

RECOMMENDED FINDINGS

Recommended Findings – Use Permit

In order to approve the Use Permit, the City Council must make one of the following two findings:

1. The proposed use attains the objectives and purposes of the General Plan of the City of Sunnyvale.

This finding can be made for the project as conditioned. The project will enhance the character of the site and encourages economic opportunities for growth and enterprise. Compliance with adopted General Plan goals and policies is discussed below.

Land Use and Transportation Chapter (LUTE)

Policy LT-11.1 Provide existing businesses with opportunities to grow in Sunnyvale and provide opportunities to expand into new technologies.

Oakmead Terrace Business Park is an existing multi-building office complex that can accommodate single and multi-tenant work space that caters to micro to medium size businesses that desire to be close by larger corporate companies commonly found in Sunnyvale's specific plan areas and within the neighboring area in Santa Clara. The project provides additional square footage for existing business to grow as well as attract new businesses into the area.

Policy LT-11.3 Promote business opportunities and business retention in Sunnyvale.

The proposed upgrades to the site and buildings will result in an attractive office park and encourage new businesses to locate as well as retain existing businesses.

Policy LT-12.4 Attract and retain a diversity of commercial enterprises and industrial uses to sustain and bolster the local economy and provide a range of job opportunities.

The project provides leasing opportunities for different type businesses of varying sizes to pursue new business enterprises that would add to the economic vitality and diversity in Sunnyvale.

2. The proposed use is desirable, and will not be materially detrimental to the public welfare or injurious to the property, improvements or uses within the immediate vicinity and within the Zoning District.

The proposed project is desirable to strengthen Sunnyvale's economy. The project will add approximately 7,449 square feet of floor area to the Oakmead Terrace Business Park. The added square footage and proposed site improvements will help attract new businesses that bring new enterprise and job opportunities as well as retain existing business with opportunities to grow in their existing location.

The project will enhance the character of the site with proposed site and building modifications that are intended to enhance the building facade by creating interesting entry portals, improving the interior space with new "linked" lobbies, renovating landscaped area with installation of 163 new trees and water efficient plantings, improving site accessibility, and upgrading tenant amenities.

The site will feature environmentally sustainable buildings achieving LEED Silver certification. In addition, the applicant has committed to a TDM Plan that will help minimize traffic. The project can be accommodated without significant impacts on the existing infrastructure and roadway systems. The site is located within an area that is proximity to VTA bus lines and major roadways that provide local and regional connections.

In addition to the two findings above, the City Council policy is to consider the following Review Criteria for Projects Greater Than 35% FAR:

- 3. Certain development in excess 35% floor area ratio (FAR) in Industrial Zoning Districts (M-3 or M-S) requires approval of a Use Permit or Special Development Permit. To assist the decision makers in considering higher FAR developments, the following review criteria will be used:**

| Review Criteria | Discussion/Explanation |
|--|---|
| <p>CATEGORY I: COMMUNITY CHARACTER addresses the issues of land use and transportation capacity and neighborhood compatibility within the context of an overall City image.</p> | |
| <p>A.</p> | <p>Is there sufficient current and future land use and transportation capacity to incorporate this project?</p> <p>If this project is approved, there would be approximately 955,185 square feet remaining in the City-wide development pool; this project would utilize 7,449 square feet. Based on the proposed net new square footage, it would not generate over 100 new Peak Hour Trip and will not result in traffic impact. The applicant is committed to implementing a TDM Plan that will help further reduce vehicular peak hour trips and average daily trips to and from the site. The site is walking distant to VTA public transit, served by existing public sidewalk and bike lane along the project frontage. The project will add new bike facilities that includes secured bike parking enclosure and zagster bikes (shared bikes) to help encourage commute alternatives.</p> |
| <p>B.</p> | <p>Does project use and design contribute positively to a City image and community character that reflects current and future “high-tech” Silicon Valley?</p> <p>The proposed facade improvements to the building will help improve the character of the site and are compatible with other buildings found in the neighborhood. As conditioned, the building will be required to achieve LEED silver certification. The existing glass facade, unique building form, public art installation and new entry elements will enhance the City’s high-tech image.</p> |
| <p>C.</p> | <p>Does the project include minor upgrading of the building for safety or special function purposes?</p> <p>The proposed project includes upgrades to improve site accessibility to ensure compliances with current building code standards. Upgrades include improvements to the accessible path of travel, accessible parking and restroom facilities.</p> |

