



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 17-1068, Version: 1

REPORT TO PLANNING COMMISSION

SUBJECT

File #: 2017-7453

Location: 1023 N. Fair Oaks Avenue (APN:110-14-169)

Zoning: M-S/ITR/R-3/PD (Industrial and Service / Industrial to Residential/Medium Density Residential/Planned Development)

Proposed Project: Related applications on a .81-acre site:

SPECIAL DEVELOPMENT PERMIT: for the redevelopment of the site with 14 three-story townhomes, and

VESTING TENTATIVE MAP: to subdivide one parcel into 14 townhouse lots plus a common lot.

Applicant / Owner: Highland Partners Group Inc. / Robert Nino & Nancy Bushnell

Environmental Review: Mitigated Negative Declaration

Project Planner: Ryan Kuchenig, (408) 730-7431, rkuchenig@sunnyvale.ca.gov

REPORT IN BRIEF

General Plan: High Density Residential

Existing Site Conditions: One-Story Restaurant Building

Surrounding Land Uses

North: Medium Density Residential - Townhouses

South: Medium Density Residential - Apartments

East: El Dorado Mobile Home Park

West: Medium Density Residential - Townhouses

Issues: Distance Between Buildings, Architecture

Staff Recommendation: Alternative 1: Make the findings required by CEQA in Attachment 3, adopt the Mitigated Negative Declaration and approve the Special Development Permit with the recommended findings in Attachment 3 and conditions of approval in Attachment 4.

BACKGROUND

Description of Proposed Project

The project site is .81 acres in size and is currently developed with a restaurant (Lion & Compass). The applicant proposes a Special Development Permit for the demolition of the restaurant building and construction of 14 three-story townhouses with and associated on-site and off-site improvements. In addition, a Tentative Map is proposed for the subdivision of the existing one lot into 14 individual townhouse lots and a common lot.

• Special Development Permit

A Special Development Permit (SDP) is required for site and architectural review on project sites with

the PD designation. A SDP also allows for consideration of deviations from specified development standards in exchange for superior design, environmental preservation or public benefit. The applicant is requesting a deviation from the requirement for a 26-foot separation distance between buildings. The findings required to grant a SDP and deviations are discussed in Attachment 3.

• **Vesting Tentative Map**

The Tentative Map is required prior to a Final Map for the creation of 14 individual ownership lots and one common lot. The Tentative Map shows the location of the proposed lot lines, public and private streets and other improvements (see Attachment 6). A Vesting Tentative Map grants the developer the right to build the project for the life of the map and secures the approved project against future Sunnyvale Municipal Code (SMC) amendments that might otherwise affect the project. The Vesting Tentative Map is valid only in conjunction with the approved site plan and conditions of approval. The Tentative Map conditions of approval are listed in Attachment 4. The Final Map is approved by the Director of Public Works and must be in substantial conformance to the Vesting Tentative Map.

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 restaurant on site was approved through a Use Permit in 1979 and completed construction in 1982.

EXISTING POLICY

General Plan Goals and Policies: Key goals and policies from the Land Use and Transportation Chapter of the General Plan and Citywide Design Guidelines which pertain to the proposed project are provided in Attachment 3.

The current zoning of M-S/ITR/R-3/PD allows for conversion of the site from industrial/commercial uses to medium density residential (R-3 Zoning) density uses through approval of a Special Development Permit. A total of 15 units would be the minimum number of units to meet the General Plan policy that a minimum 75% of the allowed density be considered for this site. The proposed number of units is just one shy of the City policy of 75% of the allowable density. Due to the corner lot configuration and the difficulty to meet certain zoning standards, such as open space and setbacks, a unit was removed from previous designs. Difficulty to meet engineering requirements for adequate turning radius were also noted in the previously proposed 15-unit layout. Staff recommended retaining a townhouse configuration based on the neighborhood pattern. Reducing the unit count allows for increased open space which improved pedestrian access at the center of the site. The applicant has provided a letter to justify the proposed 14-unit plan over a 15-unit configuration (see Attachment 7).

