



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 14-0579, Version: 1

REPORT TO CITY COUNCIL

SUBJECT

File #: 2013-7860

Location: 479 N. Pastoria Avenue (APN: 165-30-002):

Zoning: M-S (Industrial and Service) Zoning District

Proposed Project: Consideration of an application for a 2.17-acre site:

USE PERMIT to allow a new 52,394 square foot, four-story office/R&D building and a two-level parking structure resulting in approximately 55% Floor Area Ratio.

Applicant / Owner: ArchiRender Architects / Peery-Arrillaga

Environmental Review: Mitigated Negative Declaration

Staff Contact: Noren Caliva-Lepe, 408-730-7659, ncaliva-lepe@sunnyvale.ca.gov

REPORT IN BRIEF

General Plan: Industry

Existing Site Conditions: Vacant site

Surrounding Land Uses

North: Office/R&D

South: Office/R&D

East: Office/R&D

West: Office/R&D

Issues: Floor area ratio

Planning Commission/Staff Recommendation: Adopt the Mitigated Negative Declaration and approve the Use Permit with the Conditions of Approval in Attachment 4.

BACKGROUND

Description of Proposed Project

A previous Use Permit was considered at this site by the Planning Commission on March 10, 2014 for a new four-story office/R&D building with one level of underground parking beneath the building. Before the project was scheduled to go to City Council for a final decision, the applicant revised the project by removing the parking under the building and adding a detached parking structure at the back of the site. Other revisions include: the office/R&D building is located closer to the front property line, a row of parking spaces was removed from the front of the building, and the location of landscaping and trees has been adjusted. While no changes were made to the building size, floor area ratio (FAR), or architecture, the site modifications required reconsideration by the Planning

Commission and recirculation of the Mitigated Negative Declaration. The previous project data table is included in Attachment 12 to allow for comparison with the current project's data table in Attachment 2.

The project site is 2.17 acres in size and is currently vacant. The proposed project involves the construction of a new 52,394 square foot, four-story office/R&D building and a detached two-level parking structure. The project will result in approximately 55% FAR. Projects exceeding 35% FAR (or 45% with Green Building incentives) require Use Permit approval by the City Council. This application is a request for approximately 19,310 square feet above 35% FAR (about 10,000 square feet above 45% FAR). See Attachment 1 for a map of the vicinity and mailing area for notices and Attachment 2 for the Data Table of the project.

Previous Actions on the Site

The property was part of a larger area used for agricultural purposes up until the late 1950s. Based on aerial photos, a farmhouse or accessory structure sat on the property until the 1970s, when it was demolished. There are no previous planning or building applications or permits associated with this vacant property. Throughout the late 1960s and into the 1990s, the area was developed with many of the industrial and office buildings seen today.

EXISTING POLICY

General Plan Goals and Policies: The following are key goals and policies from the Land Use and Transportation Chapter of the General Plan which pertain to the proposed project:

Goal LT-6: Sustain a strong local economy that contributes fiscal support for desired City services and provides a mix of jobs and commercial opportunities.

Policy LT-6.2: Balance land use and transportation system carrying capacity necessary to support a vital and robust local economy.

Policy LT-6.4: Encourage sustainable industries that emphasize resource efficiency, environmental responsibility, and the prevention of pollution and waste.

Floor Area Ratio: The standard FAR permitted in the M-S Zoning District is 35%. There are several zoning tools that allow FAR above the standard:

1. A Use Permit or Special Development Permit may be granted by the City Council through a public hearing for projects proposed to exceed 35% FAR (unless #2 below applies).
2. A 10% FAR bonus (up to 45% FAR for this site) may be granted if Leadership in Energy and Environmental Design (LEED) certification at a Gold level is achieved; subject to a staff-level approval (no public hearing).
3. Properties can be rezoned to raise the standard FAR level, which also requires City Council action at a public hearing.

The proposed project is utilizing option #1. To assist the decision makers in considering approval of higher FAR developments, *Review Criteria for Projects Greater than 35% FAR* were developed by the City Council in 1999. These criteria are required as part of the findings to approve the Use Permit contained in Attachment 3.

