



**APPROVED MINUTES
SUNNYVALE PLANNING COMMISSION
September 24, 2012
456 W. Olive Avenue, Sunnyvale, CA 94086**

7:00 p.m. - Study Session – West Conference Room

1. **File #:** 2012-7114
Location: City-wide
Proposed Project: Consideration of Non-Residential Parking Requirements
Staff Contact: Diana O'Dell, (408) 730-7257
dodell@ci.sunnyvale.ca.us
Notes: (45 minutes)
2. **Public Comment** on Study Session Agenda Items (5 minutes)
3. **Comments** from the Chair (5 minutes)
4. **Adjourn Study Session**

8:00 PM - Public Hearing – Council Chambers

The Planning Commission met in regular session with Vice Chair Dohadwala presiding.

CALL TO ORDER/SALUTE TO THE FLAG

ROLL CALL

Members Present: Vice Chair Maria Dohadwala; Commissioner Bo Chang; Commissioner Glenn Hendricks; Commissioner Arcadi Kolchak; and Commissioner Russell W. Melton.

Members Absent: Chair Gustav Larsson (excused)

Staff Present: Trudi Ryan, Planning Officer; Kathryn Berry, Senior Assistant City Attorney; Shaunn Mendrin, Senior Planner; Noren Caliva, Associate Planner; and Recording Secretary, Debbie Gorman.

SCHEDULED PRESENTATION - none

PUBLIC ANNOUNCEMENTS/PUBLIC COMMENTS

Speakers are limited to three (3) minutes. If you wish to address the Planning Commission, please complete a speaker's card and give it to the Recording Secretary or you may orally make a request to speak. If your subject is not on the agenda, you will be recognized at this time; but the Brown Act (Open Meeting Law) does not allow action by Planning Commission Members. If you wish to speak to a subject listed on the agenda, you will be recognized at the time the item is being considered by the Planning Commission.

CONSENT CALENDAR

1.A. APPROVAL OF MINUTES of August 27, 2012.

ACTION: Comm. Hendricks moved to approve the consent calendar. Comm. Melton seconded. Motion carried, 4-0, with Comm. Kolchak abstaining, and Chair Larsson absent.

PUBLIC HEARINGS/GENERAL BUSINESS

2. **File #:** 2012-7304
Location: 600 W. California Ave. (APN: 165-26-010)
Proposed Project:
- SPECIAL DEVELOPMENT PERMIT for a new 106,617 square foot office/R&D building within Sunnyvale Business Park resulting in a 47.8 % Floor Area ratio.
 - VESTING TENTATIVE MAP to create one new lot in an existing campus with nine lots and one common lot.
- Applicant/Owner:** Legacy Partners / Sunnyvale Business Park Sub LLC
Environmental Review: Mitigated Negative Declaration
Staff Contact: Noren Caliva, 408-730-7637, ncaliva@ci.sunnyvale.ca.us
Notes: *This item is scheduled to be considered by City Council on October 30, 2012.*

Noren Caliva, Associate Planner, presented the staff report. She commented on supplemental information provided on the dais including revised Conditions of Approval (COAs), two revised exhibits and a letter of opposition from a resident.

Comm. Melton discussed with staff the revised parking lot shading plans. He referred to COA EP-3 regarding the "Pedestrian/Bicycle Path to Caltrain Station" asking if there are examples of this type of project being done with Caltrain. **Trudi Ryan**, Planning Officer, discussed examples of similar projects with Caltrain along the Peninsula.

Comm. Hendricks referred to page 5 of 18 of the report and discussed with staff the Green Building bonuses for Floor Area Ratio (FAR). Staff said that this site has already exceeded the qualifying FAR and would not be eligible for any FAR bonus.

Vice Chair Dohadwala opened the public hearing.

Steve Dunn with Legacy Partners representing the owners, discussed the project. He said they are excited to build this building to the LEED (Leadership in Energy and Environmental Design) Gold level. He said they are in support of staff's recommendations and Conditions of Approval (COAs), commenting there are some details to the agreements that need to be finalized. He said they have incorporated recommendations from the recent Study Session with the Planning Commission and added to the existing parking lot shading. He discussed their outreach. He said they are supportive of the off-site recommended improvements. He introduced Jim Terry with Ware Malcomb, architects. Mr. Terry said this is an infill site within an existing development. He said they paid particular attention to improving on the design while keeping with the characteristics of what is currently in place. He said they have tried to address all of the concerns related to the project and said they have other members of their team present to answer questions.

