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Via Email

July 27, 2022

RE: Application to Initiate a General Plan Amendment for MandeVilla Project @ 655 S.
Knickerbocker Drive (APN: 198-08-036)

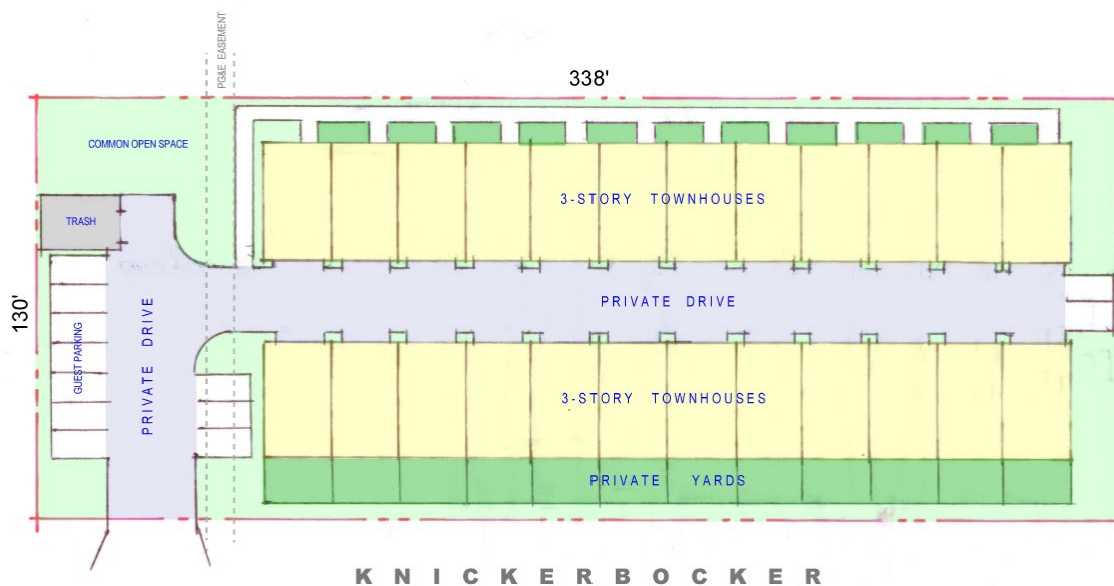
Dear Mr. Schroeder and Sunnyvale Planning Team,

I am pleased to submit a request on behalf of MandeVilla Development, LLC to initiate a General Plan Amendment for 655 S. Knickerbocker Drive (APN: 198-08-036) in Sunnyvale from Commercial to Medium Density Residential. Currently, the 1.01 gross acre site is zoned C-1 and consists of a 11,192 SF, 1950s-style medical office building.

Since 2015, the applicant has been exploring redeveloping the site as a residential use because of its limited viability for commercial use. In 2016, staff recommended R4 zoning in response to a Preliminary Application 2015-8103. In 2021, the applicant attempted to submit plans for a site development permit consistent with an R4 designation but was informed by staff that the General Plan designation of Commercial was no longer seen as supporting residential development.

During subsequent discussions with staff (*i.e.*, Andrew Miner, Noren Caliva-Lepe, Amber Blizinski), it appears that residential remains a supported use for this site, but that it would require a General Plan Amendment and that a less intense designation may be more appropriate because of other General Plan updates that have since focused higher-intensity residential growth in other areas.

The applicant remains open to all residential options, but is most interested in an ownership townhouse concept as presented below:



Changing the General Plan from Commercial to Medium Density Residential to accommodate a project like the one illustrated above would further the following General Plan policies:

- 1. GOAL LT-7: DIVERSE HOUSING OPPORTUNITIES ENSURE THE AVAILABILITY OF OWNERSHIP AND RENTAL HOUSING OPTIONS WITH A VARIETY OF DWELLING TYPES, SIZES, AND DENSITIES THAT CONTRIBUTE POSITIVELY TO THE SURROUNDING AREA AND THE HEALTH OF THE COMMUNITY.**

Changing the General Plan to allow townhomes will also further Sunnyvale's fair housing goals and satisfy its policy to provide more owner-occupied housing. An income level of at least \$500,000/year is needed to purchase a single-family home in Sunnyvale. This is unattainable for most residents. Alternatives to single-family homes, such as townhomes and condos, are needed to provide residents with a real opportunity for ownership housing; however, these kind of development projects are relatively rare as most developers and institutional investors gravitate to building large multifamily rental projects.

While no specific project is being proposed with the requested GPI, as demonstrated by the 2015 preliminary application and the 2021 attempted submission of a condo project, the applicant intends to build ownership housing and will incorporate on-site affordable units as required to meet Sunnyvale's BMR program.

If townhomes are allowed on this site through a General Plan change, it will provide entry-level ownership housing opportunities for Sunnyvale residents, and it will create high-quality, integrated affordable housing units at no cost to the public.

Specific General Policies Furthered by Proposed GPI:

Policy LT-7.3: Encourage the development of housing options with the goal that the majority of housing is owner-occupied.

Policy LT-7.4: Promote new mixed-use development and allow higher-residential density zoning districts (medium and higher) primarily in village centers, El Camino real nodes, and future industrial-to-residential areas.

Policy HE-1.1: Encourage diversity in the type, size, price and tenure of residential development in Sunnyvale, including single-family homes, townhomes, apartments, mixed-use housing, transit-oriented development and live-work housing.

