



File #: 18-1118, Version: 1

REPORT TO PLANNING COMMISSION

SUBJECT

CONTINUED FROM MARCH 25, 2019 Proposed Project: Related applications on a 34.7-acre site:

REZONE: the site from M-S/ITR/R-3/PD (Industrial and Service/Industrial-to-Residential/Medium Density Residential/Planned Development) and M-S/ITR/R-3/PD (Industrial and Service/Industrial-to-Residential/High Density Residential/Planned Development) **TO** R-3/PD (Medium Density Residential/Planned Development) R-4/PD (High Density Residential Planned Development) and P-F (Public Facilities).

SPECIAL DEVELOPMENT PERMIT: Demolish existing industrial/office buildings (formerly AMD campus) and construct 1,051 residential units, including 944 units in three to five-story apartment buildings and 107 units in three-story townhome style buildings. The unit count includes 45 apartment units for very low-income households and 13 below market rate townhome units. Public improvements include the dedication of a 6.5-acre public park, extension of Indian Wells Avenue to the east to connect with the Duane Avenue/Stewart Drive intersection, and associated public improvements. Requested deviations include reduced private useable open space and front setbacks on Indian Wells Avenue and Stewart Drive.

VESTING TENTATIVE MAP: Lot line adjustment between two existing lots and subdivide one lot into six lots, to create a total of seven lots.

Location: 1 AMD Place (APNs: 205-22-024, 205-22-025), 975 Stewart Drive (205-22-028)

File #: 2016-8035

Zoning: Industrial Service/Industrial-to-Residential/Medium Density/Planned Development Zoning District (MS/ITR/R-3/PD) and Industrial Service/Industrial-to-Residential High Density Zoning District (MS/ITR/R-4/PD) Zoning District

Applicant / Owner: Irvine Company (applicant /owner)

Environmental Review: Adopt a resolution to make findings required by CEQA, certify the Environmental Impact Report (EIR), and adopt a Statement of Overriding Considerations and Mitigation Monitoring and Reporting Program.

Project Planner: Gerri Caruso/Margaret Netto, (408) 730-7440, mnetto@sunnyvale.ca.gov

REPORT IN BRIEF

Existing Site Conditions: Three office buildings, a utility building, paved parking lots and roads, and landscaping, including grass lawns and mature landscape trees and two lots.

Surrounding Land Uses

North: Single family homes and medium density townhomes across Duane Avenue

South: Office and service commercial uses across Stewart Drive

East: Office, hotel and service commercial uses across Stewart Drive

West: Medium density residential rental units and medium density ownership townhome residential units

Issues: EIR impacts and mitigations, traffic impacts and improvements, short term construction noise, setbacks, useable open space, tree preservation

Staff Recommendation: Recommend to City Council to Adopt a Resolution to Certify the Environmental Impact Report; make the Findings required by the California Environmental Quality Act; and adopt the Statement of Overriding Consideration and Mitigation Monitoring Report Program; Introduce an Ordinance to rezone portions of 1 AMD Place and 975 Stewart Drive to: R-3/PD, R-4/PD, and PF; Approve the Special Development Permit with specified deviations and Vesting Tentative Map subject to recommended Findings and Conditions of Approval.

BACKGROUND

A project site, vicinity and public noticing map is in Attachment 2.

Description of Proposed Project

The project includes the rezoning of the property and subdivision of the land to include creation of separate lots for development, a lot for a 6.5 acre public park and a right-of-way easement to extend Indian Wells Avenue. The development includes 1,051 housing units with a mix of for-sale and rental units, including affordable rental and below-market ownership units, along with on-site and off-site amenities and improvements. An Environmental Impact Report (EIR) has been prepared due to the project's potentially significant effects on the environment.

The project utilizes the State Density bonus and Green Building incentives as described below.

The project also includes a community benefit and the design and development of the new public park.

Existing Site Conditions

The site is approximately 34.7 acres located at 1 AMD Place and 975 Stewart Drive.

The project site encompasses area on two parcels bound by Stewart Drive on the south, Duane Avenue on the north, and the intersection of Duane Avenue/Stewart Drive on the east. Existing rental apartments and ownership townhomes are to the west of the site. Indian Wells Avenue currently terminates at the west property line of the site.

The project site currently consists of three office buildings, a utility building, paved parking lots and roads, and landscaping, including grass lawns and mature landscape trees. Residential uses are adjacent to the north, east, and west project boundaries. A public storage facility and office uses are located south and southeast of the site. Hotel and office buildings (formerly a private university) are located east of the site.

Previous Actions on the Site

The site is in the East Sunnyvale ITR General Plan Amendment area. In 2007, City Council approved the East Sunnyvale Industrial-to-Residential (ITR) General Plan Amendment and Rezone. The original 2007 study area consisted of 130-acres of industrial/office area. The City Council rezoned approximately 80-acres, which included the project site, to a combined designation that allows transition to residential uses. The current zoning would allow 890 dwelling units before any density bonuses.

The project is subject to the provisions in the East Sunnyvale Sense of Place Plan that was approved in 2015 for an approximately 130-acre area bounded by East Duane Avenue on the north and east, Stewart Drive on the south, and North Wolfe Road, Fair Oaks Park and the Kings Academy School on the west.

Public Review Schedule

Because the project includes a request for a rezoning, it must be approved by City Council. The City Council hearing is scheduled for April 23, 2019.

EXISTING POLICY

General Plan Goals and Policies: Key General Plan goals and policies from the Land Use and Transportation Chapter of the General Plan applicable to the project are found within the project Findings in Attachment 4.

The Land Use and Transportation Element (LUTE), Housing Element, and the Community Character Chapter of the Sunnyvale General Plan provide the City with a comprehensive and long-range general plan for its physical development. The LUTE Update, adopted in April 2017, combines the required land use and circulation elements into a single chapter. The land use and transportation policies strive to preserve community qualities that are favorable to residents and businesses and contribute to the community's identity. Policies also provide guidance on visual quality and the character of new development and provide additional direction for a complete community.

Applicable Design Guidelines: The City has a collection of Design Guidelines that are based on General Plan goals and policies and are intended to enhance the image of the City, preserve the existing character of the community, and achieve a higher overall design quality. The Design Guidelines address: citywide design, building architecture and site design standards, bird-safety, high-density residential design, building design, parking and circulation, landscaping, and service and accessory structures.

East Sunnyvale Sense of Place Plan: The project is located within the East Sunnyvale Area Sense of Place Plan. The purpose of this Plan is to function as a policy document to ensure improvements to the area are implemented in accordance with the Plan. The specific goals of the Sense of Place Plan are to:

- Enhance the quality of life for existing and future residents by encouraging and supporting a vibrant street life through wayfinding signage, seating areas, access nodes, and the addition of destinations and neighborhood-scale amenities.
- Encourage non-vehicular modes of travel by making those options (pedestrian, bicycle, transit) more comfortable through circulation, landscaping, lighting, and streetscape improvements.
- Enhance the neighborhood character and identity by providing entry monuments to define the limits of the neighborhood, providing pedestrian-scale thematic lighting, and beautifying the streetscape through landscaped parkway strips.

The applicant requests a minor deviation to the sidewalk width from 6-feet to 5.5 feet. Staff supports this minor deviation in order to preserve mature street trees. The Sense of Place plan in the area along Stewart Drive called for widened sidewalks, but given the existing road width and bike lane requirements, the only way to extend the width of the sidewalks was to move it further into the site. Given the berms immediately adjacent to the existing sidewalk, with the large ash trees located near or on the top of the berms, widening the sidewalk in this location would have resulted in loss and/or damage to the trees.

City Green Building Program: Green building is a whole systems approach to the design,

construction, and operation of buildings. This approach employs materials and methods that promote natural resource conservation, energy efficiency, and indoor air quality. The City's Green Building Program includes minimum standards based on the type of project and provides for verification of green building measures. Incentives are offered for projects that exceed the minimum green building standards and are offered to encourage project applicants and developers to provide additional green building features. Incentives include, but are not limited to, a density bonus as proposed by this project.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) requires that all state and local government agencies consider the environmental consequences of projects for which they have discretionary authority. An EIR has been prepared in compliance with CEQA provisions and City Guidelines (Attachment 10). The EIR is an informational document that describes the significant environmental effect of the project, identifies possible ways to minimize the significance of the effects and discusses reasonable alternatives to the project to avoid, reduce or minimize environmental impacts. The Mitigation Measures will be incorporated as Exhibit 1 of the Conditions of Approval (Attachment 7).

The purpose of this review is to determine if the analysis in the EIR is adequate. It is not the purpose of the EIR to recommend either approval or denial of the project. The EIR under consideration at this public hearing includes the Draft Environmental Impact Report (DEIR) document and the Final EIR (FEIR) document (which incorporates the DEIR by reference).

