

# Second Addendum to the 2014 Certified General Plan Amendment, Housing Element Update, and Associated Rezoning Draft EIR

State Clearinghouse No. 2014032007

Prepared by the City of Cupertino



In Consultation with



July 24, 2019

## **SECTION 1.0 INTRODUCTION AND PURPOSE**

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This Addendum to the Final Environmental Impact Report (“Final EIR”) for the City of Cupertino General Plan Amendment, Housing Element Update and Associated Rezoning (the “Final EIR project”) (State Clearinghouse Number 2014032007) addresses proposed modifications to the General Plan land use designations in Cupertino Community Vision 2015-2040 (“General Plan”) and the zoning for the Vallco Shopping District. The City of Cupertino certified the Final EIR in December 2014, adopted the General Plan in December 2014 with subsequent minor edits adopted in October 2015, and adopted the Housing Element in March 2015. The Final EIR analyzed land use alternatives that included citywide development allocations (as well as building heights and densities) for five Special Areas, seven Study Areas, and other Special Areas.

The purpose of this Addendum is to evaluate whether the proposed modifications to the development allowed in Final EIR Study Area 6 (Vallco Shopping District<sup>1</sup>), which are described in Section 3.0 Proposed Modifications to the Final EIR Project below, will require major revisions to the Final EIR due to new significant impacts or a substantial increase in the severity of significant impacts previously identified in the Final EIR. This Addendum has been prepared by the City of Cupertino as the Lead Agency, in conformance with the California Environmental Quality Act (CEQA), the CEQA Guidelines, and the regulations and policies of the City of Cupertino.

## **SECTION 2.0 STANDARD FOR PREPARATION OF AN ADDENDUM**

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CEQA Guidelines Section 15164 states that the lead agency shall prepare an addendum to a previously certified EIR if some changes or additions are necessary, but none of the conditions described in CEQA Guidelines Section 15162 calling for the preparation of a subsequent EIR have occurred.

CEQA Guidelines Section 15162 states that when an EIR has been certified for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in light of the whole record, one or more of the following:

- (1) Substantial changes are proposed in the project which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
- (2) Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR or negative declaration due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- (3) New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete or the negative declaration was adopted, shows any of the following:

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<sup>1</sup> “Vallco Shopping District,” as used in this Addendum, refers to the Vallco Shopping District Special Area in the General Plan.