Policies Related to Peery Park: The project site is located in the Peery Park industrial area. The City is currently undergoing a study for a Specific Plan for Peery Park to establish land use policies

for reinvestment in the area, define appropriate development standards (including FARs), develop area-wide traffic demand management (TDM) strategies, potentially establish a development reserve and cap, and plan for public infrastructure improvements. The background research and community outreach began in 2013; visioning will continue in 2014 and public hearings to consider adoption of a Specific Plan are anticipated in 2015.

On October 8, 2013, the City Council adopted the Peery Park District (PPD) Ordinance to allow for the processing of existing development applications and submittal of new applications during the preparation of the Specific Plan. The PPD Ordinance sets forth the review procedures for development applications and for increased public noticing based on building stories. The proposed project would have been processed in the same manner (Planning Commission recommendation and City Council action) under the prior regulations. The notice of public hearings complies with the PPD Ordinance for 1,000-foot public noticing (minimum requirement for a four-story building).

There have been several projects with FARs greater than 35% approved within the Peery Park area in the last two years. A map showing these recently-approved projects is included in Attachment 10.

- February 2012: the former post office site at 580 N. Mary Ave. was approved for a new Class A office/R&D building at 55% FAR; the building has been constructed and is currently leased by LinkedIn.
- April 2012: a staff level design review approval was given for a 45% FAR building using the Green Building incentive for 307 N. Pastoria Ave. The site is now occupied by Mercedes.
- June 2012: the City Council rezoned a 14.2-acre campus on the northwest corner of Mathilda Ave. and Maude Ave. from 70% FAR to 100% FAR, and approved buildings totaling 99.4% FAR; the application was amended by the Planning Commission in November 2012 when an additional property was added to the campus and the total project was for 96% FAR (643,947 s.f.). The new buildings are currently under construction and advertised as the future home for LinkedIn.
- October 2012: further south at 600 W. California Ave., an additional building of 106,617 s.f. was approved for the office campus, totaling 47.8% FAR.
- November 2013: a 53% FAR project (213,216 s.f.) with two buildings of three and four-stories was approved by the City Council. The site, owned by Christensen Holdings, is across the street from the subject application on Pastoria (and extends through to Mathilda Ave.).
- March 2014: the City Council rezoned an 8.3-acre site at 645 Almanor Drive to allow 100% FAR for the construction of a six-story R&D building (172,675 s.f.) and five-story parking structure for St. Jude Medical.

Industrial Design Guidelines: The City's Industrial Design Guidelines (1993) provide recommendations for site planning, architecture, and design. These guidelines are referenced in the discussion and analysis below.

ENVIRONMENTAL REVIEW

A Mitigated Negative Declaration has been prepared in compliance with California Environmental Quality Act (CEQA) provisions and City guidelines (see Attachment 5). An Initial Study determined that construction of the proposed project has the potential to result in significant effects on biological resources (possible disturbance of nesting birds) and cultural resources (possible discovery during excavation). Implementing mitigation measures during the construction phase will reduce these

impacts to less than significant. The Mitigation Measures have been incorporated as Conditions of Approval (see Attachment 4).

DISCUSSION

Present Site Conditions

The project site is 2.17 acres in size and is located on the west side of Pastoria Ave., between Maude Ave. and Hermosa Ave. The site is currently vacant with several mature trees and groundcover. With the exception of the recently-approved projects discussed in the previous section of the report, the immediate neighborhood generally consists of one-story tilt-up industrial buildings, most of which were built in the 1970s.

Use Permit

Use: The applicant proposes the construction of a Class A office building, intended for office/R&D uses. A description of office class levels is included in Attachment 7. Either a single tenant or multiple smaller tenants could be accommodated within the building. Future tenants would be subject to zoning requirements for permitted uses and would be subject to the conditions of approval of this permit.

Floor Area Ratio: The proposed project will result in approximately 55% FAR. The Review Criteria for Projects Greater than 35% FAR are located in the Recommended Findings in Attachment 3 along with staff's discussion of the criteria. Key project features meeting these criteria include high-quality architecture and site design, green building certification, and a Transportation Demand Management (TDM) Program to reduce trips generated by the project.

Site Layout: The new office/R&D building is sited towards the front of the property, with a detached parking structure at the back. The office/R&D building will contain four stories and will be 72 feet in height (to the top of the mechanical screen). The parking structure will be two levels, with one level underground and one level above ground. The parking structure will be 8 feet 6 inches in height and will be located 5 feet from the rear property line. There will be a distance of 14 feet 6 inches between the two buildings. Additional surface parking and landscaping will surround the buildings.

