

ORDINANCE NO. _____

AN URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE AMENDING THE PRECISE ZONING PLAN, ZONING DISTRICTS MAP, TO REZONE THOSE CERTAIN PROPERTIES WITHIN THE SEVEN GENERAL PLAN VILLAGE CENTERS THROUGHOUT THE CITY FROM NEIGHBORHOOD BUSINESS (C-1), NEIGHBORHOOD BUSINESS/PLANNED DEVELOPMENT (C-1/PD), HIGHWAY BUSINESS/PLANNED DEVELOPMENT (C-2/PD), OFFICE (O), OR OFFICE/PLANNED DEVELOPMENT (O/PD) ALL TO VILLAGE CENTER MASTER PLAN (VCMP), AND MORE SPECIFICALLY, TO VILLAGE CENTER MIXED USE (VCMU), VILLAGE CENTER COMMERCIAL (VCC) OR VILLAGE CENTER OFFICE (VCO) AS IDENTIFIED IN THE VCMP; AND AMENDING TITLE 19 (ZONING) OF THE SUNNYVALE MUNICIPAL CODE TO IMPLEMENT THE VILLAGE CENTER MASTER PLAN

THE CITY COUNCIL OF THE CITY OF SUNNYVALE FINDS AND DECLARES AS FOLLOWS:

WHEREAS, the City of Sunnyvale comprehensively updated its General Plan Land Use and Transportation Element (LUTE) in 2017 which included a plan for the creation of mixed-use Village Centers in seven identified locations throughout the city; and

WHEREAS, the planned Village Center areas are existing commercial shopping areas that serve as the primary neighborhood shopping for various neighborhoods citywide; and

WHEREAS, the General Plan update set forth guiding principles, goals and policies to support the redevelopment of Village Center areas into vibrant residential/commercial mixed-use communities, and to do so, added opportunities to develop new residential uses in these areas while preserving access to shopping, particularly healthy food; the guiding principles, goals and policies include, among others, the following:

Guiding Principles.

- **Neighborhood and Transit-Oriented Place-Making.** Develop mixed-use areas that incorporate commercial, public, and residential uses that are compatible with the surrounding neighborhoods, create dynamic gathering spaces, establish unique visual character, provide nearby services, and reduce reliance on automobiles.
- **Healthy Living.** Maximize healthy living choices by providing easy access to fresh and healthy food, a range of recreation and open space

options for community members of all ages, and convenient and safe biking and walking options throughout the community.

(General Plan LUTE, page 3-9.)

Goals and Policies.

GOAL LT-5 Creation, Preservation, and Enhancement of Village Centers and Neighborhood Facilities That Are Compatible with Residential Neighborhoods. Support the development of village centers that create an identity and “sense of place” for residential neighborhoods, provide neighborhood gathering places, and allow a vibrant mix of public, commercial, and residential activities. through development review and other permitting processes, ensure adequate protection is provided to residential neighborhoods when new uses and development projects are considered.

Policy LT-5.1 Strengthen the image that the community is composed of cohesive residential neighborhoods, each with its own individual character and Village Center; allow change and reinvestment that reinforces positive neighborhood concepts and standards such as walkability, positive architectural character, site design, and proximity to supporting uses.

- *LT-5.1a Promote land use patterns and urban design in Village Centers that reflect context and iconic aspects of the surrounding neighborhood to strengthen the sense of uniqueness and community.*
- *LT-5.1c Allow mixed-use development at appropriate Village Centers while preserving sufficient commercial zoning to serve neighborhood retail and service needs.*
- *LT-5.1d Provide public gathering places with appropriate amenities for residents, such as Village Centers and neighborhood and community parks.*

Policy LT-5.2 Preserve and enhance the character of Sunnyvale’s residential neighborhoods by promoting land use patterns and transportation opportunities that support a neighborhood concept as a place to live, work, shop, entertain, and enjoy public services, open space, and community near one’s home and without significant travel.

- *LT-5.2a Enhance existing residential neighborhoods by retaining and creating Village Centers with safe and convenient pedestrian and bicycle access.*
- *LT-5.2b Support a full spectrum of conveniently located commercial, public, and quasi-public uses that support and enhance the livability of residential neighborhoods.*

- *LT-5.2c In addition to parks, promote small-scale, well-designed, pedestrian-friendly spaces within neighborhoods to establish safe and attractive gathering areas.*
- *LT-5.2d Require amenities in new development and Village Centers that serve the needs of residents.*

GOAL LT-13: Protected, maintained, and enhanced commercial areas, shopping centers, and business districts

Policy LT-13.4 Support a full spectrum of conveniently located commercial uses and shopping centers that add to the positive image of the community.

Policy LT-13.5 Support convenient neighborhood-serving commercial centers that provide services that reduce automobile dependency and contribute positively to neighborhood character.

