



City of Sunnyvale

Meeting Minutes

Planning Commission

Monday, February 24, 2025

7:00 PM

Online and Council Chambers, City Hall,
456 W. Olive Ave., Sunnyvale, CA 94086

No Study Session | Public Hearing - 7:00 PM

NO STUDY SESSION

7 P.M. PLANNING COMMISSION MEETING

CALL TO ORDER

Chair Iglesias called the meeting to order at 7:00 PM.

SALUTE TO THE FLAG

Chair Iglesias led the salute to the flag.

ROLL CALL

Present: 6 - Chair Nathan Iglesias
Commissioner Chris Figone
Commissioner Martin Pyne
Commissioner Michael Serrone
Commissioner Neela Shukla
Commissioner Ilan Sigura
Absent: 1 - Vice Chair Galen Kim Davis

Vice Chair Davis' absence is unexcused.

ORAL COMMUNICATIONS

None.

CONSENT CALENDAR

There were no public speakers for this agenda item.

MOTION: Commissioner Pyne moved and Commissioner Shukla seconded the motion to approve the Consent Calendar.

The motion carried by the following vote:

Yes: 6 - Chair Iglesias
Commissioner Figone
Commissioner Pyne
Commissioner Serrone
Commissioner Shukla
Commissioner Sigura

No: 0

Absent: 1 - Vice Chair Davis

This decision, as it applies to Agenda Item 1.B, is final unless appealed or called up for review by the City Council by 5:00 PM on Tuesday, March 11, 2025.

1.A [25-0362](#) Approve Planning Commission Meeting Minutes of February 10, 2025

Approve Planning Commission Meeting Minutes of February 10, 2025 as submitted.

1.B [25-0309](#) **Proposed Project:**

DESIGN REVIEW: Construct a one-story addition of 575 square feet to an existing two-story single-family home, resulting in 2,926 square feet (2,451 square feet living area and 475 square feet garage) and 49% floor area ratio (FAR).

Location: 842 Hollenbeck Avenue (APN: 201-24-011)

File #: PLNG-2024-0713

Zoning: R-0 (Low Density Residential)

Applicant / Owner: Sherman Lee (applicant) / Shih-Chieh Huang (owner)

Environmental Review: A Class 1 Categorical Exemption relieves this project from environmental review under the California Environmental Quality Act (CEQA). (CEQA Guidelines Section 15301)

Project Planner: Gabriela Ventura, (408) 730-7407, Gventura@sunnyvale.ca.gov

Alternative 1: Find that the Project is Exempt from CEQA Pursuant to CEQA Guidelines Section 15301 and Approve the Design Review based on the Recommended Findings in Attachment 3 and subject to the Recommended Conditions of Approval in Attachment 4.

PUBLIC HEARINGS/GENERAL BUSINESS

2. [25-0191](#)

Proposed Project:

Introduce an ordinance to Amend Chapter 19.67 (Inclusionary Below Market Rate Ownership Housing Program) and Chapter 19.77 (Inclusionary Below Market Rate rental housing) of Title 19 (Zoning) of the Sunnyvale Municipal Code to Modify Requirements for Qualified Retail Preservation Projects, Adopt a Resolution to establish a retail preservation incentive program for certain village center sites and Find that the Proposed Amendments Are Consistent with the Environmental Impact Report for the Land Use and Transportation Element (LUTE) and Do Not Require Additional Environmental Review Pursuant to CEQA Guidelines Section 15162.

Location: Citywide Village Center Sites

File #: PLNG-2025-0001

General Plan Land Use: VMU (Village Center Mixed Use)

Project Planner: Trudi Ryan, (408) 730-7435, tryan@sunnyvale.ca.gov

Director of Community Development Trudi Ryan presented the staff report with a slide presentation.

Commissioner Serrone spoke in support of a program that addresses the loss of retail in City neighborhoods.

Commissioner Serrone and Director of Community Development Trudi Ryan discussed whether the City's Below Market Rate (BMR) inclusionary housing requirement discourages developers from building residential projects. Director of Community Development Trudi Ryan explained that she does not believe this is the case since the number of housing developments within the City increases yearly and the City continues to aggressively rezone sites to accommodate residential development.

Commissioner Serrone confirmed with Director of Community Development Trudi Ryan that if the BMR inclusionary housing requirement is eliminated, developers would still be subject to all other applicable standards. These include standards for outreach meetings and objective design standards.

