

4. [17-0278](#) **Proposed Project:** Related applications on 28 sites consisting of 51.07 gross acres:
- PEERY PARK PLAN REVIEW PERMIT:** to allow the demolition of 28 existing office and industrial buildings totaling 768,665 sq. ft. and the construction of nine three-story and three four-story office buildings totaling 1,471,400 sq. ft.; a two-story and two one-story amenity buildings totaling 40,000 sq. ft.; one four-level and three six-level above-grade parking structures; a private connector street with public vehicular and pedestrian access; and site and offsite improvements.
- TENTATIVE MAP:** to allow 28 existing parcels to be merged into seven parcels, including the abandonment of Maude Court.
- File #:** 2015-7879
- Location:** 981-987 Almanor Avenue (APN: 165-40-004)
765/767 N. Mary Avenue (APN: 165-40-007)
755/757 N. Mary Avenue (APN: 165-40-008)
749/751 N. Mary Avenue (APN: 165-40-009)
950 Benecia Avenue (APN: 165-40-012)
615/617 N. Mary Avenue (APN: 165-40-015)
570/959 Maude Court (APN: 165-40-017)
573/575 Maude Court (APN: 165-40-020)
580/585 Maude Court (APN: 165-40-021)
610-614 N. Mary Avenue (APN: 165-41-003)
650 N. Mary Avenue (165-41-004)
740/750 N. Mary Avenue (APN 165-41-005)
760 N. Mary Avenue (APN 165-41-006)
990 Almanor Avenue (APN 165-41-007)
781-785 Palomar Avenue (APN 165-41-008)
775-779 Palomar Avenue (APN 165-41-009)
733/735 Palomar Avenue (APN 165-41-010)

675/677 Palomar Avenue (APN 165-41-011)
615/617 Palomar Avenue (APN 165-41-012)
844 Del Rey Avenue (APN 165-41-013)
845 Del Rey Avenue/610 Palomar Avenue (APN 165-41-014)
720-726 Palomar Avenue (APN 165-41-015)
750/752 Palomar Avenue (APN 165-41-016)
760-766 Palomar Avenue (APN 165-41-017)
776 Palomar Avenue (APN 165-41-018)
678 Almanor Avenue/788-790 Palomar Avenue (APN 165-41-019)
670 Almanor Avenue (APN 165-41-020)
595 N. Pastoria Avenue (APN 165-41-031)

Applicant / Owner: Irvine Company

Environmental Review: The project is exempt from additional California Environmental Quality Act (CEQA) review per CEQA Guidelines section 15168(c)(2) and (4) and Public Resources Code Section 21094. The project is within the scope of the Peery Park Specific Plan Program Environmental Impact Report (EIR) as no new environmental impacts are anticipated and no new mitigation measures are required.

Project Planner: George Schroeder, (408) 730-7443, gschroeder@sunnyvale.ca.gov

Associate Planner George Schroeder presented the staff report.

Commissioner Howe stated that he met with Irvine representative Carlene Matchniff and can still make a quality decision on this item.

Vice Chair Rheaume stated that he met with the applicant.

Commissioner Simons commented that COA PS-1i will introduce speed bumps along a bicycle route and requested that staff consider implementing a less severe type of speed bump or an alternate way to reduce the speed of traffic. Associate Planner Schroeder advised that PS-1i applies only to the private shared driveway, which is not intended for bicycle traffic and will not affect Benecia Avenue. Commissioner Simons suggested that the speed bump be painted to increase visibility.

Commissioner Simons asked staff to clarify the parking and cycle track. Director of Public Works Manuel Pineda stated that as part of the PPSP a cycle track was approved and that parking will act as the buffer. Director of Public Works Pineda clarified that it is a one-way cycle track on either side.

Commissioner Simons asked staff if there was a discussion about increasing the

pervious nature of the hardscape. Associate Planner Schroeder advised that the hardscape would have decorative materials at the driveways and walkways and that different paving materials have been proposed.

Commissioner Olevson stated that he met with Irvine representatives about the proposed project.

