IRVINE COMPANY
Since 1864

March 3, 2015

Hanson Hom
Community Development/Planning Division
City of Sunnyvale
456 W Olive Ave
Sunnyvale, CA 94086

RE: Irvine Company Positions on Peery Park Stakeholder Workshop #2 Presentation

Dear Mr. Hom:

It was a pleasure participating in the Peery Park Stakeholder Workshop #2 on February 11, 2015. We appreciate continued efforts by the City to discuss Peery Park planning issues with stakeholders. As the largest land owner in the Peery Park Specific Plan area, we would like to take the opportunity to share a few observations regarding the items discussed at the latest meeting.

Transportation Demand Management

1. The City has proposed a TDM sliding scale of 20-35% for each project. The Company agrees that a TDM Program is essential for incorporation into the Peery Park Specific Plan. However, we believe that the City's TDM sliding scale goals are aggressive and will be difficult to obtain, particularly for multi-tenant buildings. These high bar goals might actually be counter-productive because it could encourage owners/tenants to pay the penalty for not reaching these goals rather than expending significant funds towards a TDM program in which they do not believe will result in reaching the required peak hour traffic reduction. Therefore, we recommend the following revisions to the City's sliding scale goals":

Project	TDM Goal
750,000 gross sq. ft or more	30%
250,000-749,999 gross sq. ft.	25%
100,000-249,999 gross sq. ft.	20%
Up to 100,000 gross sq. ft.	15%

2. We have recommended the above revisions to the TDM Goal based on your response at the 2/11 meeting that no credit will be given for any existing development on our site. However, we could support your recommended TDM percentage Goals if the TDM Program also included two provisions. The first provision would state that no monetary penalties would be imposed on a property owner if the peak hour traffic counts conducted to monitor the effectiveness of the implemented TDM Program are less than the peak hour traffic counts generated by the existing development prior to the re-development of the site. The second provision would establish that the TDM trip reduction calculation would be based on the existing trips on the site plus the TDM goal percentage on the amount of square footage above the existing square footage on the site.

3. Achievement of the required TDM goal during the monitoring of the TDM's effectiveness should recognize that projects are often phased. As such, the required TDM goal should be on a sliding scale that reflects the project's phasing.

4. It is encouraged that the City develop its proposed monetary penalties as soon as possible to allow the development community to comment on such penalties. The City should also identify how any monetary penalty funds that are received by the City will be used. We suggest that use of the funds be limited to programs or projects that will facilitate peak hour trip reduction within the Peery Park Specific Plan area only.

5. It is our understanding from the 2/11 meeting that the TDM goals are for peak hour traffic and not average daily trips. It was also stated the trip rates to be used in determining the TDM goals would be different than the trip rates used in the Peery Park Specific Plan EIR. Please provide further explanation as to why different trip rates would be used since the TDM Program is a mitigation measure to address cumulative impacts identified in the EIR. For consistency, we believe that the same rates should be utilized for both the EIR and the TDM Program.

Transportation Management Association

1. The City's proposed TDM program would require a mandatory Transportation Management Association (TMA). It would also place the burden of establishing this TMA on the first project exceeding certain thresholds. While we firmly agree that a TMA could ultimately provide many benefits towards a successful and cost effective TDM program, we recommend that the TMA be a voluntary element of the TDM. Creation of a TMA will only make sense when there is a critical mass of employers who find that combining TDM efforts as a part of a TMA is more cost effective than managing individual TDM programs at each employment site. We recommend that you allow the private sector to determine when and if a TMA is feasible.

Shuttle Bus Program

1. Since the City's proposal requires achievement of a specific TDM Goal trip reduction, we see no reason to also require a shuttle bus feasibility study regarding implementation of a privately funded shuttle bus program to serve the district at some build-out threshold. If an owner proposes a TDM program that will obtain the required trip reduction with or without a private shuttle for only its own project, it seems unreasonable to require this owner to prepare a feasibility study for district wide private shuttle bus. Similar to the TMA discussion above, there may be a point in time where various owners/tenants determine that it makes economic sense for them to jointly fund a district wide private shuttle service in lieu of project only private shuttle service as a means of satisfying their TDM trip reduction requirement.

Parking

1. The Irvine Company has concerns over limiting parking below market demand levels. On the other hand the flexibility provided by the bulleted items in the Stakeholder Workshop #2 memo provide sufficient ability to increase parking based on specific project characteristics.

2. The ability to increase parking to 3.5 based on provision of structured parking needs to be clarified as many projects will have a combination of surface and structured parking. Perhaps a quota of at

least 50% of parking to be structured could be considered in order to qualify for the higher 3.5/1000 provision.

3. The allowance of a higher parking provision in exchange for additional public benefit should be quantified so clarity can be gained in the initial master planning and project feasibility process.

