



Planning and Transportation Commission STAFF REPORT

MEETING DATE: May 5, 2025

ITEM TITLE: Public Hearing on the Proposed General Plan Amendments and Final Environmental Impact Report (EIR) for Consideration of Making a Recommendation to the City Council to Certify the EIR and Adopt the 2045 General Plan Reset Project.

RECOMMENDATION:

The City Staff recommends that the Planning and Transportation Commission receive public comments on the 2045 General Plan Reset Final EIR and proposed General Plan amendments and adopt resolutions recommending that the City Council certify the Environmental Impact Report and adopt the 2045 General Plan Reset project.

BACKGROUND:

The City of San Carlos' General Plan is a 20-year plan encompassing 2010 through 2030 and serves as the official policy document to guide new development over the course of a 20-year time horizon. The 2030 General Plan, which was adopted in 2009, anticipated a certain level of development capacity for commercial, office, industrial, and housing within San Carlos to the year 2030.

At present, the City is experiencing an unprecedented amount of private sector investment in the east side, particularly from business and employment growth in research and development in the life sciences and biotechnology sectors, and also from smaller manufacturing enterprises and other commercial services. This anticipated development puts San Carlos on a trajectory to exceed the level of development capacity that was anticipated in its adopted 2030 General Plan. In response to this, the City is preparing an update to the 2030 General Plan to reset the horizon year from 2030 to 2045 to adequately plan for the development of new offices, restaurants, commercial uses and services, retail, industrial, and housing in the City to the year 2045. This General Plan update, called the *2045 General Plan Reset*, will also account for other long range planning initiatives, specifically the Downtown and Northeast Area Specific Plans, which are both currently in progress. In July 2023, the City hired the consultant firm PlaceWorks to assist with the 2045 General Plan Reset and the associated Environmental Impact Report (EIR) as required under the California Environmental Quality Act (CEQA).

The project was initiated in July, 2023 following which the City worked with the consultant team PlaceWorks to develop the development projections for the City to the year 2045. The methodology to develop the projections is discussed in the next section. The project EIR was initiated in June, 2024 with the release of Notice of Preparation (NOP) on June 3, 2024 to invite public comments on the scope of the EIR. A public hearing was held at the Planning and Transportation Commission's regular meeting on June 17, 2024 to receive public comments on the scope of the EIR. The City also conducted stakeholder focus group meetings to solicit stakeholder feedback.

Table 1: Chronology of the project's public review to date

Event	Date
EIR Notice of Preparation (NOP) review	Jun 3 – Jul 3, 2024
PTC Public Hearing on NOP	Jun 17, 2024
Stakeholder focus group meetings	Sept – Oct 2024
General Plan amendments and Draft EIR review	Jan 17 – Mar 3, 2025
PTC Public Hearing on items above	Feb 3, 2025
City Council Study Session	Feb 24, 2025
General Plan amendments and Final EIR release	Apr 22, 2025
PTC Public Hearing on items above	May 5, 2025

Following the feedback from the public, the General Plan amendments and Draft EIR (Exhibit A of Attachment 1) were released for public and agency comments on January 17, 2025 for a 45-day public comment period ending on March 3, 2025. A public hearing was conducted at the Planning and Transportation Commission's regular meeting on February 3, 2025 to receive public comments on Draft EIR including the proposed General Plan amendments from the public and the Commissioners. The City Council also held a Study Session on February 24, 2025 to review and provide feedback on the General Plan amendments and Draft EIR. Following the closing of the 45-day public review period for the Draft EIR on March 3, 2025, the City prepared the Final EIR that considered the comments received during the public comment period. The proposed 2045 General Plan amendments and Final EIR (Exhibit B of Attachment 1) were released on April 22, 2025. As required under the CEQA, the Final EIR including the responses to comments has been provided to the commentors. Table 1 provides a summary of the project's public review to date. Attachment 6 of the staff report includes the comments received on the project.

The purpose of the public hearing today is for the Planning and Transportation Commission to receive public comments on the proposed General Plan amendments and Final EIR and to consider adopting resolutions (Attachments 1 and 2) recommending the City Council certify the EIR and adopt the 2045 General Plan Reset project. For the Final EIR, public and Planning and Transportation Commission comments should focus on the adequacy of changes made to the Draft EIR and responses to the comments.

