

DETERMINATION BY PLANNING COMMISSION

Development Agreement between the City of Sunnyvale and 1154 SONORA COURT, LLC, a Delaware limited liability company and 1170 SONORA COURT, LLC, a Delaware limited liability company.

Planning File Nos.: 2022-7270 and 2022-7271 (1154 and 1170 Sonora Court)

Pursuant to City Council Resolution 371-81, the Commission shall make a recommendation to the City Council including the Commission's reasons therefore and its determination of whether the development as described in the development agreement will be:

1. Consistent with the objectives, policies, general land uses and programs specified in the general plan and any applicable specific plan;

The project supports the following General Plan Goals and Policies.

Community Vision Goals

VI. AFFORDABLE HOUSING OPTIONS - To provide a variety of housing options by style, size, density and tenure, so all segments of the population may find appropriate high-quality housing in Sunnyvale that is affordable to them.

X. ROBUST ECONOMY - To retain, attract and support strong and innovative businesses, which provide quality jobs for the City's workforce, tax revenue to support public services, and a positive reputation for Sunnyvale as a center of creativity and productivity.

Land Use and Transportation Element Goals and Policies

GOAL LT-1: COORDINATED REGIONAL AND LOCAL PLANNING - Protect the quality of life, the natural environment, and property investment, preserve home rule, secure fair share of funding, and provide leadership in the region.

Policy LT-1.2 Minimize regional sprawl by endorsing strategically placed development density in Sunnyvale and by utilizing a regional approach to provide and preserve open space for the broader community.

Action LT-1.2a Promote transit-oriented and mixed-use development near transit centers such as Lawrence Station, Downtown, and El Camino Real and in neighborhood villages.

GOAL LT-7 DIVERSE HOUSING OPPORTUNITIES Ensure the availability of ownership and rental housing options with a variety of dwelling types, sizes, and densities that contribute positively to the surrounding area and the health of the community.

Policy LT-7.2 Determine the appropriate residential density for a site by evaluating the site planning opportunities and proximity of services (such

as transportation, open space, jobs, and supporting commercial and public uses.

Policy LT-8.4 Promote compact, mixed-use, and transit-oriented development in appropriate neighborhoods to provide opportunities for walking and biking as an alternative to auto trips.

Policy LT-8.5 Promote walking and bicycling through street design.

Action LT-8.5a Develop complete streets principles to accommodate all users, including pedestrians, bicyclists, skaters, and wheelchair users, along with motor vehicles in transportation corridors.

Action LT-8.5b Enhance connectivity by removing barriers and improving travel times between streets, trails, transit stops, and other pedestrian thoroughfares.

Action LT-8.5d Promote separation of streets and sidewalks with planter strips and widened sidewalks, especially on streets with no parking lane.

Action LT-8.5f Support streetscape standards for vegetation, trees, and art installations to enhance the aesthetics of walking and biking.

GOAL LT-12 A BALANCED ECONOMIC BASE - Develop a balanced economic base that can resist downturns of any one industry and provides revenue for City services.

Policy LT-12.3 Support a variety of land and building ownership forms, including business condominiums, planned developments, and more traditional single-owner developments.

The Lawrence Station Area Plan (LSAP) is shown in the General Plan as a Transit Mixed use area. The LSAP allows office/R&D and residential development. Higher intensity office development (greater than 35% FAR) in the Lawrence Station area is allowed with the use of incentives and community benefits.

LSAP is based on a set of seven guiding principles that establish the overall Vision for the Lawrence Station area and serve as the basis for all elements of the Plan and its implementing policies. The project is supportive of these goals:

- **LAND USE DIVERSITY:** Promote a diversity of land uses and densities that will support transit usage and neighborhood services.
- **DENSE STATION AREA DEVELOPMENT:** Locate highest intensity development closest to the Lawrence Station.
- **CONNECTIVITY:** Improve connectivity for all modes of travel
- **NEIGHBORHOOD CHARACTER:** Ensure the area has a character that is unique to its location while being compatible with the overall character of Sunnyvale and sensitive to existing environmental assets.

- **COMMUNITY IDENTITY:** Create a strong sense of place and neighborhood identity with the development of a vibrant neighborhood center.
- **FLEXIBILITY:** Allow the area to redevelop over time through a flexible system that is responsive to the goals, schedule and needs of individual business and property owners, developers, and residents.
- **SUSTAINABILITY:** Redevelop the area in a manner that is environmentally, economically, and socially sustainable.