As proposed, the project would demolish all the existing industrial buildings on the project site to allow for construction of up to 1,051 residential units. The DEIR analyzed the impacts of up to 1,074 units. The applicant has reduced the proposed project size since the DEIR was prepared. The EIR also examines a 6.5-acre park, and extension of Indian Wells Avenue.

For a summary of Environmental Impacts and a summary of public comments see Attachment 16. The DEIR and Final EIR (FEIR) can be accessed at: <https://sunnyvale.ca.gov/business/projects/amd.htm>. The FEIR is also included as Attachment 11 to this report.

On August 19, 2017, a Notice of Preparation for the EIR was prepared and mailed to neighboring cities, the State, and other public agencies, and surrounding property owners and residents requesting their input on the scoping of the EIR. The Notice of Preparation and letters responding to the Notice of Preparation are found in Appendix A of the DEIR

Milestone	Date
Notice of Preparation	August 19, 2017
EIR Scoping Meeting	August 31, 2017
Notice of Availability (Required 45-day public review period)	November 2, 2018
Planning Commission Public Hearing for Comments on DEIR	November 26, 2018
Final EIR minimum 10-day review	March 15, 2019

Planning Commission Public Hearing (recommendation to the City Council)	March 25, 2019
City Council Public Hearing Date (Certification of the EIR)	April 23, 2019

Areas of potential impact analyzed in the EIR include the following:

- Aesthetics
- Air Quality
- Biological Resources
- Energy
- Greenhouse Gas Emissions and Climate Change
- Hazards and Hazardous Material
- Land Use and Planning
- Noise and Vibration
- Public Services and Utilities
- Recreation
- Traffic and Circulation

Scoping Meeting and Public Review of the Environmental Impact Report

A scoping meeting as authorized under CEQA for public agencies and members of the public were also invited. The scoping meeting is intended to allow the community to provide direction on the issues to be addressed in the EIR. This meeting was held on August 31, 2017 in the City Council Chambers. Twelve members of the public made comments at the scoping meeting. Seven agencies and eight members of the public submitted letters regarding the Notice of Preparation.

The DEIR was issued for public review and comment on November 2, 2018. A Notice of Availability for the DEIR was mailed to appropriate agencies and individuals and groups that had requested notice. A link to the City's web site and the DEIR was included in the notice. Printed copies of the DEIR were placed at the Sunnyvale Library, the One-Stop Permit Center and the Community Center. Notices of availability were mailed to property owners within 2,000 feet of the project area. During the 45-day review period that followed, public agencies and members of the public submitted written comments on the DEIR. The public review period and comment period closed on December 17, 2018. Three letters were received from public agencies and eight letters were received from the public during the review period. Eight member of the public, and three members of the Planning Commissioner commented on the DEIR during the public hearing on November 26, 2018. The comments and responses are found in the Final EIR (Attachment 11)

The EIR identified the following Significant and Unavoidable impacts that cannot be fully mitigated:

- Short-term Construction Noise Levels
- Impacts on Intersection Operating Conditions
- Impacts on Freeway Ramp Queuing

The City Council must adopt a Statement of Overriding Considerations in order to certify the EIR with these Significant and Unavoidable impacts (Attachment 6, EIR Findings and Statement of Overriding Considerations).

Following preparation of the Final EIR, the applicant requested minor edits to clarify three of the mitigation measures identified in the EIR (Attachment 20). These modifications will not result in new significant environmental impacts or substantially increase the severity of the environmental impacts identified in the EIR; therefore, recirculation of the EIR is not required. The Mitigation Monitoring and Reporting Program has been updated to reflect the changes.

In addition, staff received a lengthy comment letter a day before the originally advertised Planning Commission meeting. The letter is included in Attachment 17. The letter included over 600 pages of exhibits which are available at the following link:

<https://sunnyvale.ca.gov/civicax/filebank/blobdload.aspx?t=50437.17&BlobID=26361> A response to the issues raised in the letter is attached as Attachment 18.

The project evaluated in the EIR also includes the 6.5-acre public park that may include amenities such as picnic areas, small gathering places, a small dog park, outdoor fitness areas, play areas, water play elements, art/sculpture or themed gardens, a public restroom, a flex-use field, and on-site parking. However, the EIR notes that the design of the park will be determined under a separate process with input from City staff and the community. CEQA provides that agencies must complete environmental review as early as feasible in the planning process, yet late enough in the process to provide meaningful information for environmental assessment. The design and construction of the park will not be approved until appropriate environmental analysis is completed as required by CEQA. The approval of the current project does not commit the City to approving any particular park design or amenities.

DISCUSSION

REZONING

The City Council rezoned the project site in 2007 to facilitate the transition of the AMD campus to residential use. The site was zoned to allow a combination of R-3 medium density and R-4 high density, which would allow 890 housing units. The subject project includes a rezoning request to adjust the R-3 and R-4 zoning lines to create a land use plan that would accommodate low and mid-rise apartment buildings, 107 ownership townhomes, and a 6.5 acre public park. The applicant has requested a State Density Bonus as part of the project, which allows an additional 22.5% housing units in exchange for reserving 6% of the proposed apartment units for very-low income households. Note, the applicant is also utilizing the green building incentive, which allows a density bonus up to 5% on the rental components of the development.

The applicant proposes to rezone the site to create more land for high density residential plus a 6.5 acre park zoned Public Facilities. With dedication of the parkland, the rezoning would allow the same base number of housing units (before any density bonuses) as the existing zoning.

The reorganized site allows the project to achieve high quality public and private open space while retaining or relocating 49% of the existing mature trees. The draft Rezoning Ordinance is in Attachment 5.

SPECIAL DEVELOPMENT PERMIT

The proposed project includes demolition of existing onsite buildings and infrastructure for redevelopment of a master-planned residential community. The planned 1,051 residential units include:

Two styles of Apartments (Total apartments = 944)

- All apartments would be zoned R-4/PD (High Density Residential/Planned Development).
- 57 units in four low-rise, three-story apartments along the south property line along Stewart Drive;
- 887 units in four five-story buildings along Stewart Drive and the extension of Indian Wells Drive;
- 6 percent of the 744-base units (prior to the 22.5% bonus density allowance) to be reserved for very low-income households (45 units);
- 168 of the units are allowed due to the state density bonus of 22.5%;
- 32 of the units are allowed through the City's Green Building density bonus of 5% (of the base) for developing at 110 points (GreenPoint rated);
- The development must comply with the housing mitigation fee requirements, which will be satisfied primarily through the provision of the 45 units affordable to very low income households; and,

Townhomes (107)

- Area zoned R-3/PD (Medium Density Residential/Planned Development).
- 107 three-story, townhome-style dwellings in 22 buildings on the north portion of the site;
- 12.5 percent affordable units (13 units, plus in-lieu fee for 0.375 unit) in accordance with the City's Below Market Rate (BMR) Program; and,

Park

- Dedication of a 6.5 acre public park (in partial satisfaction of the General Plan and Municipal Code park dedication requirements); and
- Park area to be rezoned to PF (Public Facility).

Extension of Indian Wells Avenue

- Indian Wells Avenue is currently incomplete and terminates at the western boundary of the site. The project would include completion of the easterly extension of Indian Wells to the intersection of Duane Avenue and Stewart Drive. This extension will be a City street that would include bike lanes, sidewalk and street design elements identified in the adopted East Sunnyvale Sense of Place Plan.

Site and architectural plans can be viewed on the project web page at

<https://sunnyvale.ca.gov/business/projects/amd.htm>.

Architecture, site planning and requested code deviations for each separate proposed housing type are discussed further in this report. Site and architectural plans are found in Attachment 8.

Deviations to Code

The applicant is requesting the following deviations from the SMC:

- Reduce front yard setbacks on portions of Indian Wells Avenue and portions of Stewart Drive;
- Reduce required private useable open space by eliminating or reducing the size of private balconies on the five-story, mid-rise apartments; and,

- Requesting that some units in the townhome development be located farther than 150 feet from a trash facility.

The above deviations are not a part of the applicant's requests for concessions enabled by the Density Bonus Law. The deviations are also separate from applicant's request for a Green Building incentive to allow an additional five feet of height on the townhome portion of the site. Deviations, concessions and incentives are discussed in the next four discussion areas of this report (A-D below).

This section of the report is divided into four main discussion areas:

- A. Overall Project
- B. Townhomes
- C. Midrise Apartments
- D. Low-Rise Apartments

A. Overall Project

The Special Development Permit will be considered for the entire project although the individual areas (by housing product type) will be discussed separately in this report. The project has been designed to appear as a master planned community. The buildings in all three areas are distinguished from each other in height, scale and massing and are coordinated with the use of Mediterranean architectural features and color schemes.

Project Data Tables for each project are found in Attachment 3.