Applicable Design Guidelines: The City's Design Guidelines provide recommendations for site layout, 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 has determined that the proposed project would not experience or create any significant environmental impacts with implementation of the recommended mitigation measures. Environmental issues that required mitigation include historical and cultural resources and noise. The Mitigation Measures have been incorporated as Conditions of Approval (see Attachment 4).

DISCUSSION

Present Site Conditions

The project site is located at the northwest corner of N. Fair Oaks Avenue and E. Weddell Avenue. The site is surrounded by similar residential townhouse development to the north and west. Three and four story apartments are located to the south across E. Weddell Avenue. A mobile home park is located across N. Fair Oaks to the east. Except for the mobile home park, surrounding development is either under construction (south) or was constructed within the last 10 years.

The site is located approximately 0.3 miles from the Fair Oaks light rail station. A bus stop is located immediately adjacent to the neighboring site to the north along Fair Oaks Avenue. A mixed-use shopping center is located approximately .25 miles away at the Tasman Drive and N. Fair Oaks Avenue intersection. Class II bicycle lanes are located along N. Fair Oaks Avenue and E. Weddell Drive. The Moffett Park Specific Plan industrial and office area is located approximately 0.75 miles to the north across State Route 237.

Special Development Permit

Use & Site Layout: The application is for the construction of 14 three-story multi-family residential townhouses. The proposed project includes 3 three-bedroom and 11 four-bedroom units that range in size from approximately 2,100 to 2,500 s.f., including a two-car garage. One eight-unit building spans along most the north end of the site two three-unit buildings is located perpendicular to each other towards the corner. Common open space is provided throughout site with a majority located near the street corner and behind the eight-unit building. The common area includes seating areas, enhanced landscaping and paving areas, and bicycle lockers. Private porches and/or balcony areas are also provided for each unit ("Site & Architectural Plans" are provided in Attachment 6).

Development Standards: The project complies with most of the applicable development standards in the SMC, such as lot coverage, parking, landscaping, usable open space and solar access. The applicant has requested a deviation from the required minimum separation between buildings. The "Project Data Table" in Attachment 2 summarizes the project's compliance.

Architecture: The project architecture can be described as mission revival style architecture with the use of predominantly painted stucco façade and tile roof material. Arched openings are utilized at the main entryways and at the balcony level for each unit. A mix of decorative faux shutters and pot shelves are utilized for several windows along each side of the units. Decorative metal railings are utilized for many of the balconies, while painted wood framed columns with corbels for the balconies of the end units. Ornamental lighting is positioned at the entries and next to the garage doors. Varying garage openings for the units break up the form of the building within the interior of the site.

After the Planning Commission Study Session on October 9, 2017, design details have been added or modified such as:

- An increased use of decorative tiling under several of the upper story recessed windows within

the larger building.

- Changing the contrasting beige color scheme of the stucco material within each of the buildings.
- Modify the color scheme of the faux shutters in many locations.

Staff has included a condition of approval to add a similar decorative tiling to the larger upper story windows along each of the side elevations.

The project meets all site development standards except the minimum distance between buildings, which requires approval of a deviation (see discussion on Distance Between Buildings below). The property is located on two streets and includes two driveways to access the site. The project meets the open space and landscaping area required by code.

Through the green building incentive (110 Build-It-Green points), the project is requesting up to an additional 5 feet above the maximum height limit of 35 feet. The maximum peak of the building is 38 feet and 7.5 inches.

Setbacks: As a corner lot, the site maintains two front yards. The Municipal Code requires an average of 20 feet and a minimum of 15 feet for the front yard setback. The project meets front yard setbacks along each frontage. In determining the front yard of a corner property, the narrowest property line is the front yard and the longer portion is considered a reducible front yard. Thus, the side opposite of N. Fair Oaks Avenue requires a 20-foot rear yard setback and the side opposite of E. Weddell Drive (north side) requires a 15-foot side yard setback. In cases where the distances of the two street-facing property lines are similar in length, a determination can be made that switches the rear and side yard setback designations. This is typically done to match up rear yards of one property with the rear yard of another property, or if other site constraints are present.