Comm. Hendricks discussed with Mr. Dunn a letter of concern from a resident about the area currently being mixed-use and this project being commercial. Mr. Dunn said this is a business park and connectivity to downtown is important. Comm. Hendricks referred to letter on the dais regarding concern about a traffic study. Mr. Dunn discussed traffic and said that this project would bring no significant negative impact to the area. He said the traffic engineer is present this evening and commented about parking. Comm. Hendricks asked to speak with the Traffic Engineer. Ms. Ryan clarified that the Traffic Engineer is hired by the City although paid for by the applicant. **Andrew Kluter** with TJKM Transportation Consultants said he is the Traffic Consultant for the project. Mr. Kluter provided a summary of how the traffic study was done and said that they found no significant impact to the intersections that were selected by staff for study. Comm. Hendricks referred to a letter

from a resident in Attachment J who is concerned about traffic with Mr. Kluter saying they looked at the area of concern and found no need for a traffic signal.

Comm. Chang discussed with staff the TDM (Traffic Demand Management) Program, including how the TDM Program would be quantified, penalties if the goals are not met, and options for adjusting goals to improve a program. Ms. Ryan said the penalty is more severe than the cost of a program. Comm. Chang discussed the TDM Program with Mr. Dunn with Comm. Chang expressing the importance of the TDM Program being effective.

Vice Chair Dohadwala closed the public hearing.

Comm. Melton discussed with staff the Libby's Can Water Tower on the site. Ms. Ryan said the Tower is a Sunnyvale Heritage Landmark and that the owner is obligated to maintain it.

Comm. Hendricks moved for Alternative 1, to recommend the City Council adopt the Mitigated Negative Declaration and approve the Special Development Permit with attached conditions. Comm. Melton seconded the motion.

Comm. Hendricks said this is a good infill project and that the architecture was discussed in a Study Session. He said, aside from the parking lot shading, nothing is out of the ordinary and the applicant is working on increasing the shading and providing many other upgrades to the property. He commented about green building LEED upgrades to the other buildings in the area as leases expire. He said he could make the findings for the Special Development Permit.

Comm. Melton said he is happy to second the motion and that he could make the findings. He said he really likes the project, including the pedestrian improvements and complimented the owner for taking good care of the Libby's Can Water Tower.

Ms. Ryan confirmed with the maker and seconder of the motion that the recommended conditions are the modified version provided by staff on the dais this evening.

Comm. Kolchak said he could make the findings and that he was happy to see very few deviations. He said the applicant has increased the parking lot shading and the parking is above the minimum requirement. He said he looks forward to seeing a nice clean development.

Comm. Chang said he would be supporting the motion and that he could make the findings. He said he likes the effort from the applicant to improve the parking lot shading, the pedestrian access and the public parking improvements.

Vice Chair Dohadwala said she would be supporting the motion. She said there are many improvements including the pedestrian access from the site to Caltrain. She said she found the traffic seems to smoothly open out on both sides of the project, commenting that she would like staff to make sure the traffic on the Mary Avenue side is well-managed as it opens out into a residential area.

ACTION: Comm. Hendricks made a motion on 2012-7304 to recommend that City Council adopt the Mitigated Negative Declaration and approve the Special Development Permit with the amended conditions provided by staff on the dais. Comm. Melton seconded. Motion carried 5-0, with Chair Larsson absent.

APPEAL OPTIONS: This recommendation will be provided to City Council and is scheduled to be considered at the Council meeting on October 30, 2012.

