

# City of Sunnyvale

# Agenda Item-No Attachments (PDF)

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# REPORT TO COUNCIL

### **SUBJECT**

Introduce an Ordinance to Amend Chapter 19.32 of Title 19 of the Sunnyvale Municipal Code to Modify the Height Requirements for the R-3 (Medium Density Residential) Zoning District (Non-Townhouse), (Study Issue, 2013-7143), and a Finding that the Proposed Ordinance is Exempt from the Requirements of the California Environmental Quality Act (CEQA) Pursuant to CEQA Guideline 15061(b)(3)

# **BACKGROUND**

In 2005 Council considered the study titled, "Height Limit in R-3 Zoning Districts" and made no changes to the height regulations of 2-stories and 30 feet indicating that it was preferable to consider exceptions, on a case by case basis, rather than a blanket increase to the limit. R-3 height was again reviewed in 2006 as a part of a study on how to encourage home ownership, and the Council adopted changes to the zoning code that increased the height allowance for townhouse style development in the R-3 zone to 3-stories and 35 feet; the rationale for the split standard is that townhouse style units are more likely to be sold individually (and the city cannot otherwise differentiate zoning standards based on form of ownership). Since the 2006 study, approximately 24 R-3 projects have been considered (the complete list of projects can be found in Attachment 4); most of these projects were townhouse style developments and by code were permitted to be up to three stories and 35 feet in height. Seven of the townhouse style projects were approved to exceed the 35 foot height limit. Five of the 24 projects were for non-townhouse style developments (condominium flats and apartments) and all of these non-townhouse projects were approved with deviations to exceed the maximum height of 2-stories and 30 feet. In 2012, after evaluating one of these projects, the Planning Commission sponsored this study issue to revisit the height standard for R-3 developments (Study Issue Paper, Attachment 1).

# EXISTING POLICY

**General Plan** 

Land Use and Transportation Element

**Goal LT-2** Attractive Community - Preserve and enhance an attractive community, with a positive image and a sense of place, that consists of distinctive neighborhoods, pockets of interest, and human scale development.

# **Community Character- Design**

**Goal CC-3** Well-Designed Sites and Buildings - Ensure that buildings and related site improvements for private development are well designed and compatible with surrounding properties and districts.

#### **Council Policy Manual**

**Council Policy 7.3.1 Legislative Management** 

**Policy 7.3B.3** - Prepare and update ordinances to reflect current community issues and concerns in compliance with state and federal laws.

### **ENVIRONMENTAL REVIEW**

Although the modifications to the ordinance are considered a project under the California Environmental Quality Act (CEQA), staff has concluded that adopting the proposed ordinance is exempt from CEQA under Guideline 15061(b)(3) because it can be seen with certainty that it will not have a significant effect on the environment.

Projects that are subject to the requirements of the amended chapters will be environmentally evaluated on an individual basis.

### **DISCUSSION**

Overview of the Study Issue

The following table shows the existing height limits for residential zoning districts within the City of Sunnyvale. The R-3 zoning district is the only zoning district that has two height limits based on different styles of housing.

Zoning District	Building Stories	Building Height
R-1,R-0, R-1.5, R-1.7, R-2	2	30 feet
R-3 Non-Townhouse Style Townhouse Style	2 3	30 feet 35 feet
R-4	4	55 feet
R-5	4	55 feet

As mentioned above (and shown in Attachment 4) several projects (both townhouse and non-townhouse style) have been approved since 2006 with deviations to the height limit. Most of the R-3 projects that have been reviewed since 2006 are townhouse style developments (Attachment 4); all five of the non-townhouse style developments that were proposed from 2006 to 2013 have been approved with height deviations of 3 stories and 33 to 39 feet.

The Code allows exceptions to the height limits for, "Towers, spires, chimneys, machinery penthouses not exceeding twenty-five percent of the roof area on which the penthouse is located, scenery lofts, cupolas, water tanks, telecommunications facilities, wind turbines and towers, high bay test facilities, and similar architectural and utility structures, including equipment screening and necessary mechanical appurtenances, may exceed the maximum building height in any zoning district by a maximum of twenty-five feet."