Overall Project: Density Bonus

The R-4 component of the site takes advantage of two separate density bonus programs:

- 1. The California Density Bonus Law** (Government Code Section 65915, Sunnyvale Municipal Code Section (SMC) 19.28.025) promotes the creation of affordable housing by guaranteeing developers a "menu" of entitlements based on the percentage of affordable units they chose to offer. These entitlements include increased density; incentives, concessions, and waivers or reductions of development standards; and reduced parking. As long as the developer meets the requirements in the statute, cities are obligated to grant the density bonus and have only limited discretion to deny the requested incentives, concessions or waivers. The density bonus applies to the maximum density allowed by city regulations and standards.
- 2. Sunnyvale Green Building Program** (SMC Chapter 19.39) allows up to 5% density bonus in exchange for higher levels of green building (110 GreenPoint rated points).

Based on the applicant's proposal to provide 6 percent (45 units) of the 744 base apartment units in the R-4 zone as very low-income units, the City is required by state law to allow up to 168 additional market rate bonus units. The applicant has also requested a density bonus (up to 5%) for meeting the criteria of the City's Green Building Program; this would allow for up to 37 additional bonus, market-rate units by providing 110 points on the Green Point Rated Checklist. Combined, the project would provide 744 base units (includes 45 very-low income units) and 200 density bonus units (168 under State law and 32 for City's Green Building incentives) for a total of 944 R-4 units.

As discussed in more detail later in this report, the applicant is also requesting increased building

heights as a concession through the State Density Bonus program. The applicant has chosen not to request a reduction in parking through the State Density Bonus. The proposed project meets all City parking standards.

Overall Project: City Guidelines and Plans

The following City guidelines were considered in analysis of the site design and architectural design and design of public spaces. The project meets the concepts and goals of these guidelines or has been conditioned to meet them prior to applying for building permits:

- Citywide Design Guidelines
- High Density Residential Design Guidelines
- Bird-safe Design Guidelines
- East Sunnyvale Sense of Place Plan

Overall Project: Master Planned Architectural Statement

The proposed townhomes and apartments are all designed using Mediterranean Revival architectural features, materials and colors. Mediterranean Revival is an eclectic style that incorporates features from Spanish Renaissance, Spanish Colonial, Italian Renaissance, Arabic and Venetian architecture. Structures in this style are typically based on a rectangular floor plan, and feature symmetrical primary façades and may feature tall square towers. Stucco <<https://en.wikipedia.org/wiki/Stucco>> walls, red tiled <<https://en.wikipedia.org/wiki/Tile>> roofs, windows in the shape of arches or circles, wood or wrought iron <https://en.wikipedia.org/wiki/Wrought_iron> balconies <<https://en.wikipedia.org/wiki/Balcony>> with window grilles, and articulated door surrounds are common. Mediterranean Revival ornamentation may be simple or dramatic. The color scheme on all three product types is typical of the Mediterranean style and varies from muted colors in browns, beiges, mauves and terra cottas to softer peach and melon shades.

Overall Project: Tree Preservation

There are 512 trees on the project site that meet the City's definition of "protected tree". Pursuant to SMC Chapter 19.94, a protected tree is a tree of significant size of thirty-eight inches or greater in circumference measured four and one-half feet above ground. The project includes retention and relocation of 49% of those trees. The existing site is notable for the large number of mature ash trees that line the site periphery on Stewart Drive and several large groupings of redwood trees. City staff, including City arborists, walked the property several times with the applicant to ensure retention of the ash trees along Stewart Drive and Duane Avenue. The proposed plan was designed to save as many trees as possible and to maintain a grove of large redwood trees in the proposed park area.

A total of 205 trees are to be protected and remain in place. Most of the trees planned for preservation are located along the Stewart Avenue frontage, and clustered in the proposed park area and along the project's western property line adjacent to existing residential uses. A total of 49 protected trees are proposed to be relocated. Conditions of Approval further ensure that tree protection measures are met for trees that are scheduled to be retained.

The remaining 258 trees are not considered good candidates for replanting based on condition or species or are located where development will occur and will be removed. The project includes approximately 567 new trees of varying species at a minimum of 24-inch box size which meets City policies for replacement.

Overall Project: Area Circulation

The entire site is bound by Stewart Drive on the south and east side and Duane Avenue on the north side. Currently, Indian Wells Avenue terminates on the west side of the project. As proposed, Indian Wells would be extended by granting of an easement for a public street and would create circulation through the site and connect the existing residential developments to the west with the new park and with the intersection of Indian Wells and Duane Avenue.

The townhome project would have one private drive aisle that provides the entire project with access to Indian Wells Avenue. This private drive would not extend through to Duane Avenue.

The four mid-rise apartments would have two private access points: one from Indian Wells Avenue and another at Stewart Drive. There is no access cutting through the site connecting the two internal streets. Solid waste pick-up would also occur on the west side of the mid-rise project and would use a private access easement from Stewart Village.

The low-rise apartments would be accessed by private access easements through the existing Stewart Village apartment complex to the west. Stewart Village was developed by and is owned by the Irvine Company, applicant for the subject development. Additional private access easements across the low-rise site will allow residents of the mid-rise apartments access loading zones.

Overall Project: Sense of Place Improvements

In 2015, the City adopted a Sense of Place Plan for the East Sunnyvale ITR area. The project site is part of the Sense of Place Plan area. The purpose of the Plan is to enhance the quality of life for existing and future residents by encouraging and supporting a vibrant street life through wayfinding, signage, seating areas, access node, and the addition of destinations and neighborhood-scale amenities. The Plan also encourages non-vehicular modes of travel and calls for enhancing neighborhood character and identity with entry monuments, pedestrian scale lighting and landscaped parkways.

The project will adhere to the Sense of Place Plan by installing the designated street lighting design along all street frontages, directional signs, and by creating landscaped parkways along Duane Avenue and the Indian Wells extension.

In order to protect the existing Ash trees along Stewart Drive, the normally required 6-foot wide sidewalk would be reduced to 5.5 feet. The City's arborist has evaluated this requirement and stated that the trees can be protected even when excavating a 5.5 feet wide sidewalk.

To supplement the public sidewalk, and to enhance the open space area around the project, the applicant is creating an on-site, meandering, private walkway that will follow the line of Stewart Drive but be set back behind the Ash trees 30-60 feet. It would be a publicly accessible pedestrian way with 8 feet concrete walkway adjacent to 5 feet decomposed granite walkway and will feature pockets of recreation areas, pedestrian scale lighting, fitness stations and shaded seating areas along the path.

Overall Project: Transportation Demand Management

A TDM Program is required of all new multi-family developments and redevelopments of ten or more residential units. Projects with 100 units or more are required to identify 10 points on the City's Multi-Family Residential Transportation Demand Management (TDM) Program worksheet.

The applicant has earned more than 10 points due to the project location near a major transit stop (5 pts), for being near a shopping center (3 pts) and creating bike lanes (3 pts) and secure bicycle parking (0.5 pts) for a total of 11.5 points. In addition, in response to recommendations made by CalTrans about the DEIR, the applicant has submitted a supplemental, draft TDM plan with additional measures that include on-site bicycle repair (0.5 pts) and an on-site TDM coordinator (0.5 pts) for a total of 12.5 points. The applicant has indicated that other optional measures may be considered such as a Transit Pass Program (10 pts). They also indicate unbundled parking as a potential future TDM measure. The City does not allow unbundled parking on this site.

The Draft TDM Plan in is Attachment 9. The applicant will prepare a final TDM program for review prior to occupancy of the project.

Overall Project: Stormwater Management

The City complies with stormwater management requirements through participation in the Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP). The stormwater management goals are achieved by incorporating Best Management Practices into the project design. Stormwater runoff is typically reduced using 100% Low Impact Development (LID) treatment measures such as rain harvesting and infiltration.

A preliminary stormwater management plan was submitted by the applicant to provide treatment to the entire development site. Because of a Special Project designation, the project is eligible to use mechanical biotreatment as part of the stormwater management plan. The project has met the use and density criteria as a Special Project, and the criteria that the project is located 100% in a planned Priority Development Area as designated by the Association of Bay Area Government's/Metropolitan Transportation Commission's FOCUS regional planning program. A third-party expert will review the final plan prior to submitting for Building permits.

Overall Project: Solar Access

Sunnyvale Municipal Code 19.56.020. (a) states that:

No building permit shall be issued for any construction, the effect of which when completed would be to interfere with solar access to the rooftops of the sum of all permitted structures on an adjacent property or to any preexisting active solar collector on an adjacent property. Solar access means the absence of shadows blocking or reducing exposure to the sun to an extent greater than ten percent daily during the hours between nine a.m. to three p.m., Pacific Time, throughout any solar cycle. Nothing contained herein shall require modification to any structure, the shade pattern of which would impair solar access to rooftops or active solar collectors established later in time.

Applications for new construction above the first level of any structure shall include a solar shading analysis by a qualified professional.

