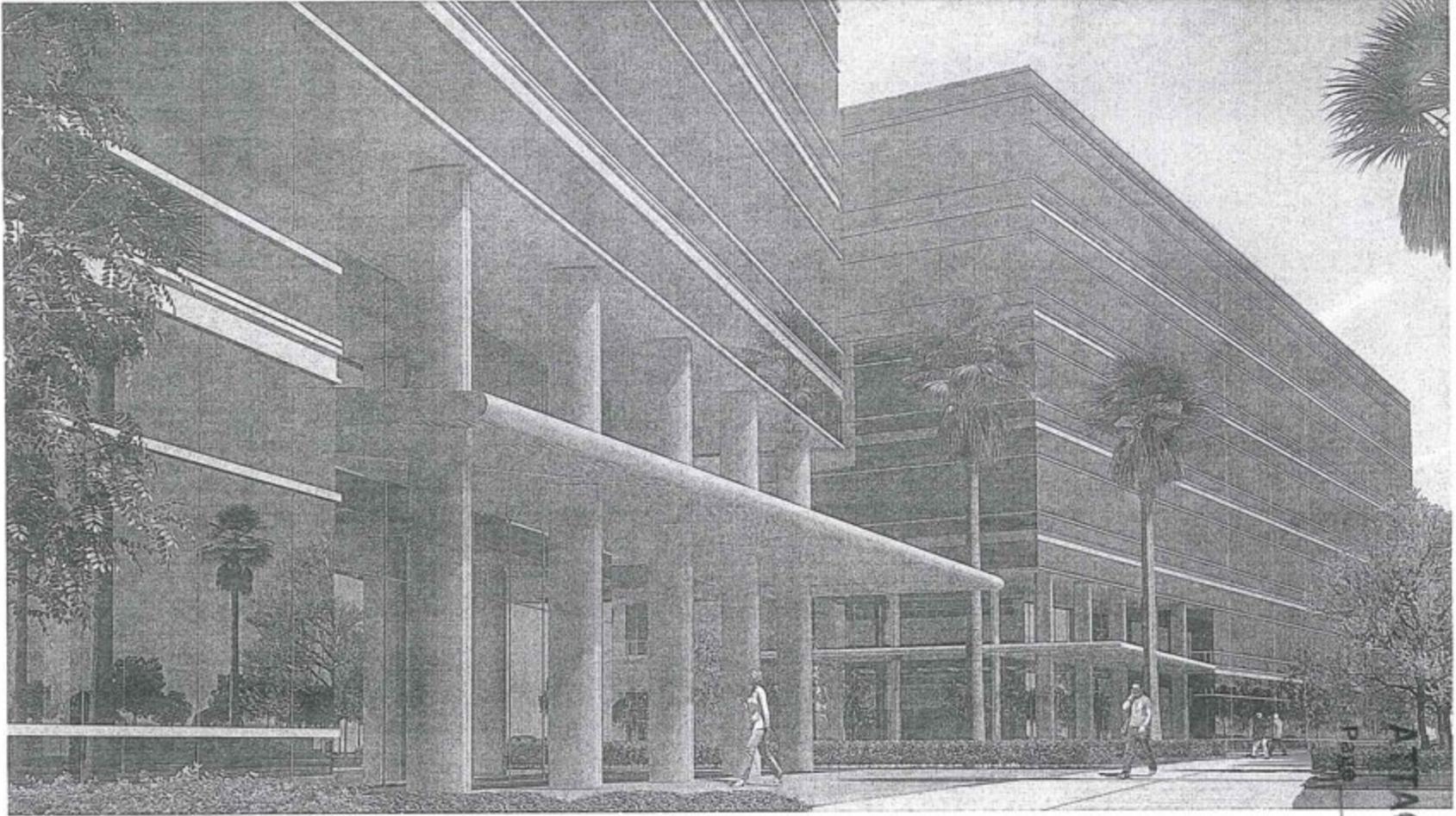