Commissioner Serrone asked about the concessions and waivers associated with the proposed incentive program and how they compare to those allowed by the Density Bonus law. He also expressed his opinion that object design standards improve the quality of developmental designs, but concessions and waivers allow developers to bypass them. Director of Community Development Trudi Ryan explained that, for developments in the Village Centers in particular, concessions

and waivers are needed to accommodate the density of townhouses and commercial developments.

Commissioner Serrone questioned whether we are incentivizing the development of townhouses over rental units. Director of Community Development Trudi Ryan explained that while the City offers many rental opportunities and that rental units are profitable, townhomes are currently the most profitable housing type. She added that there are factors beyond the City's control that affect how developers consider the potential for development.

Commissioner Serrone noted that if the BMR inclusionary housing requirement is eliminated, developers may still build lower income housing on sites not identified in the Housing Element as available for lower income housing. Director of Community Development Trudi Ryan answered that these developments must have a density greater than 30 dwelling units per acre or designated 100 percent affordable. She added that a program in the Housing Element will explore higher densities on some Village Center sites in higher resource areas south of El Camino Real.

Commissioner Serrone noted that the incentive program excludes sites located south of El Camino Real even though that area has seen a decline in retail developments as well.

Commissioner Serrone received clarification from Director of Community Development Trudi Ryan on the requirement for the incentive program that sites may not be located within 1,700 feet walking distance via public street from any property zoned C-1, C-2 or MP-AC and that staff is not recommending offering the program to Village Centers south of El Camino Real.

Commissioner Serrone confirmed with Director of Community Development Trudi Ryan that rezoning certain districts will be considered as a follow up to the Village Center Master Plan.

Commissioner Serrone discussed with Director of Community Development Trudi Ryan how modification of zoning designations or the General Plan may be needed to support the retention of commercial uses when applicable Village Center sites redevelop with residential developments.

At Commissioner Shukla's request, Director of Community Development Trudi Ryan explained the distinction between waivers and concessions.

Commissioner Shukla and Director of Community Development Trudi Ryan discussed the status of the proposed developments for Village Centers 1 and 2 and why these Village Centers are excluded from the proposed incentive program.

Commissioner Shukla spoke in support of the proposed incentive program and lower income housing.

Commissioner Pyne confirmed with Director of Community Development Trudi Ryan that the Planning Commission will consider the adoption of the Village Center Master Plan in summer 2025.

Regarding the incentive program requirement that sites may not be located within 1,700 feet walking distance via public street from any property zoned C-1, C-2 or MP-AC, Commissioner Pyne asked whether consideration may also be given to the type of commercial development within walking distance. He provided an example of a grocery store at Village Center 4 being replaced by a commercial development of a different kind. Director of Community Development Trudi Ryan explained that spaces are designated for retail and not specific types of retail.

Chair Iglesias shared his excitement for a program that aims to incentivize retail developments.

Chair Iglesias confirmed with Director of Community Development Trudi Ryan that any increase in commercial development within applicable Village Center sites will render the proposed incentive program successful.

Chair Iglesias opened the Public Hearing.

Hillel Hachlili, Sunnyvale resident, advocated for the restriction of nightclubs within Village Centers, especially Village Center 6, due to the noise they generate.

Chuck Fraleigh, speaking on his own behalf, elaborated on the importance of both housing and retail, confirmed his support of the proposed incentive program especially as it pertains to Village Centers 5 and 6, and suggested that staff include examples to support floor area ratio calculations in their presentations since they are complex.

Zubin Abraham, Sunnyvale resident, stated that he and others did not receive

notices for this public hearing item in the mail. He also spoke of the food desert that may result from the elimination of commercial developments currently in Village Center 5.

Cortney Jansen, Sunnyvale resident speaking on her own behalf, spoke in overall support of an incentive program to increase retail within the City. However, she proposed that the floor area ratio (FAR) of commercial and retail uses within applicable projects must be 10 to 20 percent instead of the proposed 5 to 10 percent. She also suggested that if existing retailers on these sites cannot retain their spaces, priority should be given to small and local businesses. Lastly, she urged City staff to contact the Lakewood Village Neighborhood Association Board when conducting any relevant community outreach.

Gail Rubino, speaking on her own behalf, advocated for a minimum of 30,000 square feet of retail for Village Centers 5 and 6. She also questioned the perspective of developers on the proposed incentive program.

