

**Yes:** 5 - Commissioner Howard  
Commissioner Howe  
Commissioner Olevson  
Commissioner Simons  
Commissioner Weiss

**No:** 0

**Absent:** 1 - Chair Harrison

**Recused:** 1 - Vice Chair Rheaume

Planning Officer Miner advised that this item goes to the City Council on August 15th.

- 3. 16-1122** El Camino Real Corridor Plan: Forward a Recommendation to the City Council for a Preferred Land Use Alternative and Review the Draft Vision Statement  
**Project Planner:** Rosemarie Zulueta, (408) 730-7437, rzulueta@sunnyvale.ca.gov

Acting Principal Planner Rosemarie Zulueta presented the staff report.

Commissioner Howe clarified with Acting Principal Planner Zulueta that the El Camino Real Corridor Specific Plan (ECR Plan) will not expand the existing plan area. Planning Officer Andrew Miner advised that considering a larger area in relation to the plan boundary will allow for the determination of potential impacts on adjacent properties.

Commissioner Olevson commented that per the staff report all three scenarios exceed what could be realistically expected in the next 20 years and asked staff why these scenarios were selected. Acting Principal Planner Zulueta provided details about the ECR Corridor Market Study and the potential for a community benefits program. Planning Officer Miner explained that a long-range plan must accommodate for unknown future potential change and advised that the suggested maximums could exceed the predicted needs. Planning Officer Miner stated the importance of addressing the potential use that could occur based on the land uses, property characteristics and adjacent properties.

Commissioner Olevson commented on the fiscal impact of the three alternatives on the City's long-range budget and asked staff why Alternative R is recommended when it predicts less future revenue for the City. Kristi Bascom, representing Metropolitan Planning Group, advised that all three alternatives have a positive net

fiscal benefit to the City. Commissioner Olevson commented that the alternatives are optimistic, the projections are speculative and spoke to the sales tax income revenue from ECR.

Commissioner Olevson asked staff about the vetting process for Alternative R Plus. Planning Officer Miner provided details about the selection of sites in Alternative R Plus that could potentially support higher residential densities. Planning Officer Miner stated that the origin for Alternative R Plus was based on the direction from the City Council to staff to study more housing as part of other policy plans, such as the recently adopted Land Use and Transportation Element. Planning Officer Miner commented that the economic study could be refreshed but noted that Alternative R Plus wouldn't reduce any commercial use.

Commissioner Weiss discussed the number of stories for a density of 45 units per acre with Planning Officer Miner.

Commissioner Weiss asked staff for details about the flexible use designation for Alternative R Plus. Planning Officer Miner provided details and noted that Alternative R could be used as a minimum and Alternative R Plus as a maximum in conjunction with incentive zoning.

Commissioner Weiss asked staff for details about the net fiscal revenue calculation for Alternative R. Planning Officer Miner advised that conversion of retail to residential means a lower sales tax revenue but that staff's goal is to have mixed use opportunities. Acting Principal Planner Zulueta stated that the revenues are net additional to the current revenue generation and provided additional details about Alternative R's potential fiscal benefits.

Commissioner Weiss asked staff about the input from school district representatives. Acting Principal Planner Zulueta stated that school district representatives have been included in the process but didn't support or oppose any specific alternative.

Commissioner Howard asked staff about the possibility of an alternative which increases residential units but where the cost of providing services to those residents isn't offset by new retail development. Planning Officer Miner provided details about a study completed for the Grand Boulevard Initiative which concluded that converting retail to residential doesn't have the expected negative economic ramifications. Commissioner Howard confirmed with Planning Officer Miner that Alternative R may be less fiscally advantageous to the General Fund but wouldn't set the City up for failure. Planning Officer Miner commented that staff's goal is to

protect existing retail businesses along ECR while finding opportunities to expand residential developments.

Commissioner Howard commented on the high market demand for residential units and asked staff about the ECR Corridor Market Study analysis of 2,100 units as the high estimate for the Multi-Family Residential Units. Ms. Bascom explained the methodology for the ECR Corridor Market Study analysis.

