City of Sunnyvale



Notice and Agenda Planning Commission

Monday, January 23, 2023	7:00 PM	Online Meeting: City Web Stream	
		Comcast Channel 15 AT&T Channel 99	

Special Meeting: Study Session - Canceled | Public Hearing - 7:00 PM

Meeting Online Link: https://sunnyvale-ca-gov.zoom.us/j/91827390357

Special Teleconference Notice

Because of the COVID-19 emergency and the health orders issued by Santa Clara County and the State of California, this meeting of the Sunnyvale Planning Commission will take place by teleconference, as allowed by Government Code Subdivision 54953(e) and Resolution No. 1089-21 (reaffirmed January 10, 2023).

Public Participation

• Teleconference participation: You may provide audio public comment by connecting to the teleconference meeting online or by telephone. Use the Raise Hand feature to request to speak (*9 on a telephone):

Meeting Online Link: https://sunnyvale-ca-gov.zoom.us/j/91827390357 Meeting call-in telephone number: 833-548-0276 | Meeting ID: 918 2739 0357 (*9 to request to speak | *6 to unmute/mute)

• Watch the Planning Commission meeting at http://youtube.com/SunnyvaleMeetings or on television over Comcast Channel 15, AT&T Channel 99

• Submit written comments to the Planning Commission no later than 4 hours prior to the meeting start to planningcommission@sunnyvale.ca.gov or by mail to: Sunnyvale Planning Division, 456 W. Olive Avenue, Sunnyvale, CA 94086-3707

• Review recordings of this meeting and past meetings at https://sunnyvaleca.legistar.com/calendar.aspx or http://youtube.com/SunnyvaleMeetings

Accessibility/Americans with Disability Act (ADA) Notice

Pursuant to the Americans with Disabilities Act (ADA), if you need special assistance to provide public comment, or for other special assistance; please contact the City at least 48 hours prior to enable the City to make reasonable arrangements to ensure accessibility to this meeting. The Planning Division may be reached at 408-730-7440 or at planning@sunnyvale.ca.gov (28 CFR 35.160 (b) (1)).

STUDY SESSION CANCELED

7 P.M. PLANNING COMMISSION MEETING

CALL TO ORDER

Call to Order via teleconference.

ROLL CALL

ORAL COMMUNICATIONS

This category provides an opportunity for members of the public to address the Planning Commission on items not listed on the agenda and is limited to 15 minutes (may be extended or continued after the public hearings/general business section of the agenda at the discretion of the Chair) with a maximum of up to three minutes per speaker. Please note the Brown Act (Open Meeting Law) does not allow the Planning Commission to take action on an item not listed on the agenda. If you wish to address the Planning Commission, please refer to the notice at the beginning of this agenda. Individuals are limited to one appearance during this section.

CONSENT CALENDAR

All matters listed on the consent calendar are considered to be routine and will be acted upon by one motion. There will be no separate discussion of these items. If a member of the public would like a consent calendar item pulled and discussed separately, please refer to the notice at the beginning of this agenda.

1. <u>23-0199</u> Approve Planning Commission Meeting Minutes of January 9, 2023

<u>Recommendation</u>: Approve Planning Commission Meeting Minutes of January 9, 2023 as submitted.

PUBLIC HEARINGS/GENERAL BUSINESS

If you wish to speak to a public hearing/general business item, please refer to

notice at the beginning of this agenda. Each speaker is limited to a maximum of three minutes. For land-use items, applicants are limited to a maximum of 10 minutes for opening comments and 5 minutes for closing comments.

2. 23-0084 Forward a Recommendation to the City Council to Adopt an Ordinance to Amend Chapter 19.36 of Title 19 of the Sunnyvale Municipal Code to Modify Table 19.36.060B Permitted, Conditionally Permitted, and Prohibited Uses in El Camino Real Specific Plan (ECRSP) zoning districts to conditionally permit Auto sales or rental in ECR-MU zoning districts and find that this action is within the scope of the program EIR for the El Camino Real Specific Plan pursuant to CEQA Guidelines Section 15168 (*Planning File #2022-7790*)

Recommendation: Alternative 1: Recommend to City Council, Adopt an Ordinance (Attachment 2 to the report) to Amend Chapter 19.36 of Title 19 of the Sunnyvale Municipal Code to Modify Table 19.36.060B Permitted, Conditionally Permitted, and Prohibited Uses in ECRSP Districts to conditionally permit Auto sales or rental in ECR-MU zoning districts and find that this action is within the scope of the program EIR for the El Camino Real Specific Plan pursuant to California Environmental Quality Act Guidelines Section 15168.

3. <u>23-0201</u> Proposed Project: Moffett Park Specific Plan Update PUBLIC COMMENTS ON THE DRAFT ENVIRONMENTAL IMPACT REPORT (DEIR) for the Moffett Park Specific Plan Update.

Comment Period: December 19, 2022 through February 10, 2023 Location: Moffett Park Specific Plan Area (APNs: Various) File #: 2018-7715 Zoning: Moffett Park (MP) - Various Applicant: City of Sunnyvale Environmental Review: An Environmental Impact Report has been prepared in compliance with California Environmental Quality Act (CEQA) provisions and City CEQA Guidelines. Project Planner: Michelle King, 408-730-7463, mking@sunnyvale.ca.gov

<u>Recommendation</u>: Staff recommends opening the public hearing to accept comments on the adequacy of the Draft EIR.

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

NON-AGENDA ITEMS AND COMMENTS

-Commissioner Comments

-Staff Comments

ADJOURNMENT

Notice to the Public:

Any agenda related writings or documents on this agenda distributed to members of the Planning Commission are available by contacting the Planning Division at 408-730-7440 or planning@sunnyvale.ca.gov. Agendas and associated reports are also available at sunnyvaleca.legistar.com/calendar.aspx 72 hours before the meeting.

