

**2**      **14-0572**      **File #:** 2013-8029  
**Location:** 523 E. Homestead Road (APNs: 309-44-003, 309-44-049, 309-44-050)  
**Proposed Project:** Related applications on a 0.9-acre site:  
                         **SPECIAL DEVELOPMENT PERMIT:** to allow 7 single-family homes, and  
                         **VESTING TENTATIVE MAP:** to create 7 ownership lots.  
**Applicant / Owner:** S&S Construction, LLC/Louis Mariani Trustee  
**Environmental Review:** Mitigated Negative Declaration  
**Project Planner:** Noren Caliva-Lepe, (408) 730-7659, ncaliva-lepe@sunnyvale.ca.gov  
**NOTE:** This item was continued from the Planning Commission meeting of May 28, 2014.

Noren Caliva-Lepe presented the staff report.

Comm. Durham confirmed with Trudi Ryan, Planning Officer, the minimum number of units required for the Below Market Rate (BMR) program.

Comm. Klein confirmed with Ms. Caliva-Lepe the number of parking spaces that will be removed to allow construction of the project's driveway.

Chair Melton opened the public hearing.

Stephen Stapley, CEO of S&S Construction, gave a presentation on, and addressed neighborhood concerns about, the proposed project.

Tsing-Ping Chang, a Sunnyvale resident, asked the Commission to give more consideration to neighborhood concerns with safety, an increase in traffic and reduction in parking spaces.

Holly Lofgren, a Sunnyvale resident, said she thinks the site should be considered an R-1 zoning area and that the developer should provide adequate on-street parking.

Mary Depew, a Sunnyvale resident, said she thinks the zoning laws put in place 40 years ago need to be revisited and asked the Commission to consider the people who are living in the area now.

Arthur Low, a Sunnyvale resident, said the applicant has addressed his initial concerns and recommended approval of the project.

Larry Alba, a Sunnyvale resident, said the Commission should consider the

emergency drought and asked that the City halt approval of new projects.

Lisa Bonneti, a Sunnyvale resident, said she is worried about traffic safety and adding a greater load to the existing infrastructure, especially connecting a new private sewer line to the aged main line on Canary.

Lenora Heuchert, said she is speaking on behalf of the Ortega Park Neighborhood Association (OPNA), and that her main concern is the crowding of local schools. She said the developer should have gotten input from OPNA.

Mr. Stapley, said he thinks parking has been addressed sufficiently, and that community input was solicited.

Vice Chair Olevson confirmed with Mr. Stapley that out of the five additional parking spaces provided within the project, three are exclusive to the larger homes.

Comm. Harrison confirmed with John Berry, the civil engineer for the project, that one private sewer connection would service all seven homes and that the developer would not be repairing or replacing the sewer line on Canary.

Chair Melton closed the public hearing.

Comm. Harrison confirmed with Ms. Caliva-Lepe that the Department of Public Works found that the public portion of the sewer line on Canary is fully functional that there is enough water to serve a build out of the General Plan

Vice Chair Olevson confirmed with staff the number of parking spaces that will be removed from Canary Drive.

Comm. Klein moved Alternative 2 to adopt the Mitigated Negative Declaration and approve the Special Development Permit and Vesting Tentative Map with modified findings and conditions:

- 1) To include an option for smooth textured stucco;
- 2) Add a Condition of Approval for a complaint coordinator for neighborhood issues during construction;
- 3) Add a Condition of Approval to require a designated parking area for construction vehicles and personnel for the duration of construction;
- 4) To require permeable pavers for the added parking spaces within the project; and
- 5) Suggest staff conduct an appropriate traffic analysis for the corner of Canary and Homestead to determine whether or not a traffic signal is required.

Comm. Rheaume seconded.