Commissioner Howard asked staff for details about Alternative R Mixed-Use 24 as opposed to a residential density of 24 units per acre. Planning Officer Miner advised that mixed-use doesn't have a separate designation for the commercial component but that the ground floor could have retail use.

Commissioner Simons commented on the potential cost of high density residential to the quality of the pedestrian experience and asked staff about incorporating an enhanced pedestrian realm. Planning Officer Miner stated that this would be included in the Design and Streetscape Guidelines and noted that the current focus is the land use designation but that it will be a future priority.

Commissioner Simons commented on the zoning differences with districts that abut high density zoning along ECR and the need to reduce this friction. Planning Officer Miner advised that staff identified properties without immediate zoning frictions and provided additional details about those locations. Planning Officer Miner stated that any existing conflicts could be corrected after the study analysis and that a new zoning code would be created that would apply specifically to ECR.

Vice Chair Rheume reiterated the retail strategy as outlined in the staff report and asked for staff comments about the corresponding demand for retail services. Acting Principal Planner Zulueta advised that the market study was based on the projected demand in conjunction with the addition of residential housing and the changing landscape of retail.

Vice Chair Rheume asked staff for details about the residential housing costs and ratio of home ownership to rental units. Acting Principal Planner Zulueta stated that the Affordable Housing and Anti-Displacement Strategy analyzed how to encourage more affordable housing through community benefits and incentive zoning. Vice Chair Rheume commented that the City needs affordable housing but not more high end housing. Planning Officer Miner advised that with incentive zoning applicants can attain a higher number of units per acre if they exceed a percentage of affordable units.

Vice Chair Rheaume asked staff for details about the composition of mixed use development and retail development. Planning Officer Miner explained the potential for these developments and noted that policies and development standards would be in effect in regards to height, bulk and mass limitations.

Vice Chair Rheaume commented on the need for flexibility in the ECR Plan so that it doesn't become quickly outdated. Planning Officer Miner noted staff's agreement and commented on the options to manage development expectations and ensure that the long-range plan stays current.

Vice Chair Rheaume opened the Public Hearing.

David Wessel, Sunnyvale resident and member of Livable Sunnyvale, commented on the need for housing in the Bay Area and the City's goal to retain residents. Mr. Wessel stated an opinion that additional residential development will support more retail development.

Richard Kolber, Sunnyvale resident, spoke in support of Alternative R Plus and commented on the City's projected population and the lack of housing. Mr. Kolber commented on rent increases and noted that an increase in residential development will support an increase in retail revenue for the City.

Tara Martin-Milius, Sunnyvale resident, spoke in support of Alternative R or Alternative R Plus. Ms. Martin-Milius commented that higher densities should be added at nodes that can support those densities. Ms. Martin-Milius stated an opinion that ECR should be walkable and create a positive pedestrian experience and commented that residential densities would support commercial areas. Ms. Martin-Milius spoke to the need for affordable housing and a variety of housing choices.

Mike Serrone, Sunnyvale resident and member of Livable Sunnyvale, spoke in support of Alternative R Plus. Mr. Serrone commented on the housing shortage, the need for affordable housing and the imbalance of the jobs/housing ratio. Mr. Serrone stated an opinion that residential development supports retail and transportation alternatives and is a critical component of ECR's ecosystem.

Sue Serrone, Sunnyvale resident, spoke in support of Alternative R Plus and commented on the affordable housing crisis and inability to attract employees. Ms. Serrone stated an opinion that the bigger issue is the City's economic viability and commented on the disappearance of small businesses. Ms. Serrone asked the Planning Commission to consider incentives for other uses such as non-profits or

cultural centers and reiterated the need for housing, especially affordable housing.

John Cordes, Sunnyvale resident and Bicycle and Pedestrian Advisory Committee Chair, spoke in support of Alternative R Plus. Mr. Cordes commented that Alternative R Plus will increase residential density along ECR, which will improve transit along ECR and thus improve the quality of life for residents.

