

## RECOMMENDED FINDINGS

### **Recommended Findings – Use Permit**

---

In order to approve the Use Permit, the City Council must make one of the following two findings:

**1. The proposed use attains the objectives and purposes of the General Plan of the City of Sunnyvale.**

This finding can be made for the project as conditioned. The project will enhance the character of the site, surrounding neighborhood, and community through the addition of a Class A office building in the Peery Park area. Compliance with adopted General Plan goals and policies is discussed below.

#### **Land Use and Transportation Chapter**

**Policy LT-6.2:** *Balance land use and transportation system carrying capacity necessary to support a vital and robust local economy.*

The proposed project allows for industrial redevelopment and economic growth which can be accommodated without significant impacts on the existing infrastructure and roadway systems. The site is located within an area that is well-served by existing VTA bus lines, roadways, and Caltrain service.

**Policy LT-6.4:** *Encourage sustainable industries that emphasize resource efficiency, environmental responsibility, and the prevention of pollution and waste.*

The proposed project will redevelop on an existing industrial site. The site will feature environmentally sustainable buildings achieving no less than LEED Gold certification. The site features stormwater management and the applicant has committed to a TDM program. This is the type of development that is currently sought after by new businesses and industries whose public image is critical and whose employees demand sustainable work environments.

#### **Community Character Chapter**

**Policy CC-3.1:** *Place a priority on quality architecture and site design which will enhance the image of Sunnyvale and create a vital and attractive environment for businesses, residents and visitors, and be reasonably balanced with the need for economic development to assure Sunnyvale's economic prosperity.*

The proposed project design uses high-quality architecture and high quality site design, and positively contributes to the streetscape. Quality materials are utilized. The project will also provide additional jobs, enhancing both the image of Sunnyvale and its economic prosperity.

**2. The proposed use is desirable, and will not be materially detrimental to the public welfare or injurious to the property, improvements or uses within the immediate vicinity and within the Zoning District.**

The project will enhance the character of the site, surrounding neighborhood, and community by adding a new Class A office/R&D building. The proposed project uses architecture and high-quality site design as well as adequate landscaping and parking. With implementation of the TDM Plan, peak hour vehicle trips will be reduced and traffic impacts are minimized. The proposed building is three stories in height, with perimeter trees that help to minimize the visual impact from the street. The nearest residential properties are located approximately 1/4 of a mile away to the east, across Mathilda Avenue and behind the existing four to six-story LinkedIn buildings that are under construction.

**In addition to the two findings above, the City Council policy is to consider the following Review Criteria for Projects Greater Than 35% FAR:**

**3. Certain development in excess 35% floor area ratio (FAR) in Industrial Zoning Districts (M-3 or M-S) requires approval of a Use Permit or Special Development Permit. To assist the decision makers in considering higher FAR developments, the following review criteria will be used:**

Review Criteria	Discussion/Explanation
<b>CATEGORY I: COMMUNITY CHARACTER</b> addresses the issues of land use and transportation capacity and neighborhood compatibility within the context of an overall City image.	
<b>A.</b> Is there sufficient current and future land use and transportation capacity to incorporate this project?	If this project is approved, there would be approximately 1.8 million square feet remaining in the City-wide development pool; this project would utilize 8,484 square feet. In addition, the project will implement a TDM Program to further reduce vehicle trips (see also, <i>Balanced Growth Profile</i> ).
<b>B.</b> Does project use and design contribute positively to a City image and community character that reflects current and future “high-tech” Silicon Valley?	The high-quality architecture will contribute positively to community character and is compatible with other buildings found in the neighborhood. As conditioned, the building will be required to achieve at least LEED Gold-level certification. The contemporary architecture and sustainable features enhance the City’s high-tech image.
<b>C.</b> Does the project include minor upgrading of the building for safety or special function purposes?	The proposed project includes redevelopment of the entire site; the existing building will be demolished.
<b>D.</b> Have potential adverse impacts on nearby land uses been avoided, minimized or mitigated?	The proposed project utilizes an existing site. There are no anticipated negative impacts on surrounding sites. An initial study identified potential impacts on biological and cultural resources on the subject site. Mitigation measures have been identified to reduce these impacts to a less-than-significant level.