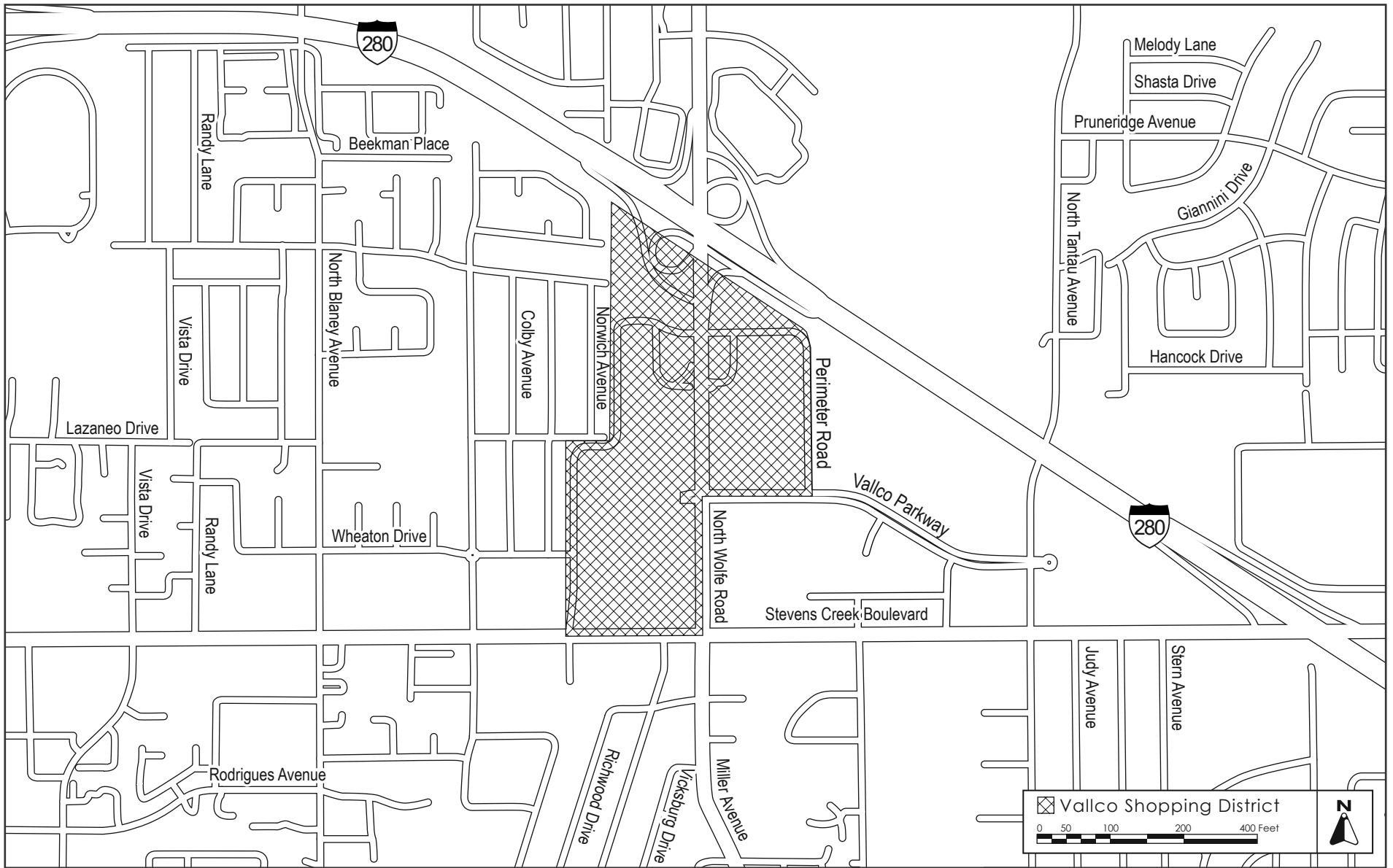
- (A) The project will have one or more significant effects not discussed in the previous EIR or negative declaration;
- (B) Significant effects previously examined will be substantially more severe than shown in the previous EIR;
- (C) Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or
- (D) Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

### **SECTION 3.0      PROPOSED MODIFICATIONS TO THE FINAL EIR PROJECT**

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The proposed modifications to the Final EIR project are to the land uses, amount of development, and height of structures allowed in Study Area 6 (Vallco Shopping District). The Vallco Shopping District is approximately 70 acres in size, with 58 of those acres currently available for development. The Vallco Shopping District is bounded by Interstate 280 (I-280) to the north, portions of North Wolfe Road and Perimeter Road to the east, Stevens Creek Boulevard to the south, and another portion of Perimeter Road to the west. A vicinity map of the Vallco Shopping District is shown in Figure 3-1.

The Final EIR analyzed amendments to the General Plan designating the land use for the Vallco Shopping District as Commercial/Office/Residential, and amendments to the Zoning Ordinance zoning the Vallco Shopping District as Planned Development, Regional Shopping, Professional Office, and Residential. The land use and zoning designations, which were analyzed in the Final EIR and approved in 2014, allow for the demolition of the existing 1,267,601 square foot mall and redevelopment of the site with up to 625,335 square feet of commercial uses, 2.0 million square feet of office uses, 339 hotel rooms, and 800 residential dwelling units. The Final EIR evaluated maximum building heights ranging from 75 to 160 feet on the site.



VICINITY MAP

FIGURE 3-1

The City proposes modifications to the project analyzed in the Final EIR which consists of the following amendments to the General Plan:

- Create two new General Plan land use designations:
  - Regional Shopping
  - Regional Shopping/Residential
- Designate 13.1 acres of the Vallco Shopping District as Regional Shopping/Residential with a minimum density of 29.7 dwelling units per acre (du/ac) and a maximum density of 35 du/ac, which would allow for development of between 389 and 619 dwelling units (619 units includes a maximum 35 percent state density bonus) on-site with the option of including ground-floor commercial uses
- Designate the remaining 44.9 acres of the Vallco Shopping District as Regional Commercial with a maximum building height of 60 feet
- On the portion of the Vallco Shopping District designated as Regional Shopping/Residential, establish height limits of 60 feet for residential-only uses and 75 feet for residential above ground floor retail uses
- Remove the 2.0 million square feet of office development allocation from the Vallco Shopping District
- Establish a setback-to-height limitation for development from the shared property line between the North Blaney neighborhood and the Vallco Shopping District

