



# City of Sunnyvale

## Agenda Item-No Attachments (PDF)

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File #: 15-0425, Version: 1

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### REPORT TO PLANNING COMMISSION

#### SUBJECT

**File #:** 2014-7584

**Location:** 215 Moffett Park Drive (APN: 110-34-006)

**Zoning:** MPI

**Proposed Project:** Application for a 9.5-acre site located within Moffett Park Specific Plan area.

**MAJOR MOFFETT PARK DESIGN REVIEW PERMIT:** To allow a second 86,400 square foot office R&D building and a new 5,000 square foot restaurant building resulting in a total of 248,460 square feet of building area on the site (59.9% FAR with LEED Gold incentive); and a new 3-level parking structure and associated site work, including requests to deviate from lot coverage and landscaping frontage width requirements

**Applicant / Owner:** Gensler / Four Corners Properties

**Environmental Review:** Mitigated Negative Declaration

**Project Planner:** Shétal Divatia, (408) 730-7637, sdivatia@sunnyvale.ca.gov

#### REPORT IN BRIEF

**General Plan:** Industry

**Existing Site Conditions:** One two-story 158,497 square foot office building and surface parking

#### **Surrounding Land Uses**

**North:** Industrial

**South:** SR - 237, mobile home park and multifamily residential south of SR 237

**East:** Industrial

**West:** Office/R&D (Moffett Place)

**Issues:** High FAR, Lot Coverage, landscaping frontage width, building setbacks, architectural style, and removal of on-site trees.

**Staff Recommendation:** Adopt the Mitigated Negative Declaration and approve the Major Moffett Park Design Review Permit with the recommend Conditions of Approval in Attachment 4.

#### BACKGROUND

##### Description of Proposed Project

The project site is 9.5 acres in size and is currently developed with a two-story, 158,497 square foot office/R&D building with 38% FAR (Floor Area Ratio), where 35% FAR is allowed. The project is a proposal to renovate the existing building and construct a second two-story office R&D building and a

new one-story restaurant building resulting in a total of 248,463 square feet of floor area (office and restaurant buildings) with 59.8% FAR. The project would be served by a new three-level, 783 car parking structure.

The site is zoned Moffett Park Industrial (MP-I) which allows a base floor area ratio (FAR) of 35%. The site is legal non-conforming with an FAR of 38.1% as it was constructed in 1970 prior to any FAR limits on industrial development.

This application was deemed complete prior to the effective date of most recent update to the Green Building Program and is subject to the prior requirements and incentives. A project in this zoning district meeting the LEED Gold design intent (no formal registration required), with approval of a Moffett Park Major Design Review can achieve a 50% FAR; a site registering the building for certification with the USGBC may achieve an additional 10% for a total of 60% FAR on the site. The proposed project will be seeking LEED Gold USGBC certification for all new and existing buildings in order to utilize Sunnyvale's Green Building Program. The project is requesting 91,400 square feet from the Moffett Park Development Reserve (currently with a balance of 1.51 M square feet).

The project will be served by a total of 857 parking spaces of which 783 parking spaces are located in the proposed parking structure and the remaining 74 spaces (8.6% of the total) are surface parking spaces. The surface spaces are located near the retail building proposed at the corner and along Moffett Park Drive.

The existing building is currently occupied by Applied Micro and future tenants for the buildings are not known at this time.

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 existing building was constructed in 1970. There were site and façade upgrades in 1993. A staff level design review (Miscellaneous Plan Permit) was approved for a second façade upgrade for the existing building in 2014; which has not been constructed.

### **Planning Commission Study Sessions**

The project's site design and architecture were reviewed by the Planning Commission at its Study Sessions in November 2014, and in January 2015. Comments made at the January 2015 Study Session noted several aspects of the project, such as the restaurant use, solar panels, architectural style, and the 2-story scale of the project as positive features and desirable for the community. Other aspects of the project that were of concern included:

- The architecture of the parking structure (with large expanse of concrete walls),
- Bicycle access,
- Need for additional wood panels,
- Need for color,
- Concern about vine growth and maintenance of green vertical walls,
- Appropriate and functional pedestrian walkway connections, and
- Appropriateness of the architecture style (monotony and dated).

