

Agenda Item

#### 17-0431

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# REPORT TO PLANNING COMMISSION

## <u>SUBJECT</u>

File #: 2017-7095

Location: 1103-1129 Royal Ann Court (APNs:202-10-022 through 202-10-035), 1104-1125 North Sage Court (APNs:202-10-011 through 202-10-021), 1104-1136 Hollenbeck avenue (APNs:202-10-038 through 202-10-044), 602-696 West Remington Drive (APNs:202-10-045 through 202-10-063), 611-699 Sheraton Drive (APNs:202-10-002 through 202-10-005, 202-10-036 and 202-10-037), 1115-1123 Smyrna Court (APNs:202-10-006 through 202-10-010) and 1103 Spinosa Drive (APN: 202-10-001).

#### Zoning: R-1

**Proposed Project:** Introduce an Ordinance to **REZONE** 63 contiguous single family home lots from R-1 (Low Density Residential) to R-1/S (Low Density Residential/Single-Story) **Applicant / Owner:** Howard Meuller (plus multiple owners)

**Environmental Review:** The Ordinance being considered is categorically exempt from review pursuant to CEQA Guidelines Section 15305 (minor alteration in land use) and Section 15061(b)(3) (a general rule that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the action may have a significant effect on the environment, the activity is not subject to CEQA). **Project Planner:** Aastha Vashist, (408) 730-7458, avashist@sunnyvale.ca.gov

## REPORT IN BRIEF

General Plan: Residential Low Density

**Existing Site Conditions:** One cohesive residential neighborhood block consisting of 63 contiguous lots with single-story Eichler homes

## Surrounding Land Uses

**North:** Single Family homes across West Remington Drive

**South:** Single Family homes across Sheraton Drive

**East:** Single Family homes across Spinosa Drive

West: Single Family homes across Hollenbeck Avenue

**Issues:** Preservation of a single-family neighborhood of single-story homes.

**Staff Recommendation:** Planning Commission recommend to City Council: find the project exempt from CEQA; and introduce an ordinance to rezone 63 contiguous single family home lots.

#### BACKGROUND

The application was signed by 52 property owners (82.5 percent) in the 63-lot project area. As

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indicated on the vicinity and noticing map (Attachment 2), the project area consists of properties bounded by West Remington Drive on the north side, Hollenbeck Avenue on the west, Spinosa Drive on the east, Sheraton Drive on the south, and includes Smyrna Court, North Sage Court and Royal Ann Court. The proposed Single Story Combining District is part of the Fairbrae Neighborhood and in the vicinity of five other recently adopted Single Story Combining Districts.

The proposed 63-lot rezoning area include single-story Eichler homes.

Attachment 2 includes maps of the larger neighborhood indicating the hearing noticing area. A list of all the properties is included in Attachment 3.

The request is to modify the current R-1 zoning designation (Low Density Residential) by combining it with an "S" single-story zoning designation for R-1/S. This would limit the existing single family homes in the project area to one story and 45 percent Floor Area Ratio (FAR). Other City site development standards and density would remain the same. This application represents the twelfth Single-Story combining district application to be considered by the City since the enabling zoning code changes became effective January 1, 2001. Attachment 5 is a list of approved and proposed single-story districts in the City.

City Council is scheduled to consider this item on June 20, 2017.

## EXISTING POLICY

The intent of the Council's action creating the Single-Story Combining District was to "modify the site development regulations of the R-0, R-1, and R-2 residential zoning districts to preserve and maintain single-family neighborhoods of predominantly single-story character." Sunnyvale Municipal Code Section 19.26.200(b) states that the single-story combining district may be established at the discretion of the City Council to combine with the R-0, R-1 or R-2 zoning districts. Submittal of the minimum application requirements does not guarantee nor imply an automatic approval. The Planning Commission holds a hearing on each rezoning and makes a recommendation to the City Council. The City Council may approve a zoning amendment upon finding that the amendment, as proposed, changed or modified is deemed to be in the public interest.

Members of the pubic have questioned whether the current application process is sufficient to assure that residents understand the implications of single-story zoning. There was a suggestion that a more rigorous application process, such as an independent poll of property owners by staff, would better validate interest by property owners in the proposed zoning district. Based on the feedback, the administrative process was modified and staff sends out a separate request to all affected property owners to indicate their interest or opposition to the rezoning request. Staff mailed a letter to each property owner asking for confirmation of their perspective of the application; as of May 17, 2017, results of the polling are:

- 48 Support the rezoning
- 2 Oppose the rezoning
- 1 Neutral on the rezoning
- 12 No reply

There have also been requests to analyze the effect of single-story rezoning on the citywide housing

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stock and property values. The single-story combining district was created in 2000 as part of a larger study to consider changes to single-family home design criteria and development standards. This is the ninth single-story rezoning application the Planning Commission has considered since the beginning of 2016. Staff conducted a study session for the Planning Commission about the history and current project review process. Due to the number of single-story applications submitted in 2016 and after hearing comments made by the public at the study session, the Planning Commission ranked a study issue for consideration in 2017 to relook at the process and to determine what factors should be considered as part of determining "in the public interest." City Council selected and ranked this study issue for 2017 (number 3 of 5 for CDD); but it ranked below the line for 2017.

## ENVIRONMENTAL REVIEW

The action being considered is categorically exempt from review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guideline Section 15305 as it is a minor alteration in land use in an area with an average slope of less than 20% and will not result in any changes in land use or density. In addition, the Ordinance is exempt under the general rule that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the action may have a significant effect on the environment, the activity is not subject to CEQA. (CEQA Guidelines Section 15061(b)(3)).

