



Residential Planned Development) and P-F (Public Facilities).  
**SPECIAL DEVELOPMENT PERMIT:** Demolish existing industrial/office buildings (formerly AMD campus) and construct 1,051 residential units, including 944 units in three to five-story apartment buildings and 107 units in three-story townhome style buildings. The unit count includes 45 apartment units for very low-income households and 13 below market rate townhome units. Public improvements include the dedication of a 6.5-acre public park, extension of Indian Wells Avenue to the east to connect with the Duane Avenue/Stewart Drive intersection, and associated public improvements. Requested deviations include reduced private useable open space and front setbacks on Indian Wells Avenue and Stewart Drive.

**VESTING TENTATIVE MAP:** Lot line adjustment between two existing lots and subdivide one lot into six lots, to create a total of seven lots.

**Location:** 1 AMD Place (APNs: 205-22-024, 205-22-025), 975 Stewart Drive (205-22-028)

**File #:** 2016-8035

**Zoning:** Industrial Service/Industrial-to-Residential/Medium Density/Planned Development Zoning District (MS/ITR/R-3/PD) and Industrial Service/Industrial-to-Residential High Density Zoning District (MS/ITR/R-4/PD) Zoning District

**Applicant / Owner:** Irvine Company (applicant /owner)

**Environmental Review:** Adopt a resolution to make findings required by CEQA, certify the Environmental Impact Report (EIR), and adopt a Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program.

**Project Planner:** Gerri Caruso/Margaret Netto, (408) 730-7440, mnetto@sunnyvale.ca.gov

Assistant Director Andrew Miner presented the staff report.

Senior Assistant City Attorney Rebecca Moon stated that the Environmental Impact Report (EIR) addresses the size, location, and conceptual ideas for the park, but the final design would be reviewed by the City Council and any additional environmental review needed would be decided later.

Commissioner Howe stated that he met with the applicant and members of the public regarding the proposed project.

Commissioner Simons stated that he met with the applicant and members of the public regarding the proposed project.

Commissioner Rheume stated that he met with the applicant regarding the proposed project.

Commissioner Weiss stated that she met with the applicant regarding the proposed project.

Commissioner Olevson stated that he met with the applicant regarding the proposed project.

Chair Howard stated that he met with the applicant regarding the proposed project.

Commissioner Simons asked staff about the status of his previous suggestion to review possible multipurpose functions for the portion of Indian Wells Avenue connected to the park. Assistant Director Miner stated that staff received the applicant's comments after completion of the staff report but that the applicant is prepared to discuss the issue. Commissioner Simons confirmed with Assistant Director Miner that the applicant can also address variability of matching molding styles, light-colored soffits, and distributing architectural details along the building lengths. Assistant Director Miner stated that staff can discuss these issues after the applicant's response if necessary.

Commissioner Rheume confirmed with Assistant Director Miner that taller buildings require further setbacks and that the applicant can address how the setbacks on Indian Wells Avenue compare to the existing setbacks on that street.

Commissioner Weiss stated her concern with the trash and recycling facilities in the mid-rise buildings given the issues they have caused at other multi-family projects. Assistant Director Miner acknowledged that larger projects have had issues with interim trash rooms and that staff work with applicants to help them understand the responsibilities involved with these types of facilities which are ultimately the responsibility of property management. He suggested she ask the applicant about what assurances they can provide. Project Planner Margaret Netto stated that staff added a Condition of Approval (COA) to refine the solid waste management plan.

Commissioner Harrison confirmed that the concern of construction vehicle use on Lawrence Expressway in Attachment 19 is addressed in Attachment 20 of the staff report.

Chair Howard commented that the bike lane merges onto the street just before the

traffic circle on Indian Wells Avenue. Transportation and Traffic Manager Shahid Abbas stated that the traffic circle must be designed in conformance with the Federal Highway Administration guidelines. He added that the street plan is currently conceptual and that staff would work closely with the developer on the final design to ensure that bicycles and pedestrians would be able to move through the traffic circle safely. Chair Howard asked Transportation and Traffic Manager Abbas if protected bike paths are an option. Transportation and Traffic Manager Abbas stated that the bicycle path design must ensure that vehicles maintain sight of bicycles and pedestrians and that staff will review separating bicycles from the traffic circle. Chair Howard confirmed with Transportation and Traffic Manager Abbas that it is appropriate to add a COA that the Bicycle and Pedestrian Advisory Commission (BPAC) provides a courtesy review of the final transportation plan.