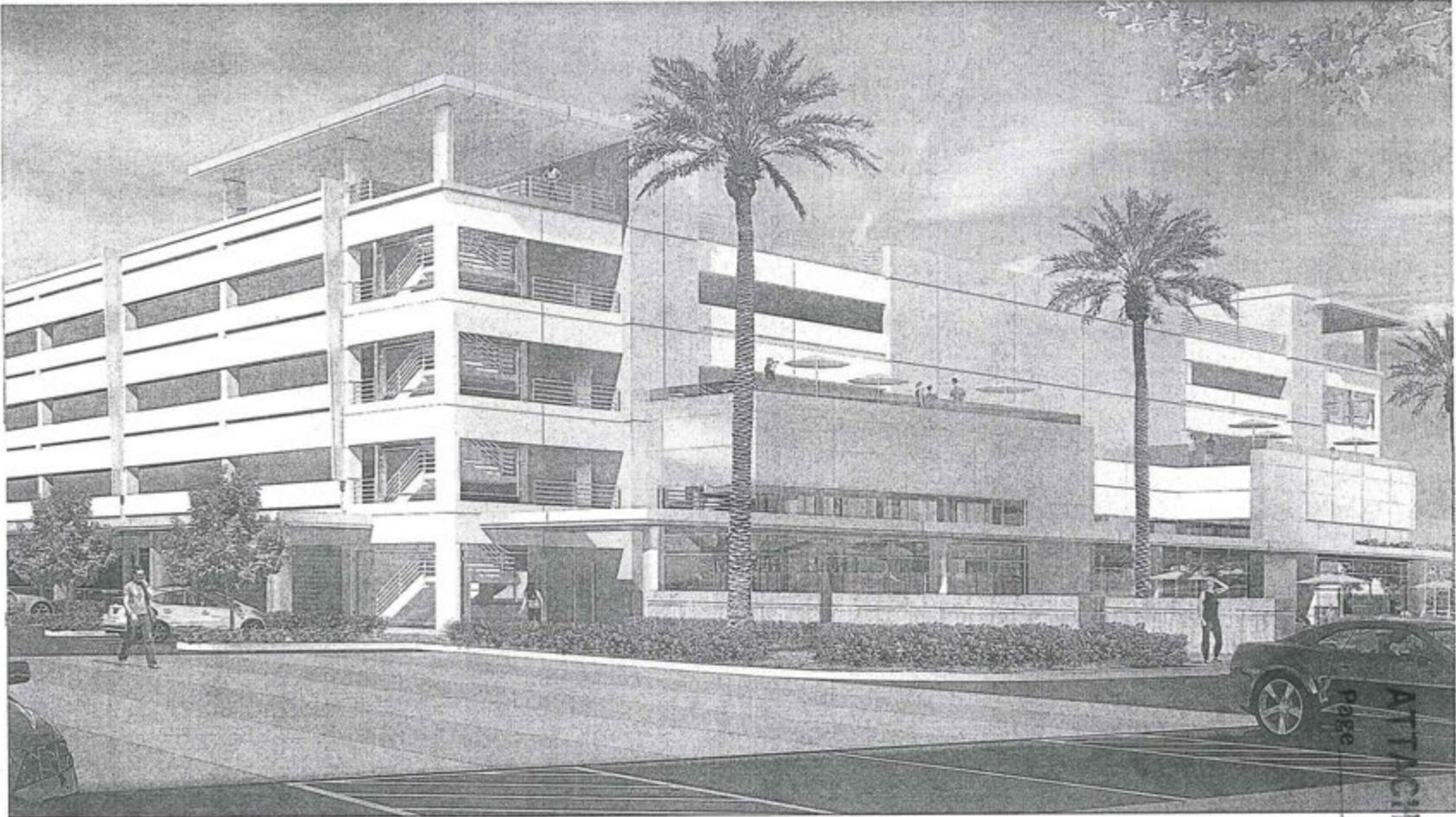