#### DISCUSSION

The action under consideration is a rezoning to add a Single-Story combining district to an existing R-1 single-family neighborhood. The following items must be met to consider an application for a Single -Story combining district.

- 1. The zoning for the underlying district must be R-0, R-1 or R-2. *Criteria met*
- 2. The application must be signed by at least 55 percent of the property owners in the proposed district. *Criteria met*
- 3. The proposed district must be clearly delineated in the application and must consist of at least 20 homes. *Criteria met*
- 4. At least 75 percent of the homes in the proposed district must be one-story. Criteria met
- 5. To the extent feasible, the proposed district shall follow a recognizable feature such as a street, stream, or tract boundary. *Criteria met*

There are 63 properties in the rezoning application, which exceeds the minimum of 20 properties. By using the City's GIS system and County Assessor information, staff has confirmed that 52 (82.5 percent) of the property owners have joined this application, exceeding the minimum 55 percent required. The proposed boundaries follow streets. All the homes within the proposed boundary are single-story.

If adopted, the single-story combining district will remain in effect unless district owners initiate a similar application process to request that it be rezoned to remove the single-story restriction. A letter was sent to the property owners in the proposed district providing them with a detailed outline of the new development limits for a single-story district (Attachment 7). The following development regulations will apply:

#### Single Story Limit

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- There will be a limit of one habitable floor (story). Habitable areas are interiors conditioned for human occupancy (e.g. meet standards for heat, insulation, light and minimum ceiling heights).
- Lofts, mezzanines and similar areas will be prohibited as well as attics that meet habitable standards.
- The one-story limit will apply to all proposed structures on the property, including detached structures such as garages, accessory living units, etc.

#### Building Height Limit

• The maximum building height will be 17 feet (currently 30 feet).

#### Maximum Gross Floor Area

- The maximum floor area ratio (FAR) of each home will be 45 percent, the same for any onestory home in the R-1 zoning district.
- No future home additions beyond 45 percent FAR will be permitted unless a Variance is granted.
- A basement is not considered a story unless it extends more than two feet above the ground; it would then be counted towards the floor area limit.

#### Other Legal Non-Conforming Homes

- Existing legally constructed homes that exceed 45 percent FAR or 17 feet in height will be considered legal and non-conforming if the properties are rezoned.
- Legal non-conforming homes can be maintained and repaired subject to City building permits provided the non-conformity is not increased.

#### Neighborhood Density

The proposed single-story rezoning area is an R-1 single-family zone where one dwelling unit is allowed per lot; under prescribed circumstances and accessory dwelling unit may be allowed on R-1 zoned properties. The new zoning designation will be R-1/S. The area will remain a single-family area with one dwelling unit allowed on each lot. New accessory dwelling units are subject to the same standards as without the single-story combining district and must also meet the single-story limitation.

#### **Eichler Design Guidelines**

The area proposed for rezoning is subject to the Sunnyvale Eichler Design Guidelines adopted by the City Council in 2009. The Guidelines are used in support of the zoning code and provide guidance when absolute standards are inappropriate. The Guidelines focus on design issues, compatibility, and privacy concerns and still allow creativity and individuality in architectural expression. Residential design review decisions in Eichler neighborhoods must be compatible with the Guidelines.

#### Rezoning Impact

By rezoning the proposed district to R-1/S, no impacts are expected to other single-family homes in the neighborhood located outside of the street boundaries and in the vicinity of the proposed rezoning area.

#### FISCAL IMPACT

There is no development related to this application. No fiscal impacts other than normal fees and

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taxes associated with owning a single-family home are expected.

#### PUBLIC CONTACT

Public contact was made through posting of the Planning Commission agenda on the City's official notice bulletin board, on the City's website, and the availability of the agenda and report in the Office of the City Clerk. There were 205 notices sent to the project area and surrounding property owners. The block was posted with hearing notices.

A neighborhood information meeting was conducted by staff on May 11, 2017 at the Community Center for the 63 property owners in the proposed single-story district. Three people attended the meeting. An information letter outlining the restrictions of the Single-Story Combining District was sent to the property owners in the proposed district so that those who did not attend the information meeting would have complete information (Attachment 7).

## ALTERNATIVES

Recommend to City Council:

- Find the project exempt from CEQA pursuant to CEQA Guidelines Sections 15305 and 15061 (b)(3).
- 2. Introduce an Ordinance (Attachment 6 of this report) to Rezone 63 contiguous single family home lots from R-1 (Low Density Residential) to R-1/S (Low Density Residential/Single-Story).
- 3. Introduce an Ordinance with modified boundaries to rezone fewer properties.
- 4. Deny the rezone.

#### STAFF RECOMMENDATION

Recommend to City Council: Alternatives 1 and 2: 1) Find the project exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15305 and 15061(b)(3); and 2) Introduce an Ordinance (Attachment 6 of the report) to Rezone 63 contiguous single family home lots from R-1 (Low Density Residential) to R- 1/S (Low Density Residential/Single-Story).

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#### **ATTACHMENTS**

- 1. Not Used
- 2. Vicinity and Noticing Maps
- 3. List of Addresses and APNs Within the Proposed District
- 4. Applicant's Letter
- 5. List of Approved and Proposed Single-Story Districts
- 6. Draft Ordinance
- 7. Letter from the City to Property Owners in Proposed District
- 8. Letters in Support of the Application