Potential Infrastructure Concepts/Fees

1. We concur that each project should be responsible for on-site frontage improvements. A more detailed concept landscape plans need to be developed for the Peery Park street network in order to better evaluate the proposed level of improvement and impact of costs.

2. The "Sense of Place Fee" does not carry sufficient clarity to allow a full assessment. We would rather see that individual projects provide sufficient place-making on-site to avoid an overall special assessment that would add to costs without concrete expectations regarding value-added to the district and/or land owners.

3. We question the nexus between reducing infrastructure fees in exchange for a higher level of green building. Infrastructure assessment fees should be based on a formal set of proposed improvements that require specific funding. Promoting underfunding of infrastructure (street improvements to mitigate traffic impacts, recycled water, incremental streetscape/sidewalks) in exchange for abstract benefits of green buildings does not on the surface seem a good representation of fiduciary responsibility.

Land Use

1. The stakeholders have asked several times for the basis on which the 2.2 MM SF of additional space was calculated. This information would be helpful to understand the basis of the increment.

2. For IC parcels in the north/central portion of Peery Park, the primary restriction to development is the Moffett Field over-flight criteria. Rather than referring projects for review on an incremental/individual basis, could not the specific planning process negotiate a standard set of rules and restrictions to help clarify for proponents over-flight restriction at project inception rather than part of a formal approval process? This would allow clarity at the conceptual feasibility level rather than much later after the plans have been well cast.

Open Space/Landscaping/Outdoor Space

1. The city should be careful in mandating high open space criteria if it forces either structured parking or taller building heights, either which could push a project beyond market-driven financial feasibility. The cost of structured parking (caused by disproportionate open space requirements) for smaller project could very well cause delay in desired revitalization velocity.

2. For most workplace environments the highest valued open space is often 'urban' in scale, that is plazas and courtyards where workers can have lunch and enjoy small social or work meetings. Large park expanses should be at the discretion of the developer and not forced in commercial areas as a base requirement.

3. Official "public park" has historically and logically been linked to residential development rather than commercial. To do both constitutes double counting especially since most park use is associated with weekend and evening family-oriented discretionary leisure time.

Retail Uses

1. The Irvine Company supports the provision of local workplace services at the Mary and Central Expressway intersection. The scale of the provision needs to be market-driven and scaled to a size that can be realistically supported by an office, daytime-driven service population.

2. It must also be understood that the primary goal of potential redevelopment of the Central Research Park (South Campus) is to provide a large, single user campus. If successful in this venture, the user may have requirements that limit the extent of public accessible retail vs. single company services and facilities. Flexibility needs to be maintained regarding the nature of the retail/services complex if the larger goal of capturing 'best of class' companies is to be realized.

3. In light of the above two points, an alternative network of smaller food service and local service retail centers should be encouraged. Such a network organized around major intersections may provide the most sustainable retail service over the long run.

The Irvine Company is highly supportive of the interactive Specific Plan process. Due to our history we are cognizant of the human and economic benefits of well-planned working and living environments. We look forward to discussing the points outlined above and make ourselves available for a meeting at your convenience. We look forward to continued participation in the Peery Park Specific Plan preparation.

Sincerely,

Carlene Matchniff
Vice President, Entitlements & Public Affairs
The Irvine Company

cc: Amber El-Hajj, Senior Planner
Manuel Pineda, Director Public Works
Trudi Ryan, Planning Officer
Deanna Santana, City Manager
Carol Shariat, Principal Transportation Engineer
Connie Verceles, Economic Development Manager

ATTACHMENT 11

Amber El-Hajj <ael-hajj@sunnyvale.ca.gov>

PPSP Stakeholder Workshop #2 Comments

Peter Larko Thu, Feb 12, 2015 at 1:33 PM
To: Amber El-Hajj <ael-hajj@sunnyvale.ca.gov>Cc: Hanson Hom <hhom@sunnyvale.ca.gov>, Trudi Ryan <tryan@sunnyvale.ca.gov>, Connie Verceles<cverceles@sunnyvale.ca.gov>, John DiNapoli, Eire Stewart, Pat Castillo

Amber-

We missed you at yesterday's Stakeholder Workshop #2. The session was very informative and there was a lot of good discussion. We'd like to provide you with some thoughts and comments for staff's consideration at this time as noted below:

Transportation Demand Management (TDM)

We appreciate staff's suggestion that the percent of peak trip reduction goal be graduated by project size. In order to realistically achieve reductions of 30-35%, the size of projects is critical. In fact, to reach a 35% goal, our traffic consultant has indicated that a private company shuttle would likely be needed in addition to many other tools, even if an area-wide shuttle were implemented. Accordingly, we recommend that the range for 25% reduction goal be set at 150,000 to 399,999 square feet, the range for 30% be set at 400,000 to 749,999 square feet, and the 35% goal apply to projects of 750,000 square feet or more.