Carlene Matchniff, Irvine Company Vice President, presented images and information about the proposed project.

Commissioner Rheume confirmed with Ms. Matchniff that they are requesting a 6.5-foot deviation on Indian Wells Avenue.

Commissioner Simons asked the applicant about the potential to close a portion of Indian Wells Avenue for multipurpose use. Chris Lanzisera, Irvine Company Vice President of Architecture, stated that they are open to exploring the idea and plan to work closely with Public Works to ensure that that portion of the street is safe and functional. Commissioner Simons confirmed with Mr. Lanzisera that Irvine Company would be receptive to a COA that recommends working with staff to research the possibilities.

Commissioner Simons confirmed with Mr. Lanzisera that they are able to provide more architectural details to the townhome balconies, increase and enhance the trim molding on the window openings for the low-rise apartments, incorporate some trim details and variety while maintaining architectural cohesion, add metal work to the tower of one of the large mid-rise buildings, continue to examine the possibility of darkening the soffits, variegate the tile roofing, and include colored and textured hardscape, all based on Commissioner Simons' previous suggestions.

Commissioner Weiss asked the applicant if opening Indian Wells Avenue would help mitigate traffic for the neighborhood or just for the residents of the development. Transportation and Traffic Manager Abbas stated that Indian Wells Avenue would serve mostly as an interior road for pedestrians, bicyclists, and residents of the site.

Commissioner Weiss asked the applicant how noise and particulate matter would be mitigated given that the apartments surround the parking garage. Mr. Lanzisera explained that the parking structure is not connected to the apartments and that it is subject to acoustical and ventilation requirements. She confirmed with Mr. Lansizera that the parking garages are independently ventilated.

Chair Howard opened the Public Hearing.

Michael Lozeau, representing Laborers International Union of North America Local 270, stated that the EIR does not address the indoor air quality concerns from the formaldehyde present in construction materials and is deficient in addressing air quality and the potential for bird strikes against the buildings.

Elisa Silva, Sunnyvale resident, stated that the East Duane speed limit should be reduced to 30 mph and that the City should enforce the East Arques Avenue construction vehicle route and coordinate the execution of upcoming construction projects in the vicinity. She also stated that the EIR does not propose a traffic mitigation plan for all the new daily vehicle trips and that all the proposed project's buildings should be no taller than three stories.

Maria Hamilton, Sunnyvale resident, stated her opposition to the proposed project because of its requested deviations. She added that the applicant should work with staff to follow the City codes.

Paul Luckcuck, Sunnyvale resident, stated his opposition to the increased density for the proposed project, the traffic mitigation plan that he believes is inadequate considering the existing traffic issues in the area, and his interest in the access to and design for the proposed public park.

Eugene Dong, member of Local 104 Sheet Metal Workers Union, stated that the proposed project would create high paying construction jobs in the area and fund Sunnyvale schools with Irvine Company's donation offer. He added that his union supports developers that employ local union labor at good rates.

Joseph Dunnam, Sunnyvale resident, stated his support for the proposed project as it would provide affordable housing for those in need and reduce the cost of living in Sunnyvale.

Michal Healy, representing Santa Clara Unified School District, stated that the

school district would receive \$1.6 million from Irvine Company in installments as each building permit is issued and that the school district would be able to use the money for any future capital facilities projects.

Josue Garcia, representing Residents for Responsible Development, asked the members of the construction industry in the audience in support of the proposed project to stand. He stated that only 25% of construction workers in the City of San Jose are local and that his organization supports Irvine Company because it is willing to use local union labor.

Commissioner Harrison asked Mr. Garcia where the other 75% of non-local construction workers travel from. Mr. Garcia responded that most travel from at least 50 miles away and from out of state and that they are most often paid at a lower rate consistent with their origin where local construction workers cannot compete.

