

Vice Chair Rheaume clarified that voting yes on this motion means recommending to the City Council to deny the application.

The motion carried by the following vote:

Yes: 4 - Chair Harrison
Vice Chair Rheaume
Commissioner Howard
Commissioner Weiss

No: 3 - Commissioner Howe
Commissioner Olevson
Commissioner Simons

Planning Officer Miner advised that this item goes to the City Council on April 25.

4. [17-0129](#) **Proposed Project:** Related General Plan Amendment and Rezoning applications:

GENERAL PLAN AMENDMENT: Proposed land use designation change from Industrial to: Residential Low-Medium Density (7-14 du/ac), Medium Density (14-27 du/ac), or High Density (27-45 du/ac); or Commercial Neighborhood Shopping for 210 W. Ahwanee Avenue, a 0.41-acre site; 214 W. Ahwanee Avenue, a 0.31-acre site; and 220 W. Ahwanee Avenue, a 1.18-acre site.

REZONE: Introduction of an Ordinance to rezone 210 W. Ahwanee Avenue, a 0.41-acre site; 214 W. Ahwanee Avenue, a 0.31-acre site; and 220 W. Ahwanee Avenue, a 1.18-acre site from Industrial and Service with a Planned Development combining district (M-S/PD) to Low-Medium (R-2/PD), Medium (R-3/PD), or High (R-4/PD) Density Residential with a Planned Development combining district; or Industrial and Service with a Planned Development combining district (M-S/PD) to Neighborhood Business with a Planned Development combining district (C-1/PD).

File #: 2016-7082

Location: 210, 214, and 220 W. Ahwanee Avenue (APNs: 204-03-003, 204-03-002, and 204-03-043).

Current Zoning: M-S/PD

Applicant / Owner: M Designs Architects/Tapti LLC - Kishore Polakala (210 W. Ahwanee Avenue), City of Sunnyvale/Multiple property owners (214 and 220 W. Ahwanee Avenue)

Environmental Review: Mitigated Negative Declaration

Project Planner: George Schroeder, (408) 730-7443, gschroeder@sunnyvale.ca.gov

Associate Planner George Schroeder presented the staff report.

Planning Officer Andrew Miner advised that per City Council policy, legislative items, especially those which involve the General Plan, are heard separately from the project to eliminate the potential of the project influencing the Commission's action.

Commissioner Simons stated that separating the rezone from the project makes sense but that usually a Planned Development (PD) designation asks for allowances, which makes it necessary to see the project to approve the PD. Planning Officer Miner stated that a PD zoning allows a project to be considered by not using the zoning standards traditionally. Planning Officer Miner stated that if you change the zoning to R-4 but omit the PD then you would have to approve a second rezone for the PD. Planning Officer Miner clarified that the PD doesn't establish anything until the project moves forward.

Commissioner Simons stated an understanding that a PD is an overlay but not a zoning change, so if an apartment complex has a PD zoning and wants an additional story it would automatically require review. Planning Officer Miner clarified that it's a combining district, not an overlay, and that it combines with the base zoning. Planning Officer Miner stated that the PD only grants an applicant the potential to file an application that has deviations. Commissioner Simons confirmed with Planning Officer Miner that a project that comes before the Planning Commission would include any deviations requested for the PD, a comparison of the project to the base zoning standards for R-4 and the project's justification.

Commissioner Howard commented that his property is 1.1 miles from the property site. Senior Assistant City Attorney Rebecca Moon advised it is difficult to comment without an analysis of the project's potential impact on Commissioner Howard's property values. Senior Assistant City Attorney Moon advised that the idea is to ask if a reasonably prudent person would believe that this project could affect Commissioner Howard's property values 1.1 miles away.

Chair Harrison opened the Public Hearing.

Applicant Malika Junaid, representing M Designs Architects, presented information about the proposed project.

Owner Kishore Polakala commented that the goal is to contribute to the quality of the neighborhood by exceeding the green point and parking requirements and having onsite Below Market Rate (BMR) units. Mr. Polakala stated that he is

dedicated to meeting the highest standards for all requirements.

Chair Harrison confirmed that Mr. Polakala was present at the outreach meeting and asked about comments from the neighbor at 214 W. Ahwanee Avenue. Mr. Polakala advised that the owner was concerned about privacy but that their property is already surrounded by high density and they are trying to collaborate. Chair Harrison confirmed with Mr. Polakala that the property he is proposing is the automobile facility, that the neighbor at 214 W. Ahwanee Avenue is a single-family home and that the owner at 220 W. Ahwanee Avenue supports the project.

Chair Harrison confirmed with Mr. Polakala that the automobile business is not currently operational.