The proposal has since been modified to address of the Planning Commission's comments and concerns. The project now includes/notes:

- Texture (wood grain pattern) on the large sheer wall on the parking structure,
- Bike lane along Moffett Park Drive,
- Additional wood paneling,
- The applicant notes that the green vertical walls/screen design element will be successful based on their experience;
- The applicant notes that they have examined the possibility of improving/modifying the proposed pedestrian walkways that connects the buildings and public street and have concluded that no changes need to be made, and
- The applicant notes that the design style of the buildings includes natural materials and they do not want to brand the buildings with any specific colors.

## **EXISTING POLICY**

**Floor Area Ratio:** The standard FAR permitted in the M-I Zoning District is 35%.

1. *A Major Moffett Park Design Review may be granted by the Planning Commission through a public hearing for projects proposed to exceed 35%FAR to utilize the Development Reserve ;*
2. *A 10% FAR bonus (up to 45% FAR for this site) may be granted if 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 requires City Council action at a public hearing.*

The proposed project is utilizing option 1 and 2 to allow the proposed 60%FAR project. .

The Findings required to approve the Major Moffett Park Design Review are contained in Attachment 3.

- **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:  
*Policy LT-4.8a* - Cluster high intensity industrial uses in areas with easy access to transportation corridors.  
*Policy LT-4.11* - Support the location of convenient retail and commercial services in industrial areas to support businesses, their customers and their employees.
- **Moffett Park Specific Plan District:** The project site is located within the Moffett Park Specific Plan (MPSP) area and is zoned Moffett Park Industrial (MP-I). The MP-I zone allows development intensity up to 35% FAR. The proposed project with 60%FAR requires a Major Moffett Park Design Review Permit (MP-DR).

### *Major Moffett Park Design Review (MP-DR)*

The proposed project meets the application completeness requirements set forth in SMC 19.29.110 to be processed as a Major MP-DR whereby additional FAR entitlement can be approved by the Planning Commission. The required findings for this permit are: A) The project attains the objectives and purposes of the MPSP; and B) Substantially conforms with the Moffett Park Design Guidelines set forth in Chapter Six of the MPSP. The Findings are addressed in Attachment 3.

- **Development Reserve:** The Moffett Park Development Reserve was established in to make available, on a first come first served bases, additional square footage for the Moffett Plan Specific Plan area to encourage redevelopment and meet the goals of the Plan. . Approval of this project will reduce the reserve currently at at 1.51M square feet by 90,000 square feet.
- **Green Building Program:** The project utilizes the City of Sunnyvale's Green Building Program (20-12-2014) for all buildings, that allows an additional 10% FAR for LEED Gold with USGBC certification.

## **ENVIRONMENTAL REVIEW**

The Planning Department prepared and noticed an Initial Study for a Mitigated Negative Declaration for the project. A copy of the environmental review document was also available for public review at Santa Clara County Recorder's Office and Sunnyvale City Hall from April 6 to April 27, 2015. A copy of the Mitigated Negative Declaration is contained in Attachment 5.

The Initial Study identified "Less than Significant with Mitigation Measures" on the following resources:

- Population and Housing
- Biological Resources
- Historical and Cultural (remains) Resources
- Transportation
- Noise

The project application included the following focused studies that addressed potential impacts:

- Traffic Impact Analysis
- Air Quality and Green House Gas Technical Report
- Environmental Site Assessment (Phase I)
- Archeological and Cultural Resource Assessment
- Tree Survey
- Noise

Implementation of the mitigation measures listed in the Initial Study and Conditions of Approval will reduce identified impacts to a less-than-significant level (Attachment 4). Staff recommends that a Mitigated Negative Declaration, be adopted.

## **DISCUSSION**

### **Present Site Conditions**

The site is developed with a two-story office building served by surface parking on the east portion of the site with landscaped frontages on the two street frontages. The existing building will receive a new outer shell along with tenant improvements for the interiors.