Richard Mehlinger, Sunnyvale resident, stated that the proposed project would help alleviate Sunnyvale's housing shortage, provide needed affordable housing and allow people to live near their place of employment, ultimately reducing carbon emissions from commuting. He added that traffic can be mitigated by adding more bicycle infrastructure and recommended that the project be approved with the condition that the bicycle infrastructure is forwarded to BPAC for review.

Commission Simons discussed with Mr. Mehlinger the opinion that BPAC should review the safety and connectivity of the bicycle infrastructure and the possibility of creating a bike lane physically separated from the roadway on Indian Wells Avenue.

Chair Howard commented about the possibility of designating Indian Wells Avenue for bicycles only.

Serge Rudaz stated that he no longer wishes to address the Planning Commission.

Zachary Kaufman stated that it is important for the public to know the school impact fees to determine if they can be adequately addressed.

Orlando Alza, Sunnyvale resident, stated that the affordable housing would help many people and create high-paying construction jobs that would benefit both residents and the city. He added that the ability to live and work in the same city is invaluable.

Ms. Matchniff; Jennifer Hernandez, Irvine Company's attorney; and Ashley Brooks, Irvine Company's traffic consultant with Fehr and Peers, presented additional information about the proposed project.

Commissioner Harrison confirmed with Ms. Matchniff that there are no rear setbacks for the mid-rise apartments. Ms. Matchniff clarified that they comply with the townhome setback requirements.

Chair Howard asked Ms. Matchniff if the Transportation Demand Management Plan (TDMP) includes bicycle maintenance facilities, a bicycle rental fleet, and a car share service. Ms. Matchniff stated that those amenities are being considered and have not been finalized.

Commissioner Simons asked Ms. Brooks to explain the organized walking and biking program referenced in the TDMP. Ms. Brooks stated that it would mostly consist of encouraging people to walk and bike by showing them what they can access by those methods. Commissioner Simons stressed the importance of the program being recurring and confirmed with Ms. Matchniff that they are amenable to consulting with Silicon Valley Bicycle Coalition (SVBC) on the program.

Chair Howard stated that he would like to attend the program if it is open to the public.

Chair Howard closed the Public Hearing.

Commissioner Rheume asked staff how to prevent the removal of protected trees at project sites. Assistant Director Miner stated that staff ensures the construction plans are clear and the Building Inspector verifies that protected trees are fenced off before grading take place.

Commissioner Weiss asked if staff have researched the possibility of designating East Arques Avenue as a construction vehicle route. Transportation and Traffic Manager Abbas responded that a lengthy research and reclassification process must take place first, but confirmed with Commissioner Weiss that it can be considered on a temporary basis based on the applicant's temporary traffic control plan submitted during the construction phase, a standard requirement for every construction project.

Commissioner Howe asked staff how BPAC could be helpful in reviewing the bicycle

and pedestrian infrastructure and how the Planning Commission can facilitate its review. Assistant Director Miner stated that BPAC only reviews policy and not projects. Transportation and Traffic Manager Abbas added that it is standard practice for the City to request BPAC's input whenever there is a bicycle and pedestrian element to a proposed project.

Commissioner Harrison asked Transportation and Traffic Manager Abbas his opinion of the EIR consultant's traffic study. He replied that the study is robust, that the trip generation was overcompensated for, and that the study identified small delay impacts on a few already problematic intersections but no significant delays for the area overall. Commissioner Harrison asked if the Vehicle Miles Traveled (VMT) metric was used in the traffic study. Transportation and Traffic Manager Abbas answered that VMT will be considered beginning in July 2020 and stated his opinion that trip generation is the more comprehensive tool to study traffic.

Chair Howard asked Transportation and Traffic Manager Abbas to explain VMT. He replied that the metric is calculated at the city level and that each applicant must demonstrate how it plans to reduce VMT for a site by 30% as per the State requirement.

Commissioner Harrison confirmed with Transportation and Traffic Manager Abbas that an existing COA requires the installation of a pedestrian crosswalk with warning signs and flashing lights on East Duane Avenue.

Commissioner Harrison asked Patrick Angell, representing Ascent Environmental, to respond to the written public comment with concerns about the EIR. Mr. Angell stated that the opposition letter does not consider current building codes and standards for materials and ventilation, that the proposed project's current preliminary design meets the City's guidelines for bird strikes, and that there are existing buildings of similar height in the area. Mr. Angell added that Ascent Environmental reviewed the air quality calculations prepared for the EIR and confirmed that the conclusions of the EIR are correct.