Chair Harrison asked the applicant if he had approached the owner of 214 W. Ahwanee Avenue about buying the property. Mr. Polakala stated that he has attempted to reach them multiple times and are ready to work with them on multiple options, whether that is aggregation or a buyout.

Kelly Knight, Sunnyvale resident and owner of 214 W. Ahwanee Avenue, noted his concerns about additional high density zoning in the City and traffic congestion at his property.

Chair Harrison asked Mr. Knight if he personally disagreed with rezoning his property and Mr. Knight confirmed, citing that the proposed rezone has too much high density. Mr. Knight commented that the neighbors behind the property have single-story dwellings. Chair Harrison asked Mr. Knight if his request would be to keep the zoning as industrial. Mr. Knight advised not necessarily and that he had considered expansion but his offer wasn't accepted at that time. Mr. Knight stated that it's a difficult situation because if the site increases to high density then he must reevaluate what his property can provide his children in the future.

Jed McNeil, Sunnyvale resident, thanked all the Planning Commissioners. Mr. McNeil commented that while the petitioner's desire for additional housing should be respected, this proposed project should be zoned R-3 at the maximum since high density is not appropriate for this area.

Bonnie Lloyd, SNAIL member, noted her concerns with the proposed project's density and requested a maximum of R-2, advising that residential zoning is appropriate.

Joyce Hao, Sunnyvale resident, noted her concerns with the proposed project's

density and requested a maximum of R-3. Ms. Hao commented that she disagrees with the staff report which states that the proposed project would have no aesthetic impact.

Ms. Junaid stated that some of these concerns were presented by residents during the outreach meeting and that possibilities for the site were discussed based on the industrial zoning. Ms. Junaid advised that the homeowner located behind the property does support it and that the proposed project will have stories set away from the residential neighborhood. Ms. Junaid spoke to the benefits of the underground garage and unit storage spaces.

Mr. Polakala advised that the project details show the amount of effort put into the proposed project and that higher quality materials were chosen, at a higher cost. Mr. Polakala stated that they have worked with the City on various studies and want to address any concerns. Mr. Polakala commented that they have given the owner of 214 W. Ahwanee Avenue several options for his property.

Commissioner Howard asked the applicant if there were additional costs incurred in the conversion from industrial to residential. Mr. Polakala stated that they had to complete studies for the entire block, not just their site. Commissioner Howard confirmed with Ms. Junaid that there is nothing hazardous that must be removed but that the site will need to be cleaned up.

Chair Harrison closed the Public Hearing.

Commissioner Howard asked staff if the adjacent R-4 properties which may appear like R-3 are built to R-4 specifications. Associate Planner Schroeder advised that the property at 126 W. Ahwanee Avenue is built to R-4 and that the property at San Aleso Ave is built to R-3 but zoned as R-4.

Commissioner Simons asked staff to confirm if there are usually site specific conditions attached to PD's. Planning Officer Miner advised that the project itself will require an environmental review. Commissioner Simons stated that there have been other requirements for PD's, such as landscaping and changes in ingress and egress. Planning Officer Miner stated that the Planning Commission can give staff direction and comments during the Study Session for this project. Planning Officer Miner advised that in this instance it may be helpful not to see the project because there are four different rezone options. Commissioner Simons stated that regardless of the rezone option, the Planning Commission should be able to make an additional recommendation. Senior Assistant City Attorney Rebecca Moon clarified that the COA apply to the project, not the zoning code, and that any

modification would need to wait until the project comes before the Planning Commission. Senior Assistant City Attorney Moon advised that the PD allows for customization of the project for the specific site but that conditions can't be applied to the zoning. Planning Officer Miner stated that the City first rezones a property to a PD and then the project applies for a Special Development Permit (SDP) which will contain the findings, COA's and standards that aren't included in the PD.

Commissioner Howard confirmed with Planning Officer Miner that the Planning Commission will have discretion over the project itself. Planning Officer Miner clarified that regardless of the PD designation the Planning Commission would have the same discretion.

Chair Harrison commented that an R-3 designation would allow up to three stories and asked staff to explain the difference in maximum units between R-3 and R-4. Associate Planner Schroeder advised that the maximum number of units for R-3 is 45 (75% at 33) and that the maximum number of units for R-4 is 68 (75% at 51). Chair Harrison confirmed with Associate Planner Schroeder that the height limit is three stories for R-3 and four stories for R-4.