Review Criteria	Discussion/Explanation
<b>CATEGORY II: ENVIRONMENTAL: TRAFFIC AND AIR QUALITY</b> focuses on the ability of a proposed project to avoid, minimize or mitigate City-wide and local traffic and air quality impacts.	
<b>E.</b> Does the project avoid or mitigate significant effects on the regional or City-wide roadway system?  Is the project sited to avoid impacts on constrained intersections or roadway segments?	<p>The proposed project is estimated to result in less than 100 peak hour trips; therefore, a Transportation Impact Analysis is not required. Significant effects on regional and City roadways are not anticipated. Based on review of service levels in the project area, a lack of any known unusual operating conditions or geometric hazards, and the relatively low level of trips added to the street system by the project, it is expected that the existing street system can absorb this incremental increase in traffic.</p>
<b>F.</b> Are potential air quality impacts mitigated?	<p>An air quality/greenhouse gas study is not required for the project. No air quality impacts are anticipated with this project.</p>
<b>G.</b> Does the project provide opportunities for appropriate on-site retail/support services and amenities to minimize mid-day vehicle trips?	<p>Two commercial shopping centers are located within 1/4 mile from the subject property, one on Mathilda Avenue and Maude Avenue to the east and another on Mary Avenue and Corte Madera Avenue to the west. These centers provide support services including retail, restaurants and a shipping/postal center within a convenient walking distance. The proposed office building is speculative at this time and therefore has not developed detailed plans for on-site services. Future tenants may choose to provide on-site services such as employee laundry pick-up and delivery, shipping/postal services, and cafeteria or restaurant.</p>
<b>H.</b> Does the project provide mixed uses on the site to complement the primary use and adjacent land uses?	<p>The proposed project is not a mixed-use project.</p>

<b>Review Criteria</b>		<b>Discussion/Explanation</b>
<b>I.</b>	Is the project located in close proximity to a light rail or Cal-Train station, and/or other convenient transit stops?	Existing public transit facilities will serve the site, with several bus stops within 1/4 to 1/2 to miles away from the site. The existing Caltrain Sunnyvale station is located slightly over a mile away and a Light Rail station is located approximately 1-3/4 mile away.
<b>J.</b>	Can identifiable and measurable negative impacts on City infrastructure and services be mitigated?	While the proposed project requests higher FAR, a development pool is included in the General Plan land use scenario to allow intensification of individual sites above 35% FAR. The proposed project will draw from the development pool for its additional floor area. The project will pay Housing Mitigation Fees to offset housing demand inducing impacts, and will be required to pay connection and impact fees to offset any impacts on sewer capacity and other public utilities. The project will also require payment of a TIF and a TDM Program will be implemented for the site to reduce vehicle trips.
<b>K.</b>	Is a Transportation Demand Management program planned for the site? Does it reduce traffic in general and promote transit use?	The applicant has submitted a draft TDM Program, which will achieve a minimum of 20% reduction in total daily vehicle trips and a 25% reduction in daily peak hour trips.
<b>CATEGORY III: SITE DESIGN AND ARCHITECTURE</b> addresses several components of site design and architecture; focusing on the visual features and aesthetics, techniques to reduce the bulk and mass of the buildings, ways to reduce the amount of surface parking on the site.		

Review Criteria	Discussion/Explanation
<p><b>L.</b> Does the project demonstrate exemplary architecture and design through:</p> <ul style="list-style-type: none"> <li>• use of unique and/or high quality building materials, singly and in combination</li> <li>• state of the art design and materials</li> <li>• introduction of significant, innovative, and noteworthy architectural forms and elements</li> <li>• special or unique features of the site plan design and implementation</li> </ul>	<p>The proposed project architecture demonstrates excellent design through the following elements:</p> <ul style="list-style-type: none"> <li>• Unique building forms creating an state-of-the-art architectural design</li> <li>• High-quality materials including glass and steel for exterior facades</li> <li>• Roof terraces on the second and third floors create a cascaded building form, which adds to the visual interest of the building</li> <li>• Green building design at a minimum of LEED Gold level</li> <li>• The building is oriented towards the corner of the site, creating a prominent relationship to the streetscape and allowing for easy pedestrian access to the site.</li> </ul>
<p><b>M.</b> Does the project complement the City image and community character currently primarily low profile with a less intensive development density?</p>	<p>The proposed project is compatible with recently-approved projects within the vicinity with similar FARs. The proposed building will be three stories in height, while eight stories is the maximum permitted. Adequate landscaping and trees between the building and sidewalk help to soften the edge of the building.</p>