Planning a presentation for a Planning Commission meeting? To help you prepare and deliver your public comments, please review the "Making Public Comments During City Council or Planning Commission Meetings" document available on the City website.

PLEASE TAKE NOTICE that if you file a lawsuit challenging any final decision on any public hearing item listed in this agenda, the issues in the lawsuit may be limited to the issues which were raised at the public hearing or presented in writing to the City at or before the public hearing.

PLEASE TAKE FURTHER NOTICE that Code of Civil Procedure section 1094.6 imposes a 90-day deadline for the filing of any lawsuit challenging final action on an agenda item which is subject to Code of Civil Procedure section 1094.5.



Agenda Item 1

23-0199

Agenda Date: 1/23/2023

<u>SUBJECT</u>

Approve Planning Commission Meeting Minutes of January 9, 2023

RECOMMENDATION

Approve Planning Commission Meeting Minutes of January 9, 2023 as submitted.



City of Sunnyvale

Meeting Minutes - Draft Planning Commission

Monday, January 9, 2023	5:30 PM	Online Meeting: City Web Stream
		Comcast Channel 15 AT&T Channel 99

Special Meeting: Study Session - 5:30 PM | Public Hearing - 7:00 PM

5:30 P.M. STUDY SESSION

Call to Order

Pursuant to Government Code Subdivision 54953(e), the meeting was conducted telephonically; pursuant to state law, the City Council made the necessary findings by adopting Resolution No. 1089-21, reaffirmed on December 13, 2022.

Vice Chair Iglesias called the meeting to order at 5:30 PM.

Roll Call

Study Session A. <u>23-0135</u> Prop Loca		Chair Martin Pyne Vice Chair Nathan Iglesias Commissioner Daniel Howard Commissioner John Howe Commissioner Michael Serrone Commissioner Neela Shukla Commissioner Carol Weiss		
Study S	ession			
Α.	<u>23-0135</u>	 Proposed Project: Related applications on a 6.13-acre site: USE PERMIT: to demolish existing medical office buildings and construct a mixed-use development project including 110 condominium units and 35,393 square feet of office space. TENTATIVE PARCEL MAP: to create 110 condominiums. Location: 877 West Fremont Avenue (APN: 202-23-007) File #: 2021-7922 Zoning: O (Office) Applicant/Owner: Silver Lake Foothill LLC (applicant and 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 Land Use and Transportation Element (LUTE) Environmental Impact Report (EIR). Project Planner: Aastha Vashist, (408) 730-7458, avashist@sunnyvale.ca.gov 		

В.	<u>23-0131</u>	Proposed Project: site:	Related applications on a 5.82-acre combined
		surface parkin and construct units per acre of above-grou TENTATIVE between the for the office development	PARCEL MAP: to relocate the existing lot line two office building lots, resulting in a 3.82-acre lot buildings and a 2-acre lot for the apartment
		File #: 2022-7168	,
		Zoning: MXD-I	
		Applicant/Owner: Pr Kifer LP (owner)	rometheus Real Estate Group (applicant) /1150
		Environmental Revi Guidelines 15168(c)(are addressed in the Environmental Impac	orge Schroeder, (408) 730-7443,

Adjourn Study Session

7 P.M. PLANNING COMMISSION MEETING

CALL TO ORDER

Pursuant to Government Code Subdivision 54953(e), the meeting was conducted telephonically; pursuant to state law, the City Council made the necessary findings by adopting Resolution No. 1089-21, reaffirmed on December 13, 2022.

Chair Pyne called the meeting to order at 7:30 PM.

ROLL CALL

Present: 7 -	Chair Martin Pyne
	Vice Chair Nathan Iglesias
	Commissioner Daniel Howard
	Commissioner John Howe
	Commissioner Michael Serrone
	Commissioner Neela Shukla
	Commissioner Carol Weiss

ORAL COMMUNICATIONS

Jaime Vasquez, field representative for Carpenters Local 405, spoke of labor standards, such as livable wages and medical and retirement benefits, that will enable constructions workers and their families to live in the communities where they work. He urged the City to rely upon the local workforce for developments to reduce commutes for workers and allow them to spend more time with their families after work. Mr. Vasquez also suggested that the City's establishment of an accredited apprenticeship program will produce an experienced workforce with the ability to complete high quality projects safely and in a timely manner. Lastly, he requested that the Planning Commission adopt area labor standards in all projects being built throughout the City.

CONSENT CALENDAR

There were no public speakers for this agenda item.

MOTION: Commissioner Howe moved and Commissioner Howard seconded the motion to approve the Consent Calendar.

The motion carried by the following vote:

- Yes: 6 Chair Pyne Vice Chair Iglesias Commissioner Howard Commissioner Howe Commissioner Serrone Commissioner Shukla
- **No:** 0
- Abstained: 1 Commissioner Weiss
- 1. <u>23-0132</u> Approve Planning Commission Meeting Minutes of December 12, 2022

PUBLIC HEARINGS/GENERAL BUSINESS

2. <u>23-0130</u> Forward Recommendation to City Council to Approve the Non-Residential Housing Mitigation Fee Nexus Study and Adopt a Resolution Amending the Housing Impact Fee for Non-Residential Development (Study Issue) and Find the Actions are Exempt from the California Environmental Quality Act pursuant to CEQA Guidelines Section 15378 (b)(4)

Housing Specialist Ryan Dyson and Stephanie Hagar, Principal at BAE Urban Economics, presented the staff report with a slide presentation.

Commissioner Weiss confirmed with Housing Specialist Dyson that the City Council already has the ability to approve alternative compliance options for mixed-use developments that incorporate affordable units in the project.

