

## **DETERMINATION BY PLANNING COMMISSION**

**Development Agreement** between the City of Sunnyvale and Martin A. Kasik and Sharon K. Kasik, Trustees of The Kasik Family 1990 Living Trust (the “Kasik Trust”), Kelly Kasik (a/k/a Kelly Kasik Stahl), an individual (“KKS”), and Kerry Cathleen Kasik, an individual (“KCK”)

Planning File #: 2020-7216

Pursuant to City Council Resolution 371-81, the Commission shall make a recommendation to the City Council including the Commission's reasons therefore and its determination of whether the development as described in the development agreement will be:

### **1. Consistent with the objectives, policies, general land uses and programs specified in the general plan and any applicable specific plan;**

The Downtown Specific Plan will allow higher intensity development in the Downtown area with the use of incentives and community benefits. The vision for the downtown is for a variety of uses with higher intensity in the Downtown Core. This project is adjacent to other office uses and is near various other major destinations such as historic Murphy Avenue, the Caltrain Station, and Plaza del Sol.

The project will implement the objectives of the plan by providing higher quality office space for existing Sunnyvale businesses or will attract new Sunnyvale businesses. The size of the floorplates provides flexibility and can support multiple tenants or a single tenant. Businesses and their employees located this building will help support of other downtown commercial uses and destinations.

This project implements Table 7-6 (Configuration of Altair) of the Downtown Specific Plan by providing additional streetscape features that may include a tabled roadway with privately maintained decorative paver pavement and flush curb, where feasible, providing increased access to Plaza del Sol.

This all electric building project will implement the City’s Climate Action Playbook Strategy 2: Decarbonizing Buildings (Play 2.3 Achieve all-electric new construction).

The project includes street improvements that implement Table 7-6 “Configuration of Altair” by providing pick-up/drop-off and loading zones. The project is in support of this goal in the Community Vision of the General Plan:

**GOAL IX: Dynamic Downtown:** To create and support a strong and attractive traditional downtown which serves as the community’s central

marketplace, common gathering place and symbolic center. The vitality and attractiveness of Sunnyvale are not reflected in its Downtown today. Vacant storefronts and a shuttered mall suggest a distressed community, lacking in positive identity. It is clear that both the desire of the public and the demand of the market are to recreate a traditional downtown of shops, restaurants, offices and residences, as a common gathering place, central marketplace and symbolic center for the City of Sunnyvale.

Specifically, the proposed development meets the following primary goals of Downtown Specific Plan:

- A. Establish the Downtown as the cultural, retail, economic, and entertainment center of the community, complemented by employment, housing, and a variety of transportation opportunities.
- B. Develop land uses in an attractive and cohesive physical form that clearly identifies Sunnyvale's Downtown.
- C. Protect and enhance the community character of existing neighborhoods, preserving distinctive neighborhood features.
- D. Expand the pedestrian-oriented character of the Downtown with enhanced access to parks, open space, plazas, and community and other public realm amenities.
- E. Promote a balanced street system that serves all users, prioritizing the needs of pedestrians.

**2. Compatible with the uses authorized in, and the regulations prescribed for, the land use district in which the real property is located;**

The project is located in the North of Washington District, part of the Downtown Core, of the Downtown Specific Plan. This district contains a mix of higher density residential and office uses, with ground-level activity, plazas and open space, the Murphy Station Heritage Landmark District and connections to transit. The project takes advantage of several programs that allow development intensity and height above the listed development standards in the Downtown Specific Plan. Additional office development is allowable through a combination of incentives and community benefits including contribution to a community benefit fund and the availability of public parking.

The proposed office use is consistent with the North of Washington character. Subsequent review of building design will assure consistency with all city development standards.

**3. In conformity with public convenience and good land use practice;**

The proposed use is consistent with the Downtown Specific Plan North of Washington District. The project improves the pedestrian connection for office employees through upgrade streetscape features and a higher intensity uses to support the vision for Downtown of "an enhanced, traditional Downtown

serving the community with a variety of destinations in a pedestrian-friendly environment.” The project further implements the following DSP goal and policies by providing a high quality office building capable of support single or multiple tenants, an all-electric building, and enhanced connections to Plaza del Sol.

- Enhancing employment opportunities responsive to local job market needs, such as research and development and technology businesses, to enhance local economic vitality;
- Creating a distinct sense of place by providing enhanced connections and dynamic gathering places, while also allowing taller buildings and larger community gathering spaces;
- Allowing sufficient density and intensity to attract financially feasible private development that will support community benefits, such as open space, affordable housing, and funding for public facilities; and
- Creating a district that promotes the use of a variety of sustainable transportation modes, such as bike, pedestrian, ride-share, and transit and discourages use of single-occupancy vehicles.

**DSP GOAL A-1. A Mixed-Use Center.** Establish the Downtown as the cultural, retail, economic, and entertainment center of the community, complemented by employment, housing, and a variety of transportation opportunities.

- **Policy A-1.1** Encourage a broad mix and scale of uses throughout the Downtown when consistent with the district character.
- **Policy A-1.4** Encourage the provision of space for small, new, emerging, and innovative businesses.
- **Policy A-1.5** Create vibrant public spaces for community gathering to encourage social interaction and a stronger sense of community.
- **Policy A-1.8** Where appropriate, allow for additional development beyond the base allowable development in exchange for amenities that benefit the community.

**DSP GOAL B-1. A Distinct Downtown for Sunnyvale.** Develop land uses in an attractive and cohesive physical form that clearly identifies Sunnyvale’s Downtown.

- **Policy B-1.1** Promote sustainable building design and infrastructure as a model for other districts in the City.

**DSP GOAL B-3. A Pedestrian-Oriented Environment.** Expand the pedestrian-oriented character of the Downtown with enhanced access to parks, open space, plazas, and community and other public realm amenities.

- **Policy B-3.6** Create attractive, high-quality outdoor gathering spaces and pedestrian-oriented amenities that are vibrant, safe, and accessible and contribute to fostering a strong sense of community.

**4. Not detrimental to the public health, safety and general welfare;**

The project will be consistent with all development codes to assure the site is safe. The DA will further implement the objectives of the DSP by providing a contribution to the Community Benefit Fund of \$3,000,000 which will be used to provide a variety of community facilities in the Downtown and Citywide. Landowner will designate the City as the point of sale for California sales and use tax purposes during Project construction which will augment sales tax receipts to the City. The design and construction of off-site street improvements between the project site and Plaza del Sol (valued \$2,500,000) will implement policies on improving connections to open spaces. All electric building promotes sustainable design consistent with the DSP policy and the City's Climate Action Playbook to reduce carbon emissions.

Once redevelopment occurs, the City will receive additional General Fund monies through construction permitting and the long-term increased property tax. The project will also contribute housing impact fees and transportation impact fees which will benefit current and future residents and businesses. The revenue will contribute to expansion and upkeep of city infrastructure and services. Mitigation fees will help implement city programs, such as affordable housing, to benefit community welfare and to address transportation improvements to improve transportation safety.

**5. Of a beneficial effect on the orderly development of property and the preservation of property values;**

The project concentrates growth in an existing urbanized area as infill development and thereby results in fewer impacts from the construction of new infrastructure. The provision of a mix of uses in the Downtown, including higher intensity offices, is anticipated under the Land Use and Transportation Element. The employees working in the office will use existing and future downtown commercial and entertainment uses to help support a vibrant area. The project would not have a negative effect on property values in and around the downtown and overtime will preserve and enhance those values.

**6. Consistent with the requirements of the resolution.**

The DA has been reviewed by City staff and has been found to be consistent with the requirements of Resolution 371-81.