City of Sunnyvale



Meeting Minutes Planning Commission

Monday, November 11, 2024	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 IglesiasVice Chair Galen Kim DavisCommissioner Martin PyneCommissioner Michael SerroneCommissioner Neela ShuklaCommissioner Ilan SiguraAbsent: 1 -Commissioner Chris Figone

Commissioner Figone's absence is excused.

ORAL COMMUNICATIONS

None.

CONSENT CALENDAR

There were no public speakers for this agenda item.

Commissioner Pyne requested that Agenda Item 1.B be pulled from the Consent Calendar.

1.A <u>24-1109</u> Approve Planning Commission Meeting Minutes of October 28, 2024

MOTION: Commissioner Pyne moved and Vice Chair Davis seconded the motion to approve the Planning Commission meeting minutes of October 28, 2024 as submitted.

The motion carried by the following vote:

Yes: 6 - Chair Iglesias Vice Chair Davis Commissioner Pyne Commissioner Serrone Commissioner Shukla Commissioner Sigura

No: 0

Absent: 1 - Commissioner Figone

1.B 24-1111 Approve the 2025 Planning Commission Annual Work Plan

Commissioner Pyne questioned why the adoption of the Village Center Master Plan and the Central Arques Specific Plan are being moved from the 2024 Planning Commission Work Plan to the 2025 Planning Commission Work Plan. Planning Officer Shaunn Mendrin explained that adoption of these plans in 2024 was delayed due to limited staffing resources. He added that he does not anticipate further delay in 2025.

Commissioner Pyne noted that a Planning Commission meeting is scheduled for September 22, 2025, which will coincide with Rosh Hashanah. Planning Officer Mendrin advised that the Planning Commission may approve a motion that includes rescheduling this meeting to an alternative date.

There were no public speakers for this agenda item.

MOTION: Commissioner Pyne moved and Vice Chair Davis seconded the motion to approve the Draft 2025 Planning Commission Annual Work Plan and recommend that the City Council adopt it with a modification to reschedule the meeting of September 22, 2025, so it will not conflict with Rosh Hashanah.

The motion carried by the following vote:

- Yes: 6 Chair Iglesias Vice Chair Davis Commissioner Pyne Commissioner Serrone Commissioner Shukla Commissioner Sigura
- **No:** 0
- Absent: 1 Commissioner Figone

PUBLIC HEARINGS/GENERAL BUSINESS

2. 24-1113 **Proposed Project:** Related applications on a 2.2-acre site: SPECIAL DEVELOPMENT PERMIT: to consider the redevelopment of a shopping center with a 46-unit, three-story townhouse development; and TENTATIVE MAP: to subdivide the existing lot into seven lots and four parcels and create 46 condominiums. Location: 1040-1060 East El Camino Real (APN: 313-04-026) File #: PLNG-2023-0880 Zoning: ECR-MU-24 (El Camino Real Mixed Use) Applicant / Owner: Balboa Retail Partners (applicant) / Brfii Bell Llc (owner) Environmental Review: No additional review required as per CEQA Guidelines 15168(c)(2) and (4) - environmental impacts of the project are addressed in the El Camino Real Specific Plan (ECRSP) Environmental Impact Report (EIR). Project Planner: Momo Ishijima, (408) 730-7532, mishijima@sunnyvale.ca.gov

Senior Planner Momo Ishijima presented the staff report with a slide presentation.

Commissioner Pyne asked why CEQA Guidelines Section 15168(c)(2) and (4) is referenced in the subject of the staff report while CEQA Guidelines Section 15183 is referenced in Attachment 3. He added that CEQA Guidelines Section 15183 has a specific definition of "consistent" as opposed to CEQA Guidelines Section 15168(c) (2) and (4). Senior Planner Ishijima later confirmed that CEQA Guidelines Section 15183 is what should have been referenced in the subject of the staff report.

At Commissioner Pyne's request, Senior Planner Ishijima elaborated on the reasoning behind the following statement in the staff report: "The proposed project's lack of commercial area does not warrant additional analysis, as the deficiency would not result in greater or different impacts than those already studied in the

ECRSP EIR." Alicia Gonzalez, Senior Associate at Michael Baker International, provided additional comments on this matter.

Commissioner Pyne called attention to Recommended Conditions of Approval BP-6 and BP-8 (g) and asked where construction parking will be permitted and how it will be enforced. Senior Planner Ishijima explained that a Construction Management Plan (CMP) is required prior to the issuance of any grading, demolition, or building permit. She added that the CMP will identify where construction materials will be placed, where construction crew will park, and where offsite parking will be located if applicable.

Commissioner Pyne stated that per the Parking Management Plan (Attachment 10), rules regulating parking in the private streets may be adopted. He asked about the timeframe for the adoption of these rules. Senior Planner Ishijima responded that the applicant may answer this question, but she assumed that this would be done once the HOA for the proposed development is established.