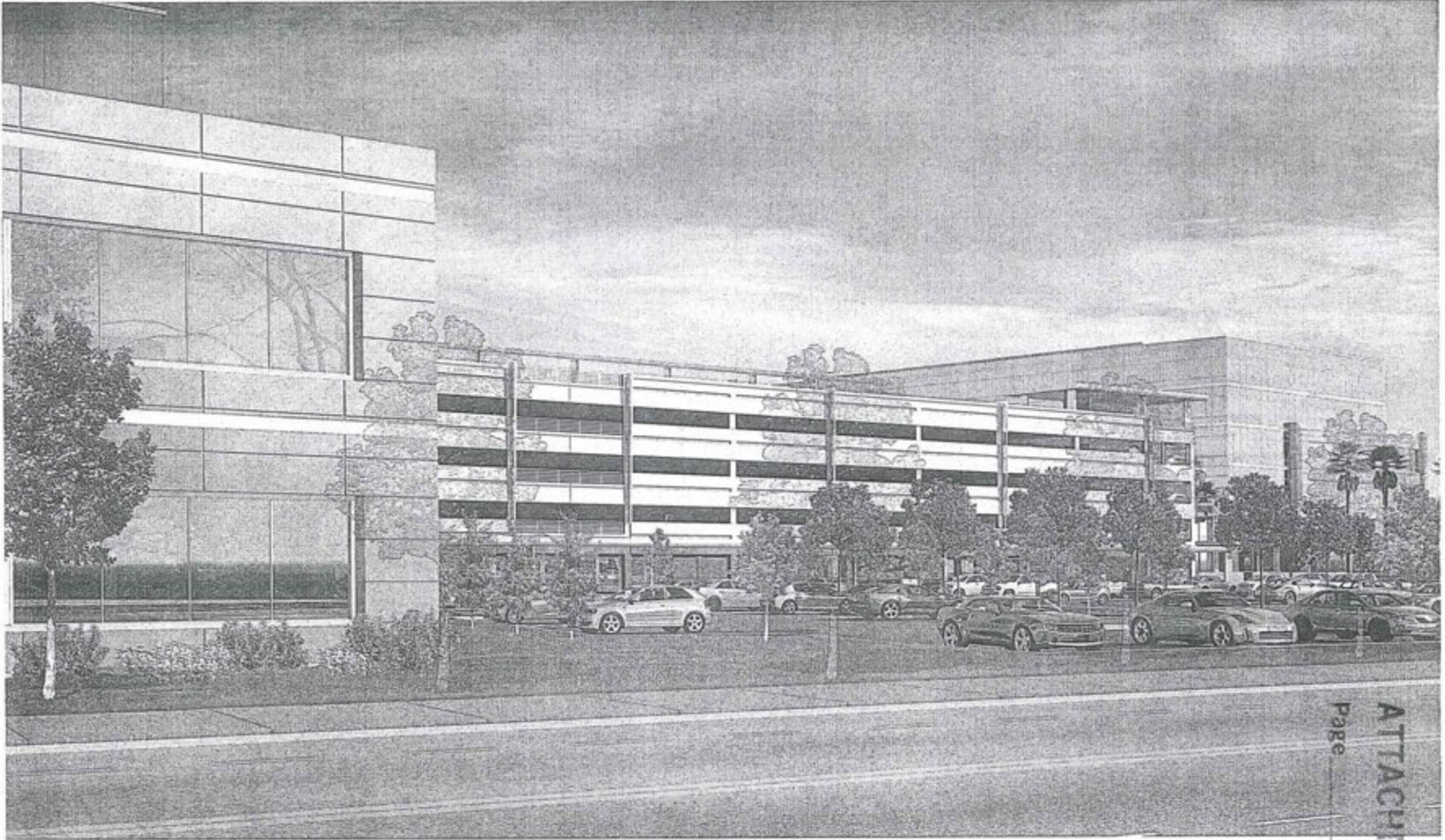