Two driveways will provide direct access onto Pastoria Ave. with a possible location for artwork in between. The project complies with requirements for setbacks and distance between buildings. The following Guidelines were considered in analysis of the site design:

Industrial Design Guidelines (Site Design)	Comments
<i>A1. New development shall enhance the character of its surrounding area through quality architecture, and landscaping and appropriate site arrangement.</i>	The proposed project will enhance the site and surroundings with the introduction of high-quality architecture, substantial landscaping and public art.

<i>A2. New development in an area with an established character shall be compatible with its surrounding development in intensity, design, setback, building form, scale, material, color and landscaping unless there are specific planning goals to change the character of an area.</i>	The proposed project is consistent with the character of other sites in the area that have been redeveloped with buildings that achieve a higher FAR. Redevelopment with Class A buildings in Peery Park is consistent with City policy.
<i>B1. Site components such as structures, parking, driveways, and out-door functions shall be arranged and located to emphasize the aesthetically pleasant components of the site such as existing mature trees and views, or superior architectural features, and disguise its less attractive scenes such as service facilities, outside storage and equipment areas, and trash enclosures through placement and design of structure and landscaping.</i>	The proposed building will be located towards the front of the site and the parking structure, tucked towards the back of the site, will be minimally visible from the street. The new landscaping will also enhance streetscape of Pastoria Ave. The proposed trash enclosure is located towards the back of the site.

Architecture: The proposed Class A building uses high quality architecture constructed of glass and steel. The building form consists of a central elongated oval flanked by curved areas with terraced roof decks on each level. The building is angled on the property in order to showcase the terraced roof and to better align the main building entry towards the street frontage. The architecture generally has a strong horizontal orientation through the lines of blue-colored clear and spandrel glass. A roof screen is incorporated into the architecture of the building, using similar materials and forms.

Visibility of parking is minimized due to the low height of the structure (8 feet 6 inches) and with the location of the parking structure at the back of the site. The parking structure is made of precast concrete, painted white with wrought iron railings on the top level. Staff recommends that the applicant modify the design of the parking structure to better relate to the office/R&D building. This can be accomplished by applying other materials and colors as an architectural accent to the building and by using landscape screening (see Attachment 4).

Similar buildings were constructed at 580 N. Mary Ave. (five-stories in height with green-colored glass and a separate 1.5-story parking structure) and 307 N. Pastoria (three-stories with green-colored glass). The following Industrial Design Guidelines were considered in the analysis of the project architecture:

Industrial Design Guidelines (Building Design)	Comments
<i>B1. New buildings shall maintain diversity and individuality in style while improving aesthetic character of their surrounding area.</i>	The proposed architecture is compatible with more recent buildings in the vicinity and reflects a high quality contemporary design.

<i>B2. Roof equipment shall be fully screened by parapets, roof screens or equipment wells.</i>	The proposed design includes an integrated roof screen composed of glass mimicking a building floor, which will effectively shield all roof-mounted equipment from view.
<i>B5. Main entrances of the buildings shall be well defined.</i>	The site design, building orientation and landscaping help to enhance the entrance to the site.
<i>B6. New buildings shall have at least one major focal point and minor focal point. Focal points should be achieved through horizontal and vertical lines, change in material, change in color, changing the form and shape of a portion of the building, etc. Combining the main entrance and the focal points is encouraged.</i>	The building's forms provide several architectural focal points. The rounded ends of the elongated central oval element draw focus on the east and west facades. On the north and south facades, terraced roof decks form focal points. The site design creates landscaping focal points at building entrances and at the corner patio feature at the rear of the building.
<i>E1. A comprehensive material and color scheme shall be developed for each site.</i>	The proposed building will be constructed of glass and steel with aluminum mullions between glass panels. The building exterior will be composed primarily of glass in a green color, with metal support columns at the base.
<i>E3. Large expanses of high reflective surface and mirror glass exterior walls shall be avoided to prevent heat and glare impacts on the adjacent public streets and properties.</i>	The proposed office building will utilize clear glass and spandrel glass along exterior facades to minimize reflection on public streets and adjacent properties. Mirror glass is not proposed. The project site is not adjacent to residential uses.