| Review Criteria | | Discussion/Explanation |
|--|---|---|
| D. | Have potential adverse impacts on nearby land uses been avoided, minimized or mitigated? | The proposed project utilizes an existing site and entails minor site and building modifications that do not require further environmental review. As conditioned, the project will be required to comply with conditions that are intended to minimize temporary disturbances from construction related activities. There are no anticipated negative impacts on surrounding sites. |
| <p>CATEGORY II: ENVIRONMENTAL: TRAFFIC AND AIR QUALITY focuses on the ability of a proposed project to avoid, minimize or mitigate City-wide and local traffic and air quality impacts.</p> | | |
| E. | Does the project avoid or mitigate significant effects on the regional or Citywide roadway system? Is the project sited to avoid impacts on constrained intersections or roadway segments? | The proposed project consists of a modest addition of 7,449 square feet and site improvement to an existing multi-building office park. Based on the new square footage, it will not result in more than 100 peak hour trips. The incremental increase in vehicle trips can be absorbed by the existing roadways. The project does not propose any changes to the existing access or site layout and therefore will not result in any unusual operating conditions or road hazards. |
| F. | Are potential air quality impacts mitigated? | An air quality/greenhouse gas study is not required for the project. As conditioned, the project will adhere to the City's Climate Action Plan. No air quality impacts are anticipated. |
| G. | Does the project provide opportunities for appropriate on-site retail/support services and amenities to minimize mid-day vehicle trips? | Future tenants may choose to provide on-site services such as restaurant. |
| H. | Does the project provide mixed uses on the site to complement the primary use and adjacent land uses? | The proposed project is not a mixed-use project. However, it is within proximity to residential and other commercial centers that include restaurants, fitness centers, and financial institutions. |

| Review Criteria | | Discussion/Explanation |
|---|--|--|
| I. | Is the project located in close proximity to a light rail or Cal-Train station, and/or other convenient transit stops? | VTA Bus Routes 55 and 328 are located within 1/4 miles away from the project site. The existing VTA Light Rail station is located approximately 1 1/4 mile away. |
| J. | Can identifiable and measurable negative impacts on City infrastructure and services be mitigated? | While the proposed project requests higher FAR, a development pool is included in the General Plan land use scenario to allow intensification of individual sites above 35% FAR. The proposed project will draw from the development pool for its additional floor area. The project will pay Housing Mitigation Fees to offset housing demand inducing impacts, and will be required to pay connection and impact fees to offset any impacts on sewer capacity and other public utilities. The project will also require payment of a TIF and a TDM Program will be implemented for the site to reduce vehicle trips. |
| K. | Is a Transportation Demand Management program planned for the site? Does it reduce traffic in general and promote transit use? | The applicant has submitted a draft TDM Plan, which will achieve a minimum of 25% reduction in total daily vehicle trips and a 30% reduction in daily peak hour trips. A final TDM Plan will be required prior to building permit issuance and shall demonstrate compliance with trip reductions noted above. |
| <p>CATEGORY III: SITE DESIGN AND ARCHITECTURE addresses several components of site design and architecture; focusing on the visual features and aesthetics, techniques to reduce the bulk and mass of the buildings, ways to reduce the amount of surface parking on the site.</p> | | |

| Review Criteria | Discussion/Explanation |
|--|---|
| <p>L. Does the project demonstrate exemplary architecture and design through:</p> <ul style="list-style-type: none"> • Use of unique and/or high quality building materials, singly and in combination • State of the art design and materials • Introduction of significant, innovative, and noteworthy architectural forms and elements • Special or unique features of the site plan design and implementation | <p>The proposed project architecture demonstrates quality design through the following elements:</p> <ul style="list-style-type: none"> • The existing buildings have a unique building form with glass and concrete facades. Its commonly referred as the horizontal skyscraper. Proposed design elements include decorative projecting fin walls and accent landscaping will help create identifiable and interesting entry ways into the building which do not currently exist. These element help provide a visual break. • Existing landscaping will be enhanced with 163 new trees and water efficient plantings. The added softscape helps to further ground the buildings in its surroundings. • Green building will be designed at a minimum of LEED Silver level |
| <p>M. Does the project complement the City image and community character currently primarily low profile with a less intensive development density?</p> | <p>The proposed project is compatible with its surroundings. The proposed building will be three stories in height and is adjacent to other buildings with similar heights and massing. Adequate landscaping and maintenance of existing mature trees along the project frontage help to soften the edge of the buildings and minimize visual impacts.</p> |

| Review Criteria | Discussion/Explanation |
|---|---|
| <p>N. Does the site plan reduce the bulk and mass of the buildings on the site? Are the following techniques and others used in a creative and resourceful way?</p> <ul style="list-style-type: none"> • Facade and roofline variations • Reduction in the building footprint and significant increase of landscaping required by Zoning Code • Substantially greater setbacks than required by the Zoning Code | <p>The project entail a 7,449-square foot addition and renovation of site improvements to an existing multi-building office park. The existing buildings will remain with minimal changes to the site layout. The added square footage does not change the existing building setbacks. As proposed, it maintains relatively the same footprint. The project will be adding new vertical design elements, materials and color breaks to help harmonize the existing bulk and break up the massing of the building.</p> |
| <p>O. Does the site plan include techniques to reduce non-point source pollution?</p> | <p>The project has prepared a draft Stormwater Management Plan (includes treatment of the parking structure) incorporating Best Management Practices to reduce storm water runoff on the site, in compliance with the current Municipal Regional Permit.</p> |
| <p>P. Is a reduction in the amount of surface parking achieved?</p> <ul style="list-style-type: none"> • Significant reduction in the number of surface parking spaces • Provision of structured parking and/or underground parking • Introduction of a landscape reserve that can be converted to parking on an as-needed basis, or as a permanent park. | <p>The project entails alterations to existing buildings and site improvements. The existing parking consist of surface parking spaces. The parking is modified to provide the required handicap accessible parking. The project will be adding the required spaces for carpool, EV charging spaces, and a new bicycle shelter that provides 28 secured parking spaces and 6 bicycle spaces for bike sharing. As proposed, the project provided the required number of parking spaces.</p> |