Staff is supportive of switching the setbacks for the two yards to accommodate a more functional townhouse layout, since the northern side of the property serves more as a rear yard, and greater setback relief is also provided on the adjacent property to the north, as compared to the development to the west.

Distance Between Buildings: The Zoning Code requires a 26-foot separation between buildings on the same lot. The larger 8-unit building on the north side of the property (units 7-14, see Attachment 6) is greater than 26 feet from the closest 3-unit building. The distance between the two smaller buildings on the south of the site, however, does not meet the 26-foot standard. The distance between the building with units 1-3 is 17 feet from the building with units 4-6. To meet this standard, either a unit would need to be removed from the building with units 4-6; or the dimensions of the buildings would need to be decreased; or, the building with units 4-6 would need to be moved closer to the street corner of the site. Staff prefers the current design which allows for a reasonable number of residential units on the site, and enables a larger and more functional landscaped open space to be provided near the corner. Deviations from this requirement have been granted to similar infill townhome projects developed on small corner lots.

Parking: The project meets parking standards by providing two car garages for each unit and nine guest parking spaces located along the western boundary of the site. The garages provide 450 sq. ft. in area to accommodate storage of solid waste and recycling carts as well as bicycle parking. A

parking management plan is required for the management of unassigned spaces within the development.

The project also proposes three Class I bicycle parking spaces (bicycle lockers) that can be utilized for guests at two locations on the site (at the corner of the site and along the western boundary near unit #14)

Transportation Demand Management

Based on the proposed density, a minimum of 1.5 points from the adopted TDM Strategies is required. The project location (less than a half-mile from a major transit stop and less than a quarter-mile from a shopping center with at least three tenants) totals 8 points. Therefore, the project meets the requirements.

Landscaping and Tree Preservation

The project complies with SMC landscaping standards. The project site includes 22.5 percent landscaping when 20 percent is required. Landscaping per dwelling unit is 560 square feet where 425 square feet is required. The project also exceeds usable open space per unit with 518 s.f. where 400 s.f. is required. As stated previously, common open space is located near the street corner and along the north side of the site. The common area includes seating areas, enhanced landscaping and paving areas, and bicycle lockers. Private porches and balconies are provided for most units.

A total of 37 trees are proposed for removal, 17 are considered "protected" per the SMC, and are required to be replaced per the City's Tree Replacement Policy. The City's Tree Replacement Policy require a minimum one 24" box or three 15-gallon for tree sizes removed between 12" - 18" diameter; one 36" box or two 24" box trees for tree sizes removed between 19" - 24" diameter and one 48" or two 36" box, or four 24" box trees for tree sizes removed over 24" diameter. At least 26 trees of varying size are planned to be added to the site, which meets the City's replacement policy. An additional three street trees are also to be planted.

The applicant has provided a preliminary water-efficient landscape plan to meet City standards. The applicant has developed a planting palette that uses predominately low water use plants and has used minimal turf areas. A preliminary water budget has also been provided. A condition of approval will require a final plan prior to issuance of building permits. Trees are proposed along the parking lot periphery that provide 53 percent parking lot shading within 15 years when 50 percent is required.

Green Building Requirements

A minimum of 80 points on the GreenPoint Rated checklist are required for new multi-family residential construction. With 110 points or greater, the project may increase building height, lot coverage, or density. A preliminary GreenPoint Rated checklist was prepared by the applicant with 110 points targeted. The applicant proposes to utilize the incentive to increase allowable building height by up to 5 feet.

Solar Access and Shadow Analysis

The City's Municipal Code limits shading caused by proposed buildings to a maximum of ten percent of the roof area of nearby properties during the hours of 9 AM to 3 PM during the solar cycle. The applicant's shadow study demonstrates that shadows cast by the proposed buildings do not shade more than ten percent of the roof area on existing buildings on nearby properties.