Chair Howard asked staff how members of the public can petition the City to change posted speed limits. Transportation and Traffic Manager Abbas answered that State law requires the City to conduct speed surveys every five years for all city streets to determine the 85th percentile speed under free flow conditions and that the City employs every method possible to reduce speed limits when necessary. Chair Howard asked if the 15 mph school zone speed limit affects traffic on East Duane

Avenue and Transportation and Traffic Manager Abbas stated that that speed limit is only enforced when children are present.

MOTION: Commissioner Howe moved and Commissioner Simons seconded the motion for Alternatives 1, 3, and 6 – 1) Adopt a Resolution to Certify the Environmental Impact Report including the modified mitigation measures in Attachment 20; Make the Findings required by the California Environmental Quality Act (CEQA); and, Adopt the Statement of Overriding Consideration and Mitigation Monitoring Report Program 3) Introduce an Ordinance to rezone the site from M-S/ITR/R-3/PD (Industrial and Service/Industrial-to Residential/Medium Density Residential/Planned Development) and MS/ITR/R-3/PD (Industrial and Service/Industrial-to-Residential/High Density Residential/Planned Development) to R-3/PD (Medium Density Residential/Planned Development) R-4/PD (High Density Residential Planned Development) and P-F (Public Facilities) 6) Approve the Special Development Permit and Vesting Tentative Map subject to Findings in Attachment 4 with the following modified conditions of approval:

- 1.) Recommend the roadway design of Indian Wells Avenue regarding bicycle use is presented to the Bicycle and Pedestrian Advisory Commission for a courtesy review;
- 2.) Increase and enhance ironwork and molding architectural details on townhome balconies and trim molding on window openings for low-rise apartments with goal to minimize the plain, square openings in the buildings;
- 3.) Recommend a textured and colored hardscape to complement and enhance the architecture;
- 4.) Specify that the Transportation Demand Management plan is continually updated and input is actively solicited from the Silicon Valley Bicycle Coalition;
- 5.) Specify that staff review portion of Indian Wells Avenue connected to the park for possible multipurpose functions;
- 6.) Specify that tile roofing is variegated.

Commissioner Howe stated that the proposed project is family friendly and would reduce traffic and commutes for those employed in Sunnyvale. He encouraged the Commissioners to support the motion.

Commissioner Simons stated that he has been invested in the quality of the proposed project throughout the lengthy process and will support the motion.

Commissioner Olevson stated that he intends to support the motion. He added that

the city would benefit from the park and from the quantity and variety of the housing options. He stated his opinion that the construction plans are high quality and commented that the proposed project would decrease housing and traffic issues, increase recreational opportunities, and enhance quality of life.

Commissioner Weiss stated that all the requested deviations are necessary and reasonable, that the City would gain affordable housing that is in demand, and commended the applicant for the promise to employ local labor and pay living wages. She added that she can make the findings and will enthusiastically support the motion.

Commissioner Harrison stated that she will support the motion and can make the CEQA, general plan, and vesting tentative map findings. She added that she appreciates the variety in roof heights which give the development a sense of community.

Commissioner Rheume stated that he will support the motion and can make the findings. He stated that hard work on the proposed project has resulted in a great final product; that he can make the findings for the deviations because on the trade off benefits; and that the varying roof heights, proposed use of local labor, and affordable housing are benefits. He also thanked staff for their work on the proposed project.

Chair Howard encouraged the use of alternative modes of transportation given the anticipated increase in traffic. He stated that the proposed project is the most beautiful one he has seen during his time on the Planning Commission, that he wishes there were more affordable housing units offered, and that the park and potential for more bicyclists are exciting.

The motion carried by the following vote:

**Yes: 7 -** Commissioner Weiss  
Chair Howard  
Commissioner Howe  
Commissioner Olevson  
Vice Chair Simons  
Commissioner Rheume  
Commissioner Harrison

**No: 0**

Assistant Director Miner stated that this recommendation will be forwarded to the City Council for consideration at the Tuesday, April 23, 2019 meeting.