PROJECT DESCRIPTION - 2045 GENERAL PLAN RESET:

This project updates the San Carlos' 2030 General Plan to amend the buildout projections for new development and includes projections for population and jobs to the year 2045. The 2045 General Plan Reset is much more focused than a complete General Plan update. It does not include any changes to current General Plan land use designations or development standards; instead, the focus is to adjust development (i.e. buildout) projections to the year 2045. The 2045 General Plan amendments also propose policy amendments resulting from EIR mitigation measures and minor updates to refer to recent State laws and current Citywide plans or regulations.

Methodology to Develop 2045 Development Projections:

The proposed development projections to 2045 take into account:

- 1) Development projected within the Northeast Area Specific Plan and Downtown Specific

Plan,

- 2) Current and future Regional Housing Needs Allocation (RHNA) cycles,
- 3) Anticipated development for the remainder of the City, and
- 4) Projects in the development pipeline.

The Northeast Area Specific Plan (NEASP) and Downtown Specific Plan (DTSP) are being prepared concurrently with this project, and both are being developed with a 2045 horizon year. Both specific plans include buildout projections that have been incorporated into the projected citywide buildout capacity for the 2045 General Plan Reset project.

Development projections for housing units consider the current RHNA cycle and anticipated RHNA allocation to the year 2045.

A Market Demand Study (Attachment 3) was prepared by the City's on-call economic consultant, RSG, to inform the development projections for the remainder of the City which were based on the study of regional and market trends and staff input on development interest in the City.

The pipeline projects include projects that have been approved but not yet constructed and projects with complete applications which were under review until April, 2024.

Proposed General Plan Amendments to the Development Projections (2025-2045):

Based on the analysis, the proposed 2045 General Plan amendments include projections for housing, population and jobs growth (Table 2) as well as commercial, office and industrial growth (Table 3) and are noted below:

Table 2: Projected Housing, Population and Jobs Growth to 2045

	Existing Conditions 2024	Increase by 2045	Total 2045
Housing Units	12,700	8,060	20,770
Population	29,350	15,620	44,510
Jobs	28,930	18,010	46,950

It is important to note that the drivers for projections of housing, jobs and population are the RHNA projections, specific plans, and remaining areas of the City, and not an aspirational job/housing ratio. While it is reasonable to monitor the City's jobs-housing ratio, achieving a balance between housing and jobs is considered the responsibility of ABAG/MTC, and is addressed through the Plan Bay Area and Regional Housing Needs Allocation processes.

Table 3: Projected Commercial, Office, Research and Development, and Industrial Growth to 2045

	Existing Conditions 2024	General Plan 2045	Percentage Change 2024- 2045
Commercial	772,800	959,500	24%
Office	1,462,500	1,806,200	24%
Research and Development	5,647,900	10,576,000	87%
Industrial	4,580,800	5,361,800	17%

Proposed General Plan Policy Amendments:

As discussed in this report, the primary purpose of 2045 General Plan Reset project is to amend the development projections to the year 2045 (projections included in the section above) and assess their environmental impacts. The project EIR also informed several General Plan policy amendments to prevent potential environmental impact. Additionally, the City staff identified minor corrections and updates to existing policies and narrative text in the General Plan to refer to recent City or State regulations and updates. Refer to Exhibits A, B and C of Attachment 2 for General Plan amendments.

Chapters and content within the 2030 General Plan that would be amended by the proposed project include:

Chapter 1 - Introduction: Land acknowledgement, narrative, and background information.

Chapter 3 - Land Use Element: Narrative, existing conditions, future development projections, and policy and action language pertaining to the Transportation Demand Management Ordinance, East Side Innovation District Vision Plan, and cultural, historical, and tribal cultural resources.

Chapter 5 - Circulation and Scenic Highways Element: Narrative and policy language related to the Transportation Demand Management Ordinance and compliance with the Americans with Disabilities Act.

Chapter 6 - Environmental Management Element: Background information on wastewater and stormwater and policy updates incorporating bird safe design guidelines and hydrology, requirement for Biological Resources Assessment and consideration of embodied carbon in Climate Action Plan.

Chapter 7 – Parks and Recreation Element: Policy update related to implementing the City's Potential Trail Connections Plan.

Chapter 9 – Noise Element: Narrative and policy language related to the existing airport Comprehensive Airport Land Use Compatibility Plan (ALUCP) and the City's noise ordinance.

CALIFORNIA ENVIRONMENTAL QUALITY ACT AND ENVIRONMENTAL IMPACT REPORT:

The California Environmental Quality Act (CEQA) is a State law that requires public agencies to consider the environmental consequences of their discretionary actions. An EIR is a document intended to inform government decisionmakers and the public about the potential environmental effects of proposed activities and to prevent significant, avoidable environmental damage.

Pursuant to CEQA, updates to General Plans are required to undergo an environmental assessment and prepare an EIR. The EIR serves as the tool to assess environmental impacts associated with the project; communicate the impacts to the public, as well as local and State decision makers; and identify mitigation measures for impacts if needed. The City Council must certify the EIR before considering action on the proposed project (i.e. in this case, the 2045 General Plan amendments). Along with certification of the EIR, the City Council would consider adoption of proposed mitigation measures and may also require other feasible mitigation measures. Following the EIR certification, the City Council may adopt the proposed General Plan amendments. In some cases, the City Council may find that certain mitigation measures are

outside the jurisdiction of the City to implement, or that no feasible mitigation measures can be identified for a given significant impact. In that case, the City Council would have to adopt a “Statement of Overriding Considerations” declaring that economic, legal, social, technological, or other benefits of the proposed project outweigh the unavoidable, significant effects on the environment.

As a reference point, the 2030 General Plan and associated EIR conducted in 2009 identified significant and unavoidable impacts associated with air quality and transportation for which a Statement of Overriding Considerations was adopted by the City Council.

Summary of 2045 General Plan Reset’s EIR Findings:

As per the CEQA process, the Draft EIR and Final EIR together constitute the EIR for the project. The findings of Draft EIR and Final EIR are noted below:

Summary of Draft EIR Findings:

Within the Draft EIR, impacts of net increase in development are from the current conditions to the year 2045. The projected net change data is included in Table 4 below.

Table 4: Projected Net Change (2024-2045)

Category	Net Change from Pipeline Development Projects	Net Change from Downtown Specific Plan	Net Change from Northeast Area Specific Plan	Additional Net Change for remainder of the City	Total Projected Net Change (2024-2045)
Housing Units	242	1,565	1,890	4,603	8,300
Population	462	2,990	3,611	8,557	15,620
Non-Residential Square Footage	2,688,000	420,820	4,178,228	1,640,252	8,927,300
Jobs	8,525	908	12,990	4,107	26,530

The Draft EIR addresses the environmental effects associated with adoption and implementation of the 2045 General Plan amendments including the 2045 development projections. CEQA requires that local government agencies, prior to acting on projects over which they have discretionary approval authority, consider the environmental consequences of such projects.

The Draft EIR analyzed a range of environmental topics and identified impacts as either: (1) No Impact or Less-than-Significant Impact, or (2) Significant Impact. These are summarized below.

For “No Impact” or “Less-than-Significant Impact”, these include: aesthetics, biological resources, cultural resources, energy, geology and soils, hazards and hazardous materials, hydrology and water quality, land use and planning, noise, parks and recreation, population and housing, public services, tribal cultural resources, and utilities and service systems.

For “Significant Impacts”, these include: air quality, greenhouse gas emissions, transportation, and wildfire.

A summary of the Significant Impacts and their corresponding mitigation measures are identified in the Draft EIR and described below.

