City of Sunnyvale

Meeting Minutes - Final

City Council

Tuesday, April 25, 2017 **4:30 PM** **Council Chambers and West Conference Room, City Hall, 456 W. Olive Ave., Sunnyvale, CA 94086**

Special Meetings: Closed Session- 4:30 PM | Study Session- 6 PM | Regular Meeting- 7 PM

4:30 P.M. SPECIAL COUNCIL MEETING (Closed Session)

Vice Mayor Larsson announced the items for Closed Session and invited any members of the public to provide public comments before convening to Closed Session.

1 Call to Order in the West Conference Room

Vice Mayor Larsson called the meeting to order at 4:30 p.m.

2 Roll Call

Present: 5 - Mayor Glenn Hendricks
Vice Mayor Gustav Larsson
Councilmember Jim Griffith
Councilmember Russ Melton
Councilmember Michael S. Goldman

Absent: 2 - Councilmember Nancy Smith (excused)
Councilmember Larry Klein (excused)

3 Public Comment

No speakers.

4 Convene to Closed Session

17-0461 Closed Session held pursuant to California Government Code Section 54957.6: CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Deanna J. Santana, City Manager; Teri Silva, Director of Human Resources
Employee Organization: Sunnyvale Employee Association (SEA)

Employee Organization: Service Employees International Union, Local 521 (SEIU)

17-0462 Closed Session held pursuant to California Government Code Section 54956.9: CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION
(Initiation of litigation pursuant to Government Code Sections 54956.9(c),(d)(4): One case)

5 Adjourn Special Meeting

VIce Mayor Larsson adjourned the meeting at 5:36 p.m.

6 P.M. SPECIAL COUNCIL MEETING (Study Session)

1 Call to Order in the West Conference Room (Open to the Public)

Vice Mayor Larsson called the meeting to order at 6:01 p.m.

2 Roll Call

Present: 5 - Vice Mayor Gustav Larsson
Councilmember Jim Griffith
Councilmember Larry Klein (arrived at 6:02 p.m.)
Councilmember Russ Melton
Councilmember Michael S. Goldman

Absent: 2 - Mayor Glenn Hendricks (excused)
Councilmember Nancy Smith (excused)

3 Public Comment

No speakers.

4 Study Session

17-0227 Review Performance Evaluation Tools for the City Manager and City Attorney

5 Adjourn Special Meeting

Vice Mayor Larsson adjourned the meeting at 6:14 p.m.

7 P.M. COUNCIL MEETING

CALL TO ORDER

Mayor Hendricks called the meeting to order.

SALUTE TO THE FLAG

Mayor Hendricks led the salute to the flag.

ROLL CALL

Present: 6 - Mayor Glenn Hendricks
Vice Mayor Gustav Larsson
Councilmember Jim Griffith
Councilmember Larry Klein
Councilmember Russ Melton
Councilmember Michael S. Goldman

Absent: 1 - Councilmember Nancy Smith

Mayor Hendricks stated Councilmember Smith's absence is excused.

CLOSED SESSION REPORT

Vice Mayor Larsson reported Council met in Closed Session held pursuant to California Government Code Section 54957.6: Conference with Labor Negotiator; Agency designated representatives: Deanna J. Santana, City Manager; Teri Silva, Director of Human Resources; Employee Organizations: Sunnyvale Employee Association (SEA), Service Employees International Union, Local 521 (SEIU); nothing to report.

Vice Mayor Larsson reported Council met in Closed Session held pursuant to California Government Code Section 54956.9: Conference with Legal Counsel – Anticipated Litigation (Initiation of litigation pursuant to Government Code Sections 54956.9(c),(d)(4): One case); nothing to report.

SPECIAL ORDER OF THE DAY

17-0443 SPECIAL ORDER OF THE DAY - Affordable Housing Week

Mayor Hendricks presented a proclamation to Marie Bernard, Sunnyvale Community Services, in recognition of Affordable Housing Week.

17-0490 SPECIAL ORDER OF THE DAY - National Poetry Month

Mayor Hendricks presented a proclamation to Flo Wong in recognition of National Poetry Month.