<b>Review Criteria</b>		<b>Discussion/Explanation</b>
<b>N.</b>	<p>Does the site plan reduce the bulk and mass of the buildings on the site? Are the following techniques and others used in a creative and resourceful way?</p> <ul style="list-style-type: none"> <li>• Façade and roofline variations</li> <li>• Reduction in the building footprint and significant increase of landscaping required by Zoning Code</li> <li>• Substantially greater setbacks than required by the Zoning Code</li> </ul>	<p>The proposed architecture reduces the effect of mass and bulk through the following:</p> <ul style="list-style-type: none"> <li>• The high-quality glass exterior materials create a sense of lightness and translucency that reduces the apparent mass and bulk of the structure,</li> <li>• The unique oval building form and orientation on the site minimizes the visual mass from the streetscape.</li> <li>• The terraced roof decks that step in on each level create significant façade interest and further reduce the massing from the street.</li> <li>• The proposed building footprint is less than the existing (28% is proposed and 35% is existing, where 45% is the maximum) while significant trees and landscaping are used to soften the building's appearance.</li> <li>• While a setback deviation is requested along the Maude Avenue frontage, the building extension into the required setback is limited to 80 square feet on the first floor of the building and 40% of the building width.</li> </ul>
<b>O.</b>	<p>Does the site plan include techniques to reduce non-point source pollution?</p>	<p>The project has prepared a draft Stormwater Management Plan (includes treatment of the parking structure) incorporating Best Management Practices to reduce storm water runoff on the site, in compliance with the current Municipal Regional Permit.</p>

Review Criteria	Discussion/Explanation
<p><b>P.</b> Is a reduction in the amount of surface parking achieved?</p> <ul style="list-style-type: none"> <li>• Significant reduction in the number of surface parking spaces</li> <li>• Provision of structured parking and/ or underground parking</li> <li>• Introduction of a landscape reserve that can be converted to parking on an as-needed basis, or as a permanent park.</li> </ul>	<p>The amount of surface parking is increased; however, approximately 1/3 of the parking supply will be located underneath the podium building and will help to reduce the look of parking from the street.</p>
<p><b>Q.</b> Is the site comprehensively planned through the creation of a Master Plan or Site Specific Plan? Has a long term development plan been prepared that allows phasing of the project based on implementation of improvements and mitigations?</p>	<p>The City is currently undergoing a study for a Specific Plan for Peery Park, which is expected to be adopted in 2015. The original project, which is similar in streetscape design and development intensity as the current project, has been referred to Freedman Tung + Sasaki (FT+S), the firm hired by the City to prepare the Specific Plan. FT+S indicated that the proposed intensity and architectural design are consistent with the urban design concepts currently being considered.</p>
<p><b>R.</b> How is the calculation of the “effective” FAR being conducted? Does the size of the project warrant a different method of calculating the FAR?</p>	<p>The FAR has been determined based on SMC standards for FAR, which is gross floor area divided by net lot size. No tenant is currently identified for the building so no amenities, such as cafeterias, large meeting venues, non-employment areas or other services that may reduce effective FAR, are identified at this time.</p>