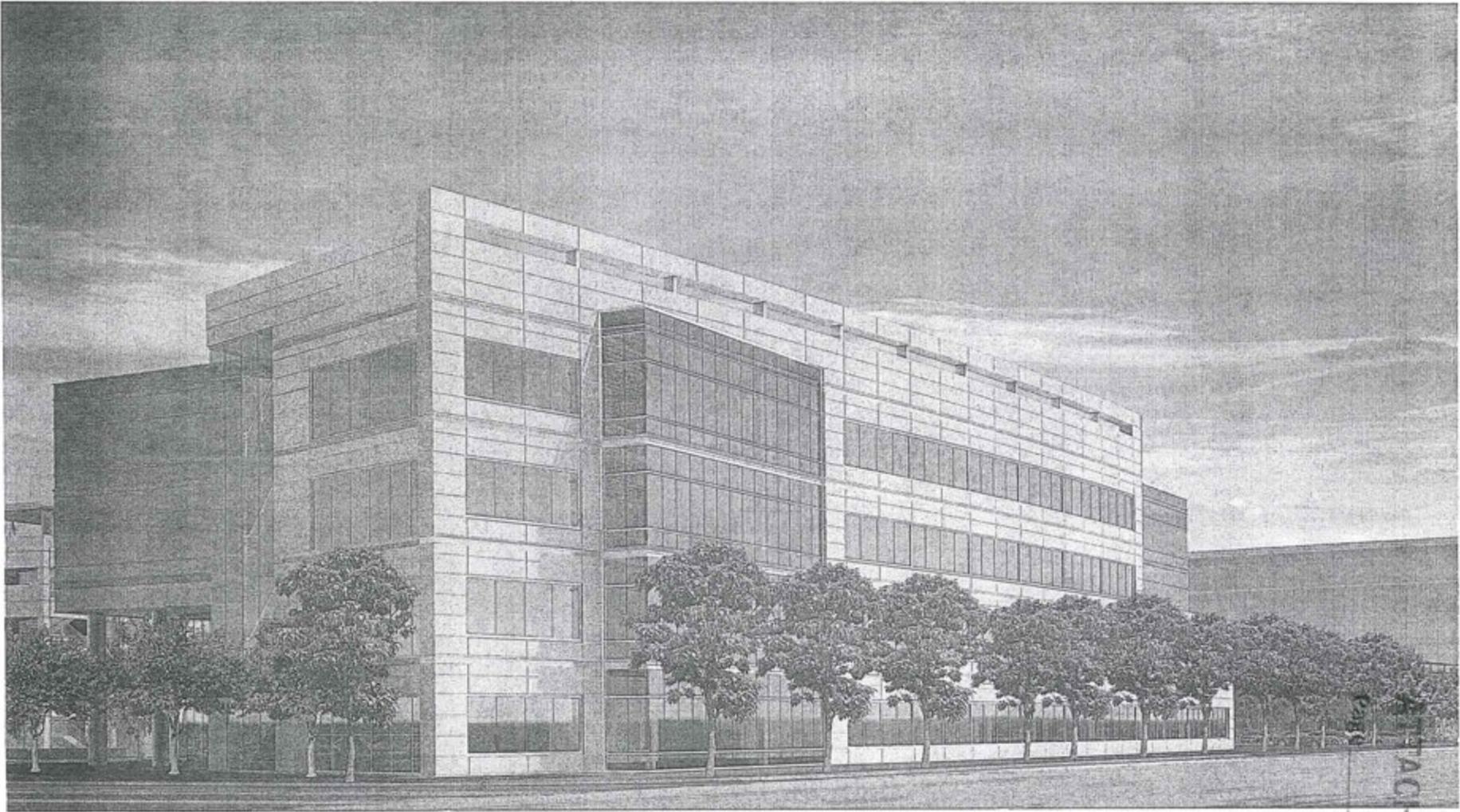


CHMENT 4 of 9

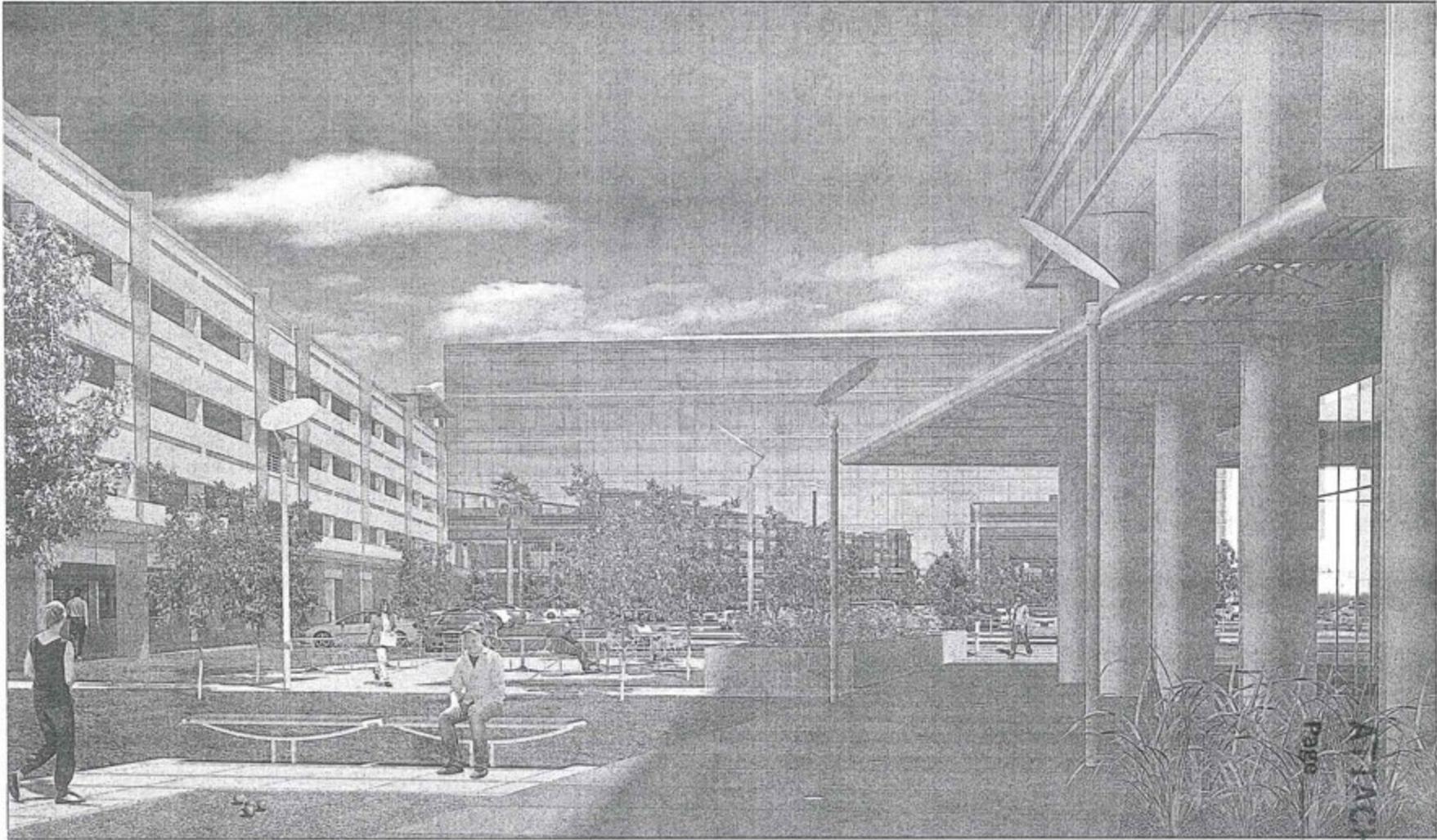








ATTACHMENT J
8 of 9



4. **File #:** 2012-7070
Location: 505 N. Mathilda Ave. (APN: 165-42-005, 009)
Subject:
- Design Review to allow a 612,072 square foot R&D campus consisting of two new six-story office buildings, one four-story building and an existing three story office building with a new five-level parking structure resulting in a 99.4% FAR.
 - Rezone multiple properties from MS-55% and MS-70% to MS-100% FAR and to allow an increase in the maximum height to 100 feet in MS-100% FAR areas.
- Applicant/Owner:** JP Napoli Companies / Sequoia M & M LLC
Environmental Review: Mitigated Negative Declaration
Staff Contact: Ryan Kuchenig, (408) 730-7431,
rkuchenig@ci.sunnyvale.ca.us

Ryan Kuchenig, Associate Planner, presented the staff report. He said this item is scheduled for City Council consideration on June 19, 2012.

Comm. Sulser disclosed that he met with the applicant. Comm. Sulser discussed with staff the Peery Park Study Issue that was approved by Council and has not yet been scheduled. **Trudi Ryan**, Planning Officer, discussed the reasons for the delay. Comm. Sulser asked if Council or staff could provide more direction on the desired densities for the Peery Park area. Ms. Ryan said any policy decision or direction would require environmental review, which the City does not have the funding for at this time. Comm. Sulser and staff further discussed environmental review for the Peery Park area and that each project that comes forward has its own environmental review.

Vice Chair Larsson asked staff further about the delayed Peery Park Study Issue confirming with staff that future projects in the Peery Park area could tier off the environmental review completed as part of the Study Issue. Vice Chair Larsson referred to the data table on page 3 of the report and discussed with the staff the Floor Area Ratio (FAR) and the Building Height. Vice Chair Larsson confirmed with staff that it would be appropriate to recommend that the additional square footage allowed by the new zoning could be deducted from the citywide development pool. Staff further explained the development pool. Vice Chair Larsson discussed with staff the history of the practice and policies of the Housing Mitigation Fee and Transportation Demand Management (TDM) program.