ORAL COMMUNICATIONS

Larry Klein announced an upcoming free business workshop focused on business lending and financial planning.

Andy Frazer spoke regarding sea level rise and presented a PowerPoint presentation.

Tara Martin-Milius announced an upcoming forum regarding the Future of Sunnyvale's El Camino Real.

Alia Wilson announced an upcoming 5th annual Our Kids Our Community fundraiser.

Lois Shouse, Plaza Del Rey, spoke regarding concerns with the agreements with the Carlyle Group.

Beth Ebben, Plaza Del Rey, spoke regarding concerns with the agreements with the Carlyle Group and provided written materials.

Mike McCarthy, President, Plaza Del Rey Mobile Home Park Association, read a letter from the attorney for the Plaza Del Rey Mobile Home Park Association.

Tom Greene, Chairman, Board of Trinity Church, provided an update on the services provided by the church in the last 10 years.

CONSENT CALENDAR

MOTION: Vice Mayor Larsson moved and Councilmember Klein seconded the motion to approve the Consent Calendar.

The motion carried by the following vote:

Yes: 6 - Mayor Hendricks
Vice Mayor Larsson
Councilmember Griffith
Councilmember Klein
Councilmember Melton
Councilmember Goldman

No: 0

Absent: 1 - Councilmember Smith

1.A 17-0174 Approve the List(s) of Claims and Bills Approved for Payment by the City Manager

Approve the list(s) of claims and bills.

1.B 17-0445 Award of Bid No. PW17-22 for the Calabazas Creek Bridge Replacement Project at Old Mountain View-Alviso Road, and Award Contracts for Phase 2 Construction Management Services and Engineering Services During Construction (F17-111 and F17-112)

1) Award a contract, in substantially the same form as Attachment 2 to the report and in the amount of $4,319,295 to Flatiron West Inc. of Benicia for the Calabazas Bridge Replacement at Old Mountain View Alviso Road, and authorize the City Manager to execute the contract when all necessary conditions have been met; 2) approve a 10% construction contingency in the amount of $431,930; 3) award a Phase 2 construction management contract in an amount not to exceed to $659,887 to Vali Cooper & Associates Inc. of Emeryville, in substantially the same form as Attachment 3 to the report, and authorize the City Manager to execute the contract when all necessary conditions have been met; 4) approve a 10% construction management contingency in the amount of $65,989; 5) award a contract for engineering services during construction to Biggs Cardosa Associates Inc. of San Jose in an amount not to exceed $123,780, in substantially the same form as Attachment 4 to the report, and authorize the City Manager to execute the contract when all necessary conditions have been met; and 6) approve a 10% contract contingency in the amount of $12,378.

1.C 17-0279 Loan Amendment to Convert 2004 Housing Mitigation Loan on Moulton Plaza Affordable Housing Project from Partially Deferred to Fully Deferred

Approve an amendment to the 2004 Promissory Note with New Homestead Associates to convert the 2004 Home Mitigation Funds Loan of $992,000 from partially deferred to fully deferred and authorize the City Manager to execute the Amendment.

1.D 17-0365 Authorize the City Manager to Enter into Agreement with Kimley Horn and Associates to Complete the Environmental Document to Amend the Moffett Park Specific Plan and Rezone 1050 & 1060 Innovation Way (Onizuka) and Approve Budget Modification No. 39

Authorize the City Manager to enter into an Agreement with Kimley Horn in an amount not to exceed $200,000 for environmental consulting services related to the

Amendment of the Moffett Pak Specific Plan to Rezone 1050 & 1060 Innovation Way (Onizuka) and Approve Budget Modification No. 39 in the amount of $200,000.