MOTION: Commissioner Howard moved and Vice Chair Rheaume seconded the motion for Alternatives 1, 2 and 3 –

1. Make the findings required by CEQA in Attachment 3 and adopt the Mitigated Negative Declaration;
2. Adopt a resolution amending the General Plan land use designation from Industrial to Residential High Density (27-45 du/ac) for 210, 214, and 220 W. Ahwanee Avenue (Attachment4); and,
3. Make the finding that the zoning amendment (rezoning) is deemed to be in the public interest (Attachment 3) and introduce an Ordinance to rezone 210, 214, and 220 W. Ahwanee Avenue from M-S/PD to R-4/PD (Attachment 5).

Commissioner Howard noted an appreciation for the additional housing and stated that the Planning Commission will use discretion when the project comes before them, to ensure that R-4 fits the neighborhood. Commissioner Howard stated this is a good location for the site, since it's adjacent to Peery Park and transit options, which will help reduce traffic congestion. Commissioner Howard stated that the Planning Commission will be vigilant to ensure that the project addresses the concerns of the neighborhood.

Vice Chair Rheaume stated that he can make the findings and that it's great to add housing close to Moffett Park and Peery Park. Vice Chair Rheaume advised he is

concerned about the project's proximity to R-0 housing and will keep this in mind when the Planning Commission reviews the project plans. Vice Chair Rheume reiterated a comment that the four stories should be kept closer to W. Ahwanee Avenue.

Commissioner Olevson noted that he will be supporting the motion and appreciates that the project review is separated from the rezone. Commissioner Olevson stated that there are R-4 properties to the east and west, which means consistent zoning in this area of the City. Commissioner Olevson stated that this could support the Peery Park and Moffett Park areas because employees could be close to their work environment.

Commissioner Weiss stated that she will be supporting the motion, that the project site is in a good location and that the higher density allows for more units. Commissioner Weiss encouraged the Planning Commissioners to thoroughly review the project when it comes before the Planning Commission and remember the concerns of the neighborhood, especially those in the single-story homes.

Commissioner Simons stated he will not be supporting the motion, due to the severe difference in the bordering zoning. Commissioner Simons advised that if there were standards on how to mitigate substantial transitions in zoning, his opinion might change. Commissioner Simons stated that in previous projects building heights were stepped further back from single-family residences but in these instances the landscaping buffer was usually overlooked. Commissioner Simons advised that estate sized trees are required to mitigate this issue. Commissioner Simons stated an opinion that stepping back the building is not as effective as a bordering trees and sufficient landscaping space for the zoning transition. Commissioner Simons commented that hopefully in the future there will be agreed upon mitigation that is effective long term for these scenarios.

Chair Harrison stated that she will be supporting the motion and that staff's recommendation was well written and succinct, citing that the conversion of industrial to high-density residential on these sites is appropriate because the loss of industrial land would not be detrimental to General Plan goals, the sites are physically suitable for residential use, and the designation will be more compatible with the neighborhood. Chair Harrison noted that the site is suitable due to the proximity to public transportation and employment.

The motion carried by the following vote:

- Yes:** 5 - Chair Harrison
Vice Chair Rheaume
Commissioner Howard
Commissioner Olevson
Commissioner Weiss
- No:** 2 - Commissioner Howe
Commissioner Simons

Planning Officer Miner advised that this item goes to the City Council on April 11.

5. [17-0222](#) **Proposed Project: PEERY PARK PLAN REVIEW PERMIT** to allow a 150,651 square foot four-story office/R&D building and a detached six-level with partial underground parking structure, resulting in 100% FAR, in the Peery Park Specific Plan area. The project includes a 2,500 square foot retail space on the ground floor.
File #: 2015-8110
Location: 675 Almanor Ave. (APNs: 165-44-006 165-44-012)
Applicant / Owner: Chang Architecture/Almanor Ventures LLC
Environmental Review: The project is exempt from additional CEQA review per CEQA Guidelines section 15168(c)(2) and (4) and Public Resources Code Section 21094(c). The project is within the scope of the Peery Park Specific Plan Program EIR as no new environmental impacts are anticipated and no new mitigation measures are required.
Project Planner: Momoko Ishijima, (408) 730-7532, mishijima@sunnyvale.ca.gov

Associate Planner Momoko Ishijima presented the staff report.

Commissioner Weiss confirmed with Associate Planner Ishijima that the surface parking on the San Francisco Public Utilities Commission (SFPUC) property does not count towards the project's required parking. Associate Planner Ishijima advised that through the permitting process the applicant has worked with the SFPUC to obtain a lease agreement. Commissioner Weiss asked staff about the terms of the lease agreement and Associate Planner Ishijima advised that the applicant will be able to give this information.

Chair Harrison opened the Public Hearing.

Applicant Derrick Larson, representing Dollinger Properties, presented images and information about the proposed project.

Clifford Chang, representing Chang Architecture, presented images and