Agnes Veith, member of Livable Sunnyvale speaking on her own behalf, emphasized the importance of affordable housing and retail. She shared her concerns about eliminating the required inclusionary BMR housing requirement for the Village Centers to incentivize developers to build more commercial developments. She also voiced her appreciation for staff efforts to reach a happy medium between retail and housing.

Zadori, Sunnyvale resident, shared her support of incentivizing the provision of retail space on Village Center sites while maintaining as much of the existing retail in Village Center 6. She also asked whether it would be possible for developers to include commercial developments with greater FAR than what is currently being proposed (5 to 10 percent).

Alex K., Sunnyvale resident, stressed the importance of affordable housing in a livable area. He advocated for a mixed-use environment that supports walkability and agreed that the required FAR for commercial developments within the Village Centers should be increased.

Nitesh, Sunnyvale resident, supported the prioritization of local businesses and small shops if not the retention of existing businesses in Village Center 5 to support the growing community in that area.

Director of Community Development Trudi Ryan explained that a 10 percent FAR for 4-acre site would be approximately 17,000 square feet while a 10 percent FAR for a 6-acre site would be about 26,000 square feet. She added that when sites redevelop, the City's Economic Development staff will follow up with existing businesses on the Village Center sites. Addressing concerns raised about the 15 percent inclusionary BMR housing requirement being threatened, she shared that a study is being conducted to consider increasing this percentage to 20.

Chair Iglesias closed the Public Hearing.

Commissioner Pyne noted that one member of the public shared concerns regarding the inclusion of a nightclub in Village Center 6 due to noise levels it might generate. Director of Community Development Trudi Ryan responded that while the zoning district in this Village Center allows for entertainment and the sale of alcohol with the approval of a separate permit, the establishment's proximity to residents will be considered. She added that in the process of redeveloping zoning regulations for the Village Centers, consideration will be given to the exclusion of a nightclub use from those areas.

Commissioner Figone stated that it is critical to preserve as much retail as possible, especially retail in Village Center 6. He explained that this Village Center will thrive due to its proximity to Levi's Stadium. In general, he noted the importance of considering the City's future needs when making decisions at present.

Commissioner Serrone and Director of Community Development Trudi Ryan discussed why certain Village Center sites are excluded from the proposed incentive program. Director of Community Development Trudi Ryan added that the Planning Commission may choose to modify recommended requirements that would prevent certain Village Center sites from participating in the proposed incentive program.

Commissioner Shukla provided her thoughts and comments on the incentive program, its relationship with the inclusionary BMR housing requirement, and its potential impacts.

Chair Iglesias confirmed his support of the proposal with no modifications and added that any modifications informed by data may be made later.

Commissioner Serrone confirmed with Director of Community Development Trudi Ryan that if developers forego participation in the proposed incentive program, they

will be subject to the inclusionary BMR housing requirement.

MOTION: Commissioner Shukla moved and Commissioner Pyne seconded the motion to recommend Alternative 1 to the City Council:

Introduce an ordinance to amend Chapter 19.67 (Inclusionary Below Market Rate Ownership Housing Program) and Chapter 19.77 (Inclusionary Below Market Rate rental housing) of Title 19 (Zoning) of the Sunnyvale Municipal Code relating to modified requirements for qualifying retail preservation projects in Attachment 2, Adopt a Resolution (Attachment 3), and find that the ordinance and Resolution are consistent with the certified Land Use and Transportation Element (LUTE) EIR and no further environmental review is required under CEQA Guidelines 15162.

Commissioner Shukla voiced her support of incentivizing developers to build commercial developments.

Commissioner Pyne confirmed his support of the motion and proposed the expansion of the proposed policy to other sites depending on its success.

Commissioner Serrone stated that while he is supportive of the motion, he would have preferred that additional Village Center sites in northern areas of the City could be eligible for the proposed incentive program. Overall, he commented that the proposed solution is a creative one to preserve retail in the City.

Chair Iglesias expressed his support of the motion and noted that it will allow the City to determine whether the proposed policy may be applied to other areas and consider other incentives to increase commercial development throughout the City.

The motion carried by the following vote:

Yes: 6 - Chair Iglesias
Commissioner Figone
Commissioner Pyne
Commissioner Serrone
Commissioner Shukla
Commissioner Sigura

No: 0

Absent: 1 - Vice Chair Davis