The two development projects are in the FLEXIBLE MIXED-USE I / SONORA COURT (MXD-I/S) zoning district which has the highest base maximum residential density because of its close proximity to the train station. Uses may be configured as vertical mixed-use or as single use buildings or parcels.

The project will implement the objectives of the plan by providing higher quality office space for existing as well as future Sunnyvale businesses at a higher intensity in close proximity to the Lawrence Caltrain Station along with very high density residential uses. The size of the office floorplates provides flexibility to support multiple tenants or a single tenant. Businesses and their employees and residents located these buildings will help transform the area in support of the LSAP vision and will help support (and be supported by) the small convenience retail to be located at 1170 Sonora Ct. The project supports the principles of **Land Use Diversity** (mixed use), **Dense Station Area Development** (higher FAR office and use of state density bonus for a higher number residential uses), **Connectivity** with a direct path to the Caltrain station, and **Community Identity** through the provision of Sense of Place elements. The two remaining principles of Flexibility and Sustainability are imbedded in the general project design and City development standards.

2. Compatible with the uses authorized in, and the regulations prescribed for, the land use district in which the real property is located;

The project is located in the FLEXIBLE MIXED-USE I / SONORA COURT (MXD-I/S) area and will be compatible with the other residential uses approved and planned for this zoning district. The project will contribute to the pedestrian and bicycle improvements on Sonora court, in furtherance of the LSAP.

Additional office development is allowable through a combination of incentives and community benefits including contribution to a community benefit fund, additional affordable housing units, and design features that advance the vision for the Lawrence Station area.

The proposed mixed office and residential use is consistent with the Sonora Court character and helps demonstrate that the mixed uses can be within a

building. The building design is generally consistent with City development standards and design objectives with only minor deviations from the standards.

3. In conformity with public convenience and good land use practice;

The proposed use is consistent with the LSAP and the FLEXIBLE MIXED-USE I / SONORA COURT (MXD-I/S) zoning. The project improves the pedestrian connection for office employees and residents through incremental contribution to the Sonora Court streetscape upgrades and increased access to the Caltrain Station.

LAWRENCE STATION AREA PLAN

GOAL LU-G3 Promote a mix of employment and residential uses.

GOAL LU-G4 Although the plan allows for flexible use of property, a balance should be found to ensure the mix of uses remains diverse at all times.

GOAL LU-G5 Provide a mix of uses within the Plan area that encourages transit ridership, creates a neighborhood of 24-hour activity and supports the provision of amenities such as open space and support services such as retail.

GOAL LU-G6 Provide a flexible land use pattern that provides the desired balance of employment and residential uses in order to create an active daytime and nighttime environment.

4. Not detrimental to the public health, safety and general welfare;

The project will be consistent with development codes to assure the site is safe. The DA will further implement the objectives of the LSAP by providing a contribution to the Community Benefit Fund of over \$1.2M which will be used to provide a variety of community facilities Citywide. Landowner will designate the City as the point of sale for California sales and use tax purposes during Project construction which will augment sales tax receipts to the City. The design and construction of an additional connection to the Caltrain Station and the off-site street improvements along the Sonora Court frontage will implement policies on improving connections throughout the plan area.

Once redevelopment occurs, the City will receive additional General Fund monies through construction permitting and the long-term increased property tax. The project will also contribute housing impact fees from the net new office development and transportation impact fees which will benefit current and future residents and businesses. The revenue will contribute to expansion and upkeep of city infrastructure and services. Mitigation fees will help implement city programs, such as affordable housing, to benefit community welfare and to address transportation improvements to improve transportation safety. The 46 affordable housing units further benefits the general welfare in the community by supporting lower income households.

5. Of a beneficial effect on the orderly development of property and the preservation of property values;

The project concentrates growth in an existing urbanized area as infill development and thereby results in fewer impacts from the construction of new infrastructure. The provision of a mix of uses in the Lawrence Station area, including higher intensity offices and higher density residential, is anticipated under the Land Use and Transportation Element. The project would not have a negative effect on property values in and around the area, and overtime will preserve and enhance those values.

6. Consistent with the requirements of the resolution.

The DA has been reviewed by City staff and has been found to be consistent with the requirements of Resolution 371-81.