Commissioner Serrone questioned to what extent space per worker was considered, how current the data used for the study is, and to what extent remote work was incorporated into the study. Ms. Hagar answered that a variety of resources were used to examine employee density and noted that they were conservative when estimating the impact of new development when considering the fee amount to ensure that the maximum fee amount is legally justifiable.

Commissioner Serrone questioned the reason for two tiers for the mitigation fees. Housing Specialist Dyson responded that the lower tier fee is targeted for smaller developments.

Commissioner Serrone noted the high percentage of above-moderate-income employees in the Industrial/Warehouse land use category. Ms. Hagar explained that warehouses and industrial spaces are used for a wide variety of purposes and business types including tech start-ups. They considered the types of employees within each building type in the context of which industries occupy those spaces.

Commissioner Serrone proposed the idea of eliminating the housing mitigation fee for developments that serve as a strong source of revenue for the City. He added that doing so might encourage more of those development types within the City.

Commissioner Serrone inquired about whether it is concerning that retail, hotel, and industrial developments face feasibility challenges under the current fee structure and do not support a fee increase at this time. Housing Specialist Dyson and Ms. Hagar discussed other external economic and development factors that are posing challenges for retail, hotel, and industrial developments. These include increased land value and construction costs as well as uncertainty of the future due to the pandemic. Commissioner Howe confirmed with Housing Specialist Dyson that fees for all land use categories are adjusted annually for inflation.

At Vice Chair Iglesias' request, Ms. Hagar explained income distribution across all land use categories and the impact this would have upon affordable housing need and the fee rate.

Vice Chair Iglesias confirmed with Housing Specialist Dyson that the mitigation fee rate does not intend to target a certain percentage of the affordable housing need. Instead, the aim is to offset the affordable housing need.

Chair Pyne commented that only three developers participated in the developer focus group session described in page 13 of Attachment 3. Housing Specialist Dyson stated that a low response rate is fairly typical, but discussions with those developers allowed great insight into the budgets associated with non-residential development.

Chair Pyne opened the Public Hearing.

Mason Fong, author of the study issue, advised that more time is needed to effectively address the study issue and advocated for lower fees for retail, hotel, and industrial developments.

Commissioner Howard asked whether Mr. Fong has a call to action for the Planning Commission at this time. Mr. Fong advised the Planning Commission to defer the study issue to allow more time to address Commissioner questions and thoroughly educate the Commission on all aspects of the study issue.

Chair Pyne closed the Public Hearing.

Commissioner Shukla agreed that a more comprehensive study of developmental impacts may be needed before considering increasing the fee.

Vice Chair Iglesias also shared that he would like more time to review the information that has been provided since he has questions about the impacts that the fee rates may have.

Commissioner Serrone noted that the city of Santa Clara does not impose a fee on retail developments below five thousand square feet and that the city of San Jose does not impose fees on retail developments altogether. He also asked whether there is an urgency to complete the study issue and proposed the consideration of differentiating fees based upon City location or project type. Housing Officer Jenny Carloni responded by providing an overview of the nexus study, explaining why one is needed, and stated that this study includes the information and analysis required for a standard nexus study. Ms. Carloni noted that, historically, fees imposed by neighboring cities fall within a very comparable margin. She added that the urgency to adopt fees stems from the adoption of the Moffett Park Specific Plan in the near future.

Commissioner Howard spoke in overall support of recommending the staff recommendation to the City Council and explained why.

Chair Pyne stated that he is prepared to advocate for the recommendation that the Planning Commission approves when he attends the City Council meeting that is scheduled to review this study issue.

Commissioner Shukla voiced her support of staff's recommendations.

MOTION: Commissioner Shukla moved and Commissioner Weiss seconded the motion to recommend to City Council Alternatives 1 and 3: 1) Approve the Non-Residential Housing Mitigation Fee Nexus Study; 3) Adopt a Resolution Amending the Housing Impact Fee for Non-Residential Development for Office/R&D Development to Increase the Fee to \$11 per Square Foot for the First 25,000 Square Feet and \$22 per Square Foot for All Remaining Square Feet, Adjusted Annually for Inflation, with No Changes to the Fee Schedule for Retail, Lodging, and Industrial.

Commissioner Weiss spoke in support of the motion and urged her fellow Planning Commissioners to do the same.

Commissioner Howard expressed his support of the motion and shared his hope that the Planning Commissioners would arrive at a consensus.

Chair Pyne stated that he is in overall support of the motion.

The motion carried by the following vote:

- Yes: 7 Chair Pyne Vice Chair Iglesias Commissioner Howard Commissioner Howe Commissioner Serrone Commissioner Shukla Commissioner Weiss
- **No:** 0

This recommendation will be forwarded to the City Council for consideration at the January 24, 2023 meeting.

3. 23-0134 **Proposed Project:** Related applications on a 0.93-acre site: USE PERMIT for a new six-story hotel with 152 rooms, and VARIANCE to allow 14.5% parking lot shading where a minimum of 50% is required. Location: 1220 Oakmead Parkway (APN: 216-44-048) File #: 2022-7080 **Zoning:** Industrial and Service (M-S) Applicant / Owner: Arris Studio Architects (applicant) / BPR Properties UCSC LLC (owner) Environmental Review: The project is consistent with the Land Use and Transportation Element (LUTE) of the City's General Plan and no additional environmental review is required pursuant to CEQA Guidelines Section 15183 and Public Resources Code Section 21083.3. Project Planner: Kelly Cha, (408) 730-7408, kcha@sunnyvale.ca.gov

Associate Planner Kelly Cha presented the staff report with a slide presentation.

Commissioner Serrone confirmed with Associate Planner Cha that the project is exempt from public art requirements based on the size of the lot.

Commissioner Serrone commented that the proposed project's parking lot will largely be covered in shade due to the proposed building.

Commissioner Serrone received clarification from Associate Planner Cha that the proposed project's checklist is reflective of Leadership in Energy and Environmental Design (LEED) Gold Level.

Commissioner Serrone stated that he has additional questions regarding the proposed project's gas lines that he will follow up on later in the meeting.

Chair Pyne requested clarification on page A1.3 of Attachment 7 concerning the calculation for LEED level. Associate Planner Cha assured him that this clarification will be provided by the applicant.

Chair Pyne questioned whether updated Audible Pedestrian Systems (APS) will be included on the street opposite of the proposed project. Associate Planner Cha answered that the requirement improvement is limited to the project frontage.

Chair Pyne opened the Public Hearing.

Perry Patel (owner of Radiate Hospitality) and Adriana Cook (Architect at Arris Studio Architects) presented information about the proposed project.

Commissioner Weiss confirmed with Ms. Cook that the proposed project's meeting room accommodates approximately 113 individuals.

Commissioner Weiss questioned whether the proposed project has the capacity to supply enough parking to accommodate conference or meeting attendees. Ms. Cook assured Commissioner Weiss that the proposed project offers more parking spaces than the estimated demand and that other modes of transportation (i.e., ride share and public transportation) will be encouraged. Mr. Patel added that, in his experience, meeting and conference attendees are generally already hotel guests. He also mentioned that meetings are conducted during daytime hours when a greater amount of parking spaces is available.

Commissioner Weiss noted that page E-1 of Attachment 7 features bollard lights that do not appear to offer downlighting. Associate Planner Cha responded that, due to Recommended Condition of Approval PS-3, the proposed project's light fixtures must all be fully shielded to prevent unwanted glare or light spillage.

Commissioner Weiss proposed that a mosaic design be implemented for the blank white wall located on the proposed project's west elevation since such a design will offer long-lasting visual interest that will not experience wear over time.

Commissioner Howard shared his concerns about covering the blank white wall on the proposed project's west elevation with artificial plants. He suggested that a decorative metal panel or a mosaic design might be more suitable.

Commissioner Shukla commended improvements made to the proposed project since it was last reviewed at a Planning Commission study session. She also spoke

in support of the artificial plants that are being considered for the blank white wall located on the proposed project's west elevation.

Rani Fischer, Sunnyvale resident, expressed her gratitude for the proposed project's LEED Gold Level, the avian collision risk assessment that was conducted, and the proposed project's inclusion of glazed windows. She also voiced her opposition to the use of artificial plants for the blank white wall located on the proposed project's west elevation.

Ms. Cook presented additional information about the proposed project.

Chair Pyne closed the Public Hearing.

Commissioner Howard confirmed with Associate Planner Cha that Recommended Condition of Approval EP-29 has been corrected and may be found in Attachment 13 of the staff report.

MOTION: Commissioner Weiss moved and Commissioner Howard seconded the motion to Alternative 1 – Make the findings required to approve the CEQA determination that the project is consistent with the City's General Plan and no additional environmental review is required as noted in the checklist in Attachment 5, and approve the Use Permit and Variance based on the Recommended Findings in Attachment 3, and Recommended Conditions of Approval in corrected Attachment 4 (Attachment 13 of the staff report).

Recommended Condition of Approval EP-29 of Attachment 4 has been corrected in Attachment 13 and reads as follows: "TRAFFIC SIGNAL – Developer shall install two (2) new Audible Pedestrian System (APS) push buttons with touchless feature at the southwest corner of the intersection of Oakmead Parkway and Lakeside Drive, including the required control unit in the traffic signal cabinet. Modifications requested at the intersection of Oakmead Parkway and Lakeside Drive that are signalized may require traffic signal improvements which shall be designed and constructed in accordance with current City design guidelines. [COA] [PUBLIC WORKS]"

Commissioner Weiss recognized the proposed project for being carefully thought out and incorporating such technology as sealcoat for its parking lot. She also acknowledged the applicant's amenability to suggestions and stated that she looks forward to the seeing the proposed project's progress.

Commissioner Howard spoke in overall support of the proposed project and

anticipates seeing the art that will be showcased on the blank white wall located on the proposed project's west elevation.

Chair Pyne expressed his support of the proposed project. He also called attention to his ability to make the variance findings and the applicant's efforts to mitigate the proposed project's heat island effect.

The motion carried by the following vote:

Yes: 7 - Chair Pyne Vice Chair Iglesias Commissioner Howard Commissioner Howe Commissioner Serrone Commissioner Shukla Commissioner Weiss

No: 0

This decision is final unless appealed or called up for review by the City Council by 5:00 PM on Tuesday, January 24, 2023.

4. 23-0133 Selection and Ranking of Potential 2023 Study Issues

Principal Planner Amber Blizinski presented a brief overview on the study issue process and the procedures for dropping or deferring study issues before ranking them.

Commissioner Serrone asked if all of the Community Development Department's (CDD) study issues were on the list. Principal Planner Blizinski answered that only the CDD study issues that fall under the Planning Commission's purview are on the list, but that some CDD study issues that were sponsored by the Heritage Preservation Commission do not come to the Planning Commission for ranking.

Commissioner Shukla, regarding study issue CDD 23-03, inquired whether the City imposes an in-lieu fee for rental housing. Principal Planner Blizinski explained that this study issue would study an increase to the existing in-lieu fee for rental housing.

At Commissioner Howard's request, Principal Planner Blizinski provided details on study issue CDD 22-05.

Vice Chair Iglesias confirmed with Principal Planner Blizinski that the link to the study issue papers were included in the staff report and that the Planning Commissioners are required to verbally vote on each study issue.