The applicant submitted a solar access study that shows impacts from the entire R-4 portion of the project (mid-rise and low-rise apartments). The study indicates that there are some periods of time when the five-story, mid-rise buildings along Indian Wells Avenue would have a greater than 10% shadow effect on one of the applicant's townhome buildings. A supplemental detailed analysis indicates that this effect only occurs between December 14 and January 13 of each year. The

shadow effect ranges from 472 s.f. to 528 s.f. of roof area. The analysis shows a cumulative shadowing effect of less than ten percent total over the course of the three hundred sixty-five-day solar cycle (30 hours = 8% of 365-day solar cycle). The R-4 portion of the project complies with the City's solar access requirement.

The proposed three-story townhomes are adjacent to similarly tall townhomes on the Fusion site to the west. A solar access study was not required for this specific area.

Overall Project: Bird Safe Guidelines

Because five-story buildings will be located near a 6.5-acre park, the project is required to incorporate design features to meet the City's Bird Safe guidelines. The project complies with the following measures:

- Avoids the use of multi-floor expanse of reflective or transparent glass in the first 60 feet of building design, specifically in the areas facing water or open space;
- Building glass is limited to low reflectivity levels such as 25% or less;
- No glass skyways or freestanding glass walls;
- No uplighting or spot lights on site except at small areas above and below the specified bird foraging altitude, and where lights are cut off by building eaves and under canopy of trees;
- All site lighting uses shielded fixtures;
- Smaller zones are created in internal lighting layouts to discourage wholesale illumination; and,
- Signs will be placed at several locations with the telephone number of an authorized bird conservation organization or museum to aid in species identification and to benefit scientific study.

Overall Project: Perimeter - Front Yard Setback Deviations

The project includes deviation requests for setbacks on Indian Wells Avenue for the mid-rise project and on a portion of Stewart Drive for the low-rise project.

Indian Wells Setbacks

Two parts of the project will front onto Indian Wells Avenue: the front, three-story townhome buildings on the north side of Indian Wells and the five-story Buildings 1 and 2 of the mid-rise project on the south side. The applicant has asked for a deviation to allow a reduced front setback along the south side of Indian Wells Avenue for both mid-rise buildings. An enlarged site plan and other illustrations of the Indian Wells area are included in Attachments 14 and 15.

The combined mid-rise building frontage of Buildings 1 and 2 along Indian Wells Avenue is approximately 790 feet. Approximately 525 feet of this building frontage, and all of Building 2, is across from the park and will have a spacious, open feeling. Staff supports this deviation request.

On the western part of Indian Wells, mid-rise Building 1 and the townhomes face each other for approximately 265 feet and create a narrower street cross section. Due to the curved geometry of the Indian Wells Avenue extension and architectural articulation of the mid-rise buildings, proposed building setbacks vary along the street frontage.

The required front setback for Building 1 of the mid-rise product along Indian Wells is 36.9 ft. The applicant is requesting an average front setback of 28.2 ft. a reduction of 8.7 ft. from the required.

The minimum proposed Building 1 front setback is 23.3 ft. (a 13.6 ft. deviation). Building 1 is set back in a wedge shape and the setback increases to 40 ft. in some areas.

The required front setback for Building 2 of the mid-rise product along Indian Wells is 37.8 ft. because Building 2 is slightly taller. The applicant is providing an average front setback of 40.5 ft. for Building 2, 2.7 ft. beyond the required. The minimum proposed Building 2 front setback is 26.2 ft. an 11.6 ft. deviation from the required. The setback at Building 2 along Indian Wells increases from 50 ft. to 65 ft. where the building is articulated.

The front setback for the townhomes facing Indian Wells varies from 17.0 ft. to 30.9 ft. with an average of approximately 22.7 ft. This is compliant with the required front yard setback of 15 ft. minimum and 20 ft. average.

Not including the interface with the proposed park, the result is a street cross section between the buildings on the north and south of Indian Wells of 112.4 feet where the code would require 118.9 feet. In comparison, the existing townhomes to the west along Indian Wells Avenue (Fusion and Stewart Village) have an 80-foot wide cross section between them.

Given the constraints of the overall planned community to provide a variety of housing options including affordable housing, a 6.5-acre public park and a site plan and open space plan designed to save the mature trees, staff considers the front yard setback deviations along Indian Wells Avenue to be acceptable.

Stewart Drive Setbacks

Along most of Stewart Drive, the project setback varies from 62 ft. 1in. to 103 ft. 5 in. where 36 ft. 10 in. is required; this setback far exceeds the minimum setbacks to make room for the mature perimeter trees and to provide significantly increased front setbacks for the five-story midrise project. Doing so also creates room for the on-site, meandering, pedestrian way.

The front setbacks for the two front low-rise apartment buildings vary from 18 ft. to 25 ft. The City's Zoning Code requires a 25 ft. 6 in. setback. Twenty feet is the standard plus an additional 5.5 feet for the third story. The requested deviation varies from 6 inches to 7.5 feet.

Although the proposed setback is reduced in some areas and is considered a deviation from the Zoning Code, these setbacks are similar to those approved for the adjacent three-story buildings at Stewart Village and provide a consistent streetscape.

Setback Effect with Deviations

To make up for some "pinch points" in front setbacks in some areas of the plan (where buildings are closer to the front property line), the applicant has significantly increased setbacks in other areas of the overall plan, for instance along the Stewart Drive portion of the midrise project. Staff notes that the differences in height between the townhomes and mid-rise buildings also prevent a tunnel effect (where buildings on both sides of the street are closer to the property line). Staff finds that the overall effect of the plan still provides an adequate sense of openness.

The applicant's letter of justification for the project deviations is in Attachment 13.

B. Townhomes

Townhomes: Site Layout

The project includes a townhome development on the north side of Indian Wells Avenue adjacent to the proposed public park on the west side. The plan consists of 22 buildings with 107 three-story dwelling units. The project has one point of access off the Indian Wells Avenue extension. A private secondary drive aisle provides access to the rear of the townhomes and the two-car, covered garages. In between and around the townhome buildings are areas of landscaping and useable open space.

Townhomes: Architecture

The townhome building facades change subtly between four-plexes and five-plexes. An overall stucco finish and concrete S-tile roofing with rosy beiges and muted terra cotta colors establishes the Mediterranean character. Front facades are articulated with two-to-four foot, recessed plane changes. Second floor decks are covered and are faced with either stucco arches or wood-framed posts. Some have tile roof elements. The decks are also ornamented with varying patterns of iron railing.

A mix of window styles is proposed using foam trim to provide a variety of corniced and full framed windows that feature corbels, head trim and sill trim varying between 3-8 inches in depth. Doors are also framed in heavier foam trim or decorative tile and feature recessed panel doors. A variety of finishes will be used on the detailed trim elements. Finishes include textured stucco as well as smooth factory applied plaster over high-density EPS foam. Front facades feature ornamental elements such as decorative vents and lantern-style lighting.

Side and rear elevations continue use of weighty window trim and utilize corbeled belly bands to distinguish the separation of upper stories and at cantilevered floor bays. Garages are accessed from the rear elevation and feature varying patterns of solid panel garage doors. Site and architectural plans are in Attachment 8.

Townhomes: Development Standards

Lot Coverage and Floor Area Ratio

The proposed lot coverage for the townhomes is 34.3% where 40% is the maximum allowed. There is no Floor Area Ratio (FAR) limit in the R-3 Zoning District.

Setbacks

Along Duane Avenue and Indian Wells Avenue the townhome project meets the required setbacks of 15 feet with an average of 20 feet. The setbacks between buildings and along the west property line adjacent to existing residential meets required setbacks for three-story buildings.

Building Height/Stories

The townhome buildings are three stories and have heights up to 40 feet. The height limit for townhomes in the R-3 Zoning District is 35 feet. The applicant is requesting a five-foot increase in building height through the City Green Building program incentive. The townhomes will achieve 110 GreenPoint rated points (vs. 80 minimum points).

Parking

The project consists of 107 three-bedroom townhomes each with a two-car garage. The additional parking requirement for a project with two enclosed garage spaces is 0.5 additional spaces per unit. A total of 54 additional unenclosed (and unassigned) parking spaces is required. The applicant is

providing 57 spaces and will accommodate three accessible parking stalls.

The proposed parking layout for the townhomes does not comply with City standards. The layout provides 16 foot standard stall lengths and 15 foot compact stall lengths with a two-foot overhang across the adjacent 6-foot wide sidewalk where 18 feet and 17 feet would be required without an overhang. The zoning code allows a two-foot overhang over a low growing, groundcover buffer, three -feet in width. As a condition of approval, the applicant will be required to increase the length of the stalls or realign the adjacent walkways to provide additional landscaped buffer for the unenclosed parking spaces.

A condition of approval requires the applicant to submit a parking management plan to indicate how on-site parking will be managed for residents, guests and charging spaces.

