



File #: 18-0597, Version: 1

REPORT TO CITY COUNCIL

SUBJECT

Proposed Project: Related applications on an 8.09-acre site:

DESIGN REVIEW PERMIT AND USE PERMIT: To allow site and building modifications to an existing office building complex resulting in 7,449 net new square footage (42% FAR) on an 8.09-acre site developed with (4) three-story buildings and various site improvements and a request to utilize square footage from the city-wide development reserve.

Location: 1230-1290 Oakmead Parkway (APN: 216-44-124)

File #: 2017-7886

Zoning: Manufacturing and Services (M-S)

Applicant / Owner: Embarcadero Realty Services (Applicant) / Oakmead Terrace LLC (owner)

Environmental Review: Class 1 Categorical Exemption relieves this project from the California Environmental Quality Act (CEQA) provisions that include additions less than 10,000 to existing structures [CEQA Guidelines Section 15301 (e)(2)].

Project Planner: Cindy Hom, (408) 730-7411, chom@sunnyvale.ca.gov

SUMMARY OF COMMISSION ACTION

The Planning Commission considered this item on June 25, 2018.

During the applicant's presentation, the applicant requested relief from the Transportation Demand Management (TDM) penalties and wanted to add clarifying language to the Green Building conditions. A copy of the applicant's letter requesting modifications to the conditions is provided in Attachment 10.

During deliberations, staff advised the Planning Commission that the TDM penalty program is consistent with the City Council adopted fees and only the City Council can grant exceptions or make changes. An initial Planning Commission motion was to approve Alternative 2 with modified conditions of approval and a recommendation to the City Council to consider reducing the penalties and/or lowering the targets for daily trips and daily peak hour trips. The motion failed on a 2-4 vote with one commissioner absent. A majority of the Planning Commission did not want to challenge precedent and felt the implementation would not be a hardship given the site is at 50% occupancy and that it would be an opportunity to have new tenants to participate in trip reduction.

The Planning Commission approved Alternative 1: Recommend City Council approve the Design Review Permit and Use Permit subject to the Findings (Attachment 4) and Conditions of Approval (Attachment 5). The vote was 6-0 with one commissioner absent.

Staff analysis

Staff supports the use of TDM programs throughout the City to assist in managing and reducing traffic. Although the addition of building area at this property is small in relation to the existing

building, it is not possible to assign a reduced TDM amount to just a portion of the building area.

The applicant is requesting to exceed the base zoning building area allowance, which requires City Council action and typically includes a community benefit being provided for exceeding the base allowance. The applicant has stated a TDM program will be prepared and implemented for the property, but is concerned about the potential of fines of the required 25% reduction in total daily vehicle trips and a 30% reduction in daily peak hour trips. An option to removing the penalty requirements could include a lower trip reduction level that is more proportional to the additional area proposed. Using a relative factor to determine the reduction (based on the amount of area added compared to the existing building), a 5% TDM total daily trip reduction target would be required. Staff is concerned that a level that small would result in imperceptible trip reductions. Other levels could be considered, such as a 10% reduction in total daily vehicle trips and a 15% reduction in daily peak hour trips.

Another option would be to remove the fines for non-compliance with TDM targets, but staff cannot support this request because: 1) this is inconsistent with the Council directions on TDM program administration; and, 2) no other mechanism has been identified to ensure reduction efforts will be successfully implemented.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

ALTERNATIVES

1. Approve the Design Review and Use Permit subject to the Findings in Attachment 4 and Conditions of Approval in Attachment 5.
2. Approve the Design Review and Use Permit subject to the Findings in Attachment 4 and Conditions of Approval in Attachment 5 that include reduced Transportation Demand Management Trip reduction requirements.
3. Approve the Design Review and Use Permit with modified Conditions of Approval.
4. Deny the Design Review and Use Permit and direct staff and the applicant regarding changes to the project.

STAFF RECOMMENDATION

Alternative 2: Approve the Design Review and Use Permit subject to the Findings in Attachment 4 and Conditions of Approval in Attachment 5 to the report, that include reduced Transportation Demand Management Trip reduction requirements.

Staff was able to make the required Findings for the Use Permit and to support the 42% FAR. The project promotes opportunities for new businesses that provide ancillary services to larger corporate or tech companies as well as business retention for existing tenants to grow their business. As conditioned, the project will provide for an aesthetic and harmonious development that will contribute positively to the economic vitality and image of the City. Given the difficulty of using the green building incentives to exceed 35% FAR, the applicant maximized green building opportunities in the design and will include a TDM program for the entire property.

After further consideration, and based on the relatively small addition to the site, staff supports

reducing the TDM target from a 25% reduction in total daily vehicle trips and a 30% reduction in daily peak hour trips to 10% total and 15% peak hour, but does not support removal of penalty fees for non-compliance.

Prepared by: Cindy Hom, Associate Planner

Reviewed by: Gerri Caruso, Principal Planner

Reviewed by: Andrew Miner, Assistant Director of Community Development

Reviewed by: Trudi Ryan, Director of Community Development

Reviewed by: Teri Silva, Assistant City Manager

Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Report to Planning Commission 18-0516, June 25, 2018 (without attachments)
2. Vicinity and Noticing Map
3. Project Data Table
4. Recommended Findings
5. Recommended Conditions of Approval
6. Site and Architectural Plans
7. Project Description Letter
8. LEED Score Card and Consultant Letter on EBOM rating system

Additional Attachments for Report to Council

9. Excerpt of Minutes of the Planning Commission Meeting of June 25, 2018
10. Applicant's request letter to modify conditions of approval