Kiyomi Honda Yamamoto, regional representative for Greenbelt Alliance, spoke in support of Livable Sunnyvale's platform to increase residential development through Alternative R Plus. Ms. Yamamoto commented on the need for affordable housing, the increased reliance on cars and increased traffic. Ms. Yamamoto commented on the need to make ECR safer and more inviting for pedestrians and bicyclists.

Zachary Kaufman cited information from the ECR Alternatives Fiscal Impact Analysis and commented on page nine of Attachment 9. Mr. Kaufman commented on the addition of Alternative R Plus and that the impact on retail and associated services should be considered.

Marisa Menicucci, Sunnyvale resident, commented on the need for affordable housing. Ms. Menicucci noted her concern regarding auto dealerships in regards to an inviting pedestrian realm and walkability.

Mehul Bastawala, Sunnyvale resident, commented on the effect of high rents on residents in regards to stress. Mr. Bastawala commented that ECR needs housing to meet modern challenges and stated an opinion that there should be limits on rents or home prices.

Franz-Josef Decker commented on previous subsidies for rental units and the imbalance in the housing market.

Vice Chair Rheume closed the Public Hearing.

Commissioner Weiss confirmed with Planning Officer Miner that a motion could use Alternative R as the minimum and Alternative R Plus as the maximum for a flexible use program.

Vice Chair Rheume asked staff about development flexibility in Alternative R. Acting Principal Planner Zulueta advised that Alternative R's range includes mixed-use and residential opportunities outside of the nodes. Vice Chair Rheume confirmed with Acting Principal Planner Zulueta that there is more planned

residential development in Alternative R than Alternative M.

**MOTION:** Commissioner Olevson moved and Commissioner Simons seconded the motion for Alternative 3 – Select land use Alternative C.

Commissioner Olevson commented that all the alternatives will add housing to the City and noted his concern about the City's future finances. Commissioner Olevson stated that the analysis outlines that residents utilize three times as many City services as new employees and commented on resident support of Alternative C in the City survey. Commissioner Olevson commented that Alternative R and Alternative R Plus would reduce future income for the City and explained that Alternative C would add housing and has the most potential fiscal benefit for the City.

Commissioner Simons commented that this motion has impacts outside of housing, such as on schools. Commissioner Simons stated the long-term costs and benefits should take precedence over short term development benefits. Commissioner Simons stated that additional housing, while needed, will raise the cost of living in the City. Commissioner Simons commented that the City has been financially astute and will need to meet future funding obligations. Commissioner Simons stated his concern regarding the quality of housing and need for ownership opportunities, which will lower rents. Commissioner Simons stated that he will not be supporting the motion.

Vice Chair Rheume stated that he will not be supporting the motion. Vice Chair Rheume commented that he would support Alternative M and noted his agreement regarding costs for the City, the need for affordable housing and the need for mixed-use development along ECR.

The motion failed by the following vote:

**Yes:** 2 - Commissioner Howe  
Commissioner Olevson

**No:** 4 - Vice Chair Rheume  
Commissioner Howard  
Commissioner Simons  
Commissioner Weiss

**Absent:** 1 - Chair Harrison

**MOTION:** Commissioner Weiss moved and Commissioner Howard seconded the motion for Alternative 2 – Alternative R with modifications – Utilize Alternative R as the minimum and Alternative R Plus as the maximum for a

flexible use program.

Commissioner Weiss stated an opinion that the flexible use designation will allow the City to meet realities. Commissioner Weiss stated that Alternative R allows for new retail and commercial developments and commented that residential development along ECR will support these businesses. Commissioner Weiss stated that this is a chance to add significant housing along a transit corridor and commended staff's work in selecting additional opportunities for housing in Alternative R Plus.

Commissioner Howard commented on the concerns raised by other Commissioners. Commissioner Howard stated that the City is moving towards services and experiences and that you need residents nearby to support those services, which subsequently provides more tax revenue and economic opportunity. Commissioner Howard commented that residential development might seem counterintuitive to financial security but stated an opinion that it will help secure the City's economic future. Commissioner Howard stated that he will be supporting the motion and thanked Commissioner Weiss for the motion.