Bicycle Parking

The project is required to provide 27 Class I, secured bicycle parking spaces. A two-car garage is considered one secured bicycle parking space. The 107 two-car garages provided onsite exceed the requirement.

Landscaping and Useable Open Space

Zoning District requires 425 s.f. of landscaping per unit and 400 s.f. of space that qualifies as useable open space. Much of the on-site landscaping qualifies as useable open space if it is not located in a front yard (along Indian Wells Avenue) and must be 12 feet in any direction and provide 200 s.f. minimum area. Private balconies must be a minimum of 7 feet in any direction and provide 80 s.f. minimum area to qualify as useable open space. Parking lot areas and the overall site are required to be a minimum of 20% landscaped.

The project is designed with wide tree-lined pedestrian paths, generous paseos between townhome buildings and wider pockets of landscaping near Duane Avenue, along the front entry drive aisle and in pockets of amenity areas.

The project has been designed with approximately 850 s.f. of landscape area per unit and 800 s.f. of useable open space. Both exceed the City's requirement. The site is approximately 36% landscaped where 20% is required.

Club House

SMC Section 19.38.045 requires that all new multiple-family residential developments that contain one hundred or more housing units, shall provide a community room or club house with a minimum meeting space size of four hundred fifty (450) square feet. A community room or club house means a general-purpose room, or stand alone or attached building, containing bathrooms, kitchen facilities and meeting space within a multiple-family residential development for purposes of holding meetings, parties and other general activities for use by all members of the residential community.

The proposed townhome project includes a 465 s.f. club house located just west of the main entry driveway, between the first row of townhomes and the park. The proposed plan meets the size criteria set by the code; however, the floor plan provided does not show a kitchen facility, which would be in addition to the meeting space. A condition of approval has been added requiring a kitchen to be added.

Parking Lot Shading

Trees shall be planted and maintained throughout parking lots to ensure that at least fifty percent of the parking area will be shaded within fifteen years of tree establishment. Except for truck loading areas, all surfaces that can be driven on, including parking spaces, vehicular drives, drive-through lanes and maneuvering areas are subject to shade calculation. The City does not require parking alleys where rows of two buildings and garages face each other because the buildings are too close and typically provide shading on their own. Shading is calculated by using the diameter of the tree crown at fifteen years or the dimensions of any roofed area within the parking lot.

The applicant has provided a plan that demonstrates that the areas immediately adjacent to parking spaces are shaded 50 percent in 15 years. Much of the private north-south and east-west drive aisles are not shaded. A condition of approval requires that the project increase parking lot shading along the main drive aisle to a minimum of 50 percent.

Townhomes: Trash and Recycling Facilities

The townhome project will utilize shared solid waste enclosures to accommodate trash and recycling. Of the 107 proposed units, 100 units (94%) are within 150 feet of an enclosure as required by code. The remaining 7 units are 163 to 226 feet from the enclosure. This is a requested deviation from the SMC. The applicant states that providing an additional properly sized-enclosure would eliminate parking along the private street and potentially landscaping needed to meet other code requirements. Staff considers this request minor, and reasonable for this site.

Townhomes: Green Building

The applicant has provided a draft GreenPoint Rated Checklist indicating that the project will achieve 110 points where 80 points is the minimum required. The additional points allow a five foot height incentive.

Townhomes: Below Market Rate Housing

At least twelve and one-half percent of the total number of ownership housing units or single-family lots in a project shall be developed as Below Market Rate (BMR) ownership housing. In calculating the number of BMR units required, any fraction of a whole number shall be satisfied by either developing one additional BMR unit or by paying an in-lieu fee. For the proposed 107 units, the BMR requirement is 13.375 units. The applicant may provide 13 BMR units and pay the in-lieu fee for the additional 0.375 unit or provide 14 BMR units. The applicant has indicated they will meet the requirement by providing 13 units and paying the in-lieu fee for the remainder.

C. Midrise Apartments

Midrise Apartments: Site Layout and Circulation

The mid-rise apartments front Indian Wells Avenue extension on the north side and Stewart Drive on the east and south sides. The apartments are distributed between four, five-story buildings on four lots.

Access to the mid-rise apartments is from two driveways - one at Stewart Drive where it meets terminus of Santa Trinita Avenue and one at Indian wells Avenue. The two driveways do not connect. There is no through access from Stewart Drive to Indian Wells Avenue. The two driveways allow access to two motor courts, the internal parking structures, as well as to loading areas and some limited open parking spaces.

The attached site plan best demonstrates how the four, five-story buildings have been designed with long frontages broken up and articulated with large separations between buildings and deep alcoves (Attachment 8). This treatment minimizes the large facades and provides areas for increased landscaping between the face of the buildings and the street.

The areas between buildings allow for generous, landscaped open space including a large central pool and patio area featuring two pools and adjacent access to the community room and communal working room.

Along the Stewart Drive street frontage, the deep setbacks allow the applicant to save most of the significantly sized perimeter trees and provide a publicly accessible pedestrian path with an 8-foot wide concrete walkway adjacent to a 5-foot wide decomposed granite walkway and featuring pockets of recreation areas, fitness stations and shaded seating areas along the path.

Midrise Apartments: Development Standards

Setbacks

Indian Wells: The requirement for the project street frontages is 36.9 feet based on the increased height of the building. Although the project meets much of this required setback, the applicant is requesting a reduced setback for midrise apartment Buildings 1 and 2 along Indian Wells Avenue as discussed above in the Overall Project Section of this report regarding front yard deviations.

Stewart Drive: Buildings 2 and 3 face Stewart Drive along the east side of the project. The combined building frontage is approximately 700 feet. The two buildings are separated by 57 feet. Along this frontage the buildings have significant meandering setbacks and the long facades are articulated with deep alcoves setback from 200 feet - 250 feet. The project exceeds all required setbacks along this portion of Stewart Drive with the minimum setback at 61 feet and the largest setback approximately 250 feet.

Buildings 3 and 4 face Stewart Drive on the south side of the project. The project exceeds all required setbacks along this portion of Stewart Drive. The combined building frontage is 860 feet. The two building are separated by 280 feet. The front yard setbacks vary from 61 feet to 105 feet.

Side yards: The project side yard faces Stewart Village Apartments to the west. The proposed setbacks meet the minimum requirement and is a minimum of 21 feet. This yard also features large building alcoves with setbacks of 110 feet to 130 feet.

Lot Coverage and Floor Area Ratio

The R-4 mid-rise apartments propose a lot coverage of 40% as required by code. Lot coverage was calculated including the lot area of the low-rise apartments adjacent to the west. There is no Floor Area Ratio requirement for this zoning district.

Building Height/Stories

The mid-rise apartments are proposed to be an average of 65 feet with 5 stories and feature corner towers up to 78 feet. The municipal code allows a height of 55 feet and 4 stories in the R-4 zoning district. By increasing the height of the buildings, the applicant was able to increase the number of units to provide the very-low income (VLI) units and still meet the 40 percent lot coverage standard.

Doing so also created more areas for greater setbacks and unique useable open space areas. Also, the variety of heights add visual interest to the project.

Under the State Density Bonus Law the City is required to grant the applicants one concession to development standards based on the provision of 6% VLI units. The applicants have requested the concession for building height. The City must grant a developer's requested concessions unless the City can make written findings that: (1) the requested concession will not result in identifiable and actual cost reductions to provide the requested number of affordable housing units; or (2) the requested concession will have a specific, adverse impact on public health and safety that cannot be feasibly mitigated, or (3) the requested concession would violate state or federal law.

Parking

The mid-rise apartments provide 1,563 parking spaces. The 887 units are all one and two-bedrooms with parking provided in garage structures within the buildings. The unit mix proposed is 423 one-bedroom units, 31 one-bedroom with den units and 433 two-bedroom units.

When multi-family parking is provided in a structure the required parking is 1 parking space per unit. 1 bedroom units require an additional .5 unassigned spaces. The one-bedroom with den and the two-bedroom units require one additional unassigned space.

The applicant has provided the required spaces. Of those 1,563 spaces 12.5 percent (195) will be Electrical Vehicle parking spaces and 27 will be accessible spaces. Leasing office spaces are included in the unassigned spaces. Up to 10 percent of unassigned spaces may be compact spaces.

A condition of approval requires the applicant to submit a parking management plan to indicate how on-site parking will be managed for residents, guests, charging spaces and leasing-office visitors.

Bicycle Parking

The project is required to provide one bicycle parking space for every four dwelling units. The project meets that requirement with 222 proposed spaces. All spaces are required to meet the City's definition of secured bicycle parking.

Landscaped Area and Open Space

Landscaped area and open space for the mid-rise apartments were calculated in combination with the low-rise apartment portion of the project to collectively meet the landscaped area and open space requirements for the R-4 zoned areas. The two products combined provide 485 s.f. of landscaped area per unit where 375 s.f. is required per unit in the R-4 zoning district. Useable open space provided is 428 s.f. per unit where 380 s.f. per unit is required.