### **Site Layout and Architecture**

The proposed architectural style can be classified as “contextual modernism” which includes modernist design principles with strong contextual responses. This modern architectural style typically has simplicity of form, inspired by function, linearity, nothing to hide, basic building materials, open creative floor plans, use of windows as design elements, and post and beam construction. The contextual design addresses the existing industrial neighborhood which has a mix of one and two-story industrial buildings, new six to eight-story tall contemporary style architecture buildings and close proximity to SR 237. The proposed design seeks to establish its own identity in this neighborhood with the proposed architectural style.

The proposed buildings utilize exposed concrete, textured (wood grain) concrete exposed wood panels, glass and metal screen. The architecture of the two office buildings is similar yet different. The metal screen as a building material is used as vertical fins on the existing building and as panels over glass on the new building. The metal mesh is an innovative use intended to provide a visual fluidity to the buildings and as sun shade from direct sunlight. This layering feature as a solar screen is found in other buildings with modern style architecture built during the 1960s in this area. The new building has a projecting second story above the first floor to create covered patio-like area on the first floor; while the existing building has both the floors on the same plane.

The parking structure in the rear has concrete panels with landscaped metal screens to help soften its appearance and improve its compatibility with the office buildings. A semi-covered walkway connects the buildings to the parking structure. The entrance to the parking structure has elements and materials that of the main buildings. As noted by the Planning Commission at its Study Sessions, the large expanse of concrete walls can include architectural treatment and/or landscaped metal screens. The applicant notes that this shear wall will be patterned concrete. Staff notes that landscaped vertical screen will further improve this façade and has included a Condition of Approval (PS-1(a)), requiring additional architectural detail(s) or landscaping be added to this large expanse of concrete walls on the parking structure.

The project's entrance and focal point is located towards the interior portion of site, and not visible from the two public streets. The proposal includes landscaped areas, patios and surface parking areas that activate the site as viewed from the streets.

Architectural design for the restaurant at the corner of Borregas and Moffett Park Drive has not been determined at this time. The applicant notes that architectural design for this building will be provided after they determine the restaurant operator. Staff has included a Condition of Approval requiring that site plan and architecture for the restaurant shall be reviewed by Planning Commission (No.GC-8).

### **Landscaping and Amenities**

The proposal will have 26% of the lot landscaped where a minimum of 20% is required. A conceptual landscape plan shows landscaping along its street frontages, green areas (courtyards and gardens) and vertical landscaped screens on the parking structure and on portions of the office building. A majority of the existing landscaping along the street frontages will be removed in order to add sidewalks; bike lane extension on Moffett Park Drive; new buildings; and/or new surface parking areas. New landscaped areas will be included along the periphery of the site, patios and courtyards, and along street frontages. The new landscaped patios will include pathways connecting the various on-site buildings. The office buildings will also be served by outdoor seating area and a basketball court.

The project includes landscaped frontages as required, but does not meet the minimum 15 feet width along its Borregas Avenue frontage with 8 feet wide landscape frontage proposed. The proposal addresses this deficiency by including landscaped pavers (similar to grasscrete) for the parking area along this portion of the site. The surface parking areas meets tree shading code requirement. The project will include 273 new tree plantings, shrubs and ground cover and will be required to meet Sunnyvale's water efficient landscaping requirements. .

**Amenities:** The project includes a restaurant that will serve the site as well as the neighborhood. Although this is a site and neighborhood amenity it requires separate parking and needs to meet development standards. As mentioned, the project includes a basketball court as an outdoor activity area to serve the office building tenants.

**Tree Preservation:** A tree survey provided by the applicant notes that the site has a 60 onsite trees, and 16 affected trees are located beyond the site's property lines on adjacent properties that may be impacted by construction at the subject site. Condition of Approval No. BP-15 (b) requires tree preservation measures for these trees. Of the 60 trees, 18 trees are 'protected trees' (trunk circumference greater than 38 inches) as defined by Sunnyvale code. Many of the existing trees are located within or near the improvement areas, and some are also in fair to poor health. The proposal removes all of the 60 trees and includes planting of 273 trees (eight 72-inch box sized, forty seven 36-inch box sized, one

hundred and eighty eight 24-inch box sized and thirty 15-gallon sized trees). Staff believes the proposed replacement plan adequately addresses the loss of trees at the site with new and appropriate species plantings. Staff has included a Condition of Approval (No.BP-13 (e)) which requires that all replacement trees shall be of a species that will grow to be large shade providing trees at maturity.