WHEREAS, since adoption of the LUTE in 2017, and due to the State housing crisis, State legislation has been enacted that facilitates and prioritizes the development of new housing; however this legislation does not acknowledge other needed land uses for a balanced community, such as neighborhood serving retail; and

WHEREAS, conveniently located retail/commercial reduces vehicle miles traveled and promotes other communitywide health and environmental benefits as described in the General Plan; and

WHEREAS, the City of Sunnyvale has received several development applications that utilize State housing laws to significantly reduce retail commercial space on Village Center sites; and

WHEREAS, to date, the City has received six applications to redevelop Village Center sites. Only one of the applications has included the minimum commercial/retail square footage equal to 10% FAR (commercial/retail building square feet divided by the amount of land area in square feet). The other five applications ranged from 2% FAR to 6.7% FAR, below the minimum stated in the General Plan where the existing FAR of those sites averaged above 25% FAR; and

WHEREAS, while the General Plan anticipated that redevelopment of the shopping centers into mixed use areas for living (residential) and shopping (commercial) would result in some loss of commercial area, it was expected that neighborhoods would continue to have convenient access to, and a sufficient amount of, healthy food, dining and other shopping and services; and

WHEREAS, many community members have expressed their concerns over the loss of convenient shopping to support them and the new residents of redeveloped Village Center sites; and

WHEREAS, the City of Sunnyvale has prepared a Village Center Master Plan and zoning regulations to preserve land within the Village Centers for commercial/retail use only (no residential uses are permitted) without reducing the number of planned housing units (still averaging 18 du/ac) which would be moved on to the remaining Village Center sites that would be intensified to allow up to 56 du/ac; and

WHEREAS, there is an immediate threat to public welfare and health if applications are filed to redevelop Village Center sites without the required retail/commercial prior to the effective date of the regular ordinance that implements the Village Center Master Plan; and

WHEREAS, the urgency ordinance assures that the newly adopted Village Center Master Plan can be implemented in a manner supporting the same number of housing units while also providing minimum commercial/retail space considered necessary to support the larger neighborhood; and

WHEREAS, Government Code Section 65858 provides that a city may adopt an urgency interim ordinance by a four-fifths vote of the City Council (six affirmative votes) where necessary to protect the public health, safety and welfare, in order to prohibit uses that may be in conflict with a contemplated zoning proposal of the legislative body, which ordinance shall expire 45 days after adoption unless extended by the legislative body; and

WHEREAS, in addition, Sunnyvale City Charter Section 701 authorizes the City Council to adopt an emergency ordinance for preserving the public peace, health or safety if passed by at least five affirmative votes; and

WHEREAS, if the City does not adopt an urgency/emergency ordinance to amend the Precise Zoning Plan, Zoning Districts Map, and Title 19 of the Sunnyvale Municipal Code, to implement the Village Center Master Plan, applications for residential-only developments on the designated sites could be filed before the rezoning of the sites consistent with the General Plan and Village Center Master Plan, which would undermine the planned development of mixed-use neighborhoods with an integrated balance of residential and commercial uses, and constitutes a current and immediate threat to the public health, safety or welfare. This blend of uses in Village Centers is intended to promote healthier, more walkable communities, less reliant on automobiles, and the loss of opportunities to build Village Centers centered on environmental sustainability and healthy communities, through intervening development applications with limited grounds for disapproval under State law if allowed, would result in that threat and be detrimental to public health, peace or welfare; and

WHEREAS, under the General Plan Village Mixed Use land use designation, sites within the Village Centers were contemplated and planned to allow for residential and commercial mixed use, with an average density across Village Centers of 18 dwelling units per acre (du/ac). The land use designation of all sites that will remain in the Village Centers is being changed, through the accompanying Resolution No. [REDACTED] adopted at the same hearing as this ordinance, to the new designation of Village Center Master Plan, with the allowed uses and densities of each site determined in the Village Center Master Plan and this rezoning ordinance, with some sites to be zoned commercial only and other sites to be zoned residential mixed use

but with increased allowed residential density (up to 56 du/ac). The combination of these concurrent changes results in the overall residential density within Village Centers to remain at an average of 18 du/ac, with no net loss in residential capacity in the Village Centers and among all affected sites. Therefore, as shown in Exhibit D to Resolution No. [REDACTED], incorporated herein by reference, the modifications to the General Plan land use designation and rezoning of sites within the Village Centers and all affected sites will result in no net loss and are allowed pursuant to Government Code Section 66300(h)(1) [Finding of No Net Loss of Residential Capacity (SB 330)]; and