1.E 17-0367 Award of Bid No. PW17-05 for the Sunnyvale Community Center, Finding of CEQA Categorical Exemption, Amend an Existing Design/Construction Support Contract, and Approve Budget Modification No. 41 in the Amount of $1,744,900

1) Make a finding of CEQA categorical exemption pursuant to Class 1 categorical exemption pursuant to CEQA Guidelines Section 15301 for maintenance or repair of existing facilities involving negligible or no expansion of use beyond which presently exists; 2) approve Budget Modification No. 41 to provide $1,744,900 in additional project funding; 3) award a contract, in substantially the same format as Attachment 2 to the report and in the amount of $5,150,000 to Agbayani Construction Corporation for infrastructure repairs and renovations at the Sunnyvale Community Center, and authorize the City Manager to execute the contract when all necessary conditions have been met; 4) approve a 15% construction contingency in the amount of $772,500; 5) authorize the City Manager to execute an amendment to an existing contract with Cody Anderson Wasney Architects for design/construction support services, adding $58,787 and increasing the not to exceed value from $685,983 to $744,770, in substantially the same format as Attachment 3 to the report; and 6) approve a 10% contract contingency in the amount of $5,879.

1.F 17-0376 Award of Contract for Sunnyvale Clean Water Program Facility Condition Assessment Project (F17-048)

1) Award a contract in substantially the same form as Attachment 1 to the report and in an amount not to exceed $953,177 to AECOM Technical Services Inc., and authorize the City Manager to execute the contract when all necessary conditions have been met; and 2) approve a 10% contract contingency on the base services in the amount of $77,998.

1.G 17-0384 Loan Amendment to Increase Community Development Block Grant Loan to Crescent Terrace, Inc. from $500,000 to $600,000 for Crescent Terrace Rehabilitation Project and Budget Modification No. 44

Approve Budget Modification No. 44 in the amount of $100,000 and the Amendment to the Deed of Trust, Regulatory Agreement and Loan Documents with Crescent Terrace, Inc., to increase the CDBG loan amount to $600,000, in substantially the form provided in Attachment 1 to the report, and authorize the City Manager to execute the Amendment in final form as approved by the City Attorney.

1.H 17-0426 Receive and File the City of Sunnyvale Investment Report - 1st Quarter 2017

Receive and file the City of Sunnyvale FY 2016/17 First Quarter 2017 (Period 10) Investment Report.

1.I 17-0244 Rescind Prior Action Approving a Special Development Permit to Allow a New Commercial Building (Grocery Store) at 777 Sunnyvale-Saratoga Road and Find that the Action to Rescind is Exempt from CEQA

Rescind prior action taken on September 13, 2016, adopting a Mitigated Negative Declaration and approving Special Development Permit No. 2015-7399 to allow a new commercial building (grocery store) at 777 Sunnyvale-Saratoga Road, and find that this action is exempt from CEQA.

1.J 17-0457 Adopt Ordinance No. 3112-17 to Amend Certain Sections in Chapters 10.04 (General Provisions), 10.08 (Traffic Control Devices) and 10.32 (Three or Four Way Multi-Way Stop Intersections) of Title 10 (Vehicles and Traffic) of the Sunnyvale Municipal Code Relating to Duties of the City Traffic Engineer

Adopt Ordinance No. 3112-17.

1.K 17-0489 Adopt Ordinance No. 3113-17 Amending the Precise Zoning Plan, Zoning Districts Map, to Rezone Certain Property Located at 210, 214 & 220 W. Ahwanee Avenue from M-S/PD (Industrial and Service/ Planned Development) to R-4/PD (High Density Residential/ Planned Development) Zoning District

Adopt Ordinance No. 3113-17.

PUBLIC HEARINGS/GENERAL BUSINESS

2 17-0290 Approve the Downtown Sunnyvale Business Improvement District (BID) Annual Report for Fiscal Year 2016/2017; Adopt Resolution of Intention to Consider Proposed Conversion of Portions of BID Zone C to Zone B; and Adopt Resolution of Intention to Levy and Collect an Annual Assessment and Reauthorize the BID for Fiscal Year 2017/2018

Economic Development Manager Connie Verceles provided the staff report.

Public Hearing opened at 7:39 p.m.

Mike Johnson, Executive Director, Sunnyvale Downtown Association, spoke regarding the association.

Public Hearing closed at 7:40 p.m.