We agree with staff's suggestions regarding incentives and case-by-case reduction considerations with community benefits.

Transportation Management Association (TMA)

The concept of a TMA for Peery Park is generally a good one, but how to initiate one is difficult. We agree with the comments made yesterday as to what a potentially unachievable burden this could place on the first project and, therefore, why this should be a voluntary option among the property owners. If staff feels that a mandatory trigger is necessary, we recommend at a minimum that the starting points be an aggregate of at least 1,000,000 square feet and a single project of at least 750,000 square feet.

Generally, the potential responsibilities of a TMA suggested by staff look to be a good starting point.

Shuttle Bus Program

Again, the concept is a good one, but initiation and implementation could be very difficult. First, the idea of analyses to determine whether a shuttle program would be cost effective at the time of development proposals is sound. We suggest that such a study first be required once an aggregate of 1,000,000 square feet is reached or for any single project of at least 750,000 square feet. We will gladly work with City staff and other property owners to engage with VTA to explore whether they could operate or participate in such a program.

Parking

We agree with staff recommendations on parking.

Potential Infrastructure Concepts/Fees

We generally support staff's suggestions here but want to understand and have staff be sensitive to the cost of such potential fees in the aggregate.

ATTACHMENT 11

Land Use

We support staff's suggestions ands recommendations with the following exception:

Building heights along the west side of Mathilda, north of San Aleso should be capped at six floors, not four floors. As we have explained previously, the additional setback from the neighborhood to the east would allow six story development with little or no impact on residents and is consistent with the City's long-standing gateway vision for this area. We appreciate staff's suggestion that visual analyses be required here to demonstrate the view from throughout the neighborhood, but don't believe that a use permit requirement should be imposed.

We also respectfully request that the District Regulation Map reflect the dark purple Innovation Edge on the parcels from Mathilda west to Vaqueros, and that the six-story setback be eliminated. We also suggest that the City be flexible on building setbacks along the frontage on Mathilda since VTA points out that buildings closer to the street encourage transit ridership. We make these suggestions with the caveat that visual analyses be required and neighborhood protection be afforded.

Open Space/Landscaping/Outdoor Space

We support the concept of a visually pleasing district with ample open/outdoor space, but would like to see more detail on what may be proposed as specific standards. Additionally, another in-lieu fee is suggested here and we ask that any potential fees be looked at in the aggregate.

Retail Uses

We generally agree with concepts here, however, we question the viability of the proposed secondary retail center based on its location.

Building Height

It was discussed whether building height should be controlled by the number of floors or by specific building height since the height of floors can vary by building type and design. We support the staff recommendation of using number of floors for ample flexibility in the regulations. If there is a desire to use specific heights instead, we suggest that the heights for four-story and six-story buildings be set at up to 66 and 96 feet to the roof, respectively.

If parapets were to be included, an additional 6 feet should be allowed to account for slopes. It is recommended that roof screens and mechanical equipment be excluded from the measurements since these are setback significantly from the edge of the roof and it is difficult to determine the precise height of equipment early in the design process.

Thank you for the opportunity to participate in the specific plan process and we look forward to reviewing staff's next iteration of the PPSP and development standards.

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John Cordes

1) ATTACHMENT 2 TABLE 2 2.15 Residential units
Draft EIR only 2.2 M.D. not High enough
Should be higher 500 units Including higher Req
for Affordable housing
1.3) Transfer of development rights to combined openspace
2) multi modal access to moffett PARK Bike/Ped
Bridge
3) support High Density Pedestrian
3.5 Higher FAR with more greenspace (Landbank) opposite parking
4) TDM ATTACHMENT 3 (5/7) needs to be higher
Goals from 20% - 35% not aggressive enough.
TMO should be ⊘ NET ~~Increase~~ Traffic constrain demand by
by variable parking pricing.
Require shared parking. Ideally as Transportation
shifts to driverless local parking is needed. Also
shuttles & bike & ped ways are better use of space than
parking ATTACH 3 (6/7)
5) Parking MAXimums /1000 need to be lower. Below
3 for All project <4 for most dense
6) ATTACH 4 6 story Too Tall along West edge of MATHILDA
Limit 6 story to 300' from S.F.O.
7) No parking on High density pedestrian area
separated bike Lanes
8) on MAYO create protected bike Lanes
9) protected Bike Lane on MATHILDA a must.
20) Lighting shade ~~for Neighborhood~~ required
For Neighborhood privacy + ASTHETICS
11) Sustainability needs to be more expressive.
Not energy. Better Rainfall capture
permeability required on all streets

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