Chair Hendricks requested staff explain 100% FAR for the public. Chair Hendricks said he likes that there is a bus stop requirement in the conditions, discussed the bus stop with staff and that it would have to meet VTA (Valley Transportation Authority) standards. Chair Hendricks discussed the width of the sidewalks in various locations with staff.

Comm. Dohadwala further discussed the FAR with staff.

Vice Chair Larsson asked staff about the sidewalk and planter strip on Mathilda Avenue. Vice Chair Larsson discussed with staff the traffic flow and circulation within and around the project.

Chair Hendricks opened the public hearing.

John DiNapoli, applicant with JP DiNapoli Companies, Inc., discussed the project and introduced other members of the team to answer questions. **Pete Larko**, also with JP DiNapoli Companies, Inc., said he is pleased to bring this project forward. He said this project would bring Class A, corporate headquarter quality type space to the Peery Park area. He said they have been a property owner and doing business in this area for a long time and that now is the time to move forward with a gateway project for this corner site.

Craig Almeleh, with ARC TEC, further discussed the project. He said they wanted to create something that coming off Highway 101 makes a statement. He explained changes made to the project since the study session and discussed the garage, buildings, ease of traffic circulation, pedestrian access, art concepts, landscaping, and amenities areas. He said they hope this project will bring an estimated 2,000 employees to the city and they are very excited about the project.

Vice Chair Larsson asked Mr. Almeleh further about art concepts, possible locations for art and sidewalks. Vice Chair Larsson asked about tree species and tree canopies along Maude. **Tenaya Fihe**, landscape architect with Guzzardo Partnership, said they would work with staff. She discussed the different trees recommended in the conditions including the use of the Chinese Pistache, Heritage Birch, Magnolia or Southern Live Oak describing the canopies and leaves of the various tree types. Vice Chair Larsson asked about traffic and consultant **Gary Black**, with Hexagon Transportation discussed the traffic study completed for the project. Vice Chair Larsson asked about any concerns of traffic getting to Highway 101 and expected traffic flow. Mr. Black explained traffic flow and said there is enough capacity to support the project as the project is not big enough to have a significant impact. Vice Chair Larsson further discussed with Mr. Black traffic at peak times and that this project does not reach a tipping point for Mathilda Avenue; this project's traffic in relation to the larger region; and that more traffic is allowed at significant intersections. Vice Chair Larsson discussed with Mr. Black other traffic related questions regarding the TDM, bus schedules, and possible coordination with the Bus Rapid Transit (BRT) if it occurs.

Chair Hendricks discussed with Mr. Almeleh the height of the buildings and how they decided to propose six stories. Mr. Almeleh said that the building codes change once six stories are exceeded and discussed other factors that lead to project decisions, including floor plates, square footage, the economy, and architectural decisions. Chair Hendricks discussed the Moffett Field area and that these height limits are okay. Chair Hendricks asked about the LED (light-emitting diode) lights on the building previously discussed. The applicant said at this point it might be easier to not have the LED lighting. Ms. Ryan said there were some concerns raised about the LED lighting. Chair Hendricks discussed with the Mr. Almeleh the trash enclosures. Chair Hendricks discussed traffic and TDM with Mr. Black explaining the TDM and different types of trip generation.

Mr. Larko discussed parking and driveways on Mathilda. He said they want to see bus headways more frequent and would like to work with the City to advocate for the bus system to be improved for the city, site and region and will continue to work with staff to improve transit.

Chair Hendricks closed the public hearing.

Comm. Dohadwala discussed with staff about the area between Building C and D, said she thinks it is a very attractive space, and envisioned it as pedestrian.