Landscaping: The project is designed with approximately 40% of the lot area as landscaping, which complies with the 20% minimum landscaping requirement. Landscaping will be dispersed throughout the site and will include a variety of groundcover, shrubs and trees. Plant species have been designed to comply with the Sunnyvale Municipal Code (SMC) water-efficient landscaping requirements and the proposed placement of trees comply with the Bird-Safe Design Guidelines.

An arborist report was prepared for the project, which evaluated 24 trees, 19 of which are defined as "protected" by the SMC. Protected trees are those with trunks greater than 38 inches in circumference as measured 4.5 feet from grade. A majority of the protected trees are located along the site perimeter and will be preserved during construction. Of the 19 protected trees, nine trees are proposed for removal. Two Coast Redwood trees located in the middle of the site are proposed for removal as they will conflict with the location of the building. One additional significant-sized Black Locust tree, located along the site frontage within the City right-of-way, is proposed for removal to accommodate a new sidewalk and driveways. The remaining six protected trees for removal are Eucalyptus trees that are located along the rear property line. These Eucalyptus trees conflict with the proposed location of the parking structure and stormwater detention ponds. As a condition of approval, the applicant will be required to replace all of the protected trees that are removed with a minimum of 36-inch boxed specimen trees. In addition, a tree protection plan is needed to minimize

damage to trees during construction. As conditioned, the final landscaping plan will be reviewed by staff prior to building permit submittal.

SMC Section 19.37.070 states that at least 50% of the parking areas must be shaded within 15 years after the establishment of the lot. The preliminary landscaping plan demonstrates compliance with this requirement by providing about 50% shading. The following Guidelines were considered in the analysis of the project landscaping:

Industrial Design Guidelines (Landscaping)	Comments
<i>A2. All areas not in use by structures, driveways, and parking spaces shall be properly landscaped.</i>	The project will retain most of the existing mature trees on-site and additional trees are proposed throughout the parking lot. The preliminary landscaping plan shows all areas not utilized by structures, parking, and driveways planted with groundcover, shrubs and trees.
<i>A5. Walls and fences shall be integrated into landscape design.</i>	No walls or fences are proposed. Existing mature perimeter trees and new trees help to provide a natural buffer around the site.

Parking/Circulation: SMC 19.46.100 requires a minimum of two parking spaces per 1,000 square feet and a maximum of four spaces per 1,000 square feet, or a minimum of 105 spaces and a maximum of 210 spaces for the project. The proposed project complies with the parking requirements by providing 170 parking spaces. A row of surface parking spaces are proposed along the right (north) property line. Most of the parking spaces will be located within the detached parking spaces at the back of the site. The distribution of parking and low-profile design of the parking structure help to minimize the look of parking from the street. Vehicular access to the site is provided by two driveways off of Pastoria Ave., one of which also serves as a secondary access point required for emergency vehicles. The preliminary parking lot striping plan shows compliance with parking lot design requirements, such as universal stall dimensions, double-striping, wheel stops, and maintenance of driveway vision triangles. As conditioned, a final parking lot striping plan demonstrating conformance to SMC 19.46 and Design Guidelines will be reviewed by staff prior to submittal of a building permit.

SMC 19.46.150 requires a minimum number of bicycle parking spaces equal to 5% of the number of parking spaces provided, or nine bicycle parking spaces for the project. A minimum of 75% of the bicycle parking spaces must also be secured or lockable, such as bike lockers, or seven secured bicycle parking spaces for the project. The project complies with the bicycle parking requirements by providing 14 bicycle parking spaces, 10 of which are secured lockers and four bike racks. The bicycle parking spaces will be placed near the building entries on the ground-level per Design Guidelines.

TDM Program: Based on the reductions required for other higher-intensity projects, staff recommends the implementation of a Transportation Demand Management (TDM) Plan that will achieve a minimum of 20% reduction in total daily vehicle trips and a 25% reduction in daily peak hour trips.

The applicant has submitted a draft TDM Plan in compliance with the trip reduction requirements, which has been conceptually approved by the Department of Public Works (see Attachment 11). The TDM Plan consists of measures that are based on existing and proposed infrastructure and physical attributes of the site, including proximity and access to transit, bicycle parking, bike lanes, sidewalks, and showers in the proposed buildings. The plan promotes sustainable modes of transportation, such as carpool/vanpool programs and transit subsidies. An annual report to the City is required to monitor compliance. A penalty clause for non-compliance is included; a per-trip monetary penalty would be assessed for any trips exceeding the allowable number, as determined through the annual driveway counts. The requirement to implement and manage a TDM Plan in conjunction with the occupancy of the buildings is typically included in tenants' lease agreements. A final TDM Plan is required to be submitted for review and approval by staff prior to issuance of building permits.

