

14-0693**File#:** 2013-7525**Name:** Landbank Central & Wolfe Campus**Location:** Southeast corner of N. Wolfe Road and E. Arques Avenue
(APNs: 205-33-002, 205-33-005, 205-33-007, 205-33-009,
205-33-010, 205-33-011, 205-33-012, 205-33-013, and
205-33-014)**Proposed Project:** Consideration of applications for a 17.84 acre site:**REZONING** to change the zone from M-S to M-S/FAR 100%;**DESIGN REVIEW** to allow the development of a 777,100 square foot, six story office complex and associated parking and onsite amenities;**VESTING TENTATIVE PARCEL MAP** to consolidate the existing lots and street into a condominium subdivision, including the abandonment of Santa Ana Court; and**DEVELOPMENT AGREEMENT** between the City of Sunnyvale and Landbank Investments, LLC.**Applicant/Owner:** Scott Jacobs, Landbank Investments, LLC**Environmental Review:** **ENVIRONMENTAL IMPACT REPORT****Staff Contact:** David Hogan, 408-730-7440,
dhogan@sunnyvale.ca.gov

Chair Melton disclosed an email received from Comm. Klein requesting a continuance of the Central and Wolfe item to a future meeting when more than the minimum number of Commissioners required for a quorum are present.

David Hogan, Project Planner, presented the staff report.

Kathryn Berry, Senior Assistant City Attorney, discussed the Statement of Overriding Considerations (SOC), and clarified that although one mitigation measure is listed in the SOC to address the unavoidable and significant adverse impact of the project on traffic, two measures were actually looked at by the City. She said that change would be made in the Draft Resolution Certifying the EIR, Resolution adopting the SOC and Mitigation Monitoring and Reporting Program (MMRP).

Trudi Ryan, Planning Officer introduced the EIR Consultant from ESA, Dan Sicular, the traffic consultant from TJKM, Nayan Amin and the Assistant Director of the Public Works Department, Manuel Pineda, and said they are available for questions.

Comm. Rheume confirmed with Ms. Berry that the two mitigation measures looked at by staff to address the traffic impact are not feasible due to County

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concerns with new impacts. Ms. Berry said the developer has offered to provide additional benefits, which are outlined in the Development Agreement.

Vice Chair Olevson discussed with Mr. Hogan the staff determination that the design of the building is consistent the surrounding area. Vice Chair Olevson and Ms. Berry discussed the extensiveness of the Development Agreement and its commonality with those of previous project.

Comm. Durham discussed with Mr. Sicular why the reduced development alternative of 70% Floor Area Ratio (FAR) would not change the impacts. Comm. Durham and Mr. Pineda discussed the elements of the project that would affect, and contribute to, bike facilities and the pedestrian environment. Comm. Durham verified with Mr. Hogan the location of bike lockers and that there are showers in all three structures. Comm. Durham commented on the proposed art work location in the Central Plaza not fitting under the rubric of the Art in Private Development requirements.

Chair Melton confirmed with Mr. Hogan that findings for the proposed zone change and for the Development Agreement are in conformity with the General Plan, the ordinance regulating zone change and the resolution regarding the preparation of Development Agreements. Chair Melton discussed with Ms. Ryan what the General Plan says about FARs. Chair Melton and Ms. Ryan discussed the process by which a zoning designation of M-S can be rezoned to M-S/100% FAR and what prevents this zoning change for all industrial sites. Chair Melton verified with Mr. Pineda that the applicant owns the land under Santa Ana Court. Chair Melton confirmed with Ms. Berry that City Council can modify the provisions or decide to allocate project contributions to City programs in another manner so long as they meet six criteria of the Resolution that implements Development Agreements. Ms. Ryan added that the applicant can oppose any changes that Council makes. Chair Melton discussed with Mr. Pineda what \$1 million in traffic improvements could change in the City.

Vice Chair Olevson confirmed with Mr. Hogan the traffic directions entering and exiting the proposed project on Arques Avenue.

Comm. Rheaume confirmed with Mr. Hogan that the provision of shuttle service to CalTrain stations is part of the Transportation Demand Management (TDM) plan. Ms. Ryan added that if the Planning Commission would like to require shuttle service that it begin after the building reaches a certain level of occupancy.

Comm. Durham and Ms. Ryan discussed the possibility of private shuttle service and paid additional VTA shuttle service for the proposed project. Comm. Durham

confirmed with Mr. Pineda that there would not be a crosswalk, but rather a continued sidewalk across Santa Ana Court, and that the bike lane width on Arques Avenue would be six feet.