WHEREAS, in the City's certified Housing Element, all Village Center sites in the Housing Element Site Inventory are indicated as having a maximum residential capacity of 18 du/ac and a realistic residential development potential of 80% of 18 du/ac (or 14.4 du/ac). All Village Center sites in the Site Inventory are categorized as moderate income. Some sites will be changed through the General Plan amendments, Village Center Master Plan and rezoning ordinance to be non-residential, but the other sites that will remain mixed use will be modified to increase residential density up to 56 du/ac. Further, the Village Center Master Plan will increase the minimum required density to 85% of the maximum density for sites designated Village Center Master Plan or VCMP. These mixed-use sites will remain in the moderate-income category in the Site Inventory. Through these concurrent changes to sites in the Site Inventory, the residential capacity in the moderate-income will be increased by 173 units, which continues to meet the Regional Housing Needs Assessment (RHNA) for the moderate-income category, and there are no changes to Site Inventory sites at the other income categories. In sum, these modifications (including the General Plan Amendments and related zoning actions) do not decrease RHNA capacity at any income level and therefore do not impact RHNA compliance, as shown in further detail in Exhibit E to Resolution No. [REDACTED], incorporated herein by reference [Finding of No Net Loss of Residential Capacity to Accommodate the RHNA by Income Category (Government Code section 65863; Housing Element Site Inventory)];

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SUNNYVALE DOES ORDAIN AS FOLLOWS:

SECTION 1. AMENDMENT OF PRECISE ZONING PLAN – VILLAGE CENTER MASTER PLAN DISTRICT. The Precise Zoning Plan, Zoning Districts Map, City of Sunnyvale (Section 19.16.050 of the Sunnyvale Municipal Code) is hereby amended to re-zone certain properties within the Village Center Master Plan District, which properties are currently zoned Neighborhood Business (C-1), Neighborhood Business/Planned Development (C-1/PD), Highway Business/Planned Development (C-2/PD), Office (O) or Office/Planned Development (O/PD), to Village Center Master Plan (VCMP), and more specifically, to one of the VCMP implementing districts, Village Center Mixed Use (VCMU), Village Center Commercial (VCC) or Village Center Office (VCO) as identified in the VCMP. The locations of the properties and the VCMP implementing zoning district applicable to each property are shown on the scale drawings and tables attached as Exhibit A attached hereto and incorporated by reference.

SECTION 2. Section 19.16.020 AMENDED. Section 19.16.020 of Chapter 19.16 (Precise Zoning Plans) of Title 19 (Zoning) of the Sunnyvale Municipal Code is hereby amended to read as follows:

19.16.020 Zoning districts – Creation.

In order to carry out the purposes and provisions of this title, the City of Sunnyvale and the Sunnyvale planning area are divided into zoning districts designated as follows:

Symbol	Zoning District
R-0	Low Density Residential Zoning District
R-1	Low Density Residential Zoning District
R-1.5	Low Medium Density Residential Zoning District
R-1.7/PD	Low Medium Density Residential Zoning District
R-2	Low Medium Density Residential Zoning District
R-3	Medium Density Residential Zoning District
R-4	High Density Residential Zoning District
R-5	High Density Residential and Office Zoning District
R-MH	Residential-Mobile Home Zoning District
O	Administrative-Professional Office Zoning District
P-F	Public Facilities Zoning District
DSP	Downtown Specific Plan District
C-1	Neighborhood Business Zoning District
C-2	Highway Business Zoning District
C-3	Regional Business Zoning District
C-4	Service Commercial Zoning District

Symbol	Zoning District
M-S	Industrial and Service Zoning District
M-3	General Industrial Zoning District
MP-AC	Activity Center
MP-R	Residential
MP-MU	Mixed Use
MP-O1	Office 1
MP-O2	Office 2
MP-E1	Mixed Employment 1
MP-E2	Mixed Employment 2
MP-E3	Mixed Employment 3
MP-H	Hospitality
MP-PF	Public Facilities
ECD	Ecological Combining District
LSP	Lakeside Specific Plan District
PPSP	Peery Park Specific Plan District
LSAP	Lawrence Station Area Specific Plan District
MDX-I	Flexible Mixed Use I Zoning District
MDX-II	Flexible Mixed Use II Zoning District
MDX-III	Flexible Mixed Use III Zoning District
M-S/LSAP	Lawrence Station Area Plan Industrial and Service Zoning District

Symbol	Zoning District
MS/LSAP 60%	Lawrence Station Area Plan Industrial and Service Zoning District Sixty Percent
MS/LSAP 120%	Lawrence Station Area Plan Industrial and Service Zoning District One Hundred Twenty Percent
ECR-C	El Camino Real – Commercial
ECR-MU	El Camino Real – Residential Mixed Use
ECR-O	El Camino Real – Office
ECR-PF	El Camino Real – Public Facilities
ECR-R3	El Camino Real – Medium Density Residential
ECR-R4	El Camino Real – High Density Residential
<u>VCC</u>	<u>Village Center Commercial</u>
<u>VCMU</u>	<u>Village Center Mixed-Use</u>
<u>VCO</u>	<u>Village Center Office</u>