Review Criteria	Discussion/Explanation
<b>CATEGORY IV: ECONOMIC, FISCAL AND COMMUNITY BENEFIT</b> identifies the need to relate the project to the economic prosperity program of the City, potential impact on the City, the relationship to the local economy and employment in terms of the types and numbers of jobs likely to be generated by the project and other features of the development that will result in an overall positive community benefit. The following questions provide examples of how benefit can be described.	
<b>1.</b> Does the project implement the goals of the Economic Prosperity Program?	<p>The proposed project will assist in achieving the goals of the Economic Prosperity Program which includes business retention, expansion, and economic vitality in a significant industry sector.</p> <p><i>Goal - Retention of Jobs: Actively promote the City to companies that will create jobs for Sunnyvale residents.</i></p> <p><i>Goal - Local Service Businesses: To preserve opportunity for profitable operation of those small local businesses which provide critical support services to other business and to residents.</i></p> <p>The new building will attract companies that will create jobs for Sunnyvale residents. The site is located near public transit and commercial centers, which helps to attract high-caliber tenants.</p>
<b>2.</b> Does this project have a significant net positive fiscal impact over the next 5-20 years?	<p>Redevelopment of the site as proposed will increase the assessed value of the property and is estimated to result in the City receiving an additional \$12,666 in property taxes annually. The County, school districts and other agencies would also see increased property tax revenue. High quality tenants will generate positive economic impacts by providing jobs and enhancing the image of the City. Employees that will occupy these buildings will patronize local Sunnyvale businesses, and visitors may stay in Sunnyvale hotels as well.</p>

<b>Review Criteria</b>		<b>Discussion/Explanation</b>
<b>3.</b>	Does the project include the provision of on-site corporate headquarters and/or a “point of sale” office?	The proposed building is speculative at this time. The available square footage, site and building design will provide an ideal site for use by corporate headquarters or major divisions of a large company.
<b>4.</b>	To what extent does this project provide resident and/or youth employment opportunities both now and in the future?	A high-quality Class A building is expected to provide additional employment opportunities in the City.
<b>5.</b>	Do the anticipated types and numbers of jobs complement the current and desired future job profile in Sunnyvale?	The project is designed to accommodate corporate headquarters such as technology companies. These types of jobs are consistent with the City’s economic development goals and are critical to job expansion.
<b>6.</b>	To what degree do the proposed jobs generate related jobs and services in Sunnyvale?	The proposed jobs are expected to generate additional demand for nearby services. Using the industry multiplier forecast, for every one job created in this industry segment, three additional jobs are created in the community as support services.
<b>7.</b>	The project is intended primarily for a single user or has common/shared management (Action Statement C4.2.2.)	The building has been designed with the intent of serving a single tenant as a corporate headquarters, but could accommodate multiple tenants.
<b>8.</b>	Can the applicant identify other community benefits that could be attributed to the proposed project?	The project furthers the City’s goal of redevelopment with Class A buildings within the Peery Park District. The project will also include a new 11-foot wide public sidewalk along the entire project frontage.

## Variance

---

1. Because of exceptional or extraordinary circumstances or conditions applicable to the property, or use, including size, shape, topography, location or surroundings, the strict application of the ordinance is found to deprive the property owner or privileges enjoyed by other properties in the vicinity and within the same zoning district.

The property fronts two streets, with a 25-foot minimum setback requirement on Pastoria Avenue and 35-foot minimum setback on Maude Avenue. The front yard setbacks take up approximately 1/3 of the site and the property is angular in shape (approximately 60 degrees), which encumbers the property and limits the possible location of a building on the site. The shared driveway along the north property line also limits the ability to modify the circulation and parking on the site, thereby further restricting the placement of the building.

2. The granting of the Variance will not be materially detrimental to the public welfare or injurious to the property, improvements or uses within the immediate vicinity and within the same zoning district.

Due to the angular shape of the property and building form, the first floor will encroach approximately 80 square feet into the required setback and the upper two floors step in and comply with the setback requirement. In addition, more than half of the building width is within the required setback. Therefore, the requested setback deviation is minimal and is not detrimental to the streetscape. Sufficient landscape buffer and trees help to soften the massing of the building and the reduced setback helps to create an urban street character that is currently envisioned for the future Peery Park Specific Plan.

3. Upon granting of the Variance, the intent and purpose of the ordinance will still be served and the recipient of the Variance will not be granted special privileges not enjoyed by other surrounding property owners within the same zoning district.

Reduced setbacks along Maude Avenue are not uncommon. In fact, the existing building on the site was approved in 1970 with a 17-foot front setback along Maude Avenue, where 25 feet was required at that time. Approximately 70 square feet of the building footprint encroached into the required 25-foot setback at that time. In addition, several existing one-story buildings along Maude Avenue also have reduced front setbacks, including the two office buildings to the west of the project site, which are located approximately 10 feet from the front property line. Staff finds that the setback deviation is reasonable and is no more of an impact than the existing building on-site and adjacent buildings to the west.