Chair Melton discussed with Mr. Hogan the affect of limiting the hours of potential pile driving to 10:00 a.m. to 6:00 p.m.

Comm. Rheaume and Mr. Hogan discussed the proposed removal of 160 trees deemed in excellent and good condition.

Chair Melton opened the public hearing.

Scott Jacobs, CEO of Landbank Investments, presented illustrations and discussed details of the project.

Vice Chair Olevson and Mr. Jacobs discussed the TDM plan and the requirements of the Conditions of Approval (COA) to reduce traffic. Vice Chair Olevson verified with Mr. Amin that the driveways onto Arques are full access.

Comm. Rheaume disclosed that he met with the applicant in early Spring, and discussed with Mr. Jacobs the timeline for construction of the building. Comm. Rheaume discussed with Jane Bierstedt, Principal with Fehr and Peers, other elements of the TDM plan. Comm. Rheaume and Kathy Doi, Vice President with HOK, discussed the reasoning behind wanting to remove the trees deemed excellent or good on Arques Avenue.

Comm. Durham discussed with Paul Woolford, Director of Design with HOK, the design of the parking structure. Comm. Durham commented on the benefits of having charging stations for electric bicycles.

Chair Melton discussed with John Wilson, Vice President of Webcor Builders, reducing the hours of pile driving.

Ms. Bierstedt discussed intersection impacts related to the project alternatives

Carol Eyring, a Sunnyvale resident, discussed her support of the proposed project.

Ms. Berry noted that speakers who work with the applicants should make comments during the ten minutes reserved for the applicant and not during the section for public comments.

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Steven Morton, with HOK, read a letter of support on behalf of the Silicon Valley Leadership Group.

Mr. Jacobs addressed several of the Commissioners' concerns, and requested a revision to COA AT-7(a) [sic] regarding tenant responsibility to adhere to the TDM plan to add that the tenant or the landlord must adhere to the TDM plan. Ms. Doi also requested that COA BP-9(b) include text from the Transportation Impact Analysis that the 36-foot cross section shall extend from western driveway onto east Arques Avenue to the project auto court. Mr. Jacobs reiterated the proposed project's improvements, amenities and financial benefits to the City.

Ms. Ryan clarified that the COA regarding pile driving says first to seek alternatives to it, and that the 8:00 a.m. start time is one hour later than other construction hours. Ms. Ryan noted that staff is okay with the modification to COA BP-9(b), and stated that COA AT-9(a) is a standard condition put in place requiring compliance with a TDM program.

Vice Chair Olevson commented on the language in the report regarding the TIA being in progress, to which Mr. Hogan responded that this information was part of the initial submittal and only applies if the Planning Commission and City Council decide that a Use Permit is more appropriate than a change of zone. Ms. Ryan added that it was background information that was submitted that that if Council decides that a Use Permit should be applied for, the project would have to be readvertised and would return to the Planning Commission and Council for public comment.

Comm. Rheaume and Ms. Ryan discussed reallocating the financial contributions to the City to different programs. Ms. Ryan added that the Housing Mitigation Fee is double what it would be without the Development Agreement.

Chair Melton confirmed with Ms. Ryan that the Art in Private Development fee is under the purview of the Arts Commission.

Vice Chair Olevson moved to recommend that City Council certify the Environmental Impact Report (EIR) and adopt the Statement of Overriding Considerations and Mitigation Monitoring Program.

Chair Melton seconded.

Vice Chair Olevson said this is a complex project with a lot of favorable aspects, and said it is imperative that the Commission approve and consider the EIR as a

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separate item. He said he still has several concerns about the project and would like to segregate them from consideration of the project and other items that will be recommended to Council. He said he thinks it is important to take major policy steps sequentially to demonstrate to Council our best thinking and to the public our best consideration of the project, therefore he recommends moving ahead solely with the EIR and then considering the rest separately.

Chair Melton said he is comfortable with the EIR and Statement of Overriding Considerations, so he will be supporting the motion. He added that he has a personal preference to break down large projects into their constituent components and that he agrees with the Vice Chair.

MOTION: Vice Chair Olevson moved to recommend to City Council certification of the Environmental Impact Report and adoption of the Statement of Overriding Considerations and Mitigation Monitoring Program.