MOTION: Vice Mayor Larsson moved and Councilmember Griffith seconded the motion to approve Alternatives 1 and 2: 1) Approve the BID's request to adopt the Resolution of Intention to Convert Portions of Bid Zone C to Bid Zone B and schedule a public hearing for May 23, 2017; and 2) Approve Fiscal Year 2016/2017 BID Annual Report, adopt the Resolution of Intention to Levy and Collect an Assessment and Reauthorize the Business Improvement District for Fiscal Year 2017/2018, and schedule the public hearing for May 23, 2017.

The motion carried by the following vote:

Yes: 6 - Mayor Hendricks
Vice Mayor Larsson
Councilmember Griffith
Councilmember Klein
Councilmember Melton
Councilmember Goldman

No: 0

Absent: 1 - Councilmember Smith

3 17-0338 Proposed Project: Introduce an Ordinance to REZONE 29 contiguous single family home lots from R-0 (Low Density Residential) to R-0/S (Low Density Residential/Single-Story)
Location: 1457-1493 Firebird Way (APNs: 309-14-035 through 309-14-044 and 309-27-050 through 309-27-055), 1459-1495 Flamingo Way (309-14-045 through 309-14-047 and 309-27-044 through 309-27-049) and 677-691 Dunholme Way (APNs: 309-14-048 through 309-14-051).
File #: 2016-7753
Zoning: R-0
Applicant / Owner: Susann Luschas (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).

Planning Officer Andy Miner provided the staff report and presented a PowerPoint presentation. Director of Community Development Trudi Ryan provided additional information.

Mayor Hendricks stated he grew up in an Eichler, lives in an Eichler and lives in a single-story combining district.

Applicant Michiel Ligthart provided information about the application and a PowerPoint presentation.

Public Hearing opened at 7:59 p.m.

Suzanne Shea spoke in spoke in support of the application.

Darby Flook spoke in support of the application.

Hui-Ling Lou spoke in support of the application.

Frank Baumgarte spoke in support of the application.

Patricia Kuntz spoke in support of the application.

Roger Stein spoke in support of the application.

Martyn Griffiths, an earlier applicant for a Single-Story Combining District, spoke in support of the application.

Susan Luschas provided information about the application and the Planning Commission decision.

Manuel Luschas provided information about the application.

Mike Serrone spoke in support of the application.

Applicant Michiel Ligthart provided brief closing comments.

Public Hearing closed at 8:21 p.m.

MOTION: Councilmember Griffith moved and Councilmember Klein seconded the motion to approve Alternatives 1 and 2: 1) Find the project exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Sections 15305 and 15061(b)(3); and 2) Introduce an Ordinance (Attachment 6 of the report) to Rezone 29 contiguous single family home lots from R-0 (Low Density Residential) to R-0/S (Low Density Residential/Single Story).

Deputy City Clerk Lisa Natusch read the ordinance title.

The motion carried by the following vote:

Yes: 6 - Mayor Hendricks
Vice Mayor Larsson
Councilmember Griffith
Councilmember Klein
Councilmember Melton
Councilmember Goldman

No: 0

Absent: 1 - Councilmember Smith

4 17-0339 Proposed Project: Related actions on a 0.34 acre site on Old San Francisco Road
REZONE from R-0 to R-3/PD,
SPECIAL DEVELOPMENT PERMIT for the construction of six three-story attached townhouse units, and
VESTING TENTATIVE MAP to subdivide two lots into six townhouse lots and one common lot.
File #: 2015-8059
Location: 669-673 Old San Francisco Road (APNs: 209-17-050 & 051)
Zoning: R-0 (Low Density Residential)
Applicant / Owner: Innovative Concepts / George Nejat
Environmental Review: Mitigated Negative Declaration

Planning Officer Andy Miner provided the staff report and a PowerPoint presentation. Director of Community Development Trudi Ryan, Senior Planner Ryan Kuchenig, and City Attorney John Nagel provided additional information.

Jeff Guinta, Innovative Concepts, provided information regarding the project.