Trash and Recycling Access

The project will maintain individual carts for garbage and recycling that will be stored in the garages. Adequate space is provided in front of the units and the private drive, so that the trash and recycling truck may drive through the site and pick up bins individually. Environmental Services and Public Works staff have determined that the preliminary plan satisfies established guidelines for trash and recycling collection in townhome developments. A final trash management plan is required per Conditions of Approval

Below Market Rate Housing

The project complies with the 12.5% below market rate (BMR) requirement by providing the required one (1) BMR unit and paying an in-lieu fee for the fractional unit.

FISCAL IMPACT

The project is subject to payment of park in-lieu fees to the City and school impact fees to the Sunnyvale School District and Santa Clara Unified School District. Other standard fees and taxes include the Sense of Place fee as noted in the Conditions of Approval.

PUBLIC CONTACT

Neighborhood Outreach Meeting

The applicant held a community outreach meeting on October 18, 2017. Property owners and residents within 2,000 feet of the site were notified, as well as the Morse Park, Lakewood Village, and Plaza Del Rey neighborhood associations. The meeting was held in an open house format at the Lakewood Neighborhood Park Community Building at 834 Lakechime Drive. Six community members attended the meeting.

Community members noted concerns with increased traffic in the area and lack of parking within nearby developments. There were questions about the construction timeframe; site layout, on-site parking; bedroom count, size, and pricing of the units.

Planning Commission Study Session

A study session was held with the Planning Commission on October 9, 2017. At the study session, Commissioners provided comments related to the site layout and architecture of the project. Specifically, concerns were noted regarding the lack of architectural interest in the design features of the townhomes. In response to input from the Planning Commission, the applicant has enhanced the design as noted previously in the report with more detailing utilized around recessed windows and openings as well as modifying the overall color pattern. The Planning Commission also noted a concern with the 75% density policy. As stated earlier in the "Existing Policy" section of the report, staff is supportive of the current 14-unit layout, which breaks up the mass of the previous building design, and enables more open space and pedestrian circulation. The applicant has provided a letter for justification in Attachment 7.

Notice of Public Hearings

- Published in the Sun newspaper.
- Posted at the site.
- 1,464 notices were mailed to property owners and tenants within 1,000 feet of the project as shown in Attachment 1.
- Notices were sent to the Morse Park, Lakewood Village, and Plaza Del Rey neighborhood

associations.

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.
- Posted on the City of Sunnyvale's web site.

As of the date of staff report preparation, staff has not received any written comments from the public regarding this proposal.

ALTERNATIVES

1. Make the findings required by CEQA in Attachment 3 and adopt the Mitigated Negative Declaration and approve the Special Development Permit and Vesting Tentative Map with the recommended findings in Attachment 3 and conditions of approval in Attachment 4.
2. Make the findings required by CEQA in Attachment 3, adopt the Mitigated Negative Declaration and approve the Special Development Permit and Vesting Tentative Map with the recommended findings in Attachment 3 and modified conditions.
3. Make the findings required by CEQA in Attachment 3, adopt the Mitigated Negative Declaration and deny the Special Development Permit and Vesting Tentative Map.
4. Do not adopt the Mitigated Negative Declaration and direct staff as to where additional environmental analysis is required.

STAFF RECOMMENDATION

Alternative 1: Make the findings required by CEQA in Attachment 3 and adopt the Mitigated Negative Declaration and approve the Special Development Permit and Vesting Tentative Map with the recommended findings in Attachment 3 and conditions of approval in Attachment 4.

The project site is located within an adopted Industrial-to-Residential transition area, where many properties have transitioned to residential uses. The proposed project will improve the character of the site, surrounding neighborhood, and community and will provide ownership housing options (including 1 BMR unit) within proximity of transit, shopping, and a major employment area; and enhancing the existing site and streetscape conditions. The development has been designed to complement the adjacent neighborhood through high quality architecture and building materials with an appropriate site design, landscaping, and lighting. The requested deviation and concessions are reasonable and not anticipated to negatively affect adjacent properties. Potential environmental impacts can be mitigated to less than significant levels with the measures included in the conditions of approval.

Prepared by: Ryan Kuchenig, Senior Planner

Reviewed by: Gerri Caruso, Principal Planner

Approved by: Andrew Miner, