



CITY COUNCIL STAFF REPORT

MEETING DATE: May 27, 2025

ITEM TITLE: Consideration of Adopting Resolutions Certifying the Final Environmental Impact Report for the City of San Carlos 2045 General Plan Reset Project; and Adopting the Amendments to the 2030 City of San Carlos General Plan's Introduction, Land Use Element, Circulation and Scenic Highways Element, Environmental Management Element, Parks and Recreation Element, and Noise Element.

RECOMMENDATION:

The Planning and Transportation Commission recommends the City Council take the following actions:

1. Adopt a Resolution certifying the Final Environmental Impact Report for the City of San Carlos 2045 General Plan Reset project; and
2. Adopt a Resolution adopting amendments to the 2030 City of San Carlos General Plan's Introduction, Land Use Element, Circulation and Scenic Highways Element, Environmental Management Element, Parks and Recreation Element, and Noise Element.

FISCAL IMPLICATIONS:

There is no fiscal impact and no additional appropriation is needed at this time.

On June 25, 2023, the City Council adopted a resolution authorizing the City Manager to enter into a professional services agreement with Placeworks in an amount not to exceed \$390,000 to prepare an update to the 2030 General Plan and appropriated funds in C2311. There are no fiscal implications should the City Council decide to certify the EIR and adopt amendments to the 2030 General Plan.

BACKGROUND:

On May 5, 2025, the San Carlos Planning and Transportation Commission conducted a public hearing to receive comments on the 2045 General Plan Reset project and accompanying Final EIR. The Commission adopted Resolution No. PTC2025-05 (Attachment 3) recommending that the City Council certify the Final EIR; the Commission also adopted Resolution No. PTC2025-06 (Attachment 4) recommending that the City Council adopt the General Plan amendments as part of the 2045 General Plan Reset project. Attachment 5 provides notes from the Commission's May 5, 2025, public hearing.

The purpose of May 27, 2025 City Council public hearing is to receive public comments on the proposed General Plan amendments and Final EIR and to consider adopting resolutions (Attachments 1 and 2) certifying the EIR and adopting the General Plan amendments as set forth by the 2045 General Plan Reset project.

A study session with the City Council was held on February 24, 2025 date to review the outcomes of the Draft EIR and review proposed amendments to the 2030 General Plan. For reference, see Attachment 6 of the staff report packet for this meeting.

ANALYSIS:

What is a General Plan?

California Government Code Section 65300 requires each county and city to adopt a comprehensive, long-term general plan for the physical development of the county or city. A General Plan is a visionary document and includes details about how a community will grow, reflecting the community priorities and values while shaping the future.

The City of San Carlos' General Plan was last *comprehensively* updated in 2009 and since then, has undergone amendments to update its Housing Element (in 2015 and again in 2023) and Safety Element (in 2023) and minor amendments to certain elements in 2023. The 2009 General Plan covers the years 2010 to 2030 and anticipated a certain level of development capacity for commercial, office, industrial, and housing within San Carlos to the year 2030.

What is the purpose of this General Plan amendment?

Over the past five years, the City has experienced 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 unanticipated development put 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 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*, accounts 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 entered into an agreement with 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).

Project Timeline

The project was initiated in July 2023 with a focus on developing new buildout projections to the year 2045. As part of this, the project team collaborated with City staff and consultants working on other long-range planning efforts, specifically the Downtown and Northeast Area Specific Plans. After developing draft buildout projections to the year 2045, the team prepared for environmental analysis as required by CEQA. Subsequently, the team conducted stakeholder focus group meetings to solicit stakeholder feedback. For a complete chronology of the project, see Table 1 below.

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

Event	Date
Development of Buildout Projections	Jun 2023 – May 2024
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 General Plan Amendments and the Draft EIR	Feb 3, 2025
City Council Study Session	Feb 24, 2025
Public Draft General Plan amendments and Final EIR release	Apr 22, 2025
PTC Public Hearing on the items above	May 5, 2025

Recommended General Plan Amendments (Development Projections and Text Amendments)

The 2045 General Plan Reset project is much more focused than a complete General Plan update. It does not include any changes to current General Plan land use designations or complete rewrites of any of the Elements; 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 minor updates related to recent state laws and current Citywide plans or regulations and include policies resulting from EIR mitigation measures.

The proposed 2045 General Plan amendments include projections for housing, population, and jobs growth (see Table 2 below). It is important to note that the projections of housing, jobs, and population are derived from Regional Housing Needs Allocation (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 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

The recommended projections for commercial, office and industrial growth are provided in Table 3.

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

	Existing Conditions 2024	Projected Growth 2045 (Total)	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%

In addition to the buildout tables within the General Plan, City staff also 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. The project EIR also informed several General Plan policy amendments to prevent potential environmental impacts. Refer to Exhibits A, B, and C of Attachment 2 for General Plan amendments.

A summary of Chapters and content within the 2030 General Plan that would be amended 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.

Methodology to develop 2045 Development Projections

The proposed development projections up 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 allocations to the year 2045.

A Market Demand Study (Attachment 7) was prepared by the City's on-call economic consultant, RSG, to inform the development projections for the remainder of the City and were based on regional and market trends as well as staff input on development interest in the City.

Projections also accounted for pipeline projects that have been approved but not yet constructed and projects with complete applications which were under review until April, 2024.

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. 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" pursuant to CEQA Guidelines Section 15093 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.

Pursuant to CEQA Guidelines Section 15091, the City must adopt "Findings" regarding the EIR prior to adopting the proposed General Plan amendments. Along with adoption of the Findings, the City must adopt a program for monitoring or reporting mitigation measures included in the EIR; the purpose of the Mitigation Monitoring and Reporting Program is to ensure the implementation of mitigation measures identified as part of the environmental review for the proposed project. Following the EIR certification, the City Council may adopt the proposed General Plan amendments.

Pursuant to 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.

Draft EIR 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 3) 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 also hosted stakeholder group meetings for public agencies, community-based organizations, and economic interest groups. The City shared project updates on the City's project webpage and through City's newsletters, e-news and social media channels.

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

- 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 City Council public hearing for the General Plan amendments and Final EIR was published in the local newspaper (Attachment 10). 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 City Council decides to certify the EIR and adopt the 2045 General Plan Reset project as recommended by the Planning and Transportation Commission, the associated resolutions are attached for City Council's consideration.

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 elements with tracked amendments
 - Exhibit B – Glossary of elements amended with page references
 - Exhibit C – Summary of General Plan policy and action items amendments

After the City Council certifies the EIR and adopts the proposed General Plan amendments as part of the 2045 General Plan reset project, the City will issue a Notice of Determination, which is a brief notice advising the public of the project's approval and the environmental review process.

The City will file the EIR with the State Clearinghouse and with the County Clerk within 5 days of project adoption pursuant to CEQA.

ALTERNATIVES:

The alternatives available to the City Council include:

1. Adopt a Resolution certifying the 2045 General Plan Reset's Final EIR and a Resolution adopting the amendments to the 2030 City of San Carlos General Plan's Introduction, Land Use Element, Circulation and Scenic Highways Element, Environmental Management Element, Parks and Recreation Element, and Noise Element; or
2. Do not adopt the Resolutions; or
3. Provide staff with an alternative direction.

Respectfully submitted by:

Al Savay, Community Development Director

Approved for submission by:



Jeff Maltbie, City Manager

ATTACHMENT(S):

1. Resolution for certification of FEIR
 - 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
 - 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 Amendment
3. PTC Resolution PTC2025-05
4. PTC Resolution PTC2025-06
5. Notes from Planning and Transportation Commission meeting of May 5, 2025
6. Staff Report and Attachments for the City Council Study Session of February 24, 2025
7. Market Demand Study
8. Traffic Operations Report (Level of Service or LOS analysis)
9. Public comments received on NOP, Draft EIR, public hearings, study session, and stakeholder meetings as of May 16, 2025.
10. Public Notice – proof of newspaper publication