SECTION 3. Section 19.27.050 NEW. New Section 19.27.050 of Chapter 19.27 (Site and Project-Based Specific Plan Districts) of Title 19 (Zoning) of the Sunnyvale Municipal Code is hereby added to read as follows:

19.27.050 Village Center Master Plan District

- (a) A zoning district entitled the “Village Center Master Plan” (VCMP) is established as shown on the official precise zoning plan, zoning district map, City of Sunnyvale, on file in the office of the city clerk and incorporated by reference.
- (b) The VCMP zoning district implements the Village Center Master Plan, incorporated by reference, a copy of which is on file in the office of the city clerk.
- (c) The Village Center Master Plan includes the following three implementing

zoning districts:

- (1) Village Center Commercial (VCC)
- (2) Village Center Office (VCO)
- (3) Village Center Mixed Use (VCMU)

SECTION 4. CEQA—ADDENDUM TO PREVIOUSLY CERTIFIED EIR. An addendum to the previously certified Land Use and Transportation Element EIR (the “Addendum”) was prepared for the proposed project. The Addendum, together with the EIR, was presented to, independently reviewed and considered by the City Council at its regularly scheduled meeting of _____, 2025. The Addendum was prepared in compliance with the requirements of CEQA and the CEQA Guidelines (collectively, “CEQA”) and is adequate for the City’s use as the lead agency under CEQA. Based on the evidence submitted and demonstrated by the analysis included in the Addendum, incorporated herein by reference, none of the conditions in Section 15162 or 15163 of the CEQA Guidelines calling for preparation of a subsequent or supplemental EIR have occurred. The City Council incorporates by this reference the findings contained in the Addendum as to the environmental effects of the proposed amendments, together with the additional findings contained in this ordinance.

SECTION 5. EFFECTIVE DATE. This ordinance, as an urgency measure and interim ordinance pursuant to Government Code Section 65858, shall be in full force and effect immediately upon adoption and shall expire 45 days after adoption. This ordinance, as an emergency ordinance pursuant to Charter Section 701, shall be in full force and effect immediately upon adoption and shall expire when the regular ordinance introduced on the same date becomes effective.

SECTION 6. PUBLICATION. The City Clerk is directed to cause copies of this ordinance to be posted in three (3) prominent places in the City of Sunnyvale and to cause publication once in The Sun, the official newspaper for publication of legal notices of the City of Sunnyvale, of a notice setting forth the date of adoption, the title of this ordinance, and a list of places where copies of this ordinance are posted, within fifteen (15) days after adoption of this ordinance.

Introduced and adopted as an urgency ordinance of the City of Sunnyvale at a regular meeting of the City Council held on _____, 2025, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:
RECUSAL:

ATTEST:

APPROVED:

DAVID CARNAHAN
City Clerk
Date of Attestation: _____

LARRY KLEIN
Mayor

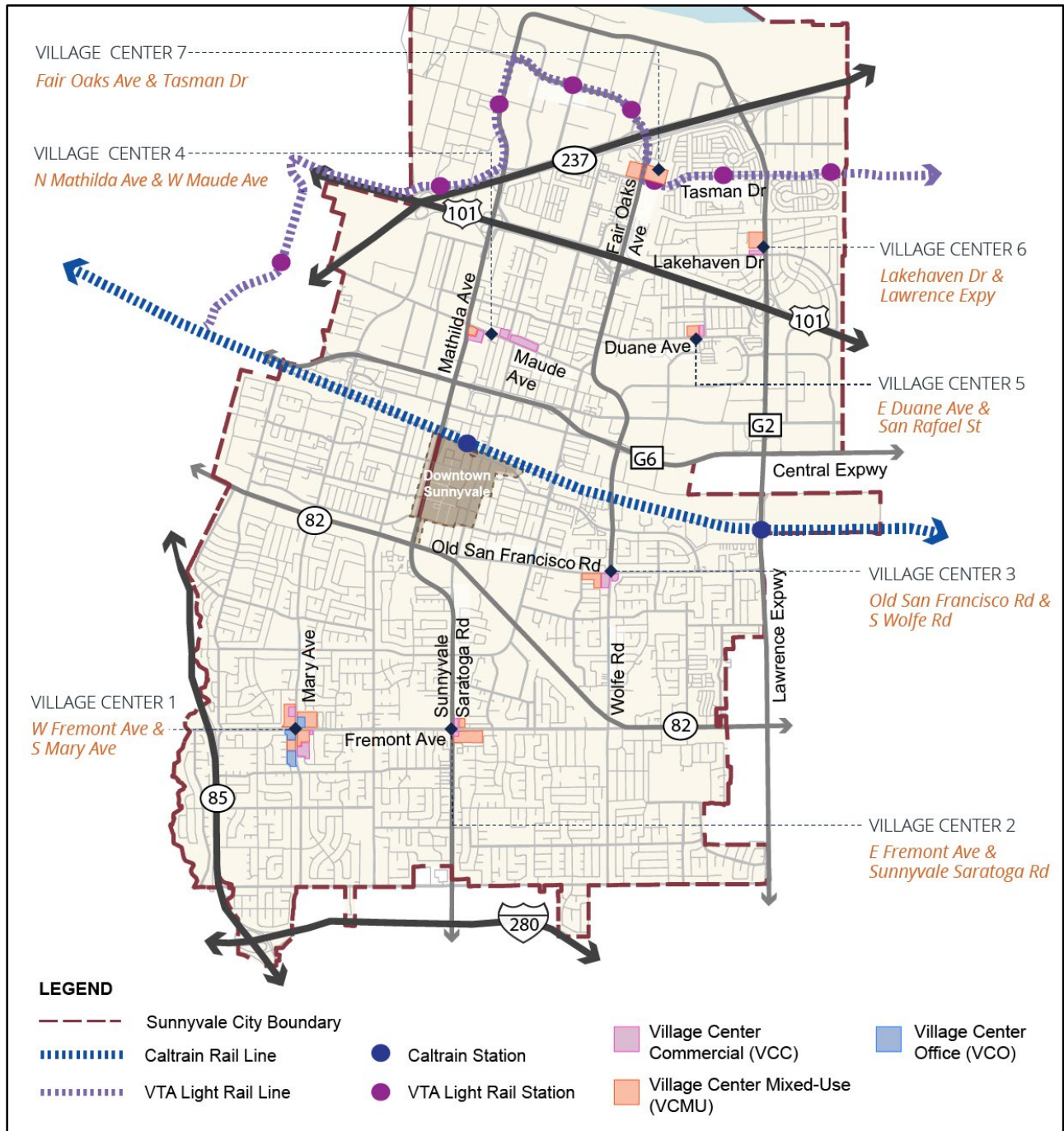
(SEAL)

