

### REPORT TO CITY COUNCIL

#### **SUBJECT**

Adopt a Resolution regarding the **LAND USE AND TRANSPORTATION ELEMENT** of the General Plan (2016-7708) 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.

#### **SUMMARY OF PLANNING COMMISSION ACTION**

The Planning Commission considered this item on March 27, 2017. Thirteen members of the public spoke expressing a range of opinions about the village centers, the jobs to housing ratio, housing affordability and overall development levels in the community. The Planning Commission voted 4-2 (1 absent) to recommend that City Council make the findings required of CEQA, certify the EIR, and adopt the Water Supply Assessment. In a separate motion the Planning Commission voted 4-2 (1 absent) to recommend approval of the Land Use and Transportation Element (LUTE) as recommended by staff with two modifications as discussed below, to adopt the CEQA Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program, to repeal the Southern Pacific Corridor Specific Plan and to authorized staff to format the LUTE for inclusion in the consolidated General Plan document. The two modifications made were: 1) to develop check-in procedures to monitor the jobs to housing ratio, and 2) to retain 40% of the Futures 5 area (near Northrop Grumman) Industrial to Residential (ITR).

1. Check-in procedures. Staff recommends the check in procedure be accommodated by updating the Balanced Growth profile to reflect the 2035 buildout scenarios and the addition of a jobs housing ratio indicator. City Council would receive the data annually and could determine if the pace of either type of development warrants new City policy considerations, such as a study issue.
2. Futures 5 Residential. A map of the Futures 5 area is provided in Attachment 19. The map highlights the properties recommended to be retained for future residential uses. Four of the seven properties in the Futures 5 area are owned by Northrop Grumman (about 93% of the land area); all four properties have deed restrictions that prohibit residential use. As progress is made to remediate the contamination on these sites there is the potential for removal of these restrictions. It is acknowledged that these sites may not be available for residential use any time soon, or maybe even never. Staff has incorporated this recommended land use

change into the staff recommendation and has prepared a revised land use map (Attachment 20). This land use change results in the potential for 360 additional housing units (at a low-medium density, which is consistent current General Plan designation) and 1,400 fewer potential jobs. These changes result in a jobs to housing ratio of 1.69.

Minutes of the Planning Commission meeting are in Attachment 18.

## **PUBLIC CONTACT**

Public contact was made by posting the Council agenda 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.

Notice of the Planning Commission and City Council public hearings was advertised in the *Sun* newspaper on March 17, 2017. Approximately 600 individuals were sent email notice of the public hearings.

## **ALTERNATIVES**

### **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.  
(*Planning Commission recommendation*).
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 (*including repealing the remaining Southern Pacific Corridor Specific Plan Sites as depicted in Attachment 8*) as shown in Attachment 4 and Attachment 20 (revised land use map) to this staff report (*Planning Commission recommendation*) and the modifications to Policy 53 Action 5, Policy 55 Action 2 and Policy 101 Action 6 described in this report, below.
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 approved by Council) and to update the Balanced Growth profile.

## **STAFF RECOMMENDATION**

Alternatives 1, 3 and 6: 1) Adopt a Resolution (Attachment 2 to the 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 the staff report) to Amend the General Plan to Adopt the Land Use and Transportation Element (*including repealing the remaining*

*Southern Pacific Corridor Specific Plan Sites as depicted in Attachment 8 to the staff report) as shown in Attachment 4 and Attachment 20 to the staff report, and the modifications to Policy 53 Action 5, Policy 55 Action 2 and Policy 101 Action 6 described in the report; and, 6) Direct staff to reformat the LUTE for inclusion into the Consolidated General Plan, including any approved modifications and to update the Balanced Growth profile.*

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 that are consistent with the LUTE.

The Public Hearing Draft LUTE with the modifications recommended by Planning Commission and staff also includes clarification of policies, an updated land use map, 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 the following changes.

1. Addition of Action 5 under Policy 53 to state:  
*Prior to accepting any application for a Village Center Plan, a public engagement program shall be submitted to the City for City Council approval with a recommendation from the Planning Commission. The public engagement program should provide a range of opportunities for community members to identify preferences for uses, design, density or intensity, height, open space, privacy, and transportation. City Council may provide direction on the community preferences and the vision for individual Village Center Plans, which shall be used in the preparation of the Plan.*
2. Removal of the Action 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.*
3. Change to the land use map to show 40% of the Futures 5 area as Residential Low-medium Density and add an action to Policy 101 regarding Industrial to Residential Sites  
*Action 6: Rezone industrial sites for conversion to residential uses only after environmental remediation sufficient to enable residential use of the sites is completed and any deed restrictions are removed from subject properties. Such sites may be counted toward RHNA obligations after environmental remediation is completed and any deed restrictions are removed.*

The action statement in Policy 55 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 revised map and addition of an action to Policy 101 address the Planning Commission recommendation that additional housing options be included in the LUTE.

The 2017 Draft LUTE, for consideration by the City Council, is presented in Attachment 5.

A version showing major modifications from the 2016 Draft LUTE is available on the project webpages (*Horizon2035.inSunnyvale.com*). Minor changes, such as 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: Trudi Ryan, Director, Community Development

Reviewed by: Kent Steffens, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

## **ATTACHMENTS**

1. Report to Planning Commission 16-0843, March 27, 2017 (*without attachments*)
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

## **Additional Attachments for Report to Council**

18. Excerpt of Draft Minutes of the Planning Commission Meeting of March 27, 2017
19. Map of Futures 5 Area
20. Recommended Land Use Map
21. Additional Written Comments (*received after Report to Planning Commission*)