### **Parking**

The project proposes a total of 857 parking spaces of which 783 spaces are located in the parking structure and 74 spaces are surface parking. The office use on the site meets the minimum required parking ratio of 3.3 parking spaces for 1000 square feet of floor area by providing 805 parking spaces. Additionally, the restaurant use requires a minimum of 45 and maximum of 65 parking spaces (min. of 9/1000, max 13/1000). The proposal provides 55 parking spaces for the restaurant use which is located in close proximity to the building as surface parking. The proposed parking meets Sunnyvale parking requirement.

The project provides a total of 45 bicycle parking spaces where 42 spaces are required. The project includes a bicycle parking stand with a canopy near the entrance of the office buildings while the other spaces will be located in the parking structure and near the restaurant. The proposed bicycle parking will be required to meet Class 1 and Class 11 requirements as per VTA guidelines.

### **Development Standards**

The proposed project complies with all of the Development Standards as set forth in the Sunnyvale Municipal Code (SMC 19.29.140) for the MPI zoning district with the exception of lot coverage and landscape frontage width. The Moffett Park Specific Plan allows consideration of these deviations through a Major Moffett Park Design Review Process (SMC 19.21.150).

The proposal exceeds the maximum lot coverage standard of 45% with 47.5%. Staff believes this deviation is acceptable as the proposed increase by 2.5% (10,389 square feet) allows for a site layout for this odd shaped site in a manner that provides adequate landscaped areas and structured parking as compared to meeting lot coverage requirements but having surface parking and minimal landscaped area.

The site also does not meet the 15-foot landscaped frontage along portion (approximately one third of the site's frontage) on Borregas Avenue with 8 feet width of landscaped area. This condition occurs for about 210 linear feet with proposed on-site parking adjacent to this area. This results in a landscaping deficiency of about 1,470 square feet. The project includes paved parking area (about 3,360 square feet) in this portion to address this deficiency.

### **Off-site Improvements**

**Roadways:** The site is served by two streets (which are in close proximity to SR 237), and is in close proximity to the VTA Light Rail Station on Borregas Station and to VTA bus and shuttle services on Java Drive. The bicycle and pedestrian overpass on SR 237 and a Class II bike lane on Moffett Park Drive also serves the site. A Traffic Impact Analysis for the proposed project was prepared by Fehr and Peers in February 2015.

The study analyzed the following:

- 6 freeway segments (US101 and SR 237) near the project area;
- 16 study intersections;
- Mathilda Avenue corridor

The analysis examined six scenarios: existing, existing plus project, background no project, background plus project, cumulative no project, and cumulative plus project.

Since the project site is in close vicinity to Moffett Place office development, this study references the Moffett Place Traffic Impact Analysis to address existing and required/planned roadway improvements in the area. The project location within Moffett Park Specific Plan requires a TDM to reduce the number of trips (30 percent peak hour trip reduction). The project impacts three intersections and does not impact the freeways or Mathilda Avenue Corridor. The impacted intersections will be modified with the redesign of the roadway system in this neighborhood by the Mathilda/SR237/US101 project.

Other offsite-improvements recommended include

- Addition of a bike lane along Moffett Park Drive,
- Removal of stop signs on Moffett Park Drive (at its intersection with Borregas Avenue),
- Addition of pedestrian enhancements at the existing crosswalk on the west Moffett Park Drive with a pedestrian

activated rectangular rapid flashing beacons or raised crosswalk)

The above noted requirements are noted in the Conditions of Approval related to Mitigation Measures (MM-4).