At Commissioner Serrone's request, Principal Planner Blizinski explained what is meant by the asterisked sentence in Attachment 1 of the staff report.

Chair Pyne opened the Public Hearing.

There were no public speakers for this agenda item.

Chair Pyne closed the Public Hearing.

Commissioner Serrone shared that he is surprised that staff is not in support of study issue CDD 22-04 even though he would rank that study issue higher than others. He added that he thought that previous action to address study issue CDD 23-02 was taken by the Planning Commission. Principal Planner Blizinski explained that this is essentially a second Phase of an older study issue to rezone the properties.

Chair Pyne advocated for and spoke in support of study issue CDD 23-02 and offered his reasons why.

Together, the Planning Commissioners accepted the ranking of the Study Issues as follows:

 CDD 23-02: Consider General Plan Land Use Designation Amendments and Rezoning for 22 Legal Non-Conforming Single- and Two-Family Dwellings
 CDD 23-01: Consider Increasing Inclusionary Housing Requirements to 20% in New Residential Development
 CDD 22-04: Adopt Personal Electric Vehicle (PEV) Parking Standards
 CDD 23-03: Review and Potentially Update the Housing In-Lieu Fees for Rental

and Ownership Housing

5.) CDD 22-05: Consider Modifications to the Sunnyvale Municipal Code Related to Undergrounding Utilities

6.) CDD 23-04: Explore Expanding Sunnyvale Municipal Code Chapter 19.52 (Art in Private Development) to Include a Public Art Requirement for High Density Residential Developments (Including Affordable Housing)

This recommendation will be forwarded to the City Council for consideration at the

Study Issues and Budget Proposals Workshop on February 16, 2023.

STANDING ITEM: CONSIDERATION OF POTENTIAL STUDY ISSUES

None.

NON-AGENDA ITEMS AND COMMENTS

-Commissioner Comments

Commissioner Howard revealed that he is prepared to return to in-person Planning Commission meetings.

Commissioner Serrone mentioned a quote from the Land Use and Transportation Element (LUTE) regarding the City's lack of designated scenic vistas and shared that, in his opinion, this was a very sad thing.

-Staff Comments

Planning Officer Shaunn Mendrin announced that a virtual community on the draft plan and Environmental Impact Report (EIR) of the Moffett Park Specific Plan (MPSP) will be held on January 17, 2023. He added that this item will be reviewed by the Planning Commission on January 23, 2023.

Planning Officer Mendrin informed the Commissioners that at the City Council meeting of January 31, 2023, the City Council will conduct a community benefits prioritization workshop on the MPSP.

Planning Officer Mendrin stated that the City Council will consider the introduction of an ordinance to amend Chapter 19.36 of Title 19 of the Sunnyvale Municipal Code (SMC) on February 7, 2023. He explained that this item is also scheduled to be reviewed at the Planning Commission meeting of January 23, 2023.

Chair Pyne confirmed with Planning Officer Mendrin that the City Council will consider amendments to the Downtown Specific Plan for Block 20 on January 10, 2023.

ADJOURNMENT

Chair Pyne adjourned the meeting at 9:56 PM.



Agenda Item 2

23-0084

Agenda Date: 1/23/2023

REPORT TO PLANNING COMMISSION

<u>SUBJECT</u>

Forward a Recommendation to the City Council to Adopt an Ordinance to Amend Chapter 19.36 of Title 19 of the Sunnyvale Municipal Code to Modify Table 19.36.060B Permitted, Conditionally Permitted, and Prohibited Uses in El Camino Real Specific Plan (ECRSP) zoning districts to conditionally permit Auto sales or rental in ECR-MU zoning districts and find that this action is within the scope of the program EIR for the El Camino Real Specific Plan pursuant to CEQA Guidelines Section 15168 (*Planning File #2022-7790*)

BACKGROUND

El Camino Real has been the primary retail corridor in Sunnyvale for over five decades. This centrally located corridor provides access to a range of goods and services to community members and the region. Automobile dealerships on El Camino Real have played an important role as they are conveniently located for residents and regional guests to purchase, lease or rent vehicles as well as providing fiscal benefits to the City.

Over the years, housing has been introduced along the corridor as both stand-alone sites zoned primarily for residential development and as mixed-use (residential and commercial) sites. In 2017 the Council adopted the Land Use and Transportation Element (LUTE) of the General Plan which increased the potential for residential development from 1,600 housing units (existing) to allow an additional 4,200 housing units. Later in 2017, the City Council gave direction to further consider an increase to the allowable residential development by another 2,700 units, and to continue to plan for the provision of commercial retail and service opportunities, including automobile sales and rentals.

On June 28, 2022, the City Council adopted the El Camino Real Specific Plan (ECRSP) and related Zoning Code amendments with the goal of preserving (or slightly increasing) the amount of commercial use while accommodating residential buildout of 8,500 housing units. The Zoning Code use tables, as adopted, indicate that Auto sales and rentals may be considered with a Special Development Permit (SDP) in the El Camino Real Commercial zoning district (ECR-C) and are not permitted in the Mixed Use (ECR-MU), Office (ECR-O) or Public Facilities (ECR-PF) zoning districts.

The City Council is scheduled to consider this item on February 7, 2023.

EXISTING POLICY GENERAL PLAN: LAND USE AND TRANSPORTATION

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-12.9 Consider the importance of tax generation (retail, hotel, auto, and business-to-

business uses) to support the fiscal health of the community and to fund municipal services.

EL CAMINO REAL SPECIFIC PLAN

VISION STATEMENT: The El Camino Real Specific Plan (ECRSP) will support and enhance community-serving retail and provide significant new residential options while advancing sustainability and improving transportation safety and mobility choices.