Public Hearing opened at 9:21 p.m.

Erik Stauffer spoke in opposition to the project and rezoning, citing concerns with the project size, compatibility with the neighborhood and parking. Stauffer provided information regarding a statement submitted by 14 neighbors in opposition to the project.

Gene Hoyle spoke in opposition to the project citing concerns with compatibility with the neighborhood.

Maria Hamilton spoke in opposition to the project citing incompatiblity with the neighborhood, privacy and security concerns, and provided a PowerPoint presentation. Hamilton spoke in support of Alternative 3.

Carolyn James, resident of Pebble Creek, spoke in opposition to the project citing traffic and parking concerns.

Public Hearing closed at 9:35 p.m.

George Nejat, property owner, provided background information regarding the project.

MOTION: Councilmember Melton moved to make the findings required by the California Environmental Quality Act (CEQA) in Attachment 4 to the report, adopt the Negative Declaration; introduce the ordinance in Attachment 9 to the report to Rezone 669 & 673 Old San Francisco Road (APNs: 209-17-050 & 051) from R-0 to R-3/PD.
The motion died due to lack of second.

MOTION: Vice Mayor Larsson moved and Councilmember Griffith seconded the motion to approve Alternative 1: Make the findings required by the California Environmental Quality Act (CEQA) in Attachment 4 to the report, adopt the Negative Declaration; introduce the ordinance in Attachment 9 to the report to Rezone 669 & 673 Old San Francisco Road (APNs: 209-17-050 & 051) from R-0 to R-3/PD; and approve the Special Development Permit for six residential townhome units and Vesting Tentative Map to subdivide two lots into six lots plus a common lot based on the findings in Attachment 4 to the report and with the recommended conditions of approval in Attachment 5 to the report.

Deputy City Clerk Lisa Natusch read the ordinance title.

The motion failed by the following vote:

Yes: 3 - Mayor Hendricks
Vice Mayor Larsson
Councilmember Griffith

No: 3 - Councilmember Klein
Councilmember Melton
Councilmember Goldman

Absent: 1 - Councilmember Smith

MOTION: Councilmember Melton moved and Councilmember Goldman seconded the motion to make the findings required by CEQA in Attachment 4, adopt the Negative Declaration; introduce the ordinance in Attachment 9 to Rezone 669 & 673 Old San Francisco Road (APNs: 209-17-050 & 051) from R-0 to R-3/PD.

Following discussion, Councilmember Melton clarified that the intent of the motion is to deny the Special Development Permit and the Vesting Tentative Map.

FRIENDLY AMENDMENT: Councilmember Goldman offered a friendly amendment to improve the quality of materials and regardless of the parking within the building that the footprint be reduced so that the massing is not as much.
Councilmember Melton confirmed with Councilmember Goldman that the friendly amendment is to imbed into the motion direction to staff to improve the quality of the materials and reducing the mass.
Councilmember Melton accepted the friendly amendment.

Deputy City Clerk Lisa Natusch read the ordinance title.

The motion carried by the following vote:

Yes: 4 - Vice Mayor Larsson
Councilmember Klein
Councilmember Melton
Councilmember Goldman

No: 2 - Mayor Hendricks
Councilmember Griffith

Absent: 1 - Councilmember Smith

Council recessed at 10:33 p.m.
Council reconvened at 10:45 p.m. with Councilmember Smith absent.

5 17-0444 Proposed Project: Related applications on a 4.01-acre site on

Maude Avenue:
PEERY PARK PLAN REVIEW PERMIT to construct a 174,545-square foot, four-story corporate/research and development (R&D) office building and a 6-level parking structure on a 4.01-acre site resulting in a total of 100% FAR. The project includes outdoor recreation areas and a pedestrian/bicycle path for public use.
TENTATIVE MAP to merge three parcels into one parcel.
File #: 2015-8126
Location: 684 W. Maude Avenue (APNs: 165-28-028)
Applicant / Owner: Simeon Commercial Partners / Ks 684 Maude 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.