APPROVED AS TO FORM:

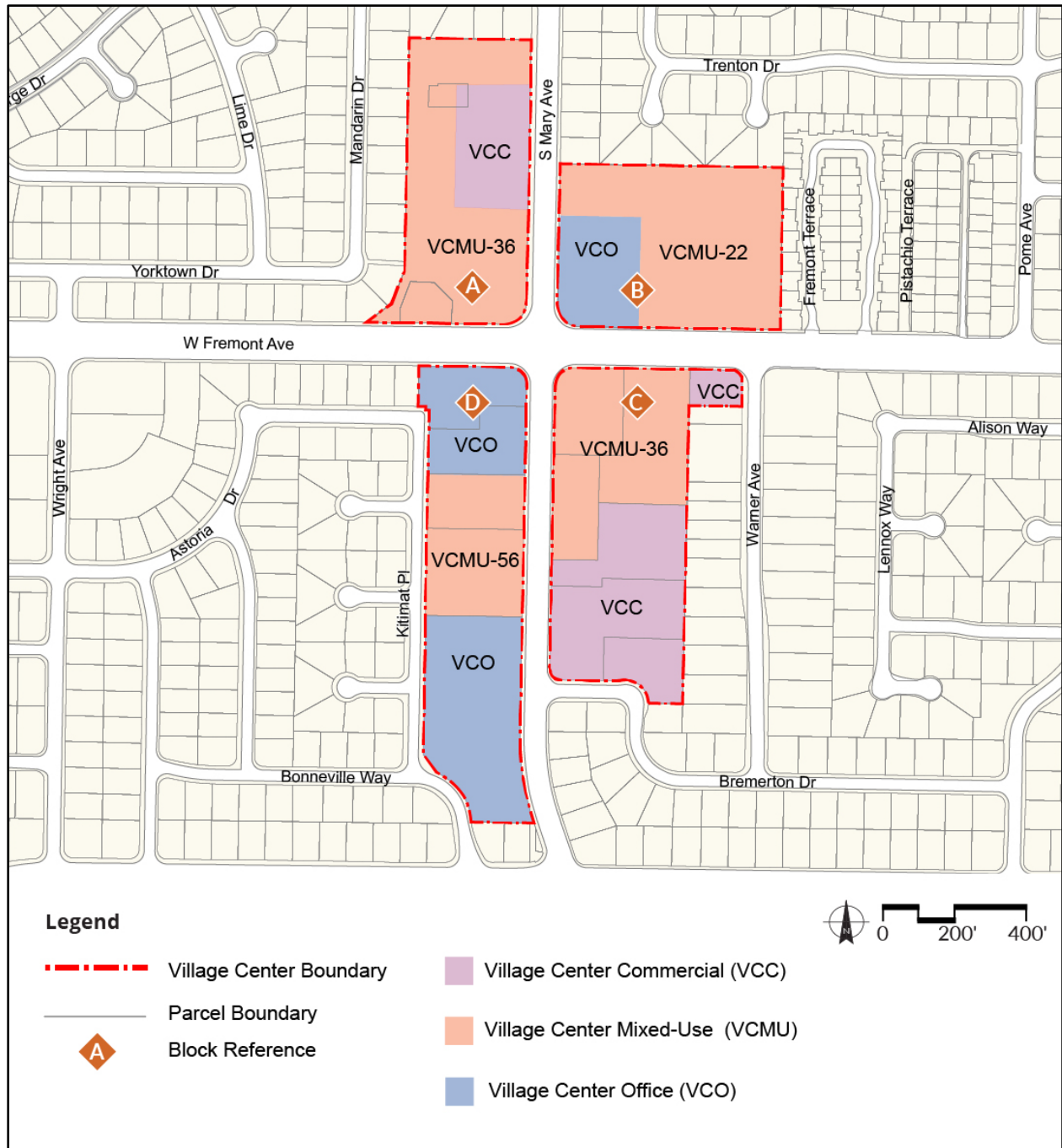
REBECCA L. MOON
City Attorney

EXHIBIT A

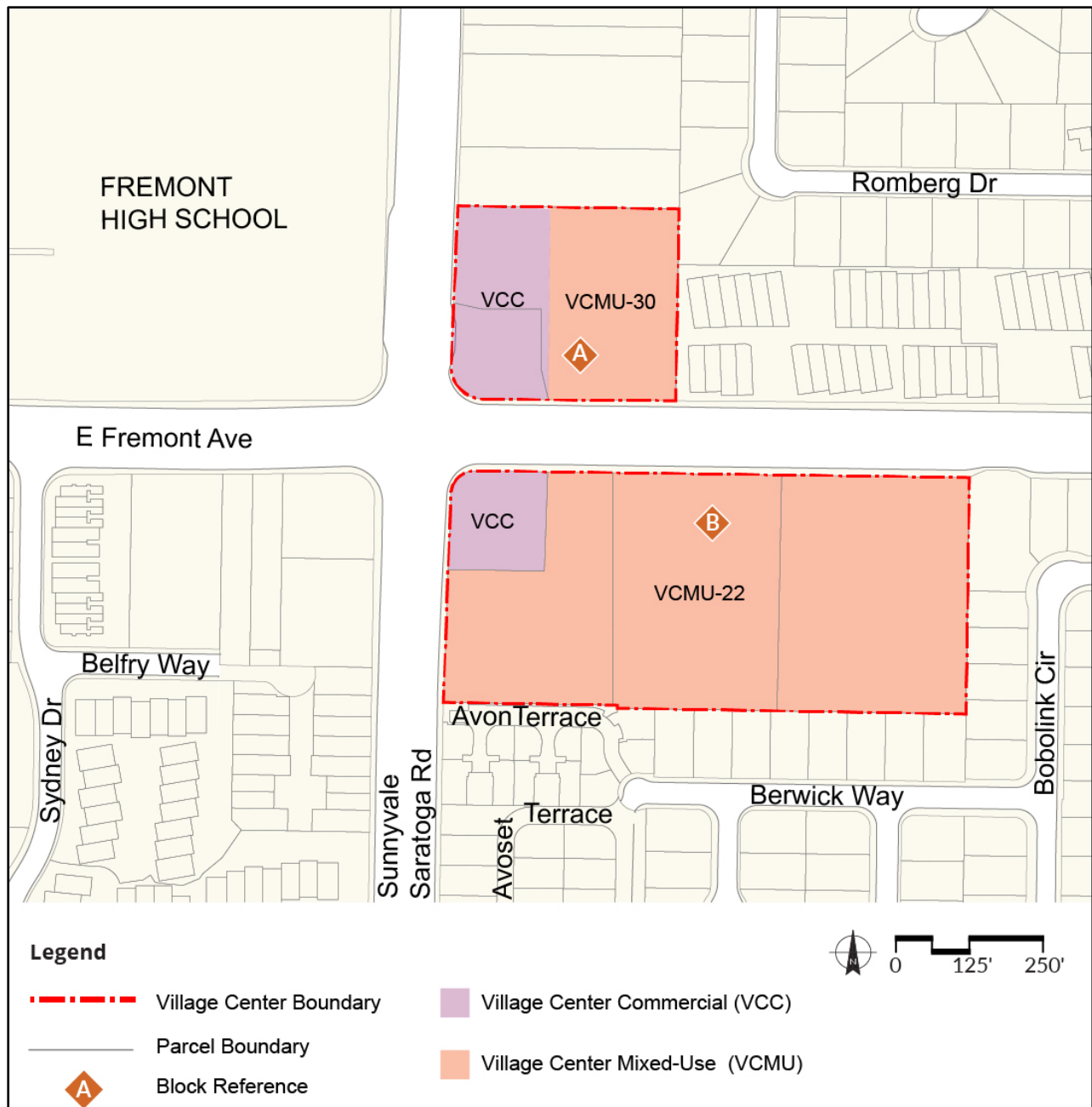
Village Center Zoning District Map



Village Center 1 Zoning District Map



Village Center 2 Zoning District Map



Village Center 3 Zoning District Map



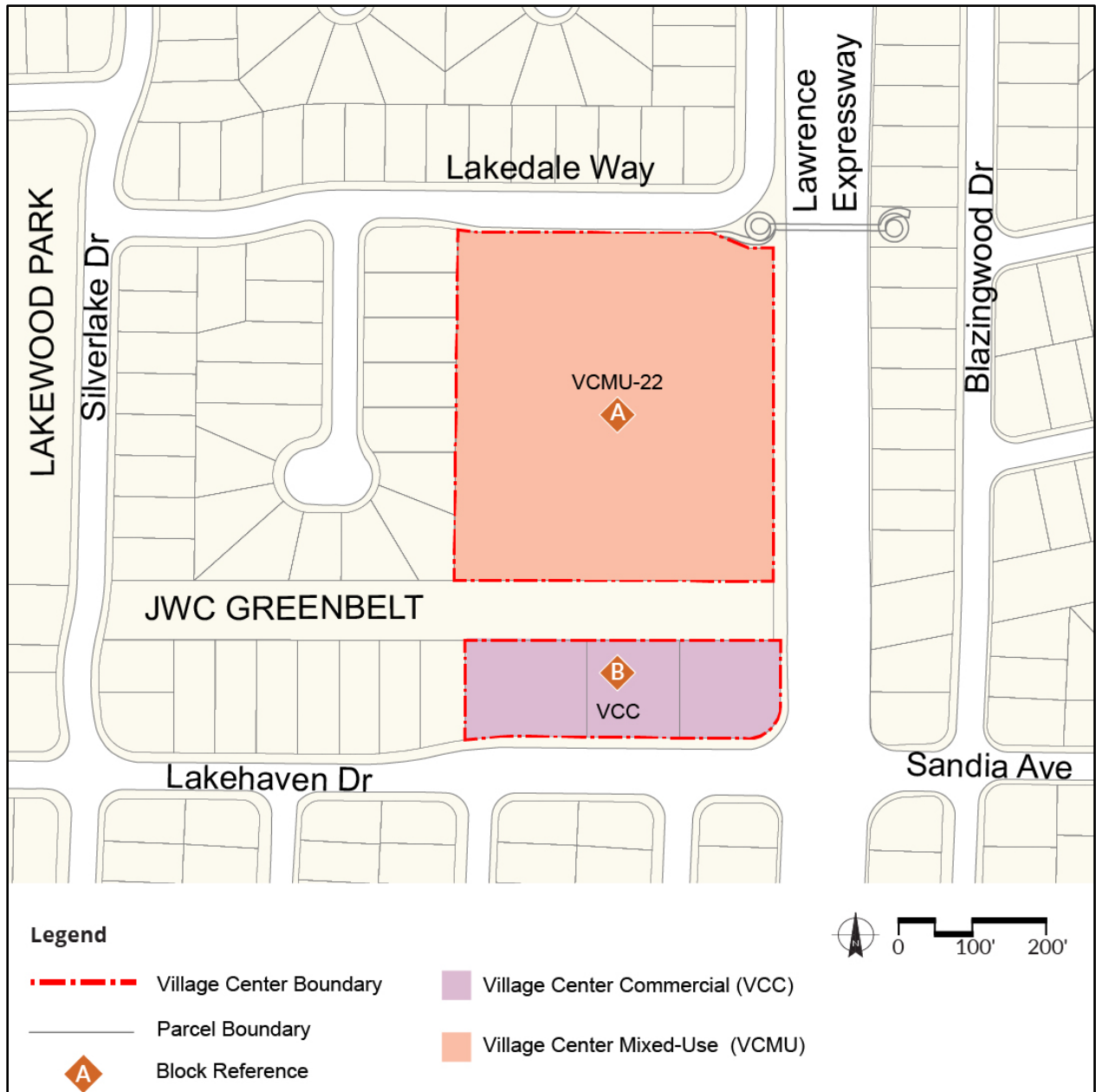
Village Center 4 Zoning District Map



Village Center 5 Zoning District Map



Village Center 6 Zoning District Map



Village Center 7 Zoning District Map



Village Center Site	APN	Address	Zoning District	
			Existing	Proposed
1A	20224031	1241 S Mary Ave	C-1	VCMU
1A	20224031	1241 S Mary Ave	C-1	VCC
1A	20224032	1211-1291 S Mary Ave	C-1	VCMU
1A	20224032	1211-1291 S Mary Ave	C-1	VCC
1A	20224033	925 W Fremont Ave	C-1	VCMU
1B	20223007	877 W Fremont Ave	O	VCMU
1B	20223007	877 W Fremont Ave	O	VCO
1C	32301001	860 W Fremont Ave	C-1	VCC