Green Building: Green building standards require non-residential construction that exceeds 5,000 square feet to attain LEED Silver level. Attaining a LEED Gold level with certification allows a 10% FAR bonus. The proposed project seeks approval of 55% FAR, which exceeds the maximum 45% FAR permitted with the bonus and requires City Council approval. Staff recommends that the applicant strive for Platinum level certification, but no less than Gold certification. A similar requirement was placed on the recently-approved Christensen Holdings project across the street.

On other higher intensity developments, the City has required applicants to achieve the LEED Gold level (Core & Shell and Commercial Interiors) instead of the minimum LEED Silver level required. Exemplary design is one of the review criteria to be considered by the City Council in granting FAR over 35% and "green" or sustainable features are typically considered to be an element of design quality. The higher level will ensure that the project design is exemplary in terms of sustainability.

The applicant has submitted a LEED checklist demonstrating that the proposed building would achieve a minimum of 66 points with the possibility of achieving 80 points (see Attachment 8). LEED Gold requires 60 to 79 points, while LEED Platinum requires 80 to 110 points. As a condition of approval, staff will work with the applicant and future tenants to comply with the green building requirements.

Art in Private Development: Sites over two acres in size are subject to the Art in Private Development requirements of SMC Chapter 19.52. The current code requires artwork to be installed in a publicly visible location equivalent to 1% of the construction valuation for the building or an in-lieu fee in the amount of 1.1% of the construction valuation of the building. The applicant has indicated a desire to provide art as opposed to utilizing the in-lieu fee. The most likely location will be in the landscape area along the street frontage, between the two driveways.

Stormwater Management: The current Municipal Regional Permit for stormwater discharge requires all treatment be achieved through Low Impact Development (LID) measures such as infiltration, harvesting/use, and biofiltration and limits the use of mechanical treatment. A preliminary Stormwater Management Plan (SWMP) has been provided, which demonstrates compliance with LID requirements by incorporating an underground water storage system into the landscaped area. The proposed condition of approval requires third-party certification of a final SWMP prior to issuance of building permits.

Easements/Undergrounding: All utilities are required to be placed underground and easements are required to be kept clear of any structures. SMC 19.48.100 also prohibits ground-mounted

mechanical equipment to be located between the face of a building and a street and is required to be screened from view. The proposed site plan notes that a transformer will be located beyond the face of the building along the left (south) side with shrubs and groundcover planted around it for low screening.

Industrial Sidewalks: Currently, there are no sidewalks along the property frontage. A new 11-foot wide sidewalk with a planting strip will be installed in accordance with City standards and will be located entirely within the public right-of-way. The new sidewalk will connect with the existing sidewalk to the south and future development of the adjacent property to the north will be required to complete the sidewalk access to Maude Avenue.

Expected Impact on the Surroundings

Visual: The proposed project is compatible with more recent buildings in the vicinity and reflects a high quality contemporary design. The orientation of the building, roof terraces, and landscaping will help to minimize the visual impact on surrounding properties. The project has also been designed with increased setbacks, which further helps to reduce visual impacts. The proposed front setback is almost double the minimum required (45 feet where 25 feet minimum is required), and allows for adequate landscaping between the building and sidewalk.

Other parking structures, many of which are taller than the structure proposed, have been recently approved in the Peery Park District as a way to minimize the amount of land devoted to surface parking and to create more opportunities for landscaping. The proposed low-profile parking structure tucked towards the back of the site and ample landscaping helps to minimize the look of parking from the street. As recommended by staff, enhancements to the design of the parking structure will allow for better architectural relationship with the main building.

The proposed four-story building will be minimally visible from the nearest residential properties located 1/3 of a mile away to the east of Mathilda Avenue as the site is located one block west of Mathilda Avenue and behind the approved Christensen Holdings project at 455 N. Mathilda Ave. consisting of a three-story and a four-story building.

