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3. 16-0731

Proposed Project: Introduction of Ordinance to REZONE 28 contiguous single family home lots from R-1 (Low Density Residential) to R-1/S (Low Density Residential/Single-Story) File #: 2016-7431

Location: 662-678 Vanderbilt Drive (Assessor Parcel Numbers 202-06-026 through 202-06-030), 1202-1204 Sesame Drive (202-08-003 through 202-08-006), 1218-1234 Sesame Court (202-08-001, 202-08-002 and 202-06-043 through 202-06-048) and 661-677 Winggate Drive (202-06-034 through 202-06-042)

Zoning: R-1

Applicant / Owner: Baerbel Schumacher (plus multiple owners)

Environmental Review: The Ordinance being considered is categorically exempt from review pursuant to CEQA Guidelines Section 15305 (minor alteration in land use) and Section 15061(b)(3) (a general rule that CEQA only applies to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the action may have a significant effect on the environment, the activity is not subject to CEQA).

Project Planner: Gerri Caruso (408) 730-7591, gcaruso@sunnyvale.ca.gov

Principal Planner Gerri Caruso presented the staff report.

Vice Chair Rheaume commented on the varying lot sizes in the project area and confirmed with Principal Planner Caruso that if the rezone is approved each home would be subject to the 45 percent maximum Floor Area Ratio (FAR) rule so that, theoretically, a 10,000 square foot lot could have a 4,500 square foot home built upon it. He also confirmed the lead applicant's address, and that City Council did not discuss a limit on the number of single-story overlay applications to be considered in their original Ordinance discussion.

Commissioner Melton verified with Principal Planner Caruso that this application meets all of the requirements laid out in the Municipal Code, and that the decision of the Planning Commission would be based upon whether the finding can be made that approving the application would be an overall community benefit to Sunnyvale. They confirmed that a group of property owners following the same application criteria could apply to have the single-story overlay removed, and Principal Planner Caruso noted that there was originally a sunset rule that required

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applicants to reapply for the overlay after seven years that was subsequently removed. Commissioner Melton discussed with Principal Planner Caruso how the properties were combined into a single application, and he commented on a smaller number of houses in an application being easier to review.

Commissioner Klein discussed with Principal Planner Caruso whether consideration was given to having the City do the outreach to neighbors to collect signatures for an application and Principal Planner Caruso described a previously undone alternative process for outreach and signature collection. Planning Officer Andrew Miner added that a study issue could be proposed to review the cost and implementation of alternative processes. Commissioner Klein verified the fee for a single-story overlay application in Los Altos with Principal Planner Caruso .

Commissioner Weiss discussed with staff how much staff time is dedicated to each application, and confirmed with Planning Officer Miner that the fee has not been increased since initially adopted, except for annual cost of living increases. Commissioner Weiss confirmed with Principal Planner Caruso that the thresholds for participation are 75 percent in Palo Alto and two-thirds in Los Altos.

Chair Harrison opened the Public Hearing.

Applicant Baerbel Schumacher presented information about the project application.

Peter Gaudette, Sunnyvale resident, discussed his support of the single-story overlay application and the privacy issues second story homes create for Eichler homes.

Gene Manheim, Sunnyvale resident, discussed his concern with the process of obtaining signatures for an application and suggested the decision on this application and other single-story overlay applications be put on hold until an improved process emerges.

Commissioner Simons discussed with Mr. Manheim his recommendation for anonymous voting.

Julia Filippova, Sunnyvale resident, said the process does not fairly measure residents' will and should be revised. She said the decision on rezoning should be placed on hold until a new process is available.

Lena Govberg, Sunnyvale resident, said she opposes the rezoning and that the process should be revised as it creates conflict within the community. She

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suggested a third party study the costs, benefits and long term impacts of single-story overlays to inform residents' decisions, and said privacy can be achieved through thoughtful design.

Commissioner Simons and Ms. Govberg discussed her approved second story home being grandfathered in to the neighborhood if the rezone is approved, and Ms. Govberg discussed her concern with restricting residents to single-story homes, particularly those on small lots.

Eran Dor, Sunnyvale resident, noted the number of two-story homes in the neighborhood and the varying lot sizes, and said owners of larger lots keep the potential of their property when an overlay is in place, while owners of small lots lose their property's potential.

D.J. Defrospero, Fairbrae neighborhood resident, encouraged a recommendation to City Council for approval of the application.

Alik Eliashberg, Sunnyvale resident, suggested a secret ballot to improve a flawed process that impacts individual property rights.

Carole Pappas, Sunnyvale resident, discussed her concern with two-story homes infringing on the privacy of Eichler homes.

Mike Serrone, Sunnyvale resident, said all of the rules were followed in completing the application, and he encouraged a recommendation to City Council for approval of the application.

Vice Chair Rheaume confirmed with Mr. Serrone his home's address.

Applicant Baerbel Schumacher said she appreciates having this process, that there will always be tension between desires to change and preserve communities and that there is sufficient housing styles in the Bay Area for each to coexist.

Chair Harrison closed the Public Hearing.

