

2 **14-0150** **File #:** 2012-8014
Location: 645 Almanor Ave. (APN: 165-44-004, -005, -008, -009, -010, -011)
Proposed Project: Discussion and Possible Action to:
 REZONE from M-S (Industrial and Service) to M-S/FAR 100 (Industrial and Service/100% FAR)
 DESIGN REVIEW to allow construction of a 6-story, 172,675 square foot office R&D building at 100% Floor Area Ratio (FAR) and serviced by a new 5-level parking structure
Applicant / Owner: Arctec Inc. / St. Jude Medical
Environmental Review: A Mitigated Negative Declaration has been prepared in compliance with California Environmental Quality Act provisions and City Guidelines.
Staff Contact: Shétal Divatia, (408) 730-7637, sdivatia@sunnyvale.ca.gov

Shetal Divatia, Senior Planner, presented the staff report.

Comm. Durham confirmed with Ms. Ryan that the mitigation measures were intended to be made Conditions of Approval (COA). Comm. Durham discussed his concerns with a dearth of bike lanes and bike accessibility. Trudi Ryan, Planning Officer, said the development of the Peery Park Specific Plan (PPSP) includes a number of plans for improving bicycle facilities.

Comm. Simons discussed accessibility to the project. Ms. Ryan explained that one COA requires the applicant to gain approval from the Santa Clara Valley Water District (SCVWD) and the County of San Francisco prior to the project moving forward. Comm. Simons asked if this project would need to be compliant with any future changes that the PPSP may implement. Ms. Ryan said that without the PPSP, the Commission could not impose upon this project future, unknown implementation measures. Comm. Simons and Ms. Ryan discussed changes in landscape requirements.

Vice Chair Olevson and Jack Witthaus, Transportation and Traffic Manager, discussed the process of plan review during the planning stages of a project. Vice Chair Olevson and Ms. Ryan discussed the projected increase in the number of trips for the site and how that would be offset by a Transportation Demand Management (TDM) plan. Vice Chair Olevson confirmed with Ms. Ryan that if changed, the zoning for this site would permanently be Industrial and Service - 100% Floor Area Ratio (MS-FAR 100%).

Comm. Klein confirmed with Ms. Ryan that the existing Riverbed site, which is currently built to 62%, would have to meet all of the zoning standards to build

up to 100% FAR, which Ms. Ryan said would be difficult due to the current site design. Comm. Klein and Ms. Ryan discussed the balance of the development pool.

Comm. Harrison commented on accessibility to the light rail station by bicycle. Mr. Witthaus discussed construction of future bike facilities, and said this project will contribute to the Traffic Impact Fee (TIF) that includes the Mary Avenue bike lane project. Comm. Harrison commented on the high number of parking spaces versus the number of additional AM and PM peak trips.

Chair Melton and Ms. Ryan discussed the rights of the San Francisco Public Utilities Commission (SFPUC) and the SCVWD to refuse crossing over the properties. In response to Chair Melton's inquiry, Ms. Ryan explained that continuing this item to a future date would likely mean the item would also be continued by City Council and is not being recommended by staff. Chair Melton confirmed with Ms. Divatia that there is a COA that requires completed sidewalk installation.

Chair Melton opened the public hearing.

Craig Almeleh, architect for the project, presented slides of the proposed site while discussing its architectural elements, landscaping and the process through which they will go to gain access approval from both property owners.

Comm. Simons and Mr. Almeleh discussed time frames for utility maintenance near the site. Comm. Simons commented on mechanical screening on top of the building, and confirmed with Mr. Almeleh he would have no problem including in the COA any future added equipment and antennas.

Comm. Harrison confirmed with Mr. Almeleh that he would not have any issue meeting LEED gold. Comm. Harrison and Mr. Almeleh discussed sustainable design of the the irrigation system. Comm. Harrison confirmed with Mr. Almeleh that he would not consider a green roof as part of the LEED certification due to small roof size. Comm. Harrison confirmed with Mr. Almeleh that there is sufficient space for more bicycle parking.

Comm. Rheame confirmed with Mr. Almeleh that there are entrances to the building on both the south and west sides.

Comm. Durham and Mr. Almeleh discussed options for bicycle parking.