Traffic and Circulation: Development proposals require preparation of a transportation impact analysis (TIA) if more than 100 new peak hour trips in either the AM or PM peak hour are estimated. The City's Division of Transportation and Traffic estimates that 75 AM and 78 PM peak hour trips would be generated by a 52,394 square foot R&D use (Institute of Transportation Engineers (ITE) Trip Generation Manual 9th Edition); therefore, a TIA is not required for this project. The ITE Trip Generation Manual is the standard reference document prescribed by the Santa Clara County Congestion Management Program TIA Guidelines for estimating trip generation from land development. These guidelines are used by all cities in Santa Clara County for determining the necessity for traffic analysis.

Based on review of service levels in the project area, a lack of any known unusual operating conditions or geometric hazards, and the relatively low level of trips added to the street system by the project, it is expected that the existing street system can absorb this incremental increase in traffic. With the implementation of a TDM Plan, vehicular peak hour trips and average daily trips to and from the site further will be reduced. The project is required to pay a traffic impact fee towards cumulative traffic impacts and resultant improvements identified by the City's Transportation Strategic Program

based on the addition of new trips to the roadway system.

In addition, existing public transit facilities will serve the site, with a Route 54 bus stop located less than 1/4 of a mile away on Mathilda Ave., a Mary/Moffett Caltrain shuttle stop 1/3 of a mile away at Mary and Maude Avenues, a Route 32 Community Bus stop located 1/2 a mile away at Mathilda/Indio, the Caltrain Sunnyvale station slightly over 3/4 of a mile away and a Light Rail station located approximately 1-1/2 mile away. The new public sidewalk along the project frontage will also help to enhance pedestrian amenities. Bike lanes extend near the site to the intersections of Maude Avenue and Pastoria Avenue, and bike lanes will soon be constructed on Mathilda Avenue to Maude Avenue and Maude Avenue between Pastoria Avenue and Mathilda Avenue.

Citywide Development Pool: In 1999 the City Council adopted policies for considering projects in industrial zoning districts that exceed the threshold FAR for the zone. The 26 review criteria are included in the Findings (Attachment 3). The Council also adopted a Citywide Development Pool from which higher FAR projects would draw square footage for their project. The pool applies to industrially zoned properties outside of the Moffett Park Specific Plan area and started with 3.4 million square feet (as adjusted after the Moffett Park Specific Plan was adopted in 2004). The pool was created by credited floor area of industrial sites developed with non-industrial/office uses such as places of worship, hotels and utilities. The pool is adjusted when a Use Permit for an industrial/office project is approved, when sites are rezoned to a higher FAR and when a non-industrial use is eliminated. This project would remove 19,310 square feet from the pool, leaving a balance of about 1.9 million square feet.

Balanced Growth Profile: An updated Balanced Growth profile (February 2014) is included as Attachment 9. The profile reflects: 1) projects built; 2) projects approved; and, 3) this pending project. The Balanced Growth Profile helps illustrate the project on a citywide basis.

FISCAL IMPACT

The proposed project is anticipated to have a positive fiscal impact on the City. Redevelopment of the site as proposed will increase the assessed value of the property and is estimated to result in the City receiving an additional \$34,500 in property taxes annually. The County, school districts and other agencies would also see increased property tax revenue. In addition, the proposed office/R&D building is designed to attract high-quality tenants such as corporate headquarters of technology companies. Such tenants will generate positive economic impacts by providing jobs and enhancing the image of the City. Employees that will occupy these buildings will patronize local Sunnyvale businesses, and visitors may stay in Sunnyvale hotels as well.

Transportation Impact Fee: Projects resulting in net new peak hour vehicle trips are subject to a transportation impact fee (TIF). The TIF is estimated to be \$109,031.91 and must be paid prior to issuance of a building permit. When sidewalks are installed as part of a project, the cost of the sidewalk installation may be credited to the TIF amount, per SMC 3.50.100. The TIF amount is subject to the fee schedule in place at the time of payment and will be recalculated with any credit given for the sidewalk installation.

Housing Mitigation Fee: Higher-intensity industrial projects are required to mitigate the demand for affordable housing created by the development through payment of a Housing Mitigation Fee (SMC 19.22.035). The current Housing Mitigation Fee requirement is \$9.49 per square foot of floor area over the allowed FAR of 35%. The required fee for this development is estimated at \$183,251.90

(see Attachment 4).