Vice Chair Rheume stated that he will not be supporting the motion but would support Alternative M.

The motion failed by the following vote:

**Yes:** 2 - Commissioner Howard  
Commissioner Weiss

**No:** 4 - Vice Chair Rheume  
Commissioner Howe  
Commissioner Olevson  
Commissioner Simons

**Absent:** 1 - Chair Harrison

**MOTION:** Commissioner Howe moved and Commissioner Simons seconded the motion for Alternative 3 – Select land use Alternative M.

Commissioner Howe commented on the City's need for housing and to be fiscally responsible. Commissioner Howe stated that potentially the balance of developments could be reviewed and configured as needed in the future.

Commissioner Simons stated that he will be supporting the motion and commented on the fact that certain future requests for modifications along ECR would come before the Planning Commission. Commissioner Simons stressed the importance

of public review in regards to the aesthetic quality of a project and the amount of public housing provided by the project.

Commissioner Howard commented on Commissioner Weiss's proposal of a flexible use program and stated that he would support Alternative M to Alternative R Plus as the designations for a flexible use program.

Commissioner Olevson commented that Alternative M will add substantial fiscal support for the City, give the City flexibility and enable ECR as a retail designation while adding housing. Commissioner Olevson stated that he will be supporting the motion.

FRIENDLY AMENDMENT: Commissioner Weiss offered a friendly amendment to include flexible use designation of maximums and minimums for commercial and residential developments in Alternative M. Planning Officer Miner provided context and clarified the friendly amendment. Commissioner Howe respectfully declined the friendly amendment.

FRIENDLY AMENDMENT: Commissioner Howard offered a friendly amendment to include the additional housing opportunities as identified by staff in Alternative R Plus. Planning Officer Miner clarified the friendly amendment and provided additional details about the alternatives. Commissioner Howe respectfully declined the friendly amendment.

Commissioner Olevson commented that the Planning Commission has rejected Alternative R, Alternative R Plus and Alternative C. Commissioner Olevson stated that the Planning Commission is trying to rewrite the studies from the dais and that to reach a compromise Alternative M should be supported as proposed.

FORMAL AMENDMENT: Commissioner Howard moved and Commissioner Weiss seconded the motion to include the additional housing opportunities as identified by staff in Alternative R Plus.

Commissioner Howard commented that staff has identified additional housing opportunities per the direction of the City Council and that the result is Alternative R Plus. Commissioner Howard stated an opinion that these identified housing opportunities should be added to Alternative M.

Commissioner Weiss spoke to her respect for the need for compromise and commented that this motion will increase both commercial and residential developments.

The motion for the formal amendment failed by the following vote:

**Yes:** 3 - Vice Chair Rheaume  
Commissioner Howard  
Commissioner Weiss

**No:** 3 - Commissioner Howe  
Commissioner Olevson  
Commissioner Simons

**Absent:** 1 - Chair Harrison

The original motion carried by the following vote:

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

**No:** 1 - Commissioner Weiss

**Absent:** 1 - Chair Harrison

Planning Officer Miner advised that this item goes to the City Council on August 15th.

- 4. 17-0640** **File #:** 2017-7140  
**Location:** 603 Old San Francisco Road (APN: 209-19-020)  
**Proposed Project:**  
**GENERAL PLAN AMENDMENT INITIATION:** A request to initiate a General Plan Amendment study to change the land use designation from Neighborhood Commercial to Residential High Density for an existing 0.74-acre parcel located at 603 Old San Francisco Road.  
**Applicant / Owner:** Carrasco & Associates (applicant) / GORUBA LLC (owner)  
**Environmental Review:** The project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378 (a).  
**Project Planner:** Cindy Hom, (408) 730-7411, chom@sunnyvale.ca.gov

Associate Planner Cindy Hom presented the staff report.

Abha Nehru, representing Carrasco & Associates, presented images and