Commissioner Serrone confirmed with Planning Officer Shaunn Mendrin that the City must grant any concessions requested by the applicant. He also confirmed with Principal Planner Noren Caliva-Lepe that the applicant's waivers must also be approved if they meet State Density Bonus Law findings. Senior Assistant City Attorney Sandra Lee emphasized that there does not appear to be any basis for the City to deny any of the concessions requested by the applicant and explained why.

Commissioner Serrone and Senior Planner Ishijima discussed how the number of parking spaces were calculated for 3- and 4-bedroom units. She explained that the four unassigned parking spaces outside of the garage are not anticipated to be assigned to a specific unit.

Commissioner Serrone confirmed with Senior Planner Ishijima that while the El Camino Real Specific Plan (ECRSP) does not have requirements for unassigned or uncovered parking spaces, the proposed project will include four unassigned spaces and exceeds the total parking requirement by 13.

Commissioner Serrone noted that the applicant has waived the requirement for one loading space per lot. Senior Planner Ishijima advised that the proposed project will include one unassigned parking space that is wider than the rest which may be used for loading purposes.

Commissioner Serrone asked about the requested waiver for the ground floor plate height and Senior Planner Ishijima stated that the architect for the proposed project may provide details on this subject.

Commissioner Serrone confirmed with Senior Planner Ishijima that while the Green Point Rated checklist has not yet been completed, the applicant is required to achieve a minimum of 90 points on the checklist per the Recommended Conditions of Approval (Attachment 4).

Commissioner Shukla and Senior Planner Ishijima discussed how more projects are proposing to utilize the State Density Bonus Law which allows them to request waivers. Senior Planner Ishijima added that the waivers requested by the applicant allow them to include more units on the proposed project site. Commissioner Shukla suggested that it would be helpful if developers provided additional information on how the requested waivers impact density for their proposed developments.

Commissioner Sigura expressed his concern about how the decline of commercial spaces on El Camino Real and throughout the City is negatively altering the character of El Camino Real and the City. He confirmed with Principal Planner Caliva-Lepe that the City has limited discretion to deny the developer's request to utilize the State Density Bonus Law to have zero commercial square footage in the proposed development. She added that in addition to this one concession requested by the developer, eight waivers have also been requested.

Chair Iglesias received clarification from Principal Planner Caliva-Lepe on the distinction between concessions and waivers, citing that concession findings are based on economic justifications and waivers are based on site constraints. He emphasized that the Planning Commission and members of the public may evaluate the evidence before them to determine whether there are sufficient grounds to justify denial of the requested waivers.

Chair Iglesias opened the Public Hearing.

Jonathan Fearn, Principal at Fearn Consulting, presented additional images and information on the proposed project.

Commissioner Serrone confirmed with David Burton (Associate Principal at KTGY Architects) that the ground floor ceiling height for the proposed development's units will be eight feet.

Commissioner Serrone confirmed with Mr. Fearn that since the stairways for the proposed development will be 42 feet wide, they are equipped to have stair lifts.

Commissioner Serrone questioned whether the cost benefit analysis for incorporating retail in the proposed development has been studied. Mr. Fearn explained that the increased cost of including retail does not justify its inclusion. He added that this cost increase is enough to justify the requested concession.

At Commissioner Serrone's request, Mr. Fearn explained why an elevator is required for ground floor retail.

Commissioner Serrone and Mr. Fearn discussed the state condominium liability laws that would apply for stacked flats.

Commissioner Pyne and Mr. Fearn discussed the construction and regulatory costs associated with stacked flats.

Commissioner Pyne asked whether the developer would consider including all-electric units and garages that are Electric Vehicle (EV) charger accessible for the proposed development.

At Commissioner Pyne's request, Alison Warner (Senior Vice President at Balboa Retail Partners) explained how it was decided that the proposed development would be all-residential.

Vice Chair Davis asked whether a slurry seal that is lighter in color or an alternate material may be used for the proposed development's road surface to prevent the urban heat island effect. Mr. Fearn answered that this may be considered.

Vice Chair Davis noted that the curved corners around the interior buildings of the proposed development may encourage speeding among drivers.

Chair Iglesias described the ways that the proposed development would be a positive addition to the City. He acknowledged that Attachment 8 clearly described the loss of housing that would result if each waiver was denied.

At Chair Iglesias' request, Mr. Fearn explained that the unit sizes for the proposed development may not be reduced for marketability purposes.

Chair Iglesias questioned what the cost difference threshold would need to be between a mixed-use and residential development for the mixed-use development to have been pursued despite its higher cost. Mr. Fearn explained that construction costs must be weighed against the return. In this case, he stated that a mixed-use development would not be a viable product.