PUBLIC CONTACT

Planning Commission Study Session: Staff presented the revised project to the Planning Commission at the May 28, 2014 Study Session. Commissioners found the removal of parking in front of the building and the slightly tilted angle of the building to be positive modifications from the previous design. Several Commissioners expressed concern that the site plan looks tight with the two proposed structures and that the previous design with underground parking would have resulted in a more open site plan. The applicant responded that the parking structure is only 8 feet 6 inches in height and that other recently-approved projects within the Peery Park District have also built parking structures. It was suggested by the Planning Commission to incorporate design elements into the parking structure to allow for better architectural compatibility with the main structure, which has been included in the Recommended Conditions of Approval in Attachment 4. The applicant is agreeable to this condition.

Planning Commission Public Hearing: The project was considered at the Planning Commission public hearing of June 23, 2014 (see Attachment 13 for draft minutes). In response to the comments received at the Study Session, the applicant presented a revised parking structure elevation, with blue-colored glass applied to the stairs leading from the ground floor to the top level of the structure (see Attachment 14 for applicant's renderings). The Planning Commission commented that the enhancement was not enough to address their concerns and recommended that the applicant continue to work with staff on the design as conditioned. One member of the public spoke in opposition to the project, citing water shortage concerns. The Planning Commission approved the project with a 6-0 vote (one Commissioner absent) as recommended by staff, subject to the Recommended Conditions of Approval in Attachment 4.

Consultation from Freedman Tung + Sasaki: Staff consulted with Freedman Tung + Sasaki (FT+S), the firm hired by the City to prepare the PPSP, for feedback on the original project design. Staff did not re-circulate the revised plan to the consultant, as the streetscape design was only minimally modified and the proposed development intensity is unchanged. The consultant indicated that the proposed intensity and architectural design are consistent with the concepts being developed for the PPSP. The consultant made two recommendations:

- Integration of a second pedestrian walkway from the sidewalk to the front of the building along the left side (which has been included in the modified project, shown in Attachment 6); and
- For staff to work with the developer on the design of the sidewalk to ensure consistency with the streetscape concepts for the PPSP (included as a recommended condition in Attachment 4).

Notice of Mitigated Negative Declaration and Public Hearing

- Published in the *Sun* newspaper
- Posted on the site
- 92 notices were mailed to property owners and tenants within 1,000 ft. of the project site as shown on Attachment 1.
- Notices were emailed to the following Neighborhood Associations: S.N.A.I.L.; Stowell-Orchard; Heritage District; Morse Park; and, Sunnyvale West.

Staff Report

- Posted on the City of Sunnyvale's Web site

- Provided at the Reference Section of the City of Sunnyvale's Public Library

Agenda

- Posted on the City's official notice bulletin board
- City of Sunnyvale's Web site

CONCLUSION

Findings and General Plan Goals: Staff was able to make the required Findings for the Use Permit. The Review Criteria for Projects Greater than 35% FAR were used to evaluate the application. Recommended Findings and General Plan Goals are located in Attachment 3.

ALTERNATIVES

1. Adopt the Mitigated Negative Declaration and approve the Use Permit with the Conditions of Approval in Attachment 4.
2. Adopt the Mitigated Negative Declaration and approve the Use Permit with modified Conditions of Approval.
3. Adopt the Mitigated Negative Declaration and deny the Use Permit.
4. Do not adopt the Mitigated Negative Declaration and direct staff as to where additional environmental analysis is required.

PLANNING COMMISSION AND STAFF RECOMMENDATION

Alternative 1: Adopt the Mitigated Negative Declaration and approve the Use Permit with the Conditions of Approval in Attachment 4.

Prepared by: Noren Caliva-Lepe, Associate Planner
Reviewed by: Trudi Ryan, Planning Officer
Reviewed by: Robert A. Walker, Assistant City Manager
Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Vicinity Map with 1000 ft. Noticing Buffer
2. Current Project Data Table 2013-7860
3. Recommended Findings 2013-7860
4. Recommended Conditions of Approval 2013-7860
5. Mitigated Negative Declaration 2013-7860
6. Site and Architectural Plans 2013-7860
7. Description of Office Class Levels
8. LEED Checklist 2013-7860
9. Balanced Growth Profile, updated December 2013
10. Recently Approved Peery Park Projects Map
11. Draft Transportation Demand Management Plan-2013-7860
12. Previous Project Data Table
13. Planning Commission Public Hearing Draft Minutes, June 23, 2014
14. Applicant's Revised Parking Structure Renderings