The project is required to meet the City's water efficient landscaping requirements, and the applicant has submitted a draft Water Efficient Landscaping Checklist indicating compliance.

Balconies/Private Useable Open Space

In the R-4 zoning district, a minimum of 80 s.f. of useable open space per unit is required to be designed as private useable open space. Private balconies are required to have a minimum dimension of seven feet and be a minimum of 80 s.f. in area. Private decks or porches are required to have a minimum dimension of ten feet and be a minimum of 120 s.f. in area.

The proposed plans indicate that none of the private balconies meet the required minimum dimensions or area standards. Of the 944 units, 854 (90 percent) have balconies. Ninety units have no balconies. Providing reduced and eliminated balconies is considered a deviation from the code standard for private useable open space. The average balcony provided is approximately 5.5 feet in minimum dimension and 60 s.f. There is no alternative *private* useable open space provided.

Apartment units range in size from approximately 890-930 s.f. The applicant indicated that to achieve better marketable units the balconies were reduced in size to enlarge the adjacent bedrooms in both market rate and affordable units.

As an alternative to private balconies, the applicant has provided a large amount of high-quality, on-site open space and amenity areas within the mid-rise project to compensate for the reduced amount of private useable open space. There is also a larger than required communal work space and community room. In addition, there are special open space areas to be provided in the immediate area including the wider setbacks on Stewart Drive where there will be a meandering, landscaped pedestrian path. Although not specifically part of the project site, the residents of the project will also have easy access to the new public park. Staff is supportive of the deviation since the project provides almost double the amount of required useable open space.

Parking Lot Shading

The City requires that trees be planted and maintained throughout the uncovered paved parking areas of a project to ensure that at least 50% of the parking area shall be shaded within 15 years of establishment of the lot. The applicant has provided a site plan for the mid-rise apartments that indicates no paved surface parking areas are provided. Except for paved entry driveways and the motor court areas that do not have parking, all parking is provided within structures. Except for other landscaping and trees to be provided as part of the overall landscape plan, no specific parking lot shading is required.

Midrise Apartments: Architecture

Each of the five-story apartment buildings is built around a parking structure. This style is often referred to as a wrap building. The parking structures are not visible when looking at the buildings exteriors.

All mid-rise buildings continue use of the Mediterranean Revival style. The visible exterior of the buildings will be stucco with some trim areas having plaster coating. As with all the buildings in the development, there will be s-tile roofing. A soft color palette with lighter beiges and melon tones is used on the mid-rise apartments. Color variation is used to emphasize building sections and the varying planes and insets of the architecture.

The architectural treatment for the mid-rise product features two building façade styles - Style I on Buildings 2 and 4 and Style II on Buildings 1 and 3. The key differences are Style I features heavier recessed storefront windows with heavy rectangular trim at the base and the use of smooth troweled plaster. Style II is distinguished by tall arched windows and a brick base and use of ornate decorative panels.

Other features on the mid-rise apartments include varied iron railing patterns, tall square towers that announce the corners of the buildings and that feature finials at the top. Window insets vary from the front to the middle of the wall opening and are enhanced by trim that varies from 3-8 inches in depth.

Balconies are also inset. The roof eave profile is 2.5 feet and features exposed rafters.

Midrise Apartments: Trash and Recycling Facilities

The City requires that recycling and solid waste enclosures be located within one hundred fifty feet from any dwelling unit. For apartments, that include trash rooms and trash chutes.

Of the 887 units in the mid-rise project, a total of 843 units (95 percent) are within 150 feet of a trash room, chute or vestibule. Forty-four units are outside the 150-foot requirement. The remaining 44 units are 165 to 185 feet from the enclosure. This is considered a deviation from the SMC. Staff considers this deviation minor, and reasonable for this site.

Each of the four mid-rise buildings will have two trash rooms with trash chutes located on each residential floor. Within building 2 and 3, a third trash vestibule will be located on each residential floor for the convenience of dwelling units located more than 150 feet from a trash room or chute. Trash collected in the vestibules will be transferred by apartment maintenance staff via the parking garage to the main trash discharge room. This provides an alternative trash disposal option within 150 feet. Residents also have the option to walk a longer distance to a trash chute for direct disposal. A waste management program is intended to provide organized and discrete on-site solid waste management that meets the City's requirement for disposal of solid waste and the requirements of the city's hauler. The applicant continues to work with City staff to refine the solid waste management plan for the mid-rise apartments.

In the past, staff has had a poor experience with trash rooms/vestibules in other multi-family projects. Without direct disposal, residents are often inconsiderate about how the trash is contained or placed in interim trash rooms. These rooms are typically adjacent to or near apartment units and the condition is often left disorganized, unventilated and unsanitary. In other cases property management, does not service the rooms (empty and sanitize) often enough.

Although this applicant has a history of being a very professional property manager (Cherry Orchard Apartments), staff has included additional Conditions of Approval to fine tune the solid waste management plan and to set performance standards. As a condition of approval, the applicant will be required to submit a final solid waste management plan prior to review of building permits.

Midrise Apartments: Green Building

The applicant has provided a draft GreenPoint Rated Checklist indicating that the project will achieve 110 points where 80 points is the minimum required. Doing so would qualify the project for a 5 percent density bonus of up to 37 additional market-rate units; however, as stated earlier in this report, only 32 are requested for this project.

Midrise Apartments: Below Market Rate Housing

The City does not have an inclusionary requirement for below market rate units for multi-family rental projects. To address the need for affordable housing, the City considers market-rate rental housing developments to generate an increased demand for affordable housing which must be mitigated through the imposition of housing impact fees. Such housing impact fees are a necessary part of the City's efforts to meet the regional housing needs of the Bay Area as required by state law. The project will pay a Housing Impact fee in accordance with the City's requirement. Additional information about the fee is discussed below under Impact Fees.

Using the State Density Bonus Law the applicant has voluntarily provided 45 units (6%) of the base units to utilize a state-required density bonus. Calculation of the density bonus was discussed previously.

D. Low-rise Apartments

Low-rise Apartments: Site Layout and On-Site Circulation

The proposed 57 low-rise apartments are located on Stewart Drive between the mid-rise apartments and the existing Stewart Village apartments that are also owned by the applicant. This part of the project consists of four buildings - two facing Stewart Drive and two internal buildings with no street frontage. Site and architectural plans are in Attachment 8.

The proposed plan indicates three, three-story apartment buildings with 18 and 19 dwelling units and one, two-story “carriage house” building consisting mainly of ground floor parking with one larger unit above the parking on the second floor.

There is no direct on-site street access from the low-rise apartment site. The low-rise apartments will have access to Stewart Drive and Indian Wells Avenue by way of private driveways with access easements through the existing Stewart Village apartment complex to the west. Additional private access easements across the low-rise site will allow residents of the mid-rise apartments access to loading zones.

Low-rise Apartments: Architecture

This part of the project continues use of the Mediterranean Revival architecture. The low-rise buildings are designed to bridge the design of the five-story, midrise buildings to the east and the existing Stewart Village buildings to the west. Although these buildings are simpler in form than the adjacent mid-rise buildings, they demonstrate a similar exterior decorative style and color scheme as the newer buildings to the east. Also, like the mid-rise buildings, the three, three-story buildings reach around on the end elevations to form internal courtyards.

The low-rise apartments share common features with the townhomes and mid-rise buildings including stucco exteriors with a warm color scheme of muted beiges and terra cottas and S-shaped roof tiles. Other Mediterranean Revival decorative features include varied designs of metal railings, decorative panels separating floor levels, tall arch features articulating the facades, varied trim coatings including plaster, faux limestone and stucco. Other exterior decorations include small, gridded decorative windows, shutter window treatments, carriage-style lighting fixtures, decorative tile groupings, paneled garage doors and ornate, metal gated doors into the stairwell and corridor areas.

Low-rise Apartments: Development Standards

Lot Coverage and Floor Area Ratio

The R-4 low-rise apartments propose a lot coverage of 40 percent which is the maximum allowed by code. Lot coverage was calculated including the lot area of the mid-rise apartments adjacent to the east. There is no Floor Area Ratio requirement for this zoning district.

Setbacks

The front setbacks for the two front low-rise apartment buildings vary from 18 feet. to 25 feet. The City’s Zoning Code requires a 25-foot setback. Twenty feet is the standard plus an additional five feet for the third story. The project meets the required 25-foot setback for approximately 55 percent of the building frontages.

Although the proposed setback is reduced in some areas and is considered a deviation from the Zoning Code, these setbacks are similar to those approved for the adjacent three-story buildings at Stewart Village and provide a consistent streetscape.

The project meets all other required setbacks including where the site is adjacent to the midrise project and to the existing Stewart Drive apartments.