Commissioner Olevson advised that one attachment on the dais addressed safety concerns about staff's recommendation to relocate the elevator entrances. Commissioner Olevson commented that jaywalking seems to be a lesser issue than potential crime within the parking structure and asked staff to explain their recommendation. Director of Public Works Pineda advised that today was the first time this safety concern was brought up to staff and that the way you design the parking structure can mitigate safety issues. Director of Public Works Pineda stated that he cannot validate these safety concerns given the limited time frame. Director of Public Works Pineda stated that jaywalking is a main concern and that pedestrians should be guided to crosswalks, signals and intersections. Director of Public Works Pineda commented that one of the most difficult design locations is midblock crossings which lack a signal or crosswalk and that the City's concern is to avoid guiding people to jaywalk.

Commissioner Olevson commented that based on PS-1 two driveway exits would be removed and noted that this would leave only one entrance and exit for a sizeable building. Commissioner Olevson asked staff if these driveways would be relocated. Director of Public Works Pineda advised that these two driveways would be closed for safety reasons, to limit locations where uncontrolled access points break into the cycle track. Director of Public Works Pineda stated that staff didn't see a need to relocate the driveways since the larger parking lot can function with one driveway and because this closure would minimize potential conflicts with the future Mary Avenue overcrossing. Director of Public Works Pineda stated that the majority of accidents at protected bicycle lanes occur at uncontrolled access points, such as at driveways.

Commissioner Howard stated an opinion that there are a minimal number of crosswalks along Palomar Avenue, that jaywalking would be a concern all along Palomar Avenue and that more crosswalks are needed. Director of Public Works Pineda stated that there is concern over the placement of midblock crossings and if necessary staff can complete those studies, but that midblock crossings are not designed for in advance. Director of Public Works Pineda clarified that it's prudent to have crossings at signals or intersections to minimize accidents. Commissioner Howard stated that it appears there is a path going across the street between

Palomar Avenue and Mary Avenue. Director of Public Works Pineda advised that there is a walking path but that you wouldn't expect the same volume of pedestrians as from a parking garage. Director of Public Works Pineda commented that every circumstance is different but the goal is to guide pedestrians to controlled intersections.

Commissioner Howard asked staff to explain the location of the intended parking for Building 2. Associate Planner Schroeder stated that there are three surface lots in addition to parking structure A. Commissioner Howard commented that there will be a fair amount of pedestrian activity from the garages and asked staff if there is an appropriate place for a midblock crosswalk. Planning Officer Miner stated that moving the garage stairs reduces the potential for jaywalking across Palomar Avenue because it's not as convenient as stairs located in the front of the garage. Planning Officer Miner stated that it is not staff's goal to have a midblock crossing when design elements can be included to mitigate the potential for jaywalking.

Commissioner Howard asked if the garage is required to have two sets of elevators and Planning Officer Miner confirmed, noting that sometimes that requirement is to satisfy an emergency basis. Commissioner Howard asked staff how much time would be needed to study a potential future jaywalking issue. Director of Public Works Pineda commented that the study can be completed in approximately a month, which allows staff to validate the need and if validated, determine a funding source, usually grant or developer funded. Commissioner Howard clarified with Director of Public Works Pineda that the PPSP does not have a source of funding specifically dedicated for this potential issue.

Commissioner Howard asked staff if a condition of approval could require funds be set aside for future crosswalk improvements to be determined and managed by the City. Director of Public Works Pineda advised that there have been conditions of approval where a project dedicates funding and the funds are returned if not used. Planning Officer Miner commented that midblock crossings were specifically not studied in the PPSP to try and balance transportation and have predictability in car and cyclist flows. Planning Officer Miner stated that the driveways on Mary Avenue and midblock crossings pose a safety concern given the unpredictability of pedestrians. Commissioner Howard stated an observation that jaywalking along Palomar Avenue is highly likely and that if the project doesn't start with midblock crossings then funds should be set aside for future use. Senior Assistant City Attorney Rebecca Moon advised that the Sense of Place Fee paid to the City is intended for improvements such as crosswalks and intersections and that requesting additional money is not appropriate.

Vice Chair Rheaume opened the Public Hearing.

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

Bernardo Fort-Brescia, representing Arquitectonica, presented images and information about the proposed project.

John Salah, San Jose resident and former Sunnyvale resident, discussed his concerns with the lack of discussion over the loss of orchards in the area and noted that the terms campus and multi-tenant have been used to describe the project, which appear to be contradictory.