# **Design Guidelines and Reasons Height Deviations are Commonly Granted**

As shown in Attachment 4, one-half of the projects approved in the R-3 zoning district asked for height deviations ranging from 33 (non-townhouse) to 40 feet. While this study does not focus on height changes for townhouse style projects (and the topic was recently studied), the Planning Commission asked for more instruction on when height deviations should be granted and when they were appropriate. Rather than amending the code to allow greater height for all R-3 projects to encompass all of the height deviations, staff proposes Design Guidelines for when height deviations would be appropriate (Attachment 3).

The exception mentioned above (Chapter 19.32.030) allows for specified architectural features to extend above the maximum height limit, but it does not take into consideration other factors which can make a building higher, such as pre-existing grade of the site, the way building height is determined, required finished floor height for a project within the flood plain, and architectural styles and surrounding structures and developments.

The City defines building height as, "the vertical distance measured from the top of the curb closest to the main building, or if there is no curb, from the highest point of the street adjacent to the main building, to the highest point of the building." Most other jurisdictions measure from adjacent grade; the reason for measuring height from the curb is due to the infill nature of Sunnyvale development- if a site's grade has been increased, the height is still measured from a fixed point giving neighbors a better sense of what to expect. Sunnyvale's method may result in varied building heights on a property (especially larger properties that slope up from the street) and there may be a need for a height deviation for some structures.

There are some areas of Sunnyvale that are located within a flood zone and are required to have their finished floor elevated above the floodplain; this can add one to three feet (sometimes more) onto a building's measured height which sometimes cannot be accommodated without a height deviation.

Some architectural styles include steeply pitched roofs or other features that are not exempted from the height limits, and rather than requiring developers to incorporate styles of architecture that do not include these features, a height deviation could be appropriate to create a more aesthetically pleasing building and to create more variety in architectural styles and rooflines.

Occasionally height deviations are granted based on the surrounding properties and the heights and styles of those developments. For instance, if a non-townhouse R-3 development was surrounded by taller townhouse developments or near a zoning district with a higher height limit, the Planning Commission may find that it is appropriate to exceed the height limit for the zoning district and grant a deviation for the new project.

# **Underground Parking Incentive**

Section 19.32.030 of the Sunnyvale Municipal Code states that, "In R-4 and R-5 zoning districts, multiple-family dwelling developments with underground parking may exceed the maximum height limitation for the zoning district. The extension above the height limit may equal the depth of the underground parking, not to exceed five feet total." For example, an apartment or condominium project with an underground parking facility that is at least five feet below the ground height may exceed the zoning district height limit by no more than five feet.

This provision encourages underground parking for developments while offering an incentive to the developer on increased height for their project without needing a deviation. Since projects within the R-3 zoning district are generally multiple-family developments similar to (but less dense than) those in the R-4 and R-5 zoning districts, this section of the ordinance could be modified to include R-3 projects and reinforce the encouragement of underground parking in multiple-family developments.

#### Other Cities

The table in Attachment 5 shows height limits in other cities for zones that are similar in allowable density for the R-3 zoning district (approximately 24 dwelling units per acre). As shown in the table,

the maximum height limit and number of stories differs greatly by city; the average of the cities evaluated is about 38 feet. This average is higher than either of Sunnyvale's height allowances in the R-3 zone. The other item that is apparent in Attachment 5 is that Sunnyvale is the only city that has a different height limit for townhouse style development. While it may not be necessary or desirable to raise the townhouse style height limit in Sunnyvale at this time, it may be appropriate to have a single standard for the zoning district and that the non-townhouse style limit would be changed to match the townhouse style limit.

# **Effect on Affordable Housing**

The proposed changes will provide a more straightforward and predictable review process for multifamily developments in R-3 zoning districts. This change can reduce risk and permitting costs to housing developers as well, thereby reducing the amount of subsidy required for affordable housing developers.

### **FISCAL IMPACT**

There are no fiscal impacts for selecting a height limit for the R-3 zoning district.