El Camino Real Mixed-Use (ECR-MU): ECR-MU provides for regional, community, or employment-serving retail uses in conjunction with higher-density residential uses. Commercial uses are a crucial component of future development in the ECRSP Area. Based on the pedestrian -oriented, mixed-use concept being implemented by the ECRSP, development in these sub-areas on El Camino Real is required to provide a ground-floor commercial use. As defined in this chapter and in Chapter 19.36 of the SMC, residential densities in the ECR-MU range from 24 to 54 units per acre and are designated by the zoning district. It may be possible to exceed the maximum density on a corridor mixed-use property through the ECRSP or other local incentive program and/ or through State density bonuses, when allowed.

General Land Use Policies LU-P1 Stimulate reuse and intensification of some properties in the ECRSP Area with a mixed-use, transit-oriented development focus while recognizing the importance of retaining commercial uses and commercial square footage along El Camino Real.

Mixed-Use and Retail Policies LU-P15 Ensure continued opportunities for a diverse range of retail and service uses in the ECRSP Area, even as the character, mix of land uses, and transit opportunities along El Camino Real change over time. LU-P16 Target no net loss of commercial square footage when parcels are redeveloped with new buildings and uses.

Site Frontage Policies LU-P17 When mixed-use developments are proposed, El Camino Real frontages should be "vertical" mixed-use to frame a vibrant pedestrian environment.

DISCUSSION

Before the adoption of the ECRSP several Preliminary Review requests and formal applications for mixed-use development proposals were submitted to the City. One of the applications (an SDP) included the novel integration of automobile sales and residential use. In this application, the area allocated for auto sales could also be used for other retail and retail service uses. This application demonstrated to staff that it is possible for automobile sales and residential development to exist on the same site, particularly as vertically mixed uses.

As part of the preparation of the Zoning Code allowable land use tables for the ECRSP staff inadvertently designated automobile sales and rentals as a use not permitted in ECR-MU (mixed-use) zoning districts. To correct this error, a zoning code amendment is recommended to change the use from not permitted to conditionally permitted (requires approval of a Special Development Permit - SDP), as demonstrated in the table below.

Permitted, Conditionally Permitted, and Prohibited Uses in ECRSP Districts				
USE	ECR-C	ECR- MU	ECR-O	ECR-PF
5. AUTOMOTIVE				
A. Automobile service station ⁴⁴	SDP	N	N	N
B. Auto sales or rental	SDP	NSDP	N	N
C. Auto broker for 3 or fewer vehicles on site	MPP	N	N	N
D. Sale or rental of utility trailers, heavy equipment, or machinery	N	N	N	N
E. Automobile/vehicle service and repair	SDP	N	N	N
F. Car wash facility	N	N	N	N

Table 19.36.060B Permitted, Conditionally Permitted, and Prohibited Uses in ECRSP Districts

[1] ECR-MU sites that have not introduced residential uses are subject to the ECR-C use standards.

[4] Automobile service stations with sale of groceries, beer and wine, or both, require findings as set forth in Section 19.98.020(j), as applicable.

ENVIRONMENTAL REVIEW

On June 28, 2022 (RTC No. 22-0694), the City Council certified a program-level Environmental Impact Report (EIR) (SCH #2017102082), adopted a Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program for the ECRSP (see links in Attachment 3). In conjunction with the adoption of the ECRSP, the City Council approved an Ordinance adopting Chapter 19.36 of the Sunnyvale Municipal Code to implement the goals and policies of the ECRSP. Due to an inadvertent drafting error, Table 19.36.060B included a "N" (Not Permitted) for "Auto sales or rental" in the ECR-MU, instead of "SDP" to indicate that such uses may be approved through a Specific Development Permit.

The proposed amendment to authorize auto sales or rentals in the ECR-MU zoning district with a Special Development Permit is within the scope of the program EIR and is therefore exempt from additional environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15168, which provides that an agency may rely on a program EIR for later activities that do not require subsequent environmental review under the criteria outlined in Section 15162.

Auto uses within the ECR corridor are expressly contemplated and encouraged by the ECRSP:

- Ch. 2, p.21, Vision: "New and long-established businesses and auto dealerships will coexist and continue to thrive in updated and prominent storefronts."
- Ch. 2, p.23, Guiding Principle 4: "Auto-dealerships and other regional drawing businesses will be supported alongside small businesses and residences."
- Ch. 3, p.34, Urban Design Framework. "Auto dealerships and services will continue to be supported and encouraged in the West Segment (as well as elsewhere along El Camino Real)."
- Ch. 4, Section 2.1, Land Use Classifications, ECR-MU: "ECR-MU provides for regional, community, or employment-serving retail uses in conjunction with higher-density residential

uses. Commercial uses are a crucial component of future development in the ECRSP Area."

The EIR incorporated the vision and objectives stated in the ECRSP, including references to auto uses. See ES-1.2.3, Project Vision; ES-1.2.4, Project Objectives; 2.4.1, Specific Plan Vision; and 2.4.2, Project Objectives.

As a result, the City Council may exercise its independent judgment and analysis to find that amending the use table in the Sunnyvale Municipal Code to allow auto sales and rentals with the ECR-MU zoning districts falls within the environmental parameters analyzed in the program EIR, will not result in any new significant environmental effects or a substantial increase in the severity of any previously identified effects beyond those disclosed and analyzed in the program EIR, and no new mitigation will be required.

FISCAL IMPACT

There is no direct fiscal impact associated with this Zoning Code change. Providing more opportunities for automobile sales and rental within the ECRSP supports the fiscal health of the community by increasing the retail sales tax revenues that help fund municipal services.

PUBLIC CONTACT

As of the date of staff report preparation, staff has received no comments on the item.