Comm. Klein said he thinks the developer has tried to reduce the impacts on the community from the standpoint that a single parking space will be taken out for the exit driveway, and that from a project standpoint there are no deviations requested. He said the closest thing is the number of units, but he thinks that the reduced density fits better in this area. He said he understands the neighbors' traffic concerns and that seven homes exiting onto Canary will definitely add traffic, but that there are already traffic calming measures in place and that a traffic signal may ultimately be required when staff looks at the issue. He said the additional parking on the site rids the project of some of the major issues, and that reduction of one spot to provide the exit keeps a majority of the parking on site. He said each home has a two-car garage, can park two cars in the driveway and can now use the additional parking within the project so the parking issues are not as dramatic as before. He said staff has already looked at the water and sewer issues, which are not specific problems of this project, and said he does not think the project will be detrimental to the overall infrastructure as the City is required to maintain the public portion. He said it is not within the purview of the Planning Commission to determine appropriate zoning and that this site was zoned R-2 many years ago. He said more units could be built but the developer reduced the number of units to a manageable size, and that from a density standpoint this is a better use of the property.

Comm. Rheaume said he will be supporting the motion and thinks the applicant has addressed the parking issues and he appreciates the additional on-site parking. He said a traffic analysis for the Canary and Homestead intersection will address neighbors' concerns regarding traffic, and that he agrees that it is the City's responsibility to replace the sewer line along the street and believes the public portion is fully functional as staff has noted. He said he believes the crowding of schools is an issue, but that this project is not going to resolve an issue that is already out of line and that it will be addressed separately.

Comm. Harrison said the developer has tried to meet the needs of both the neighborhood and their client, and has reduced the number of units from eleven to nine to seven. She said she personally knows the danger of exiting from a small street or driveway onto a major street and agrees with the Traffic Engineer's assessment that exiting onto Canary is safer. She noted that trash collection is no longer a design issue and visited the neighborhood to see how trash is collected, noting that all of the trash cans were out along the street. She said she also drove along many streets in the neighborhood to evaluate the parking situation and saw

that on-street parking use is no different among the various streets. She said she cannot find that this meets policy HE-4.3 which requires a new development to build to 75% of the maximum density unless there is an exception granted by the City Council. She said the Commission often hears large office building projects while residents, businesses and the business community ask about housing. Comm. Harrison said housing is needed and that she cannot make the finding that this meets the intent or letter of the General Plan. She read from a section of the Housing Element update that says, "consider smaller minimum lot sizes to allow more compact development of older neighborhoods and making new housing developments more walkable and more accessible to shopping, amenities, jobs and schools." She said this is a very prime location, that the General Plan requires the site to have at least eight units and she cannot ignore the large public mission to provide adequate housing. She said the BMR program has to do with households buying homes for a price fixed by the City's housing office, and that many Sunnyvale residents may not be able to afford a home at the current market rate. She said without the BMR funding one family will miss out on owning a home and that these families are valuable people who should own a home in Sunnyvale. She mentioned that teachers are often candidates for BMRs and that this site could provide housing for a local teacher. She said violating the General Plan and going from eight to seven units means that we lose those resources, and she will therefore be voting against the motion despite the developer trying really hard and meeting all of the requirements except for the number of units.

Vice Chair Olevson said he is very conflicted over the project. He said he thinks it makes a good transition in that it dramatically improves the existing lot use, which is not attractive and that this would be a much more attractive project. He said the additional parking spots help, although three are for personal rather than public use, and said he recognizes that the developer has met all requirements except for the density of homes, but that he is not sure eight homes on the small site would work. He said he looked at nearby homes and there are wider streets and much more space for traffic that are farther from the intersection of Homestead and Canary. He said he is inclined to thank the developer for making the effort, but does not see this as fitting the plan and is persuaded by Comm. Harrison's thought that we need to stick to the zoning. He said that the times the Commission has not stuck to the zoning there has been a much more compelling reason such as the availability of more parking and amenities, so he will reluctantly not be supporting the motion.

Comm. Durham said he voted for this motion last week, and that during the interim he has done some more study on the General Plan and the BMR housing program and he has come to the conclusion that we need to work more and keep closer to

the General Plan and allow the BMR housing to go in there. He said he thinks this is an improvement to the area and has no trouble with the density, and that he does not see why the City is expected to bear the cost of providing more on-street parking when residents have anywhere from four to six spaces per unit including their garages. He said that having gotten more information on the BMR program and 75% rule, he will be voting against the motion.