Building Height/Stories

The proposed low-rise apartments are two-three stories where four stories are allowed in the R-4 zoning district. The maximum height when measured from the top of the adjacent public street curb is 45 feet where up to 55 feet is allowed.

Parking

The applicant has provided the required assigned parking spaces (one covered space per unit) and the required unassigned parking spaces (60) based on the size of the units (number of bedrooms) and type of assigned parking (one-car garages). The plans reflect 62 new assigned garage spaces so that five existing Stewart Village assigned parking spaces can be relocated. Accessible spaces will be provided per the Building Code. Up to 10 percent of unassigned spaces may be compact spaces. Fifteen spaces (12.5 percent) will be pre-wired for Electrical Vehicle parking spaces. The applicant has indicated a total of ten spaces will be operational EV charging spaces. A condition of approval will require that the SMC standard be met.

A condition of approval requires the applicant to submit a parking management plan to indicate how on-site parking will be managed for residents, guests and charging spaces.

Bicycle Parking

The project is required to provide 14 Class I, secured bicycle parking spaces. An enclosed garage assigned to one residential unit meeting the minimum area requirements for a two-car garage is considered one secured bicycle parking space. This project has one-car garages and does not meet that standard. Additional secured bicycle parking is not indicated on the project plans and will be required by Condition of Approval.

Landscaping and Open Space

Landscaping and open space for the low-rise apartments was calculated in combination with the mid-rise apartment portion of the project to collectively meet the landscaping and open space requirements. The two products combined provide 485 s.f. of landscaping per unit where 375 s.f. is required per units in the R-4 zoning district. Useable open space is provided at 428 s.f. per unit where 380 s.f. per unit is required.

The project is required to meet the City's water efficient landscaping requirements and has submitted a draft Water Efficient Landscaping Checklist indicating compliance.

Balconies/Private Useable Open Space

In the R-4 zoning district, a minimum of 80 s.f. per unit shall be designed as private useable open space. Private balconies are required to have a minimum dimension of seven feet and be a minimum of 80 s.f. in area. Private decks or porches are required to have a minimum dimension of ten feet and be a minimum of 120 s.f. in area.

All the balconies and the ground-floor covered patios in the three-story, low-rise portion on the project meet the code requirement. The carriage house second-floor covered patio exceeds the 80 s.f. requirement (147 s.f. provided) with a minimal useable dimension of only five feet, which is a deviation. Staff is supportive of the deviation since, in addition to the overall large amount of useable open space for the rental component of the development, the low-rise balconies exceed the required 80 s.f. of useable open space per unit by providing 147 s.f. even with the reduced dimension to the balconies.

Parking Lot Shading

Trees shall be planted and maintained throughout the uncovered paved parking areas to ensure that at least 50 percent of the parking area shall be shaded within 15 years of establishment of the lot. The applicant has provided a parking lot shading plan that demonstrates that 51 percent of the paved parking area will be shaded.

Low-rise Apartments: Solar Access

As discussed previously in the overall project section of the report, the applicant submitted a solar access study that shows impacts from the entire R-4 portion of the project (mid-rise and low-rise apartments). The R-4 portion of the project is consistent with the City's solar access requirement

Low-rise Apartments: Trash and Recycling Facilities

This portion of the apartment development will be serviced by two common trash enclosures on the east side of the new buildings and with a newly enlarged enclosure on the west side of the buildings that will be shared with some units in Stewart Village. All new units are consistent with the 150-foot radius distance requirement.

Low-rise Apartments: Green Building

The applicant has provided a draft GreenPoint Rated Checklist indicating that the project will achieve 112 points where 80 points is the minimum required. Doing so will qualify the R-4 apartment portion of the project for a 5% density bonus of up to 37 additional market-rate units as previously discussed.

Low-rise Apartments: Below Market Rate Housing

This low-rise portion of the project was combined with the mid-rise portion when determining density and qualifications for a density bonus. The density bonuses that were previously discussed granted under the State Density Bonus Law and the City's Green Building code included this portion of the project.

TENTATIVE MAP

The project includes a Vesting Tentative Map to adjust the lot line between the two existing lots (975 Stewart Drive and 1 AMD Place) and to subdivide the lot at 1 AMD Place into six new lots, creating a total of seven lots.

The vesting tentative map allows the developer to vest an approved subdivision irrespective of subsequent changes that could occur in development regulations in the future. If a Special Development Permit is approved, the Vesting Tentative Map could be approved, provided the required findings for approval of a Tentative Map are made (included in Attachment 4). Conditions of approval for the Vesting Tentative Map are noted in Attachment 7.

In the future, there will be a tract map for the 107-unit townhome development. The vesting tentative map includes a 6.5-acre lot for a public park and an easement for Indian Wells Avenue. If approved, the project will consist of seven lots and a right-of-way easement for the extended street.

PUBLIC PARK

Park dedication is a requirement of SMC Chapter 18.10 (Parks and Open Space Dedication) and the Zoning Code (Title 19 of the SMC) that require 0.009 acres of park dedication per unit. Per the Zoning Code, affordable rental units are exempt from park dedication requirements. The proposed 6.5-acre park does not satisfy the entire park dedication requirement and the applicant will pay an in-lieu fee for the remainder. In addition, the applicant is offering a community benefit for additional park development funding. The community benefit is offered due to consideration of the rezoning to allow the same base number of housing units as would have been allowed without the 6.5-acre park dedication.

Community Benefit and Park Agreement

The applicant has included a \$4.0 million contribution toward park design and development in consideration of the rezoning of the site in addition to required park dedication in-lieu fees. The community benefit also an agreement for the developer to take the lead on park design and construction.

Park design will follow the City standards for community involvement with the Parks and Recreation Commission making a recommendation on conceptual design to the City Council (this aspect of the project is not subject to Planning Commission review). After the City Council approves a conceptual design the project moves into the final design phase, followed by construction costs estimates and construction bidding and construction. As noted above in the discussion of CEQA, final approval of the park design and construction will involve appropriate environmental review and community input. Staff is recommending a condition of approval for a Park Agreement to be approved by the City Council which would include the following general terms.

Preamble:

Required Park Dedication:	9.063 acres
Actual Park Dedication:	6.5 acres
Park in Lieu Fee basis	2.563 acres
Park in Lieu fee 2018/19	\$130 per sf
Required Park in Lieu fee	\$14,513,756.40 (estimated based on current fee)
Community benefit	\$4,000,000 towards park improvements

Terms:

- No later than recordation of the first final map, developer will:
 - Record an Offer of Dedication for 6.5 acres for a park
 - Bond for \$12 million for construction of the park
 - Pay the additional required Park in Lieu fee (for 2.563 acres) above \$8 million at the rate for the time at which payment is made.
- Design and construction of the Park Improvements capped at a maximum of \$12 million:
 - \$4 million community benefit credit from developer
 - Maximum of \$8 million City contribution

- Design fees capped at a maximum of 10% of construction
- City has right to audit.
- Any change orders above 50% of the contingency will be reviewed and discussed
- Design of the Park - :
 - Two to three community outreach meetings led by City staff supported by the developer (including concept options and other supporting information)
 - The City will complete the outreach process including Parks and Recreation Commission and Council concept plan approval in a timely manner
 - Developer will be responsible for designing the park
 - City approval required for park concept and final design and should maximize the amenities based on retaining the overall budget of \$12 million
 - If final design cost or bids are greater than \$12 million, parties will meet and confer to resolve
- Developer shall pay prevailing wages for the park improvement project
- Park Construction Schedule:

The project consists of six areas:

- 1 area = the lowrise product (walkup apartments)
- 1 area = the townhomes
- 4 areas = each of the four midrise buildings

Park construction shall commence prior to issuing a building permit for a fourth area (*tentatively projected to be the third midrise building*).

Park construction shall be completed by December 2021. If the City led design approval process is delayed, due to the City, the commencement and completion date for the park will be extended by the same amount of time.

FISCAL IMPACT

In addition to normal fees and taxes the following fees are required of the project:

Park Dedication In-Lieu Fee

All residential projects are required to dedicate park land or pay a park in-lieu. The park land requirement for the project is 9.054 acres. The applicant is providing 6.5 acres for a dedicated public park. A fee will be collected on the remainder of the park dedication requirement of 2.554 acres in the estimated amount of \$14,513,756.40 under the City's existing ordinance and current fee schedule. Affordable rental units are exempt from park fees. The applicant will pay the fee in place at the time the final map is recorded, for the ownership units. The rental units are required to pay the fee at the time of building permit issuance, at the rate in place at the time of building permit application, or as determined by the Park Agreement. The fee will be used for park installation and improvements. Including the proposed new 6.5 acre park.

Transportation Impact Fee

The project is required to pay a Transportation Impact Fee (TIF) on the total amount of new development with credit for previous uses. The fee is estimated at \$1,128,645 under the City's

existing ordinance and current fee schedule. The applicant will pay the fee in place at the time the building permits are issued.