1C	32301018	1358 S Mary Ave	C-1	VCC
1C	32301019	1350 S Mary Ave	C-1	VCC
1C	32301020	1334-1366 S Mary Ave	C-1	VCC
1C	32301021	1310 S Mary Ave	C-1	VCMU
1C	32301025	1306 S Mary Ave	C-1	VCMU
1C	32301026	1314-1332 S Mary Ave	C-1	VCMU
1D	32025057	1309 S Mary Ave	O/PD	VCO
1D	32025058	920-924 W Fremont Ave	O/PD	VCO
1D	32025059	1303 S Mary Ave	O/PD	VCO
1D	32025060	1305 S Mary Ave	O/PD	VCMU
1D	32025061	1307 S Mary Ave	O/PD	VCMU
2A	21134001	103-167 E Fremont Ave	C-1/PD	VCMU
2A	21134001	103-167 E Fremont Ave	C-1/PD	VCC
2A	21134013	1296 Sunnyvale Saratoga Rd	C-1/PD	VCC
2B	30901002	1310 Sunnyvale Saratoga Rd	C-1/PD	VCMU
2B	30901007	1300 Sunnyvale Saratoga Rd	C-1/PD	VCC
2B	30901009	150 E Fremont Ave	C-1/PD	VCMU
2B	30901010	1301 Barbet Cir	C-1/PD	VCMU
2B	30901011	1303 Barbet Cir	C-1/PD	VCMU
2B	30901012	1304 Barbet Cir	C-1/PD	VCMU
2B	30901013	1303 Besra Ter	C-1/PD	VCMU