| Review Criteria | | Discussion/Explanation |
|---|---|---|
| Q. | Is the site comprehensively planned through the creation of a Master Plan or Site Specific Plan? Has a long term development plan been prepared that allows phasing of the project based on implementation of improvements and mitigations? | The project is not located within a Specific Plan Area. The buildings are existing. The project is a comprehensive update to the existing buildings to update them aesthetically and improve them to make them more appropriate for modern businesses. |
| R. | How is the calculation of the “effective” FAR being conducted? Does the size of the project warrant a different method of calculating the FAR? | The FAR has been determined based on SMC standards for FAR, which is gross floor area divided by net lot size. No exceptions have been given for none employment generating space like large cafeterias or gyms. |
| Optional Information | | Discussion/Explanation |
| <p>CATEGORY IV: ECONOMIC, FISCAL AND COMMUNITY BENEFIT identifies the need to relate the project to the economic prosperity program of the City, potential impact on the City, the relationship to the local economy and employment in terms of the types and numbers of jobs likely to be generated by the project and other features of the development that will result in an overall positive community benefit. The following questions provide examples of how benefit can be described.</p> | | |
| 1. | Does the project implement the goals of the Economic Prosperity Program? | <p>The project is consistent with the General Plan in that it encourages economic pursuits, business retention and employment opportunities.</p> <p>The new building will attract companies that will create jobs for Sunnyvale residents. The site is located near public transit and commercial centers, which helps to attract high-caliber tenants.</p> |

| Review Criteria | Discussion/Explanation |
|--|---|
| <p>2. Does this project have a significant net positive fiscal impact over the next 5-20 years?</p> | <p>These buildings have incurred high vacancy rates for many years due to the condition of the buildings, and are currently rated at class C-. With renovation, the intention is to convert the buildings to a Class A rating attracting higher quality tenants with larger predicted growth and high job creation potential. These leases will be from 5 to 10 years and compared to what is existing there now, the projected tenant base will dramatically increase:</p> <ul style="list-style-type: none"> • Property valuations and property taxes. • Potential use and sales taxes from the companies moving into the remodeled buildings. • Construction taxes and fees for the initial renovation and future tenant improvements. • Potential new business license fees. <p>There will also be much better growth and support for local goods and services.</p> |
| <p>3. Does the project include the provision of on-site corporate headquarters and/or a “point of sale” office?</p> | <p>The project is an existing office complex that is currently multi-tenant. However, it can accommodate single or multi-tenant businesses that could house its headquarters in the remodeled buildings.</p> |
| <p>4. To what extent does this project provide resident and/or youth employment opportunities both now and in the future?</p> | <p>The proposed project would result in additional floor area that will enable existing tenants to expand in their existing location as well attract new businesses. Both scenarios would result in additional employment opportunities in the City and maintain a variety of businesses in the office park.</p> |

| Review Criteria | | Discussion/Explanation |
|------------------------|--|---|
| 5. | Do the anticipated types and numbers of jobs complement the current and desired future job profile in Sunnyvale? | These buildings also have a unique configuration which will favor some smaller, growth companies in spaces of 10,000 square feet or less. The diversity of this future tenant base will provide Sunnyvale with a strong and broad base of high quality jobs including room for Sunnyvale companies to expand and product support for other businesses in the area. |
| 6. | To what degree do the proposed jobs generate related jobs and services in Sunnyvale? | The proposed jobs are expected to generate additional demand for nearby services. According to a report by the Bay Area Council Economic Institute (Retrieved from: http://www.bayareacouncil.org/community_engagement/new-study-for-every-new-high-tech-job-four-more-created/), "...each job created in the high-tech sector, approximately 4.3 jobs are created (multiplier effect) in other local goods and services sectors across all income groups, including lawyers, dentists, schoolteachers, cooks and retail clerks, among many others." |
| 7. | The project is intended primarily for a single user or has common/shared management (Action Statement C4.2.2.) | The building currently is multi-tenant and provides leasing opportunities from micro to medium size businesses such as incubators or startups as well as general offices for other services including financial, medical and insurance that also serve the residents at large. |
| 8. | Can the applicant identify other community benefits that could be attributed to the proposed project? | Public art shall be provided at the street corner which interfaces with Avalon residential community and the Lakeside Specific Plan area that will include a new hotel and residences. |