As part of the approval process for the proposed modifications, the City Council would determine which areas of the Vallco Shopping District would be designated as Regional Shopping/Residential and Regional Commercial land uses. The analyses in the Final EIR and this Addendum assume the mix of uses could develop anywhere within the Vallco Shopping District. The Final EIR identified General Plan policies and programmatic mitigation measures to reduce impacts from development of office, commercial, and residential land uses anywhere on the site. The refinement of the locations of the allowable uses within the Vallco Shopping District by the City Council as part of the proposed modifications, therefore, would not change the impacts disclosed in the Final EIR and this Addendum because the analyses evaluate the land uses anywhere on the site. For this reason, the decision by the City Council as to which areas within the Vallco Shopping District would be designated as Regional Shopping/Residential and which would be designated Regional Commercial has no effect on the analysis or conclusions in this Addendum.

In addition, the proposed modifications to the Final EIR project include rezoning the Vallco Shopping District from Vallco Town Center to Multi-Family (R3) Residential, CG General Commercial, and Mixed-use Planned Development with Multi-Family (R3) Residential/CG General Commercial uses. The proposed modifications also include text amendments to the Zoning Ordinance to clarify the zoning regulations for the mixed use zoning designation in the Vallco Shopping District. The proposed zoning would allow mixed use residential development; however, it would disallow commercial only development on the 13.1 acre portion of the Vallco Shopping District proposed to be designated as Regional Shopping/Residential in order to satisfy the City's Housing Element obligations.

The maximum potential development in the Vallco Shopping District under the proposed modifications to the Final EIR project is 1,207,774 square feet of commercial uses, 339 hotel rooms, and 619 residential units. Table 3-1, below, compares the development assumptions for the Vallco Shopping District under the Final EIR project and under the proposed modifications to the Final EIR project. Compared to what was analyzed for the Vallco Shopping District in the Final EIR, the proposed modifications would result in a net increase of 582,439 square feet of commercial uses, a net decrease of 2.0 million square feet of office uses, and a net decrease of 181 residential units. No change to the number of hotel rooms is proposed. No modifications to the development assumptions for the other Special Areas and Study Areas, or other aspects of the Final EIR project, are proposed. All mitigation measures adopted and incorporated into the Final EIR project would continue to apply.

<b>Table 3-1: Development Assumptions for Study Area 6, Vallco Shopping District under the Final EIR Project and Proposed Modifications to the Final EIR Project</b>					
	<b>Office Square Footage</b>	<b>Commercial Square Footage</b>	<b>Hotel Rooms</b>	<b>Residential Units</b>	<b>Maximum Building Height in Feet</b>
A. Final EIR Project	2,000,000	625,335	339	800	75 to 160
B. Proposed Modifications to the Final EIR Project	0	1,207,774	339	619	60 to 75
<i>Difference (B – A)</i>	<i>-2,000,000</i>	<i>582,439</i>	<i>0</i>	<i>-181</i>	

Table 3-2 shows the net increase in development studied citywide in the Final EIR and assumed with the proposed modifications to the Final EIR project. The overall amount of commercial, hotel, and residential development citywide would remain the same as analyzed in the Final EIR and the overall amount of office development citywide would be reduced by 2.0 million square feet.<sup>2</sup>

<b>Table 3-2: Development Assumptions Citywide in the Final EIR and Under the Proposed Modifications to the Final EIR Project</b>				
	<b>Office Square Footage</b>	<b>Commercial Square Footage</b>	<b>Hotel Rooms</b>	<b>Residential Units</b>
A. Final EIR Project	4,040,231	1,343,679	1,339	4,421
B. Proposed Modifications to the Final EIR Project	2,040,231	1,343,679	1,339	4,421
<i>Difference (B – A)</i>	<i>-2,000,000</i>	<i>0</i>	<i>0</i>	<i>0</i>

<sup>2</sup> Pursuant to General Plan Strategy LU-1.2.1, development allocations may be transferred among Planning Areas, provided no significant environmental impacts are identified beyond those already studied in the Final EIR.