2B	30901014	176 E Fremont Ave	C-1/PD	VCMU
3A	21105006	703 S Wolfe Rd	C-1	VCC
3A	21105027	747 Old San Francisco Rd	C-1	VCC
3A	21105027	747 Old San Francisco Rd	C-1	VCMU
3A	21105030	731 Old San Francisco Rd	C-1	VCMU
3A	21105031	888 Old San Francisco Rd	C-1	VCMU
3A	21105032	733 Old San Francisco Rd	C-1	VCMU
3A	21105033	743 Old San Francisco Rd	C-1	VCMU
3A	21105034	727 S Wolfe Rd	C-1	VCC
3A	21105034	727 S Wolfe Rd	C-1	VCMU
3B	21320027	704-744 S Wolfe Rd	C-1/PD	VCC

Village Center Site	APN	Address	Zoning District	
			Existing	Proposed
4A	20432001	498 N Mathilda Ave	C-1/PD	VCMU
4A	20432002	240-350 W Maude Ave	C-1/PD	VCC
4A	20432002	240-350 W Maude Ave	C-1/PD	VCMU
4A	20432003	490-494 N Mathilda Ave	C-1/PD	VCC
4A	20432004	484 N Mathilda Ave	C-1/PD	VCC
4A	20432005	480 N Mathilda Ave	C-1/PD	VCC
4A	20432006	470-478 N Mathilda Ave	C-1/PD	VCC
4A	20432007	460-464 N Mathilda Ave	C-1/PD	VCC