### **PUBLIC CONTACT**

Public contact regarding the study issue was made through the following ways:

- 1. Posting the Planning Commission and Council agendas on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website;
- 2. Publication in the Sun newspaper, at least 10 days prior to the hearing;
- 3. E-mail notification of the hearing dates sent to all interested parties and Sunnyvale neighborhood groups; and
- 4. E-mail soliciting public comment sent to a list of local developers who do work within Sunnyvale.

# Study Session/Public Outreach

Three members of the Planning Commission attended the January 13, 2014 Planning Commission Study Session for the R-3 Study Issue. The three indicated that it may be desirable to have a consistent height standard in the R-3 zoning district. Two of the Commissioners expressed an opinion that 40 feet may be an appropriate height in the R-3 zoning district based on a theory of greater density allowing greater height and also expressed reservations about an overall height increase. All three encouraged the development of design guidelines to help determine when height deviations would be appropriate.

Staff encouraged developers who have done work within the City to attend the Study Session with the Planning Commission. Several members of the public attended the meeting and two spoke about the item during the discussion; both were developers who thought that an increased height of 3 stories and 40 feet for all R-3 projects may be more appropriate than the existing height standards. They felt that the increased height would allow more flexibility in the site design and allow for more architectural styles. They both encouraged the addition of the R-3 zoning district in the underground parking incentive because it allows for more open space on the project sites - to have the parking under the building(s).

Staff provided the staff report to the Planning Commission and draft Ordinance to all members of the

public interest list prior to the March 10, 2014 Planning Commission meeting. No one from the public spoke during the public hearing portion and staff did not receive any correspondence on the item.

## **ALTERNATIVES**

- 1. Find that the Project is exempt from CEQA pursuant to CEQA Guideline 15061(b)(3).
- 2. Introduce an ordinance (Attachment 2) to amend Chapter 19.32 of Title 19 of the Sunnyvale Municipal Code to modify the height limit for non-townhouse style development within the R-3 zoning district to match the standard for townhouse style developments (3 stories, 35 feet) and to modify the underground parking height incentive to include R-3 projects.
- 3. Incorporate the new Design Guidelines (Attachment 3) into the Citywide Design Guidelines.
- 4. Adopt an ordinance and/or guidelines with modifications to the staff recommendation.
- 5. Do not modify Chapter 19.32 and make no changes at this time.

## STAFF RECOMMENDATION

Alternatives 1, 2, and 3 - find that the Project is exempt from CEQA, introduce an ordinance (Attachment 2) to amend Chapter 19.32 of Title 19 of the Sunnyvale Municipal Code to modify the height limit for non-townhouse style development within the R-3 zoning district to match the standard for townhouse style developments (3 stories, 35 feet) and modify the underground parking height incentive to include R-3 projects, and incorporate the new Design Guidelines (Attachment 3) into the Citywide Design Guidelines.

This alternative will create a consistent height requirement of 3 stories and 35 feet for all development in the R-3 zoning district and encourage underground parking with the addition of the height incentive. The recommended height limit balances the past decisions on height with the notion that additional height should be based on the merits of a project. Additional design guidelines will aid the Planning Commission and City Council when evaluating projects that have requested a height deviation.

In addition, the recommended action can contribute toward the list of actions the City has taken to reduce "constraints to affordable housing" as required for the Housing Element update, and will likely help the City to obtain state certification of the update in 2015.

### **BOARD/COMMISSION RECOMMENDATION**

On March 10, 2014 the Planning Commission voted 6-0 (one commissioner absent) to recommend Alternatives 1, 2, and 3 (staff recommendation) because they found that modifying the nontownhouse height requirements made sense to create a consistency in height for the R-3 zoning district and that the addition of design guidelines would help them make decisions on whether height deviations would be appropriate when reviewing projects.

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Reviewed by: Hanson Hom, Director, Community Development

Approved by: Robert A. Walker, Interim City Manager

### **ATTACHMENTS**

1. Study Issue Paper

- 2. Draft Ordinance
- 3. Draft Design Guidelines
- 4. Approved R-3 Projects 2006 to 2013
- 5. Table of Height Requirements in Other Cities
- 6. Excerpt from the March 10, 2014 Planning Commission Meeting