2. GOAL HE-6: SUSTAINABLE NEIGHBORHOODS - MAINTAIN SUSTAINABLE NEIGHBORHOODS WITH QUALITY HOUSING, INFRASTRUCTURE AND OPEN SPACE THAT FOSTERS NEIGHBORHOOD CHARACTER AND THE HEALTH OF RESIDENTS.

As recognized by the General Plan, “[p]rivate development is as important as public improvements in creating a vital, enjoyable and comfortable environment for residents and visitors.” (See General Plan, Community Character at p. 4-12). In addition to the benefits identified above (e.g., improved neighborhood compatibility over C-1 zoning and furtherance of fair housing, affordable housing and ownership opportunities), redevelopment of 665 S. Knickerbocker will (1) improve the City’s tax base; (2) create a high-quality housing with modern amenities that is compatible with the today’s design standards and environmental standards; and (3) the impact fees collected will also help fund parks and other essential City services.

While the goals of neighborhood retail are laudable, it is struggling to survive. Covid-19 and increasing labor costs have only made the problem worse. Unfortunately, no amount of zoning is going to change the macroeconomic forces that are shuttering many of these business.

A General Plan Amendment to Medium Density Residential paves the way for a *viable* development, that is in character with, and will connect to the surrounding uses. This will allow both the applicant and the City to reap the rewards from the time spent working on a development application, and furthers the General Plan goals of revitalizing and improving the City through smart, well-planned development.

Specific General Policies Furthered by Proposed GPI:

Goal CC-3: Well-Designed Sites And Buildings: Ensure that buildings and related site improvements for private development are well designed and compatible with surrounding properties and districts.

Policy HE-6.3: Continue a high quality of maintenance for public streets, rights-of-way, and recreational areas, and provide safe pedestrian, bike, and transit linkages (accessibility) between jobs, residences, transportation hubs, and goods and services.

Policy HE-6.2: Promote neighborhood vitality by providing adequate community facilities, infrastructure, landscaping and open space, parking, and public health and safety within new and existing neighborhoods.

Policy HE-6.6: Encourage use of sustainable and green building design in new and existing housing.

3. GOAL LT-6: PROTECTED, MAINTAINED, AND ENHANCED RESIDENTIAL NEIGHBORHOODS

Allowing higher-density residential at 665 S. Knickerbocker Drive will serve the major goal of LT-6 to protect and enhance residential development because Medium Density Residential is the most compatible designation with the surrounding neighborhood, which consists primarily multi-family and single-family residential uses.

The site is located just outside the El Camino Specific Plan and borders a single-family neighborhood at South-West corner and 3-story multifamily residences to the South and East.¹

A potential commercial development is not compatible with the primarily residential character of S. Knickerbocker Dr., especially as one moves further away from El Camino Real. Under the current General Plan and C-1 zoning standards, no rear or side setback would be required. Moreover, the minimum 70' setback requirement for C-1 zoning, virtually assures that the site will continue to have a large surface parking lot as its frontage, which is unattractive and diminishes vibrancy. Allowing a use such as the Safeway located across the street at 639 S. Bernardo Ave which has a long, large wall along S. Knickerbocker Drive and large surface parking lot, or an assisted living facility such as the Sunrise of Sunnyvale at 633 S. Knickerbocker Drive that has constant visitors, food deliveries, and regular ambulance traffic, could create negative impacts to the single-family and multi-family residents who live in the neighborhood.

As with the other higher-density 3-story and 4-story multifamily buildings that border the site, a Medium Density Residential development will help buffer the commercial and quasi-commercial uses

¹ I.e., 695 S. Knickerbocker, which is a 3-story multifamily building with tuck-under parking is located to the South, 684 S. Knickerbocker Drive, which is a 3-story multifamily building, is located directly across the street. Behind the property at 1033 Crestview Drive in Mountain View, there is a 4-story multifamily building.

along S. Knickerbocker Drive without overshadowing or changing the neighborhood character. High-quality architecture and landscaping, as would be required by Sunnyvale's Design Standards for any new development, will also help beautify and enhance the area around the site.

Specific General Policies Furthered by Proposed GPI:

LT-6.1c: Use land use and transportation policies, guidelines, regulations, and engineering specifications to respect community and neighborhood identities and values for quality and design.

Policy LT-6.2: Limit the intrusion of incompatible uses and inappropriate development in and near residential neighborhoods, but allow transition areas at the edges of neighborhoods.

LT-6.2a Where appropriate, use higher-density residential and higher-intensity uses as buffers between neighborhood commercial centers and transportation and rail corridors.

Policy HE-6.1: Continue efforts to balance the need for additional housing with other community values, including preserving the character of established neighborhoods, high quality design, and promoting a sense of identity in each neighborhood.

LT-13.3a: When making land use decisions, anticipate and avoid whenever practical the incompatibility that can arise between dissimilar uses such as the encroachment of residential uses into business areas

Policy SN-8.7: Supplement Figure 6-5 [of the General Plan], "State of California Noise guidelines for Land Use Planning" for residential uses by attempting to achieve an outdoor LDN of no greater than 60 dBA for common recreational areas, backyards, patios and medium and large-size balconies.

We hope that staff will support our request for a General Plan change to Medium Density Residential or another residential designation, and we look forward to collaborating with you as we work through the process to develop this site.

Kind regards,



Melanie Griswold