The Final EIR evaluated a greater amount of development at buildout of the City than was ultimately adopted by the City Council and reflected in the General Plan (see Table 3-3).

	<b>Office Square Footage</b>	<b>Commercial Square Footage</b>	<b>Hotel Rooms</b>	<b>Residential Units</b>
A. Final EIR Project	12,970,005	5,073,248	2,429	25,820
B. Adopted General Plan Per Table LU-1	11,470,005	4,430,982	1,429	23,294
<i>Difference (A – B)</i>	1,500,000	642,266	1,000	2,526

## **SECTION 4.0 ENVIRONMENTAL IMPACTS OF THE PROPOSED MODIFICATIONS TO THE FINAL EIR PROJECT**

The following discusses the potential effects on the physical environment from implementing the proposed modifications to the Final EIR project. This analysis has been prepared to determine whether any of the conditions in State CEQA Guidelines Section 15162 (described in Section 2.0 Standards for Preparation of an Addendum, above) would occur as a result of the proposed modifications to the Final EIR project regarding the Vallco Shopping District.

### **4.1 SAME IMPACTS**

Like the Final EIR project, the proposed modifications to the Final EIR project would have no impacts to agriculture, forestry, or mineral resources, because those resources are not found within the City of Cupertino. The proposed modifications to the Final EIR project, therefore, would not result in any new or substantially more severe significant impacts to agriculture, forestry, or mineral resources than were analyzed and disclosed in the Final EIR.

The proposed modifications to the Final EIR project would remove the ability to develop 2.0 million square feet of office uses in the Vallco Shopping District and remove that development capacity citywide. The proposed modifications would require amendments to General Plan maps and text to reflect this change. Eliminating the ability to develop office uses in the Vallco Shopping District would not cause a new significant impact or a substantial increase in the severity of the impacts analyzed and disclosed in the Final EIR. For this reason, the proposed modifications to the Final EIR project would result in the same land use impacts as disclosed in the Final EIR, and would not result in any new or substantially more severe significant land use impacts than were analyzed and disclosed in the Final EIR.

The physical condition and characteristics of the Vallco Shopping District have not substantially changed since the certification of the Final EIR, though some mall structures have been demolished. The urban nature, trees, Vallco freeway-oriented sign (a Landmark Sign in the City’s Municipal Code), soil characteristics, seismic potential, and drainage on-site are in the same or similar condition as they were in 2014. The proposed modifications to the Final EIR project would take place over the same area and result in the same area of ground disturbance as analyzed in the Final EIR. For this

reason, the implementation of the proposed modifications would have the same impacts to biological resources, cultural resources, geology and soils, hazards and hazardous materials, and hydrology and water quality as disclosed in the Final EIR and would not result in any new or substantially more severe significant impacts to these resources than were analyzed and disclosed in the Final EIR.

While the number of residential units assumed to be built at the Vallco Shopping District would be reduced by 181 units under the proposed modifications compared to the project analyzed in the Final EIR, those 181 units would be available to be developed elsewhere in the City. For this reason, the proposed modifications to the Final EIR project would have the same population and housing impacts as disclosed in the Final EIR, EIR and would not result in any new or substantially more severe significant impacts to these resources than were analyzed and disclosed in the Final EIR.

#### 4.2 LESSER IMPACTS

The proposed modifications to the Final EIR project would allow for less development overall and lower maximum building heights in the Vallco Shopping District (see Table 3-1). As shown in Table 3-1, above, compared to the development analyzed for the Vallco Shopping District site in the Final EIR, the proposed modifications would replace 2.0 million square feet of office space and 181 residential units with 582,439 square feet of commercial uses.<sup>3</sup> As shown in Table 4-1, the trip generation from 582,439 square feet of commercial uses would have fewer daily and peak hour trips than the 2.0 million square feet of office uses and 181 residential units that it replaces. For this reason, the proposed modifications to the Final EIR project would not result in new or substantially more severe significant traffic impacts than were analyzed and disclosed in the Final EIR.