Ori S., Sunnyvale resident, advocated for the proposed development to include commercial space at its ground floor and provide a larger number of units at a smaller size. He noted that this would have allowed the developer to provide more affordable housing units as well as retail opportunities.

Jenny S., Sunnyvale resident, emphasized the importance of mixed-use developments on El Camino Real to support the community's needs for both housing and retail.

Armando Murillo, field representative for Carpenters Local 405, spoke of the importance of the following labor standards for construction workers: livable wages, state certified apprenticeship programs, accessible healthcare, and a local hiring practice.

Amareesh Agrawal, business owner on the proposed development site, spoke of the demand for retail spaces on El Camino Real as well as the importance of his own business among his clients.

Ed Gocka spoke in favor of the proposed fully residential development and noted that the existing site would not support a mixed-use development.

Narayan Krishnan, Sunnyvale resident, expressed his concerns about the increased traffic on Henderson Avenue and Bryant Way because of the proposed development. He also shared his privacy concerns if the height of the proposed development will provide a view into adjacent homes like his.

Chris Shull, HOA president of the development south of the proposed development, urged that additional parking spaces should be considered for the proposed development to prevent parking spillover on the street or his own community's private parking lot.

Shraddha Desai, Sunnyvale resident, spoke of how the high density on the

proposed project site may negatively impact traffic on Henderson Avenue. She suggested the addition of a second entrance for the proposed development to mitigate this issue. Lastly, she stated her opposition of waivers pertaining to the reduction of green spaces that will be included.

Stephen Meier confirmed his support of the proposed project since it meets the City's housing needs. He also advocated for ways to incentivize retail developments in the City.

Roger Riffenburgh shared his concerns about the few guest parking spaces in the proposed development plan and the issues that may arise from this.

Mr. Fearn provided some closing comments.

Commissioner Pyne confirmed with Mr. Fearn that rules regulating parking in the private streets may be adopted at the time the HOA for the proposed development is established.

Chair Iglesias closed the Public Hearing.

MOTION: Chair Pyne moved and Vice Chair Davis seconded the motion to approve Alternative 2 – Make the required findings to approve the CEQA determination that the project is consistent with the ECRSP EIR and no additional environmental review is required pursuant to CEQA Guidelines Section 15183 and approve the Special Development Permit based on the Recommended Findings in Attachment 3 with modified Conditions of Approval.

Recommended Condition of Approval BP-10 must be modified to include subsections a and b to read as follows:

BP-10. GREEN BUILDING: (MODIFIED BY PLANNING COMMISSION)

The plans submitted for building permits shall demonstrate the project achieves a minimum 90 points on the Green Point Rated checklist. Please refer to the following website:

https://www.sunnyvale.ca.gov/business-and-development/planning-and-building/gre en-building

a) All units shall be all electric (no gas lines).

b) All units shall be EV charging accessible in the garages.

[COA] [PLANNING/BUILDING]

Commissioner Pyne stated that there is evidence to support the approval of the requested concession and waivers. He also reflected on the CEQA regulations that apply to the proposed project, highlighted positive features of the proposed project, and sympathized with concerns raised by residents regarding increased traffic on Bryant Avenue, the number of proposed guest parking spaces, and construction parking. Lastly, he confirmed his support of the motion.

Vice Chair Davis spoke in support of the proposed all-residential development and the affordable units it will include considering the City's housing crisis. He also explained why the proposed project site is not conducive for a mixed-used development and responded to concerns raised about traffic and parking. He then voiced his support of the motion.

Commissioner Serrone and Senior Assistant City Attorney Lee discussed the proposed project in light of the State Density Bonus Law. Commissioner Serrone offered comments on the need for both retail and housing in the City and shared his thoughts on the allotted guest parking for the proposed project before confirming his support of the motion.

Commissioner Shukla spoke in overall support of the proposed project and highlighted its quality design and ability to provide affordable housing opportunities.

Chair Iglesias stated that while he supports the approval of the requested concession, he does not feel that approval of the requested waivers is supported by sufficient evidence. For this reason, he explained he is unable to support the proposed project.

The motion carried by the following vote:

- Yes: 4 Vice Chair Davis Commissioner Pyne Commissioner Serrone Commissioner Shukla
- No: 2 Chair Iglesias Commissioner Sigura
- Absent: 1 Commissioner Figone

This decision is final unless appealed or called up for review by the City Council by 5:00 PM on Tuesday, November 26, 2024.

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

None.

INFORMATION ONLY REPORTS/ITEMS

None.

3. <u>24-1110</u> Planning Commission Proposed Study Issues, Calendar Year: 2025 (Information Only)

None.

NON-AGENDA ITEMS AND COMMENTS

-Commissioner Comments

None.

-Staff Comments

None.

ADJOURNMENT

Chair Iglesias adjourned the meeting at 9:25 PM.