Ms. Matchniff clarified that the proposed project is a multi-tenant campus.

Commissioner Howe commented that Ms. Matchniff presented the potential option of utilizing hedges to stop pedestrians from jaywalking and asked for details about future implementation. Dillon Diers, representing OJB Landscape Architecture, advised that a full evergreen hedge could be installed on day one at approximately three to three-and-a-half feet high to act as an impediment to a midblock crossing. Commissioner Howe confirmed with Mr. Diers that a physical barrier, such as a metal post with a cable rail, could be installed within the hedge.

Commissioner Howe asked staff if they would be amenable to implementing a hedge with a physical barrier and not relocating the elevator locations. Planning Officer Miner stated that staff would agree if the barrier prevents people from crossing but noted that the hedge is interrupted by a driveway, at which point there is no barrier to preventing jaywalking.

Commissioner Howe asked the applicant to advise how a barrier could be designed to avoid a midblock crossing. Mr. Diers stated that you could use directional signage but that there's no way to stop a pedestrian from walking through a vehicular driveway. Ms. Matchniff commented that the goal is to minimize the opportunities for jaywalking with directional signage and physical impediments but that the driveway can't be eliminated. Ms. Matchniff stated they would be willing to have a midblock crossing installed if needed for safety. Commissioner Howe asked the applicant to explain their current electric car charging station volume and the potential to increase that volume. Ms. Matchniff stated that 6.2% of the total parking is allocated for electric car charging stations and that they can increase that number based on future market demand.

Commissioner Simons noted an observation that the project, which is supposed to be a bike, vehicle and pedestrian friendly area, has parking separated from the main campus, which creates conflict given the project's proximity to Palomar Avenue. Commissioner Simons asked if there was any consideration given to moving Palomar Avenue to the East to resolve the conflict. Mr. Fort-Brescia explained that the goal was to create an enclave and that the location of the garages liberates the core of the project, making it more pedestrian friendly and peaceful. Commissioner Simons stated that the current configuration will encourage pedestrians to cross midblock and asked the applicant if moving Palomar Avenue was discussed. Mr. Fort-Brescia reiterated that the separation of the garages from the campus is an important feature of the plans. Ms. Matchniff stated that the underlying basis for the proposed project came from the PPSP. Commissioner Simons commented on the placement of Palomar Avenue and the potential to reduce pedestrian issues through reconfiguration.

Commissioner Simons confirmed with the applicant that they are amenable to implementing active measures for the Mary Avenue driveways to alert drivers about bicyclists on the cycle track. Commissioner Simons asked staff if those active measures would reduce the safety concerns. Director of Public Works Pineda advised that to alert drivers you likely need advanced detection equipment that can pick up the cyclist's location. Commissioner Simons stated that the Valley Transportation Authority (VTA) recently implemented active bicycle measures on Central Expressway. Director of Public Works Pineda advised that it is not possible to say how the City's current detection system at signalized intersections would be of benefit in this situation and noted that cycle tracks are different than bicycle lanes. Katy Cole, representing Fehr and Peers Transportation Consultants, stated that you can implement bollards underneath signage which detect cyclists and alert drivers to cyclists in the track.

Commissioner Olevson asked the applicant if the surface parking lot between the amenity building and building 2 was eliminated if the adjacent parking lot to the east would satisfy parking needs for buildings 1, 2 and the amenity building. Ms. Matchniff stated that it would not and advised that small parking lots are in demand for accessible parking and drop offs, and that these small parking lots make the space more leasable to future tenants.

Commissioner Olevson commented that the City and the applicant have proposed different phasing plans and asked the applicant to explain the conflict between the plans. Jose Bustamante, Senior Director at the Irvine Company, explained that the existing tenants have long term leases and that Irvine's phasing plan allows for redevelopment of the areas where the leases will expire earlier. Commissioner

Olevson commented that staff recommended that all the street improvements should be done at once instead of sectioned in phases and asked the applicant why they are not amenable to that plan. Mr. Bustamante advised that there are other owners along North Mary Avenue and that implementing the street improvements all at once would obstruct those existing properties. Commissioner Olevson confirmed with Mr. Bustamante that the Irvine Company will own their properties in perpetuity. Commissioner Olevson confirmed with Mr. Bustamante that Irvine Company would be the responsible owner for any future improvements.