<b>Table 4-1: Change in Trip Generation Between the Net Land Use Changes Proposed at the Vallco Shopping District</b>				
<b>Land Use</b>	<b>Allocation</b>	<b>Daily Trips</b>	<b>AM Peak Hour</b>	<b>PM Peak Hour</b>
<b>Proposed Net Increase In Land Use:</b>				
• Commercial	582,439 square feet	19,736	439	1,987
<b>Proposed Net Decrease in Land Use:</b>				
• Office	2,000,000 square feet	-24,700	-2,580	-2,400
• Multifamily Housing	181 units	-985	-66	-80
<i>Change in Trips</i>		<i>-5,949</i>	<i>-2,207</i>	<i>-493</i>
Source for trip generation rates: Fehr & Peers. <i>Vallco Special Area Specific Plan Final Draft Transportation Impact Analysis</i> . Table 11. May 2018. Page 71.				

<sup>3</sup> Pursuant to General Plan Strategy LU-1.2.1, development allocations may be transferred among Planning Areas, provided no significant environmental impacts are identified beyond those already studied in the General Plan EIR. The allocation for the additional 582,439 square feet of commercial uses at the Vallco Shopping District would need to come from other Planning Areas in the City.



Citywide, the proposed modifications to the Final EIR project would result in 2.0 million fewer square feet of office development compared to what was evaluated in the Final EIR. Less development would result in lower density, less pollutant emissions, less noise and vibration, less traffic, and less energy and utility demand compared to the project analyzed in the Final EIR.

Even with the removal of the 2.0 million square feet of office development allocation for the Valco Shopping District, the remaining amount of development studied in the Final EIR citywide (over 2.0 million square feet of office uses, over 1.3 million square feet of commercial uses, 1,339 hotel rooms, and 4,421 residential units) would result in similar but lesser impacts to aesthetics, air quality, energy, greenhouse gas emissions, noise and vibration, public services, recreation, transportation, and utilities and service systems than were analyzed and disclosed in the Final EIR because the remaining amount of development is still substantial. The Final EIR evaluated alternatives to the Final EIR project that included reduced amounts of development,<sup>4</sup> and concluded that these alternatives would result in essentially the same impacts as the Final EIR project.<sup>5</sup> Therefore, the proposed modification to the Final EIR project would not result in any new or substantially more severe significant aesthetics, air quality, energy, greenhouse gas emissions, noise and vibration, public services, recreation, transportation, and utilities and service systems impacts than were analyzed and disclosed in the Final EIR.

Table 4-2 summarizes the impacts of the proposed modifications to the Final EIR compared to Final EIR project.

<sup>4</sup> The below table summarizes the citywide development amounts studied as the Final EIR project and alternatives analyzed in the Final EIR.

<b>Summary of Citywide Development Studied in the Final EIR</b>				
	<b>Final EIR Project</b>	<b>No Project</b>	<b>Land Use Alternative A</b>	<b>Land Use Alternative B</b>
Office Square Footage	4,040,231	540,231	1,040,231	2,540,231
Commercial Square Footage	1,343,679	701,413	701,413	1,343,679
Hotel Rooms	1,339	339	600	839
Residential Units	4,421	1,895	1,895	3,316
Source: City of Cupertino. <i>General Plan Amendment, Housing Element Update and Associated Rezoning Draft EIR</i> . SCH# 2014032007. June 18, 2014. Page 2-5.				

<sup>5</sup> City of Cupertino. *General Plan Amendment, Housing Element Update and Associated Rezoning Draft EIR*. SCH# 2014032007. June 18, 2014. Page 5-5.

**Table 4-2: Comparison of Impacts of the Final EIR Project and Proposed Modifications to the Final EIR Project**

	<b>Compared to Impacts Disclosed in the Final EIR, the Impacts of the Proposed Modifications to the Final EIR Project would be:</b>		
	<b>Same</b>	<b>Lesser</b>	<b>New Significant or More Substantial</b>
Aesthetics		X	
Agricultural and Forestry Resources	X		
Air Quality		X	
Biological Resources	X		
Cultural Resources	X		
Geology, Soils, and Seismicity	X		
Greenhouse Gas Emissions		X	
Hazards and Hazardous Materials	X		
Hydrology and Water Quality	X		
Land Use and Planning	X		
Mineral Resources	X		
Noise and Vibration		X	
Population and Housing	X		
Public Services and Recreation		X	
Transportation and Traffic		X	
Utilities and Service Systems		X	

