 19, 2016.

Bicycle and Pedestrian Advisory Commission

The Bicycle and Pedestrian Advisory Commission considered the Draft LUTE on October 20, 2016.

ALTERNATIVES

Recommend to City Council:

Environmental Impact Report

1. Adopt a Resolution to:
 - a. Certify the EIR;
 - b. Make the Findings Required by the California Environmental Quality Act;
 - c. Adopt the Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program; and
 - d. Adopt the Water Supply Assessment.
2. Do not Certify the EIR and provide direction on where additional environmental analysis is needed to address CEQA requirements.

Land Use and Transportation Element

3. Adopt a Resolution to Amend the General Plan to Adopt the Land Use and Transportation Element (which includes repealing the remaining Southern Pacific Corridor Specific Plan Sites) as shown in Attachment 8 to this staff report.
4. Alternative 3 with modifications to the Horizon 2035 Land Use and Transportation Element, within the scope evaluated in the EIR.
5. Do not adopt the Land Use and Transportation Element and provide direction on modifications to consider.
6. Direct staff to reformat the LUTE for inclusion into the Consolidated General Plan including, any approved modifications.

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STAFF RECOMMENDATION

Recommend to City Council Alternatives 1, 3 and 6: 1. Adopt a Resolution (Attachment 2 of this report) to: Certify the EIR; Make the Findings Required by the California Environmental Quality Act; Adopt the Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program; Adopt the Water Supply Assessment; 3. Adopt a Resolution (also part of Attachment 2 to this staff report) to Amend the General Plan to Adopt the Land Use and Transportation Element (which includes repealing the remaining Southern Pacific Corridor Specific Plan Sites) as shown in Attachment 8 to this staff report; and, 6. Direct staff to reformat the LUTE for inclusion into the Consolidated General Plan, including any approved modifications.

The LUTE includes the fiscally, economically, and environmentally sustainable land use and transportation policies necessary to support the goals established in the other General Plan chapters. The LUTE will be incorporated into the Land Use and Transportation chapter of the General Plan. Adoption of the LUTE will provide a consistent and comprehensive land use and transportation planning framework for the City over the next 20 years, and will provide clear policy direction and regulations for development to proceed in a well-planned and coordinated manner. Further, the LUTE EIR will provide the opportunity for tiering and streamlining the development review process for individual projects in the city which are consistent with the LUTE.

The Public Hearing Draft LUTE recommended by staff includes modifications to correct the errors inadvertently introduced in the 2016 Draft as well as correction of a few typographical errors.

In addition, staff is recommending removal of the Action Statement 2 under Policy 55 which states:

Consider land use transitions such as blended or mixed-use densities, in areas to be defined around Village Centers.

This action statement has caused considerable concern with a number of community members. Retaining it in the LUTE provides for future consideration of change in the predominately single-family neighborhoods near the village centers. Removing it would better emphasize the protection of single-family neighborhoods.

The 2017 Draft LUTE, for consideration by the Planning Commission and City Council, is presented in Attachment 5 in track changes showing major modifications from the 2016 Draft LUTE available during review of the Draft EIR (i.e., corrected typos are not highlighted).

If the LUTE is not adopted, development applications and transportation improvements would be considered on an individual and incremental basis subject to the existing LUTE. This approach, however, does not reflect the more current vision of the community and the needs for future of development in Sunnyvale. Additionally, not adopting the LUTE could result in inconsistencies and conflicts between adopted specific plans and projects. The LUTE is a proactive and coordinated development strategy that can address issues facing the city today and in the future.

Prepared by: Dana Hoffman, Staff Planner

Reviewed by: Jeff Henderson, Senior Project Planner

Reviewed by: Manuel Pineda, Director, Public Works

Reviewed by: Trudi Ryan, Director, Community Development

Reviewed by: Kent Steffens, Assistant City Manager

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Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. *Not Used (for Report to Council)*
2. CEQA and General Plan Resolution
3. LUTE Final EIR
4. 2017 Draft LUTE
5. General Plan Table of Contents
6. Links to Horizon2035 Website and Other Sources
7. Council Policy on Jobs-Housing Imbalance
8. Southern Pacific Corridor Specific Plan-Status Overview
9. Open City Hall Results-Snapshot
10. Summary of Comments on LUTE Received during Draft EIR Review
11. Comparison of Goals and Policies: Adopted LUTE to Draft LUTE
12. Minutes of Sustainability Commission, October 17, 2016
13. Minutes of the Housing and Human Services Commission, October 19, 2016
14. Minutes of the Bicycle and Pedestrian Advisory Commission, October 20, 2016
15. Minutes of the Airport Land Use Commission, January 25, 2017 and Consistency Letter
16. Tables of Approved and Pending General Plan Buildout Estimates
17. Written Comments on LUTE