- **Air Quality - Construction and Operations Emissions:** The proposed project could result in emissions due to future construction and operations of new buildings which could exceed the Bay Area Air District (Air District) thresholds. The mitigation measure requires future project applicants to submit a technical assessment of construction and operations related impacts in conformance with Air District's methodology; if the project exceeds Air District's thresholds, the City shall require feasible mitigation measures. Project applicants of certain new industrial or warehousing development projects as defined in Draft EIR, may also be required to conduct a health risk assessment (HRA) in accordance with requirements of the Office of Environmental Health Hazard Assessment and Air District. While the identified mitigation measures have the potential to reduce construction and operation emissions, potential future development projects (individually or cumulatively) could still exceed the Air District's thresholds. Therefore, implementation of the proposed project (i.e. 2045 General Plan Reset) could result in significant and unavoidable impacts.
- **Greenhouse Gas Emissions:** Implementation of the proposed project could exceed the greenhouse (GHG) emissions threshold of no net increase from existing conditions, which may affect the long term GHG reduction goal under Senate Bill (SB) 32 and SB 1279. The mitigation measure requires the City of San Carlos to update its Climate Mitigation and Adaptation Plan (CMAP) within three years of certification of the 2045 General Plan Reset EIR. The updated CMAP shall be updated every five years to ensure the City of San Carlos is monitoring the CMAP's progress toward achieving its GHG reduction target(s), and the City shall amend the CMAP if it is not achieving such targets. The identified mitigation measure would ensure the CMAP is updated to achieve long term GHG reduction goals. However, it is unknown at this time whether targets contained in the future CMAP update will be achieved and therefore GHG emissions are considered significant and unavoidable.
- **Transportation:** The proposed project could generate Vehicle Miles Traveled (VMT) per service population, per capita, and per employee at a level that is greater than 15 percent less than the regional average and therefore, could increase total countywide VMT. The mitigation measure requires that the City of San Carlos amend its Transportation Demand Management (TDM) program to increase the required trip reduction to the maximum extent feasible. Until the TDM program is amended (expected in the first quarter of 2026), this impact remains significant and unavoidable. (Please note that while CEQA only requires the study of VMT impacts and not Level of Service or LOS impacts, an LOS analysis was done to understand LOS impacts as part of the project's Traffic Operations Report and included as Attachment 4.)
- **Wildfire:** Future development (i.e. new construction) during the buildout horizon of the proposed project could increase population, buildings, and infrastructure in wildfire-prone areas, thereby exacerbating wildfire risks. This includes cumulative impacts associated with the exposure of project occupants to pollutant concentrations from a wildfire. There are numerous preventative measures the City considers in wildfire-prone areas, from defensible space requirements to "wildland urban interface" (WUI) building code requirements. The City's General Plan, Municipal Code, Climate Mitigation and Adaptation Plan and San Carlos Emergency Operations Plan work together to provide a set of

policies, actions, standards, and strategies to mitigate the risks and protection from wildfires. In addition to these, there are Federal, State and Regional regulations that address wildfire prevention and protection. The General Plan Safety Element includes specific policies and actions that require both existing developments and new projects to establish and maintain fire-safe vegetation around structures and roadways, enforce fire-safe standards, and create fuel breaks among other preventative measures. Additionally, new developments in “very high fire hazard severity zones” (VHFHSZ) are mandated to prepare Fire Protection Plans, ensuring comprehensive measures are in place to address wildfire hazards. These strategies represent the most effective wildfire hazard reduction measures available. However, to eliminate the risks associated with wildfires, it would be necessary to prohibit development in areas designated as VHFHSZ or in the WUI. Prohibiting new development in this portion of San Carlos is not feasible or practical because the City has a responsibility to meet other obligations under different State laws, including increasing the number and type of housing available and allowing reconstruction of homes burned by wildfires. Therefore, there are no feasible mitigation measures beyond the policies and plans discussed above. Given the potential unknown impacts related to future development under the proposed project, impacts are identified as significant and unavoidable. This conclusion does not rule out the possibility of finding less-than-significant impacts at the project-specific level.

Project Alternatives:

The Draft EIR analyzes alternatives to the proposed 2045 General Plan Reset that are designed to reduce its significant environmental impacts and feasibly attain most of the proposed project objectives. There is no set methodology for comparing the alternatives or determining the environmentally superior alternative under CEQA. Identification of the environmentally superior alternative involves weighing and balancing all of the environmental resource areas by the City. The following alternatives to the proposed project were considered and analyzed in detail:

- **Alternative 1: No Project Alternative.** Consistent with Section 15126.6(e)(2) of the CEQA Guidelines, the No Project Alternative presents the No Project scenario. Accordingly, under this alternative, the 2045 General Plan Reset would not be adopted or implemented, and further development in the city would continue to be subject to existing policies, regulations, development standards, and land use designations under the existing General Plan 2030.
- **Alternative 2: Reduced Non-Residential Buildout Alternative.** This alternative would include development in the pipeline projects plus 50 percent of the remaining non-residential buildout included in the proposed project.