## **SECTION 5.0      COMPARISON TO THE CONDITIONS LISTED IN CEQA GUIDELINES SECTION 15162**

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### **5.1                    SUBSTANTIAL CHANGES TO THE PROJECT**

As described above in Section 4.0 Environmental Impacts of the Proposed Modifications to the Final EIR Project, the proposed modifications would not result in new significant environmental effects beyond those identified in the Final EIR, would not substantially increase the severity of significant environmental effects identified in the Final EIR, and thus would not require major revisions to the Final EIR. The proposed modifications, therefore, are not substantial changes to the project that require major revisions to the Final EIR.

### **5.2                    SUBSTANTIAL CHANGES IN CIRCUMSTANCES**

The physical conditions at the Vallco Shopping District site have not changed substantially since the certification of the Final EIR, although some mall structures have been demolished as part of the approved Senate Bill 35 (SB 35) project.<sup>6</sup> As described above in Section 4.1 Same Impacts, the physical conditions on the site are in the same or similar condition as they were in 2014 and as analyzed in the Final EIR. For this reason, the demolition of the structures would not result in a new significant environmental effect or a substantial increase in the severity of environmental effects identified in the Final EIR, and, thus, would not require major revisions to the Final EIR.

The regulatory framework has changed since the certification of the Final EIR to include the adoption of SB 743<sup>7</sup>, 2017 Clean Air Plan, and 2017 Bay Area Air Quality Management District CEQA Guidelines, as well as the City's General Plan and Transportation Impact Fee. These updates to the regulatory framework do not change the impacts of the Final EIR project or proposed modifications to the Final EIR project. These updates to the regulatory framework applicable to future development would not result in new significant environmental effects or a substantial increase in the severity of environmental effects identified in the Final EIR and, thus, would not require major revisions to the Final EIR.

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<sup>6</sup> SB 35 applies to cities and counties that have not made sufficient progress toward meeting their affordable housing goals for above-moderate and lower income levels as mandated by the State. SB 35 requires cities and counties to streamline review and approval of eligible affordable housing projects by using a ministerial approval process, thereby exempting such projects from environmental review under CEQA. The SB 35 project that was approved for the Vallco Shopping District in September 2018 includes 1,810,000 square feet of office uses, 400,000 square feet of commercial uses, and 2,402 housing units.

<sup>7</sup> SB 743 establishes criteria for determining the significance of transportation impacts using a vehicle miles traveled metric, and other changes to CEQA regarding aesthetic impacts for transit-oriented development and parking.

### **5.3 NEW INFORMATION**

No new information of substantial importance, which was not known and could not have been known when the Final EIR was certified, has been identified which shows that the proposed modifications to the Final EIR project would be expected to result in: 1) new significant environmental effects not identified in the Final EIR; 2) substantially more severe environmental effects than shown in the Final EIR; 3) mitigation measures or alternatives previously determined to be infeasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project sponsor declines to adopt the mitigation or alternative; or 4) mitigation measures or alternatives which are considerably different from those identified in the Final EIR would substantially reduce one or more significant effects of the project but the project sponsor declines to adopt the mitigation measure or alternative.

In addition, as discussed in Section 3.0 Environmental Impacts of the Proposed Modifications to the Final EIR Project, the proposed modifications would result in the same or lesser impacts than were analyzed and disclosed in the Final EIR. For this reason, the proposed modifications to the Final EIR project would not require new mitigation measures because no new or substantially more severe significant environmental effects are expected beyond those identified in the Final EIR would occur.

### **SECTION 6.0 CONCLUSION**

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For the reasons stated above, and based on the analysis in the Final EIR and the existing conditions of the Vallco Shopping District site, the City has concluded that the proposed modifications would not result in any new impacts not previously identified in the Final EIR; nor would it result in a substantial increase in the severity of any significant environmental impact previously identified in the EIR. For these reasons, a subsequent EIR is not required and an addendum to the Final EIR is the appropriate CEQA document to address the proposed modifications to the Final EIR project.