Comm. Travis moved for **Alternative 1**, to recommend to City Council to: adopt the Mitigated Negative Declaration; introduce an Ordinance to amend the zoning code for 505-599 N. Mathilda Ave., 683 W. Maude Ave., and 510 N. Pastoria Ave. from M-S-55% and M-S-70% to M-S-100%; Modify S.M.C. 19.32.020 related to height for the M-S-100% FAR zoning district to a maximum 100 feet; approve the Design Review with the attached conditions; Direct staff to return with zoning code modifications for the Futures intensification sites developed at more than 70% FAR. The amendments should address requirements for: i. Housing Mitigation Fees. ii. Transportation Demand Management Requirements; and Direct staff to return with Green Building program modifications for the Futures intensification sites developed at more than 70% FAR. Vice Chair Larsson seconded the motion. Vice Chair Larsson offered a Friendly Amendment to recommend the deduction of the additional square footage allowed by the new zoning from the citywide development pool. The Friendly Amendment was acceptable to the maker of the motion. Vice Chair Larsson offered a Friendly Amendment that the lighting on the upper floors of the buildings be on timers or turned out at night when the buildings are not in use, so the lighting is not impacting the residents of the nearby residential properties. The Friendly Amendment was acceptable to the maker of the motion.

Comm. Travis said he is looking forward to this project going into Peery Park, and that this is one of the first projects for which the green building incentives will be used. He said this is an attractive project in the right location and he thinks it will attract a new campus tenant to Sunnyvale.

Vice Chair Larsson said he is excited about the project and that it is on a major corridor. He said he hopes Sunnyvale can get more public transit in this area. He said the dramatic building makes quite a statement and he would like to see this kind of development continue in this area. He said this is a great, complex project with the many policy updates involved.

Comm. Chang said he could make the findings and will support the motion. He said this is a showcase project and the upgrade to Class A office space is good. He said this would bring FAR changes and in the future this project would be the standard for this area. He said he is a little concerned about the left turns on to Pastoria and Maude, however the traffic analysis indicates there should be no problems.

Comm. Susler said he would be supporting the motion. He spoke about the zoning, and the current piecemeal requests in this area. He said he thinks this is an appropriate place for this project and that this part of Mathilda Avenue is appropriate for higher intensities. He said he

likes the project commending the applicant on the site plan; that he likes that the buildings are interfaced with the streets; and likes that the parking structure is hidden away in the center of the site.

Comm. Dohadwala said she would be supporting the motion as the plan is well done. She said she likes the frontage on Mathilda which contributes to the driving and pedestrian experience. She said she likes the sidewalks, the canopies of the trees, and that the parking structure is hidden away. She said dealing with the existing building was a challenge on this property and said she would have liked to see a pedestrian plaza between Buildings B and C.

Comm. Kolchak said he would be supporting the motion. He said this brings an interesting dynamic to the area and is a beautiful design. He said the project is setting a great standard and will bring jobs to the City and the addition of the sidewalk is good. He said he is disappointed at the loss of trees, however the replacement trees will be nice for the area.

Vice Chair Larsson added that a walkable campus with attractive outdoor space is important for attracting and retaining good companies and employees and this should help Sunnyvale compete and provide a boost to the local economy.

Chair Hendricks addressed the policy concerns. He said what is on Mathilda will be dramatic and he thinks this is a good way to go. He said he agrees with Comm. Sulser in terms of the location and that this is a good location for what the City is trying to do. He said a good corporate citizen would provide a shuttle bus and that this is a nice project.

ACTION: Comm. Travis made a motion on 2012-7070 to recommend to City Council to: adopt the Mitigated Negative Declaration; introduce an Ordinance to amend the zoning code for 505-599 N. Mathilda Ave., 683 W. Maude Ave., and 510 N. Pastoria Ave. from M-S-55% and M-S-70% to M-S-100%; Modify S.M.C. 19.32.020 related to height for the M-S-100% FAR zoning district to a maximum 100 feet; approve the Design Review with the attached conditions; Direct staff to return with zoning code modifications for the Futures intensification sites developed at more than 70% FAR. The amendments should address requirements for: i. Housing Mitigation Fees. ii. Transportation Demand Management Requirements; Direct staff to return with Green Building program modifications for the Futures intensification sites developed at more than 70% FAR; and two modifications that the additional square footage allowed by the new zoning be deducted from the citywide development pool, and that the lighting on the upper floors of the buildings be on timers or turned out at night when the buildings are not in use, so the lighting is not impacting the residents of the nearby residential properties. Vice Chair Larsson seconded. Motion carried 7-0.

APPEAL OPTIONS: This recommendation will be forwarded to City Council and is scheduled for consideration at the June 19, 2012 Council meeting.