Chair Melton closed the public hearing.

Comm. Simons confirmed with Ms. Ryan that the City does not have a green roofing requirement for reflective heat-reducing roofs. Ms. Ryan said it is recommended to not have a condition that specific.

Comm. Klein asked if the Commission decides to continue the item in response to the SFPUC letter would staff suggest to continue it to a future date specified or to leave it open. Ms. Ryan explained that the SFPUC is not asking the Commission to defer a decision but to consider their concerns throughout deliberation.

Chair Melton confirmed with Ms. Ryan that Alternative 3 to rezone the site would subtract from the Citywide development pool.

In response to an earlier question posed by Comm. Rheume regarding removal of trees, Ms. Ryan said 45 of the 48 trees are protected, that 14 of the 45 protected trees would be removed, and that the significant tree statement should have been edited out of the report.

MOTION: Comm. Klein moved to continue the item to a future date determined by staff. Chair Melton seconded for purposes of discussion.

Comm. Klein said he wanted to continue the item for one major reason, which is that the SFPUC said they had issues, and the applicant has had a long period to deal with the SFPUC, to which they have received a response at this late moment. He said the applicant said there might be some clearance issues with the building, or that the SFPUC might say something about the setbacks of the parking garage encroaching on the work area. He said because it might affect the access of the traffic flow and a possible setback of those buildings based on how close they are to the Hetch-Hetchy right-of-way, he would like to see an agreement and the SFPUC sign off on the placement of the buildings rather than having it worked out at a later date.

Chair Melton said he seconded for purposes of discussion, but would not be supporting the motion. He said the applicant has an experienced architect who has dealt with the SFPUC before and will do a good job, and if something needs further attention it will go to the City Council.

Motion failed by the following vote:

YES: 2 - Commissioner Klein

Commissioner Simons

NO: 5 - Commissioner Durham
Commissioner Rheaume
Vice Chair Olevson
Chair Melton
Commissioner Harrison

Comm. Simons moved Alternatives: (1) to adopt the Mitigated Negative Declaration; (3) to introduce an ordinance to Rezone the six parcels comprising the site from M-S (Industrial and Service) to M-S/100FAR (Industrial and Service/100%FAR); (6) to approve the Design Review with modifications to the Conditions of Approval (COA), with the modifications:

- a. include antennas and future added equipment to the language of COA BP-10 regarding Roof Equipment;
- b. include in BP-14 that replacement trees shall be native estate-sized, large species trees, and that new landscape shall have a low-water requirement;
- c. include language in BP-23 that secured bicycle spaces shall be visible, not hidden by future landscape growth;
- d. recommend that any new company at this site join any future Peery Park Transportation Demand Management association;
- e. include in GC-8 the language that the streetscape design should match the Santa Clara Valley Transportation Authority's Pedestrian Design Guidelines.
- f. Recommend the creation of a cool roof as a priority.

Comm. Harrison seconded.

Comm. Simons said he is always concerned with large projects that may have modifications to make it a desirable project, and that this project is one that has many COAs and changes he thought were required. He said he is leaving it open to other Planning Commissioners to add requirements because he may have missed some as he was adding these conditions throughout the discussion.

Comm. Harrison said this is a very large project that is increasing the density of job growth and traffic, but that the applicant has done a good job addressing the aesthetics and specifics, to extent that they can, of the transportation effect and energy usage. She said the applicant appears to be very experienced and has indicated the effort to go along with what the city needs.

Comm. Klein said he will not be supporting the motion, and applauds the applicant for working on LEED standards. He said he likes the design of the building, but has issues with this project in general. He said as much as the applicant says they are not trying to make a utilitarian parking structure, one corner is well designed while the rest is utilitarian in appearance, and it is trying to be hidden by a certain amount of trees, but is visible depending on how you look at the project. He said he questions the reasoning behind extending the MS FAR 100% zoning for this project from the Riverbed site while the PPSP is still being resolved. He said a lot of density is being added and the PPSP is meant to describe how density will be spread throughout and spot zoning is being done on the north end of a project that has very little transportation access, which the plan may resolve later. Comm. Klein said maybe this is right spot for MS-FAR 100%, that the site closer to Highway 101 and Mathilda is, but that he will not know until the plan is there. He said regarding the SFPUC issue, dealing with government agencies is never easy, and the issues may or may not be resolved by the time this comes before City Council. He said this project straddles a right-of-way that is critical to how this project will be maintained in the future, and that not resolving the issues before the plan comes in front of us and making a valid recommendation to Council does not seem to be the appropriate thing to do.