Commissioner Howard asked staff if there is a special street designation for downtown Murphy Avenue. Director of Public Works Pineda advised that Murphy Avenue has low vehicular volumes and speeds and that drivers expect frequent pedestrian crossings. Commissioner Howard asked staff if Palomar Avenue presents a similar paradigm to Murphy Avenue. Director of Public Works Pineda stated that Palomar Avenue is more akin to a two-lane industrial street based on the land uses, street design and activity and is not analogous to Murphy Avenue. Director of Public Works Pineda clarified that a retail and restaurant district presents a different scenario. Commissioner Howard asked staff if there is a recommendation that the Planning Commission can make to evaluate the streetscape of Palomar Avenue to facilitate easier pedestrian crossings. Director of Public Works Pineda advised that the main access points to the parking structures are on Palomar Avenue and that there will be a high corresponding volume of vehicular traffic. Director of Public Works Pineda explained that a street designation for Palomar Avenue won't address the issue and stated that one option is to follow staff's recommendation and let the Irvine Company present a driveway and landscape plan to address the pedestrian safety concerns. Ms. Cole stated that Palomar Avenue is a short block with low predicted traffic volume that will mainly be used by the Irvine Company. Ms. Cole stated an opinion that pedestrians will take the shortest path of travel and that relocating the elevator entrances would not be enough of a deterrent.

Commissioner Howard asked staff if the Irvine Company, as the project user, can determine a need and provide the funding to implement a future midblock crossing. Planning Officer Miner clarified that the Irvine Company is the developer but not the user of the street since it's a multi-tenant office project. Director of Public Works Pineda stated that Palomar Avenue is a public street operated by the City and that the City must determine if a midblock crossing is appropriate and meets the requirements. Director of Public Works Pineda advised that the City can't eliminate midblock crossings but the goal is to minimize as much as possible, which is why a design doesn't start with midblock crossings.

Vice Chair Rheume commented that approximately 140 redwood trees will be preserved, noting that this number seems insufficient and asked the applicant to clarify their tree plan. Mr. Diers stated that 264 existing trees will be preserved. Vice Chair Rheume stated that page 13 of the staff report states that the trees proposed for removal are either within the proposed improvement area or have low to moderate suitability for preservation and asked for staff comments. Associate Planner Schroeder provided details about the proposed improvements and stated that not all pathways could be modified to preserve additional trees. Vice Chair Rheume asked staff if there was still an opportunity to save additional trees without impacting the building's footprint. Associate Planner Schroeder advised that staff will research in further detail when the construction drawings are developed but that staff is comfortable with the applicant's findings and that the City arborist has generally agreed with the tree plan. Planning Officer Miner stated that due to the project size it is difficult to get granular but that more details will develop as the project proceeds and that the Planning Commission can recommend to staff to preserve as many trees as possible.

Commissioner Simons asked the applicant to explain their tree selection choices. Mr. Diers provided details about the evergreen tree palette, the use of olive trees and the applicant's desire to provide a richness through the streetscape experience. Commissioner Simons commented that some of the tree choices are not necessarily local though they do match the project elements.

Vice Chair Rheume closed the Public Hearing.

Vice Chair Rheume asked staff to clarify what the Planning Commission is approving, considering the phasing for the proposed project. Planning Officer Miner advised that approval of the entire project is before the Planning Commission. Planning Officer Miner stated that staff's phasing plan would ensure contiguous improvements and allow the City to reclaim the square footage if the project is not completed in a timely fashion. Vice Chair Rheume clarified with Planning Officer Miner that Phase 2 would not come before the Planning Commission unless the applicant wanted to modify the approved project.

Commissioner Howe asked staff to explain any plan changes that would be needed if two of the driveways were closed. Planning Officer Miner explained that the amenity building could be moved down and that the existing parking lot could be moved to be accessible from the east-west connector.

MOTION: Commissioner Howard moved and Commissioner Howe seconded the motion for Alternative 2 – Alternative 1 with modified conditions of approval –

1. Remove PS-1a and PS-1c
2. Add PS-1i and modify EP-28, EP-29 and TM-7a as proposed by staff

Vice Chair Rheaume clarified the motion with Commissioner Howard.