- 3. File #:** 2012-7450
- Location:** 1101 N. Fair Oaks Ave. (APN:110-14-176)
- Proposed Project:**
- SPECIAL DEVELOPMENT PERMIT to allow the development of 97 dwelling units.
 - REZONE from M-S/ITR/R-3/PD (Industrial and Service/Industrial to Residential/Medium Density Residential/Planned Development) Zoning District to R-4/PD (High Density Residential/Planned Development).
- Applicant/Owner:** St. Anton Partners / Fair Oaks LLC
- Environmental Review:** Mitigated Negative Declaration
- Staff Contact:** Shaunn Mendrin, 408-730-7429, smendrin@ci.sunnyvale.ca.us
- Notes:** *This item is scheduled to be considered by City Council on October 16, 2012.*

Comm. Melton and **Comm. Chang** disclosed that they met with the developer and **Comm. Kolchak** disclosed that he spoke with the developer.

Shaunn Mendrin, Senior Planner, presented the staff report. He commented about two letters of opposition provided on the dais addressing the concerns, which included a negative effect on already impacted School Districts, no affordable housing units proposed, and parking concerns.

Comm. Hendricks discussed with staff the letters provided on the dais. He said one of the letters was from the chair of the Housing and Human Services Commission (HHSC) and asked if the comments were on behalf of the HHSC and had the HHSC reviewed this project. **Trudi Ryan**, Planning Officer, said the chair did not say for whom she was speaking. **Comm. Hendricks** asked if it was true that there is no legal regulation in the City today requiring affordable housing in rental properties. **Kathryn Berry**, Senior Assistant City Attorney, confirmed that is correct. **Comm. Hendricks** discussed with staff the concern about student population impacts.

Comm. Melton referred to the letter from the chair of HHSC and confirmed with staff that the project being reviewed tonight is not the same project as the HHSC reviewed. **Comm. Melton** discussed the history of zoning for this property. Staff confirmed that the intent of the prior General Plan change was to allow flexibility without having to initiate a General Plan Amendment to change the zoning and to base a zoning change on the merits of a proposed development.

Comm. Hendricks discussed with staff that the ITR 7 area is within walking distance to the Tasman Light Rail area. **Comm. Hendricks** confirmed with staff that a good spot to increase housing density is near light rail.

Vice Chair Dohadwala opened the public hearing.

Ardie Zahedani, Vice President of Development for St. Anton Partners, said they are a state-wide multi-family housing developer. He discussed St. Anton Partners and said they construct, own and manage their properties. He discussed the process of developing this project beginning with contacting their neighbors. He said they decided to create a project that was compatible with the neighbors and would yield a density to make the project profitable. He said they hired the architect of the neighboring project, KTG Y Group, to ensure compatibility. **Mr. Zahedani** discussed the outreach to the neighbors including the Danbury Place Homeowners Association (HOA), and referred to the letters of support from the Danbury Place HOA and the Morse Park Neighborhood Association. He said the main thing they heard from the neighbors was to make sure the project was well-parked. **Mr. Zahedani** said they have 2/3 of the parking underground, and that the ITR (Industrial-to-Residential)

zoning has worked well in this area. He said the project is 690 feet from the light rail and there are two bus stops nearby. Mr. Zahedani said they would be widening the sidewalk from four to eight feet discussing two related deviation requests for setbacks, which would allow this development to be consistent with the neighbors. Mr. Zahedani introduced **Keith Labus**, Principal with KTG. Mr. Labus discussed the architecture including the parking structure, the courtyard space above the parking, the scale and character of the development being compatible with the Danbury Place development, that they meet the parking and open space requirements, and the outdoor amenities. He said the goals were to complement the traditional design of Danbury Place, yet include contemporary details to appeal to the target market. Mr. Labus said they think project has all the ingredients for a successful project at this location. Mr. Zahedani said they appreciate the Planning Commission's consideration of this project.

Comm. Kolchak asked the applicant about the setback deviation. Mr. Zahedani described the project and said they are asking for a deviation on the three-story side. Comm. Kolchak discussed with Mr. Zahedani the increase to the length of the sidewalk, and the request to reduce the setback requirement, which is consistent with the adjacent properties.

Comm. Melton discussed with Mr. Zahedani the wall between this property and the neighboring Danbury Place property. Mr. Zahedani said that in their meetings with the Danbury Place HOA that the HOA is happy about the proposed development however they want the wall to remain to prevent parking intrusion. Mr. Zahedani said the walkway to the park is about 15 feet away so the wall does not prevent pedestrian access to the park. Ms. Ryan added that the wall was built as part of the neighboring Danbury Place project to separate the housing from the industrial.