Notice of Public Hearing, Staff Report and Agenda:

- Published in the Sun newspaper
- Posted on the City of Sunnyvale's Web site
- Provided at the Reference Section of the City of Sunnyvale's Public Library
- Agenda posted on the City's official notice bulletin board

ALTERNATIVES

Recommend to City Council:

- 1. Adopt an Ordinance (Attachment 2 to the report) to Amend Chapter 19.36 of Title 19 of the Sunnyvale Municipal Code to Modify Table 19.36.060B Permitted, Conditionally Permitted, and Prohibited Uses in ECRSP Districts to conditionally permit Auto sales or rental in ECR-MU zoning districts and find that this action is within the scope of the program EIR for the El Camino Real Specific Plan pursuant to California Environmental Quality Act Guidelines Section 15168.
- 2. Do not introduce the Ordinance.

STAFF RECOMMENDATION

Alternative 1: Recommend to City Council, Adopt an Ordinance (Attachment 2 to the report) to Amend Chapter 19.36 of Title 19 of the Sunnyvale Municipal Code to Modify Table 19.36.060B Permitted, Conditionally Permitted, and Prohibited Uses in ECRSP Districts to conditionally permit Auto sales or rental in ECR-MU zoning districts and find that this action is within the scope of the program EIR for the EI Camino Real Specific Plan pursuant to California Environmental Quality Act Guidelines Section 15168.

Adoption of this Ordinance will correct an error on the permitted land use tables for El Camino Real Specific Plan Mixed Use (ECR-MU) zoning districts.

23-0084

Prepared by: Trudi Ryan, Director of Community Development Reviewed by: Teri Silva, Assistant City Manager Approved by: Kent Steffens, City Manager

ATTACHMENTS

- 1. Reserved for Report to Council
- 2. Draft Ordinance
- 3. Links to El Camino Real Specific Plan ElR and Other Documents

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ORDINANCE NO. ____-23

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE AMENDING TABLE 19.36.060B OF CHAPTER 19.36 (EL CAMINO REAL SPECIFIC PLAN DISTRICT) OF TITLE 19 (ZONING) OF THE SUNNYVALE MUNICIPAL CODE RELATED TO AUTO SALES OR RENTAL IN ECR-MU ZONING DISTRICTS.

THE CITY COUNCIL OF THE CITY OF SUNNYVALE DOES ORDAIN AS FOLLOWS:

<u>SECTION 1.</u> TABLE 19.36.060B AMENDED. Table 19.36.060B (Permitted, Conditionally Permitted, and Prohibited Uses in ECRSP Districts) of Chapter 19.36 (El Camino Real Specific Plan District) of Title 19 (Zoning) of the Sunnyvale Municipal Code is hereby amended to read as follows:

USE	ECR-C	ECR- MU ^[1]	ECR-O	ECR-PF
1. – 4. [Text unchanged]		[Text unchanged]		
5. AUTOMOTIVE				
A. Automobile service station ^[4]	SDP	N	Ν	Ν
B. Auto sales or rental	SDP	N <u>SDP</u>	N	N
C. Auto broker for 3 or fewer vehicles on site	MPP	N	N	N
D. Sale or rental of utility trailers, heavy	N	N	N	N
equipment, or machinery				
E. Automobile/vehicle service and repair	SDP	N	N	N
6. – 10. [Text unchanged]	[Text unchanged]			
[1] [10] [Teut unchanned]				

Table 19.36.060BPermitted, Conditionally Permitted, and Prohibited Uses in ECRSP Districts

[1] – [10] [Text unchanged]

<u>SECTION 2.</u> CEQA. The City Council finds that adoption of this ordinance is within the scope of the program EIR for the El Camino Real Specific Plan (SCH# 2017102082) and is therefore exempt from additional CEQA review per CEQA Guidelines Section 15168.

<u>SECTION 3.</u> EFFECTIVE DATE. This ordinance shall be in full force and effect thirty (30) days after adoption.

<u>SECTION 4.</u> PUBLICATION. The City Clerk is directed to cause copies of this ordinance to be posted in three (3) prominent places in the City of Sunnyvale and to cause publication once in <u>The Sun</u>, the official newspaper for publication of legal notices of the City of Sunnyvale, of a notice setting forth the date of adoption, the title of this ordinance, and a list of places where copies of this ordinance are posted, within fifteen (15) days after adoption of this ordinance.

Introduced at a regular meeting of the City Council held on _____, 2023, and adopted as an ordinance of the City of Sunnyvale at a regular meeting of the City Council held on _____, 2023, by the following vote:

AYES: NOES: ABSTAIN: ABSENT: RECUSAL:

ATTEST:

APPROVED:

DAVID CARNAHAN City Clerk Date of Attestation: LARRY KLIEN Mayor

(SEAL)

APPROVED AS TO FORM:

JOHN A. NAGEL City Attorney

Sunnyvale

RTC #: 23-0084

- 1. Document Title: Draft Environmental Impact Report Link: ECR Specific Plan Draft EIR 030922.pdf | Powered by Box
 - a. Document Title: Appendix A Notice of Preparation and Comment Letters Received Link: <u>AppendixA-Notice of Preparation and Comment Letters Received.pdf | Powered by Box</u>
 - b. Document Title: Appendix B Air Quality, Greenhouse Gas Emissions, Energy Data Link: <u>AppendixB-Air Quality-Greenhouse Gas Emissions-Energy Data.pdf</u> | Powered by Box
 - c. Document Title: Appendix C Noise Data
 Link: <u>AppendixC-Noise Data.pdf | Powered by Box</u>
 - d. Document Title: Appendix D Transportation Impact Analysis
 Link: <u>Appendix D Transportation Impact Analysis 2020 01 27.pdf</u> | Powered by Box
 - e. Document Title: Appendix D Transportation Impact Analysis and Errata Link: <u>Appendix D - Transportation Impact Analysis 2022</u> 01 20 + Errata.pdf | Powered by Box
 - f. Document Title: Appendix E Water Supply Assessment Link: <u>AppendixE-Water Supply Assessment.pdf | Powered by Box</u>
 - **g.** Document Title: Notice of Availability Link: ECR DEIR Notice of Availability.pdf | Powered by Box
- 2. Document Title: Final Environmental Impact Report Link: <u>ECRSP Final EIR.pdf | Powered by Box</u>
 - a. Document Title: Attachment 1 Transportation Impact Analysis
 Link: <u>Attachment 1 Transportation Impact Analysis.pdf | Powered by Box</u>
 - b. Document Title: Attachment 2 Water Supply Assessment Link: <u>Attachment 2 - Water Supply Assessment.pdf | Powered by Box</u>
- 3. Webpage Title: El Camino Real Specific Plan Project Webpage (Hosted by Consultant M-Group) Link: <u>Sunnyvale El Camino Real Corridor Specific Plan (m-group.us)</u>



Agenda Item 3

23-0201

Agenda Date: 1/23/2023

REPORT TO PLANNING COMMISSION

<u>SUBJECT</u>

Proposed Project: Moffett Park Specific Plan Update PUBLIC COMMENTS ON THE DRAFT ENVIRONMENTAL IMPACT REPORT (DEIR) for the Moffett Park Specific Plan Update.
Comment Period: December 19, 2022 through February 10, 2023
Location: Moffett Park Specific Plan Area (APNs: Various)
File #: 2018-7715
Zoning: Moffett Park (MP) - Various
Applicant: City of Sunnyvale
Environmental Review: An Environmental Impact Report has been prepared in compliance with California Environmental Quality Act (CEQA) provisions and City CEQA Guidelines.
Project Planner: Michelle King, 408-730-7463, mking@sunnyvale.ca.gov

SUMMARY OF PROJECT LOCATION AND DESCRIPTION

The Moffett Park Specific Plan Area is approximately 1,270 acres (hereinafter referred to as "Moffett Park") and is located in the northernmost portion of the City. Moffett Park is generally bounded by State Route (SR) 237 to the south, Moffett Federal Airfield and a golf course to the west; Twin Creeks Sports Complex, and Baylands Park to the east. Although not in the Moffett Park Plan area, but within the City boundary, the former/closed Sunnyvale landfill, Sunnyvale Materials Recovery and Transfer (SMaRT) Station®, Donald M. Somers Water Pollution Control Plant (WPCP), WPCP salt ponds for wastewater treatment (an open-water pond), and the San Francisco Bay are located to the north of Caribbean Drive and the Moffett Park Area.

The proposed project is a comprehensive, City-initiated update of the existing Specific Plan. The proposed Specific Plan update provides a vision, guiding principles, development standards, and design guidelines for future development within Moffett Park. The Specific Plan would allow for: the addition of residential uses with greater building heights than allowed in the existing Specific Plan; and, an increase in the allowable square footage and heights for office/industrial/R&D, commercial, and institutional uses within Moffett Park. The updated Specific Plan would allow for a net increase of 20,000 residential units (where there are no residential units existing today), 650,000 square feet of commercial uses, 10.0 million square feet of office/industrial/R&D uses, and 200,000 square feet of institutional uses beyond what is currently existing and recently approved. As a result, the buildout of the Specific Plan (which would include existing, recently approved, and proposed uses) would result in a total of 20,000 residential units and approximately 33.5 million square feet of commercial, office/industrial/R&D, and institutional uses. Refer to table 2.3-1 in the DEIR for a breakdown of the various use calculations.

DISCUSSION

23-0201

The main purpose of this public hearing is to provide an additional forum for members of the public to comment on the adequacy of the Draft EIR. Prior to the public hearing, staff will provide an overview of the Draft MPSP and Draft EIR. The Draft Proposed Moffett Park Specific Plan is included in the Attachment as Appendix B.

PUBLIC CONTACT

As of the date of staff report preparation, staff has received no comments on the Draft EIR. The public comment period for the Moffett Park Specific Plan Update Draft EIR ends on February 10, 2023 at 5:00 p.m.

STAFF RECOMMENDATION

Staff recommends opening the public hearing to accept comments on the adequacy of the Draft EIR.

Prepared by: Michelle King, Principal Planner Reviewed by: Shaunn Mendrin, Planning Officer Approved by: Trudi Ryan, Director of Community Development

ATTACHMENTS:

1. Links to Moffett Park Specific Plan DEIR and Associated Documents



File #: 23-0201

Document Title: Links to the Moffett Park Specific Plan DEIR and Associated Documents

Notice of Availability #2018-7715

DEIR #2018-7715 (26 MB)

Draft EIR Appendices:

Appendix A - Notice of Preparation and Comments Appendix B - Draft Proposed Moffett Park Specific Plan (34 MB) Appendix C - Existing and Proposed Employment Appendix D - Air Quality and Greenhouse Gas Analysis Appendix E - Biology Report Appendix F - Hazardous Materials General Plan Review and Environmental Evaluation Reports (9 MB) Appendix G - Groundwater, Stormwater and Sea Level Rise Information (6 MB) Appendix I - Noise and Vibration Assessment Appendix I - Transportation Reports (36 MB) Appendix J - Water Supply Assessment Appendix K - Wastewater Master Plan Report Appendix L - Water Master Plan Report Appendix M - Water Storage Memo

Previously Published CEQA Document:

Notice of Preparation #2018-7715

For additional information on the Moffett Park Specific Plan, CEQA notice information, and related documents, please visit the City's <u>CEQA Environmental Notices</u> web page.