The analysis in the Draft EIR concludes that the Reduced Non-Residential Buildout Alternative is the Environmentally Superior Alternative pursuant to CEQA Guidelines Section 15126.6. The Reduced Non-Residential Buildout Alternative would result in lessened environmental impacts related to air quality, cultural resources, geology and soils, GHG emissions, noise, and tribal cultural resources, and would not result in greater impacts for any resource categories.

However, due to the Reduced Non-Residential Buildout not fully achieving all the objectives for the 2045 General Plan Reset, City staff is not recommending this alternative. The Statement of Overriding Considerations (included in Attachment 1) includes the social, legal, technological and environmental benefits of adopting the 2045 General Plan Reset project.

Summary of Final EIR Findings:

As required by CEQA, the City released the Draft EIR for public comments for a 45-day public comment period. The Final EIR addresses the comments received during the public comment period and includes a response to public and agency comments (Refer to Chapter 5 of Final EIR included in Attachment 1 for response to comments).

As part of the Final EIR, the key changes to the Draft EIR were made to the following chapters:

- Biological Resources – Added references about the Crotch’s Bumblebee and the dusky footed woodrat and identified that their ranges are within the EIR Study Area.
- Geology and Soils- Added narrative about liquefaction potential and lateral spreading as a result of fault rupture and how this is a possibility in the EIR Study Area.
- Hydrology and Water Quality – Added narrative about Senate Bill 272 and the San Francisco Bay Conservation and Development Commission’s Regional Shoreline Adaptation Plan.
- Transportation – Added narrative about the Caltrans District 4 Pedestrian Plan and the Caltrans District 4 Bike Plan.

PUBLIC OUTREACH:

The City shared project updates on the City’s project webpage and through City’s newsletters, e-news and social media channels. The City also hosted stakeholder group meetings for public agencies, community-based organizations, and economic interest groups.

The information about the proposed General Plan amendments, EIR release and associated public meetings was shared with the community through the following channels:

- Project webpage at: www.cityofsancarlos.org/2045GeneralPlanReset
- City E-news
- Good Living Newsletter
- Council newsletter
- City’s social media channels (Facebook and X)
- Flyers at the City Hall
- Printed copy of documents at the Development Services Counter and the San Carlos Library

PUBLIC NOTICE:

The public notice for public hearing for the General Plan amendments and Final EIR was published in the local newspaper (Attachment 5) and posted with the State Clearinghouse. Email notices were also sent to local agencies, stakeholders, and tribal representatives identified by the National American Heritage Commission. The documents are also posted on the City’s webpage at: www.cityofsancarlos.org/2045GeneralPlanReset.

NEXT STEPS:

If the Planning and Transportation Commission decides to make a recommendation to the City Council regarding the certification of the EIR and adoption of the 2045 General Plan Reset project, the Final EIR and 2045 General Plan amendments will be brought to the City Council for consideration of Final EIR certification and adoption of the 2045 General Plan amendments on May 27, 2025.

For the purpose of making the recommendations, staff has attached the following resolutions:

1. Resolution for Certification of the EIR (Attachment 1) which includes –
 - Exhibit A – Draft EIR including Appendices
 - Exhibit B – Final EIR including Appendices
 - Exhibit C - Findings of Fact
 - Exhibit D - Mitigation Monitoring and Reporting Program
2. Resolution for Adoption of General Plan amendments (Attachment 2) which includes -
 - Exhibit A - General Plan with tracked Amendments
 - Exhibit B – Glossary of elements amended with page references
 - Exhibit C - Summary of General Plan Policy and Action Items Amendments

Respectfully submitted by:

Akanksha Chopra, AICP, Senior Management Analyst

ATTACHMENT(S):

1. Resolution for certification of EIR
 - a. Exhibit A – Draft EIR including Appendices
 - b. Exhibit B – Final EIR including Appendices
 - c. Exhibit C - Findings of Fact
 - d. Exhibit D - Mitigation Monitoring and Reporting Program
2. Resolution for Adoption of General Plan Amendments
 - a. Exhibit A - General Plan with tracked Amendments
 - b. Exhibit B – Glossary of elements amended with page references
 - c. Exhibit C - Summary of General Plan Policy and Action Items Amendments
3. Market Demand Study
4. Traffic Operations Report (Level of Service or LOS analysis)
5. Public Notice – proof of newspaper publication
6. Comments received on NOP, Draft EIR, public hearings, study session, and stakeholder meetings