Comm. Hendricks commented that he would like to see these developments built without the walls to allow more openness and walkability; however, he understands they are being built in a piecemeal fashion so there are some constraints regarding the wall on the proposed development.

Simon Chang, the current property owner, spoke in support of the project. He said he has been in Sunnyvale many years and seen many proposals that are not appropriate for the community. He said he feels this is a strong and valuable project for the community.

Don Krafft, a resident and Vice President of the Board of Directors for the neighboring Danbury Place, spoke in support of the project for himself and the entire board. He said they are glad to see a proposed project that is compatible with the community and said they appreciate the applicant reaching out to the Board. He said they think the applicants will be good neighbors. He said that they are impressed that they are staying on to manage the site. He said they have reviewed plans and that their biggest concern was adequate parking, and they are comfortable with the proposed parking. Mr. Krafft commented about the wall between the sites and said he personally agrees that he would like to see at least a pathway opening through it. He said he does not think the Board would consider it until they can see that the parking is working. He said he and the Board recommend that the Planning Commission allow the zoning change and let St. Anton move forward with the project. Comm. Hendricks confirmed with staff that there would be no zoning issues if the Danbury Place and St. Anton wanted to put a pathway through the wall in the future.

Vice Chair Dohadwala closed the public hearing.

Ms. Ryan clarified that this is the last industrial site in this block, but not the last ITR site in the area.

Comm. Kolchak discussed with staff about adding a condition for the two properties to explore creating a pedestrian access through the wall between the properties after the St. Anton project is completed.

Comm. Melton moved for **Alternative 1** to recommend to **City Council** to adopt the **Mitigated Negative Declaration** and introduce an ordinance to **Rezone to Residential High Density (R-4)/Planned Development (PD)** and approve the **Special Development Permit with attached conditions**. **Comm. Kolchak** seconded the motion.

Comm. Melton said he was pleased to make the motion and thanked the applicant for their robust community outreach. He said the architecture blends well with the neighboring development the two letters of support were helpful. He said he can make the findings and he looks forward to see this coming to fruition.

Comm. Kolchak said he could make the findings and looks forward to seeing this come to fruition. He said the deviation request is minimal and that the fourth floor section is the furthest away from the neighbors. He said he hopes there will eventually be pedestrian access through the wall between this property and Danbury Place. He said the architecture is nice.

Comm. Chang said he could make the findings and would be supporting the motion. He said the project meets the City requirements and that the setback deviations will work out. He said it is nice to have the two properties look similar and he looks forward to the completion of the project.

Comm. Hendricks said he would be supporting the motion and that he could make the findings. He said the community outreach was good and thanked the members of the public who spoke this evening. He said he thinks this is an appropriate place to change the zoning from R-3 and R-4 as it is close to light rail with access to public transit. He said he is comfortable with the deviations as he feels the intent is being met. He said he likes the pedestrian access provided to the new Seven Seas Park. He referred to COA GC-5 commenting that if these units are ever sold as individual sales that the subdivision would become subject to compliance with the City's Below Market Rate Housing Program requirements. He said the project exceeds what would be required by the green building standards. He said the architecture was discussed in a recent Study Session and the applicant has been agreeable to all the comments.

Vice Chair Dohadwala said she would be supporting the motion. She said she agrees with Comm. Hendricks' comments that this is a good place for R-4 zoning considering the proximity to light rail. She said she thinks the applicant's outreach was good, the architecture will result in a good quality product and she likes the innovative parking.

ACTION: Comm. Melton made a motion on 2012-7450 to recommend to City Council to adopt the Mitigated Negative Declaration and introduce an ordinance to Rezone to Residential High Density (R-4)/Planned Development (PD) and approve the Special Development Permit with attached conditions. Comm. Kolchak seconded. Motion carried 5-0, with Chair Larsson absent.

APPEAL OPTIONS: This recommendation will be provided to City Council and is scheduled to be considered at the Council meeting on October 16, 2012.