Chair Melton said he will not be supporting the motion, and that he cannot, in good conscience, get to the point where we leave 500,000 BMR dollars on the table. He said he knows there is something to be said about not designing projects on the dais, but he thinks we need to have eight townhomes, not seven single-family homes with five bedrooms each. He said with regard to making the findings he thinks we can do better than the proposal, and that he gets the zoning and the setbacks, but that the job of the Planning Commission is to make findings and he cannot make findings on this project, especially LT-4.4.

The motion failed by the following vote:

YES: 2 - Commissioner Klein  
Commissioner Rheume

NO: 4 - Chair Melton  
Vice Chair Olevson  
Commissioner Durham  
Commissioner Harrison

ABSENT: 1 - Commissioner Simons

Comm. Harrison moved Alternative 2 to adopt the Mitigated Negative Declaration and approve the Special Development Permit and Vesting Tentative Map with modified findings and conditions:

- 1) To include an option for smooth textured stucco;
- 2) Add a Condition of Approval for a complaint coordinator for neighborhood issues during construction;
- 3) Add a Condition of Approval to require a designated parking area for construction vehicles and personnel for the duration of construction;
- 4) To require permeable pavers for the added parking spaces within the project; and
- 5) Suggest staff conduct an appropriate traffic analysis for the corner of Canary and Homestead to determine whether or not a traffic signal is required; and
- 6) To ask the applicant to come back with a design for eight units.

Comm. Rheume seconded.

Comm. Harrison said many of the concerns have been discussed and there are many things the current project does to mitigate the concerns of the neighbors, to enhance the neighborhood and provide a viable project for the owner. She said if the applicant can do a project with eight units, it would be better.

Comm. Rheume said Comm. Harrison had a compelling speech about housing needs in Sunnyvale, and that he was ready to move forward with the proposal last time, so if an eighth home is added and the project can get four yeses he will be supporting the motion.

Ms. Ryan interjected that an eight unit project is a different project and that the applicant should have a decision on the proposal.

Chair Melton offered a friendly amendment to change the motion to Alternative 3 to adopt the Mitigated Negative Declaration and deny the Special Development Permit and Vesting Tentative Map and to implore the applicant to come back to staff with eight units.

Comms. Harrison and Rheume accepted.

Vice Chair Olevson said he agrees with the friendly amendment and that the Commission should not be designing the project. He said Alternative 3 gives a clear thumbs down on the project but also gives an indication of what is being looked for to get approval.

Comm. Klein said he will be supporting the motion and understands the issues with the BMR program and thinks it is very important from a City standpoint. He said the developer went from eleven to nine to seven units, and that whenever we can get BMR units into the City it is better for everyone. He said in the past Council has allowed the policy to be waived to have projects fit better into the community, and that ultimately this item will be decided by the City Council. He said he does not like designing from the dais, and that if the developer can come up with eight units with appropriate setbacks he would be for it, although it effects the community and neighborhood a little bit more. He said he thinks the original project was fine but that he will be supporting the motion in hopes that staff, the developer and Council can come up with the best decision.

Comm. Durham said he will be supporting the motion but that he does not believe

going to eight units means the project will end up with single-family dwellings. He said he realizes there is a price drop between single-family dwellings and townhouse style homes which may or may not make the project less profitable. He said it may go above eight units or closer to the maximum allowed for the area.

MOTION: Comm. Harrison moved Alternative 3 to adopt the Mitigated Negative Declaration and deny the Special Development Permit and Vesting Tentative Map. Comm. Rheame seconded. The motion carried by the following vote:

**Yes:** 6 - Chair Melton  
Vice Chair Olevson  
Commissioner Durham  
Commissioner Harrison  
Commissioner Klein  
Commissioner Rheame

**No:** 0

**Absent:** 1 - Commissioner Simons