Vice Chair Olevson said he appreciates Comm. Klein's comments, and that as an engineer he always wanted to have every design, vendor, supplier and customer lined up before kicking off a project. He said later as business leader, he appreciated the saying, "shoot the engineers and get the project kicked off." He said the applicant has demonstrated a lot of experience dealing with all of issues with this project, whether it is the SFPUC, the water district or Planning Division. He said they have put together their first building and are now coming back with an extremely oddly-shaped lot and want to add to that, and that the accommodations they are projected to make with the COAs will enhance this part of Sunnyvale. He said he shares the concern that we are moving ahead with approvals while the PPSP is still being written, but that this is the format Council wanted to use until that plan is in place. He said he accepts that and is prepared to make the findings for this project and support the COAs that were added.

Comm. Durham said he also has concerns about the project being in Peery Park and the TDM issues. He said he thinks this is probably the best place to have this type of zoning, but that there are concerns to him about how people will get in and out of the site, and regarding the traffic study, it does not seem

right that traffic will only go up to one quarter of the allotted parking spaces. He said there do not seem to be any facilities there to encourage boosting ridership and pedestrian access. He said all in all this is a pretty good project and the applicant did a good job, so he can make the findings.

Chair Melton said he will be supporting motion and that there is a lot going on in this motion. He thanked the members of the public for waiting patiently while the Planning Commission was going through deliberations, and thanked the applicant and architect for making their presentation. He said he agrees with what Vice Chair Olevson said about Perry Park and that we know we have a specific plan coming and the City Council is maintaining direct control and oversight over certain sized projects being done in Peery Park. He said he trusts the process and that it will be great when the specific plan is completed and everyone is marching to the same document. He said he is very happy to see the residential views of the project showing no impact on sight lines, and that he likes that this project is being done by an employer and occupant in Sunnyvale. He said a lot of the projects done here are by developers, which is perfectly fine, but he likes that this project is being done by an employer that is stepping forward and increasing their turf and footprint in the city. He said the final thing he wants to mention is the citywide development pool and Balanced Growth Profile (BGP) as it pertains to the General Plan (GP). He reiterated that back in January he made a motion that was approved by the Planning Commission to request a joint study session with Council to discuss the BGP and GP, and City Council simultaneously went through the procedure to request a joint study session, so he is comfortable with the BGP and the citywide development pool. He said the Planning Officer expressed the expectation that the study session will be ready for prime time in the next few months, so he is not viewing these as inhibitors on making the findings for this project, and that he is looking forward to the project coming to fruition.

FINAL MOTION:

Comm. Simons moved Alternatives: (1) to adopt the Mitigated Negative Declaration; (3) to introduce an ordinance to Rezone the six parcels comprising the site from M-S (Industrial and Service) to M-S/100FAR (Industrial and Service/100%FAR); (6) to approve the Design Review with modifications to the Conditions of Approval (COA), with the modifications:

- a. include antennas and future added equipment to the language of COA BP-10 regarding Roof Equipment;
- b. include in BP-14 that replacement trees shall be native estate-sized, large species trees, and that new landscape shall have a low-water

requirement;

c. include language in BP-23 that secured bicycle spaces shall be visible, not hidden by future landscape growth;

d. recommend that any new company at this site join any future Peery Park Transportation Demand Management association;

e. include in GC-8 the language that the streetscape design should match the Santa Clara Valley Transportation Authority's Pedestrian Design Guidelines.

f. Recommend the creation of a cool roof as a priority.

Comm. Harrison seconded. Motion carried by the following vote:

Yes: 6 - Commissioner Durham
Commissioner Harrison
Chair Melton
Vice Chair Olevson
Commissioner Rheaume
Commissioner Simons

No: 1 - Commissioner Klein