Sense of Place Fee

The project will be subject to a Sense of Place Fee for neighborhood pedestrian and streetscape improvements. These improvements help mitigate the impact of increased residential development by making the neighborhood safer and friendlier for bicyclists and pedestrians. The Sense of Place fee is calculated based on the estimated costs for the improvements and a pro-rated share of benefit for developments within the East Sunnyvale Sense of Place area. These fees are currently estimated at \$2,428 per dwelling unit. Based on this rate, the total fee is estimated at \$2,551,828 and will be required to be paid at time of building permit issuance.

Housing Impact Fee

The project is also required to pay a Housing Impact Fee estimated to be \$2,583,752. This fee estimate includes a credit for providing 45 VLI units.

The project would also generate increased property tax revenue from the increase in the assessed land value, and new residents would generate new sales tax from retail expenditures in the City. This increase in revenue would offset the cost of new City services needed by these new residents.

Community Benefit

In addition to the required park dedication and additional park-in-lieu fees, the applicant will provide \$4,000,000 as a community benefit that will go towards development of the new 6.5-acre public park.

PUBLIC CONTACT

EIR

- Notice of Preparation, August 19, 2017
- EIR Scoping Meeting, August 31, 2017
- Notice of Availability, November 2, 2018
- Planning Commission hearing for DEIR comments, November 26, 2018

Notice of Public Hearing

- Published in the *Sun* newspaper
- Posted on the site
- 2,882 notices mailed to property owners and residents within 2,000 feet of the project site
- Notices were sent to the San Miguel Neighborhood Association and interested parties
- Planning Commission formally continued this item from March 25, 2019 to April 8, 2019.

Staff Report

- Posted on the City's website
- Provided at the Reference Section of the City's Public Library Made available at the City's One Stop Permit Center

Agenda

- Posted on the City's official notice bulletin board
- Posted on the City's website

Outreach Meetings

A general project, open house-style outreach meeting was held by the applicant at Fair Oaks Park on December 7, 2017. Approximately 17 members of the public attended. Site and architectural plans were available. Comments from the public included existing local traffic issues associated with the road diet on Duane Avenue, the potential loss of trees, the need for more park area than proposed, and the long-term noise, dust and traffic impact to the area from so many consecutive construction projects. There was concern over the loss of character of the area and some comments about reducing the size of the project. There were also positive comments about the effort to save trees and providing a public park.

A second outreach meeting was held by the applicant at Fair Oaks Park on May 17, 2018 to provide information about the future public park. Approximately 15 members of the public attended. Conceptual park plans were displayed. Staff was present to answer questions about public participation for the subsequent park planning process that will occur if the project is approved.

Planning Commission Study Sessions

Two study sessions were held with the Planning Commission on November 3, 2017 and June 25, 2018. Site and architectural plans were discussed. The Commission generally liked the direction of the architecture. At the second meeting the Commission discussed a significantly revised site plan and amenity spaces and improvements in the architectural details. Direction was provided by the Commission:

- Roof material is good
- Soffits may look too commercial
- Provide interest in the iron details on the buildings
- Limit pink tones and intensity in the color palette
- Use high quality windows
- Protect the tree coverage of the southern sidewalk
- Consider solar water heating particularly for the pools
- Consider decomposed granite for the trail surface
- Save mature trees
- Use same depth of windows in the low rise and mid-rise apartments
- The need for two pools was questioned
- Greater height for better architecture and open space was a good trade off
- The low-rise apartments were not as well designed architecturally as the mid-rise

Payments to the school districts was also discussed by the Planning Commission. Members of the public also expressed interest in the payments to the schools as well as tree protection. School fees are not under the jurisdiction of the City. There was a request for parking at the new public park

Comments received from the Public

In addition to comments on the DEIR and FEIR, staff received one letter in support of the project and is included as Attachment 19. As noted above under the discussion of the EIR, staff received a lengthy comment letter one day before the originally advertised Planning Commission meeting. The letter and the City's response are included in Attachments 17 and 18.

ALTERNATIVES

Recommend to the City Council to:

ENVIRONMENTAL IMPACT REPORT

1. Adopt a Resolution to Certify the Environmental Impact Report including the modified mitigation measures in Attachment 20; Make the Findings required by the California Environmental Quality Act; and, Adopt the Statement of Overriding Consideration and Mitigation Monitoring Report Program.
2. Do not certify the Environmental Impact Report and direct staff as to where additional environmental analysis is required.

REZONING

3. Introduce an Ordinance to rezone the site from M-S/ITR/R-3/PD (Industrial and Service/Industrial-to-Residential/Medium Density Residential/Planned Development) and M-S/ITR/R-3/PD (Industrial and Service/Industrial-to-Residential/High Density Residential/Planned Development) to R-3/PD (Medium Density Residential/Planned Development) R-4/PD (High Density Residential Planned Development) and P-F (Public Facilities).
4. Deny the Rezoning and provide direction to staff and applicant on where changes should be made.

SPECIAL DEVELOPMENT PERMIT AND VESTING TENTATIVE MAP

5. Approve the Special Development Permit and Vesting Tentative Map, and Sense of Place Fees subject to Findings in Attachment 4 to this report and recommended Conditions of Approval in Attachment 7 to this report.
6. Approve the Special Development Permit and Vesting Tentative Map subject to Findings in Attachment 4 with modified conditions of approval.
7. Deny the Special Development Permit and Vesting Tentative Map and provide direction to staff and applicant on where changes should be made.

STAFF RECOMMENDATION

Recommend to City Council:

Alternatives 1, 3 and 5: 1) Adopt a Resolution to Certify the Environmental Impact Report including the modified mitigation measures in Attachment 20; Make the Findings required by the California Environmental Quality Act; and, Adopt the Statement of Overriding Consideration and Mitigation Monitoring Report Program; 3) Introduce an Ordinance to rezone the site from M-S/ITR/R-3/PD (Industrial and Service/Industrial-to-Residential/Medium Density Residential/Planned Development) and M-S/ITR/R-3/PD (Industrial and Service/Industrial-to-Residential/High Density Residential/Planned Development) to R-3/PD (Medium Density Residential/Planned Development) R-4/PD (High Density Residential Planned Development) and P-F (Public Facilities); and 5) Approve the Special Development Permit and Vesting Tentative Map, and Sense of Place Fees subject to Findings in Attachment 4 to the report and recommended Conditions of Approval in Attachment 7 to the report.

Staff recommends that the project be approved as proposed with the recommended Conditions of Approval. Approval would include deviations for reduced front yard setbacks in some areas as well as the acceptance of adequate useable open space that does not include required, private, useable balconies. A concession for building height limits is also allowed by the State Density Bonus Law. A

final solid waste management plan will be required to assure that all units, even those that do not meet the City's distance requirement, are adequately served by appropriately managed solid waste techniques.

Although large, the site has some constraints including large perimeter protected trees, pockets of protected redwood groves and the provision of a 6.5-acre park. The plan also includes extension of Indian Wells Avenue, completing a portion of the circulation plan identified in the East Sunnyvale General Plan Amendment (2007) and install features of the related Sense of Place Plan. The project proposed, includes deviations to protect natural site features and provides a variety of housing types including both rental and ownership. The applicant makes use of density bonuses by creating building to a higher level of green standards and by including 45 VLI dwelling units.

The applicant has worked closely with staff to improve the site layout and architecture, with the result being a high-quality project that provides a sense of place for this portion of the city.

Prepared by: Gerri Caruso, Principal Planner/Margaret Netto, Contract Planner

Reviewed by: Andrew Miner, Assistant Director of Community Development

Reviewed by: Trudi Ryan, Director of Community Development

Reviewed by: John Nagel, City Attorney

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. *Reserved for Report to Council*
2. Site, Vicinity and Public Notice Mailing Map
3. Project Data Tables
4. Recommended Findings (SDP, Tentative Map and Lot Line Adjustment)
5. Draft Rezoning Ordinance
6. Draft Resolution to Certify the EIR and EIR Findings and Statements of Overriding Considerations
7. Recommended Conditions of Approval
8. Proposed Site and Architectural Plans and Tentative Map (available at <https://sunnyvale.ca.gov/business/projects/amd.htm>)
9. Draft TDM Plan
10. DEIR (available at <https://sunnyvale.ca.gov/business/projects/amd.htm>)
11. FEIR with Responses to Comments
12. Mitigation Monitoring and Reporting Program
13. Letter from Applicant
14. Indian Wells Setback Deviations and Cross Section
15. Indian Wells Street Rendering
16. Summary of Environmental Impacts
17. Additional EIR Comment Letter (available at <https://sunnyvale.ca.gov/civicax/filebank/blobdload.aspx?t=50437.17&BlobID=26361>)
18. City's Response to Additional EIR Comment Letter
19. Letter of Support
20. Errata-Minor Edits to MMRP