4B	20429030	501-509 Borregas Ave	C-1	VCC
4B	20429031	107 W Maude Ave	C-1	VCC
4B	20429032	117 W Maude Ave	C-1	VCC
4C	20422007	325-347 E Maude Ave	C-1	VCC
4C	20422009	225 E Maude Ave	C-1	VCC
4C	20422010	217-223 E Maude Ave	C-1	VCC
4C	20422011	211-213 E Maude Ave	C-1	VCC
4C	20422050	195 E Maude Ave	C-1	VCC
4C	20422054	253-259 E Maude Ave	C-1	VCC
4C	20422055	155 E Maude Ave	C-1	VCC
4C	20422056	105 E Maude Ave	C-1	VCC
5	20512001	929 E Duane Ave	C-1/PD	VCC
5	20512002	933 E Duane Ave	C-1/PD	VCC
5	20512003	917-927 E Duane Ave	C-1/PD	VCMU
5	20512004	901-911 E Duane Ave	C-1/PD	VCMU
6A	11023110	1119-1163 Lawrence Expwy	C-1/PD	VCMU
6B	11023053	1101 Lawrence Expwy	C-1/PD	VCC
6B	11023108	1051 Lakehaven Dr	C-1/PD	VCC
6B	11023109	1037 Lakehaven Dr	C-1/PD	VCC
7A	11029039	N/A	C-2/PD	VCMU
7A	11029040	1161-1167 N Fair Oaks Ave	C-2/PD	VCMU
7B	11029038	1180 N Fair Oaks Ave; 605-695 Tasman Dr	C-2/PD	VCMU