Planning Officer Andy Miner provided the staff report and clarified that there should not be starred items in the Project Data Table. Director of Community Development Ryan provided additional information.

Applicant Kurt Setzer, Principal, Simeon Commercial Partners, provided information about the project.

Ted Korth, KSH Architects, provided information about the project design and a PowerPoint presentation.

Public Hearing opened at 11:11 p.m.
No speakers.
Public Hearing closed at 11:11 p.m.

Applicant Kurt Setzer provided closing remarks and responded to questions.

MOTION: Councilmember Melton moved and Vice Mayor Larsson seconded the motion to approve Alternative 1: Make the required Findings to approve the California Environmental Quality Act determination that the project is within the scope of the Peery Park Specific Plan (PPSP) Environmental Impact Report (EIR) and no additional environmental review is required in Attachment 4 to the Report; make the Findings for the Peery Park Plan Review Permit, Tentative Map, Sense of Place Fee and Water Infrastructure fee in Attachment 4 to the Report; and approve

the Peery Park Plan Review Permit and Tentative Map subject to PPSP Mitigation Monitoring and Reporting Program in Attachment 7 to the Report and recommended conditions of approval set forth in Attachment 5 to the Report.

FRIENDLY AMENDMENT: Vice Mayor Larsson offered a friendly amendment to strike Condition of Approval PS-5 solar panel requirement.
Councilmember Melton declined to accept the friendly amendment.

AMENDMENT: Vice Mayor Larsson moved to amend the motion to strike Condition of Approval PS-5.
The motion to amend died due to lack of second.

The main motion carried by the following vote:

Yes: 6 - Mayor Hendricks
Vice Mayor Larsson
Councilmember Griffith
Councilmember Klein
Councilmember Melton
Councilmember Goldman

No: 0

Absent: 1 - Councilmember Smith

ORAL COMMUNICATIONS (CONTINUED AT 11:25 P.M.)

Deborah Wolter spoke regarding space rent increases at Plaza del Rey and in support of rent control for mobile home parks.

Zachary Kaufman spoke regarding speed limits, parking policies and cyclist safety in the Land Use and Transportation Element (LUTE).

COUNCILMEMBERS REPORTS ON ACTIVITIES FROM INTERGOVERNMENTAL COMMITTEE ASSIGNMENTS

None.

MOTION: Councilmember Melton moved and Vice Mayor Larsson seconded the motion to proceed with Non-Agenda Items and Comments.

The motion carried by the following vote:

Yes: 6 - Mayor Hendricks
Vice Mayor Larsson
Councilmember Griffith
Councilmember Klein
Councilmember Melton
Councilmember Goldman

No: 0

Absent: 1 - Councilmember Smith

NON-AGENDA ITEMS & COMMENTS

-Council

Councilmember Melton reported receipt of an email from the El Camino Health Care District regarding proposed governance changes there and stated he would make himself available if any Councilmembers would like to discuss or get his thoughts on the proposed governance changes.

MOTION: Councilmember Melton moved and Councilmember Goldman seconded the motion to place on the next City Council special meeting or regular meeting agenda a discussion regarding an emergency ordinance to freeze rents at mobile home parks for 60 days.

The motion failed by the following vote:

Yes: 2 - Councilmember Melton
Councilmember Goldman

No: 4 - Mayor Hendricks
Vice Mayor Larsson
Councilmember Griffith
Councilmember Klein

Absent: 1 - Councilmember Smith

-City Manager

None.

INFORMATION ONLY REPORTS/ITEMS

17-0371 Tentative Council Meeting Agenda Calendar

17-0292 Information/Action Items

17-0285 Pacific, Gas and Electric Tree Removals and Planting Plan for East California Avenue (Information Only)

17-0414 Notice of Public Works Director's Decision on Final Maps (Information Only)

17-0424 Solar Installations on City Facilities (Information Only)

17-0425 Update on Actions Taken Related to Membership in the Global Network of Age-Friendly Cities and Communities (GNAFCC) (Information Only)

ADJOURNMENT

Mayor Hendricks adjourned the meeting at 11:47 p.m.