Chair Melton seconded. The motion carried by the following vote:

Yes: 4 - Chair Melton
Vice Chair Olevson
Commissioner Durham
Commissioner Rheaume

No: 0

Absent: 3 - Commissioner Harrison
Commissioner Klein
Commissioner Simons

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Comm. Durham moved to recommend that City Council introduce an Ordinance to Rezone the property to M-S/100%FAR; approve the Design Review and Vesting Tentative Parcel Map with Conditions; and introduce an Ordinance approving the Development Agreement.

Comm. Rheaume seconded and offered a friendly amendment to preserve the protected trees along Wolfe and Arques that are deemed in excellent and good condition.

Comm. Durham accepted the friendly amendment, and said he is impressed with the quality of the development and that it looks like it will stand out and provide a focal point that he has not seen on the Planning Commission. He said a lot of sundry all-glass buildings that have come up lately and that this is a step away from that. He said the applicant has done wonders with the space, using reclaimed water, and that it remains to be seen how the TDM plan and impacts to traffic on Commercial will work out. He said he is hoping for best but that he is not sure the traffic issue can be mitigated, even with a vibrant TDM program, and added that he can find for the acceptance of the project.

Comm. Rheaume said he will be supporting the motion, and said that this is a great and innovative design that will hopefully raise the bar for other commercial developments. He said one of the reasons he made the comment about the budget for art is that he sees the building as a piece of art already, and he would rather take those funds and address the traffic issues. He said the project is high quality, is LEED platinum, and that he prefers saving the existing trees rather than planting new trees that will not reach maturity.

Vice Chair Olevson thanked staff for responding to his questions over the weekend, and said he cannot support the motion. He said the interaction of the various elements of the Development Agreement and the Resolution recommended for approval by the City Council, he has not been able to assemble all of the nuances of how they will affect the City. He said the design is outstanding and will have a nice visual impact, but that he has not been able to assimilate all of the information and cannot, therefore, vote yes to recommend approval of all of the items in the Resolution.

Chair Melton offered a friendly amendment to add the clarifying language to BP-9(b) that the 36-foot cross section shall extend from the western driveway onto East Arques Avenue all the way back to the auto court area.

Comms. Durham and Rheaume accepted.

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Chair Melton offered a friendly amendment to limit the hours of pile driving to 10:00 a.m. to 6:00 p.m.

Comms. Durham and Rheaume accepted.

Chair Melton offered a friendly amendment to consider undoing Comm. Rheaume's friendly amendment to preserve the protected trees, and commented on their potential interference with the bike lanes that would be installed.

Comm. Rheaume declined.

Comm. Durham said the only issues with bike lanes are on Arques.

Chair Melton said he will be supporting the motion, but has reservations about the friendly amendment regarding the trees but does not cause him enough concern to not support the motion. He said he is comfortable with the rezone as opposed to a Use Permit, and requested that staff add language to the report to City Council to discuss further the interplay of a land use designation and the General Plan, and how it was determined that 100% FAR is appropriate for this project. He said he can make the findings as they pertain to the General Plan, and said it is clear that the applicant has great pride in the project and all of the intellectual property of the team that has gone into it. He said he wants the applicant to know that the Planning Commission is a very policy-driven entity, so the fact that Commissioners are not jumping up and down over the quality of the project is simply because we are thinking about policy ramifications. He said he is greatly comforted by the fact that there are no deviations requested, and that it is commendable that the project provides many benefits to the community including a LEED platinum building, water recycling and funds flowing to City programs and to schools. He said he has previously lamented the overuse of glass in architecture, and that this project is the most un-glass box building he has seen and is a testament to the vision of the project.

MOTION: Comm. Durham moved to recommend that City Council introduce an Ordinance to Rezone the property to M-S/100%FAR; approve the Design Review and Vesting Tentative Parcel Map with Conditions; and introduce an Ordinance approving the Development Agreement with modified conditions:

- 1) Preserve the trees deemed in excellent or good condition along Wolfe Road and Arques Avenue;
- 2) Add clarifying language to BP-9(b) that the 36-foot cross section shall extend from the western driveway onto East Arques Avenue all the way back to

the auto court area; and

3) If pile driving is required, hours shall be limited to 10:00 a.m. to 6:00 p.m.

Comm. Rheume seconded. The motion carried by the following vote:

Yes: 3 - Chair Melton
Commissioner Durham
Commissioner Rheume

No: 1 - Vice Chair Olevson

Absent: 3 - Commissioner Harrison
Commissioner Klein
Commissioner Simons