**Sidewalks and Bike Lane:** Required sidewalks along with parkway strip are proposed to be installed along Moffett Park Drive and Borregas Avenue as per City Standards. The bike lane on Moffett Park Drive will be extended up to Borregas Avenue along the subject property's frontage. Required easements shall be provided for these improvements (Condition of Approval No. EP-35)

### **Moffett Park Specific Plan Design Guidelines**

The Moffett Park Specific Plan Design Guidelines address site planning, architecture, landscaping and site amenities, sustainable design and green building techniques, and artwork in private development. The proposed project meets the guidelines and a detailed discussion is contained in the Findings section located in Attachment 3.

### **Transportation Demand Management (TDM)**

The project requires a TDM plan to reduce daily and peak hour trips. The Moffett Park Specific Plan requires projects from 50% to 60% FAR to reduce total trips by 22.5% and peak hour trips by 30%. The proposed project is subject to this requirement and a TDM program shall be submitted as noted in Condition of Approval No. PF-5, 6, and 7.

### **Green Building**

The project proposes to utilize the City of Sunnyvale's Green Building Program incentive that allows an additional 10% FAR for LEED Gold USGBC (US Green Building Council) Certification. The preliminary checklist indicates that the project (includes all buildings, existing and new) will meet the minimum level for LEED Gold with 67 points. The applicant is also required to include in the leases the need for all tenants to obtain LEED Gold certification for tenant improvements (Condition of Approval GC-5).

### **FISCAL IMPACT**

Normal fees and taxes are anticipated for this project. The proposed project is anticipated to have a positive fiscal impact on the City. Additional fees include Traffic Impact Fee (estimated to be \$504,836.62) and Housing Mitigation Fee (estimated to be \$891,063.90) as noted in the Conditions of Approval (see Attachment 4).

The intensification of the site as proposed will increase the assessed value of the property and the City receiving additional monies annually. The proposed Class A R&D office buildings are designed to attract high quality tenants. These tenants will have a positive economic impact by providing jobs and enhancing the image of the City. Renovation and remodel of the existing building could result in a temporary loss in revenue due to displaced tenant(s) but is expected to be leased after completion of the project.

### **PUBLIC CONTACT**

**Community Outreach Meeting:** The applicant held a community outreach meeting on November 5, 2014, at the site. The meeting was attended by one Sunnyvale resident, and expressed no concerns on the proposed project.

**Planning Commission Study Sessions:** Staff presented the project to the Planning Commission at its November 10, 2014, and January 26, 2015 Study Sessions. The Commission reviewed the site layout and architectural design of the proposed project. The Commission was supportive of the office and restaurant use, its architectural style and Green elements and expressed concern regarding the lack of architectural detail on the parking structure and walkways connecting the buildings and the sidewalks.

### **Notice of Mitigated Negative Declaration and Public**

- Published in the *Sun* newspaper
- Posted on the site
- Posted on the City of Sunnyvale Website

- 1093 notices mailed to the property owners and tenants within 1000 ft. of the project site

#### **Staff Report**

- Posted on the City of Sunnyvale's Website
- 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 Website

#### **CONCLUSION**

Findings: Staff was able to make the required Findings as noted in Attachment 3.

Conditions of Approval: Staff has included the Recommended Conditions of Approval in Attachment 4.

#### **ALTERNATIVES**

1. Adopt the Mitigated Negative Declaration and approve the Major Moffett Park Design Review Permit with the attached conditions.
2. Adopt the Mitigated Negative Declaration and approve the Major Moffett Park Design Review Permit with modified conditions.
3. Adopt the Mitigated Negative Declaration and deny the Major Moffett Park Design Review Permit.
4. Do not adopt the Mitigated Negative Declaration and direct staff as to where additional environmental analysis is required.

#### **RECOMMENDATION**

Recommend Alternative 1: Adopt the Mitigated Negative Declaration and approve the Major Moffett Park Design Review Permit with the recommend Conditions of Approval in Attachment 4.

Prepared by: Shétal Divatia, Senior Planner

Reviewed by: Gerri Caruso, Principal Planner

Approved by: Trudi Ryan, Planning Officer

#### **ATTACHMENTS:**

1. Vicinity Map
2. Project Data Table
3. Recommended Findings
4. Recommended Conditions of Approval
5. Mitigated Negative Declaration
6. Traffic Impact Analysis
7. Letter from Applicant
8. Site and Architectural Plans