Vice Chair Rheaume confirmed with Planning Officer Miner that a study issue could initiate Council's review of the single-story overlay application process.

Commissioner Melton discussed with staff whether results of a secret ballot could be kept confidential.

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Chair Harrison discussed with Planning Officer Miner whether there is a process by which a property owner can request a rezone for their property, and discussed the limits to changing buildings in a heritage district. They also discussed the process by which a property becomes part of a heritage district.

Commissioner Weiss confirmed with Planning Officer Miner that the Planning Commission could recommend to City Council a moratorium on single-story overlay district applications until a study issue on the process is completed.

MOTION: Commissioner Melton moved and Commissioner Klein seconded the motion to recommend to City Council Alternatives:

- 1) Find the project exempt from CEQA pursuant to CEQA Guidelines Section 15305 and 15061(b)(3); and,
- 2) Introduce an Ordinance to Rezone 28 contiguous single family home lots from R-1 (Low Density Residential) to R-1/S (Low Density Residential/Single-Story).

Commissioner Melton said this application has gone through the appropriate process and the Planning Commission must make the finding that it is in the public interest, which he has concluded it is. He said a number of interesting questions have been brought up by members of the public that may need to be discussed in a separate conversation, that the application is in line with City policy and that this provides an opportunity for the Planning Commission to declare that we are seeing a lot of single-story overlay applications and we need to take a look at the process.

Commissioner Klein said he was able to make the findings and that the applicants followed the process, paid the fees and had 89 percent support. He said he understands the issues raised by the public about the process and restricting homes, but that many of the properties are very large and have space to add square footage while staying within zoning requirements. He said he can see some issues with the process creating conflict, such as a two-story homeowner not being a part of the process, and that there are corrections City Council can make, which requires a study issue by staff. He stated that the Eichler Design Guidelines are not the same as zoning standards and many things can be done to a redeveloping home that may make it incompatible with the surrounding neighborhood. He noted that the single-story overlay district was a solution brought about 15 years ago and is a process put in place to protect the vision of neighborhoods.

Vice Chair Rheaume said he does not support the motion, and that while he agrees with enforcing policy, rezoning needs to be based on what is in the best interest of the public. He said this application is dividing the community and it is the responsibility of the Planning Commission to help put in place a process that works

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best for everyone in the community before moving forward with single-story overlays. He said the Dartshire and Devonshire Ways overlay application consisted of same sized lots of perfect rectangles and everyone within the area in agreement, but that some lots in this application are 60 percent larger than others and he questions whether it is in the best interest of the public to hold them to the same rules. He noted that one applicant states she is looking for privacy and openness, which can still be achieved without the overlay. He said the City does not have anything in place that determines that there are too many overlays, that Sunnyvale needs more housing and we are now limiting the size of homes in different neighborhoods. He added that he cannot make the findings.

Commissioner Olevson said neighbors in opposition to the application have raised substantial points that need to be explored, but changing the rules midstream is not the way government should act toward citizens. He said he appreciates the homeowners who feel they are being restricted from future improvement of their own property, but that we have rules put in place 15 years ago implemented by the people those rules are for so there would be a process we could count on to make changes. He said he is supporting the motion because 89 percent of people signed the petition and followed all of the rules.

Commissioner Simons said he supports the motion, and complimented the initiating applicant for obtaining 89 percent of support within the group. He said the value in an Eichler neighborhood is based on having privacy, which becomes compromised by new two-story homes. He commended the members of the public who voiced their opposition to the application, noted that 55 percent support may be too low and said his concern with changing the process is that it may make it more expensive for neighbors to pursue an overlay. He said it was quite a burden for the applicants to get to where they are tonight and that there should be a process to support a certain style of living in Sunnyvale. He added that a 4,000 square foot home would still be allowed under this zoning with only one story.

Commissioner Weiss said she appreciates and values privacy and shares concerns about living next door to a monster house, but that she is uncomfortable with the recent trend of increasingly more Eichler neighborhoods applying to be rezoned from R-1 to R-1/S. She said the future implication of these applications is that southwest of El Camino Real Sunnyvale will have more exclusive neighborhoods into the indefinite future at a time when we are actively looking for ways to increase housing stock by less obvious means, such as accessory dwelling units. She said this type of zoning eliminates many such possibilities except where the lot size is unusually large, and that rezoning is only one tool to combat the lack of privacy or construction of monster homes. She said because the applicants have

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completely followed the process she will be voting yes, and added that this is a multifaceted issue that needs to be studied.

Chair Harrison said she is not supporting the motion, and that while the applicants have followed all of the steps in the process, she cannot make the finding that this application is in the public interest. She said there are many democratic implications to these applications, that when a parcel owner requests a rezone for only their property it does not affect their neighbors, but that here we have parcel owners requesting to rezone their neighbors. She said the process has not been studied thoroughly and that we do not have data on whether a two-story home negatively affects the property value of its neighbors.

The motion carried by the following vote:

Yes: 5 - Commissioner Klein Commissioner Melton Commissioner Olevson

Commissioner Simons Commissioner Weiss

No: 2 - Chair Harrison
Vice Chair Rheaume