Ms. Ryan commented that the applicant's outreach efforts were exceptional and that it is rare that a proposed development would receive the neighboring HOAs support.

4. Standing Item: Potential Study Issues

Notes: *(Final opportunity for Planning Commission to suggest Study Issues for 2013.)*

Vice Chair Dohadwala said staff drafted several potential Study Issues for 2013 for consideration as requested by the Planning Commission.

Comm. Melton, Comm. Hendricks and staff discussed the first potential issue, Caltrain Electrification and High Speed Rail Crossings. After discussion, Comm. Melton said he agrees with staff that a study issue is unnecessary and said he would not make a motion for this issue.

Comm. Melton moved to add a study issue to the 2013 list regarding Considering a Unified School District in Sunnyvale. Comm. Hendricks seconded the motion for the purpose of discussion. The Commission discussed the issue with staff including that this issue is not in the purview of the Planning Commission, discussing the related Santa Clara County Grand Jury report, the expense and timing of the report and that maybe a bold proposal needs to be made if school district consolidation is ever going to happen. **Motion failed 2-3, with Comm. Chang, Comm. Hendricks, Comm. Kolchak dissenting and Chair Larsson absent.**

Vice Chair Dohadwala discussed the third potential study issue, Lighting Standards and Guidelines. **Trudi Ryan**, Planning Officer, discussed possible options to address the issue, other than a study issue, which included repealing the lighting resolution from 1976 and rewriting it or to add this issue to the City-wide Design Guidelines. Ms. Ryan said staff could address this as an operational update and schedule review by the Planning Commission. Comm. Hendricks confirmed with staff that aesthetic lighting on corporate buildings could be included in the updates. Comm. Melton discussed with staff lighting in the right-of-way, with staff saying that the Planning Division does not deal with lighting in the right-of-way. Vice Chair Dohadwala said she is comfortable with staff dealing with this issue as an operational update rather than a study issue. Comm. Hendricks confirmed with staff that no additional information is needed from the Planning Commission and that staff would work on the issue.

Comm. Melton offered a potential study issue regarding limiting or discouraging drive thrus in the nodes identified in the Precise Plan of El Camino Real. Ms. Ryan said that the Precise Plan of El Camino Real discourages drive thrus and that all drive thrus on El Camino Real would require a Special Development Permit. Comm. Melton further discussed the issue with staff clarifying City-wide drive thru requirements. He said based on what he has heard he would not be making a motion.

No additional study issues were added.

NON-AGENDA ITEMS AND COMMENTS

- COMMISSIONERS ORAL COMMENTS

Comm. Melton discussed the fantastic Libby's Water Tower which is a Heritage Landmark and asked about another water tower in the City and whether it could be painted. Staff said a member of the community could contact the facilities persons of the owner of the water tower with the request.

- STAFF ORAL COMMENTS

City Council Meeting Report

Ms. Ryan discussed Planning-related items considered by City Council at their August 28, September 11, and the September 18, 2012 meetings and discussed Planning-related items that would be considered at the October 2, 2012 meeting. She advised that the October 8, 2012 Planning Commission Public Hearing portion of the meeting might be canceled.

Other Staff Oral Report –

Kathryn Berry, Senior Assistant City Attorney, commented about the Mary Avenue extension litigation and two recent court of appeals decisions that are in conflict with each other regarding the issue of baseline calculation for Environmental Impact Reports (EIR). She said the California Supreme Court would be reviewing the case of the two conflicting court of appeals decisions; however there may not be an answer for a couple of years. **Comm. Hendricks** discussed with staff EIRs, the methodology of baseline calculations, size of projects and costs. **Ms. Berry** said she would keep the Commission advised of this case.

Comm. Melton commented that City staff recently held a very successful Planning Open House regarding multiple study issues. He confirmed with staff the outcome of a recent large family day care appeal. He discussed with staff an upcoming study session with **Ms. Ryan** saying Commissioners could forward questions to her prior to the session.

INFORMATION ONLY ITEMS

ADJOURNMENT

With no further business, the Commission meeting adjourned 10:14 p.m.

Respectfully submitted,

Trudi Ryan
Planning Officer