Planning Officer Miner commented that the Planning Commission should also consider the staff modified COA provided on the dais.

Commissioner Howard moved to add PS-1i to the motion and accept the modified COA as provided by staff.

Planning Officer Miner repeated the motion for the Planning Commission.

Commissioner Howard commented that he likes the project, architecture and pedestrian orientation. Commissioner Howard stated a shared concern with the applicant regarding safety in the parking garage, especially for late night employees. Commissioner Howard stated his confidence that any future jaywalking will be addressed. Commissioner Howard noted his agreement with the reduction in the number of driveways on Mary Avenue and commented that the retained parking lot should be reasonably accommodated due to the low volume of cars. Commissioner Howard thanked everyone involved on the project, especially staff.

FRIENDLY AMENDMENT: Commissioner Howe offered a friendly amendment to ensure visibility on the speed bumps.

FRIENDLY AMENDMENT: Commissioner Howe offered a friendly amendment to implement active bicycle notifications to vehicles for safety.

Commissioner Howard accepted both friendly amendments.

Commissioner Howe stated that he can make the required findings and that it is a great project.

FRIENDLY AMENDMENT: Commissioner Olevson commented that Attachment 14 shows staff's recommended phasing plan but that the applicant's plan would honor lease commitments with the existing tenants. Commissioner Olevson offered a friendly amendment to eliminate staff's proposed phasing plan and adopt Irvine's proposed phasing plan.

Commissioner Howard respectfully declined the friendly amendment, asking for a

vote by the Planning Commission.

Commissioner Olevson proposed a formal amendment to the proposed motion to eliminate staff's proposed phasing plan and adopt Irvine's proposed phasing plan. Commissioner Howe seconded the amendment.

Commissioner Simons stated an opinion that the Planning Commission should allow staff to work with the applicant to adjust the phasing and could recommend to staff to coordinate a practical phasing plan as appropriate for the leasing.

The motion carried by the following vote:

Yes: 3 - Vice Chair Rheaume
Commissioner Howe
Commissioner Olevson

No: 2 - Commissioner Howard
Commissioner Simons

Absent: 2 - Chair Harrison
Commissioner Weiss

Commissioner Olevson stated that he can make the findings, that the area will be nicely done and noted an appreciation for the central walkways and accessibility.

Commissioner Simons recommended that staff work with the applicant to maximize the amount of pervious hardscape in the project. The recommendation was accepted by Commissioner Howard and Commissioner Howe.

Commissioner Simons recommended that staff work with the applicant to increase the number of estate sized native trees as appropriate for the landscape plan. The recommendation was accepted by Commissioner Howard and Commissioner Howe.

Commissioner Simons recommended that the applicant implement wayfinding landscape on Palomar Avenue to mitigate pedestrian jaywalking. The recommendation was accepted by Commissioner Howard and Commissioner Howe.

Commissioner Simons stated that he can make the findings and will be supporting the motion. Commissioner Simons noted his disappointment that staff will not have input for the phasing plan. Commissioner Simons commented that the mid-century modern architecture is fine.

FRIENDLY AMENDMENT: Vice Chair Rheaume offered a friendly amendment that staff work with the applicant to save as many trees as possible. Commissioner Howard and Commissioner Howe accepted the friendly amendment.

Vice Chair Rheaume stated that he can make the findings and noted an appreciation that the applicant listened to the Planning Commission's comments about the project's design. Vice Chair Rheaume noted his agreement that the parking garages should be located away from the campus and that the outcome will be less buildings and more open space. Vice Chair Rheaume noted an appreciation for the jaywalking concerns but stated that pedestrians will find a way regardless. Vice Chair Rheaume stated an opinion that the Irvine Company will address any future tenant jaywalking concerns.

The motion carried by the following vote:

Yes: 5 - Vice Chair Rheaume
Commissioner Howard
Commissioner Howe
Commissioner Olevson
Commissioner Simons

No: 0

Absent: 2 - Chair Harrison
Commissioner Weiss

Planning Officer Miner stated this decision is final unless appealed to the City Council within 15 days or called up by the City Council within 15 days.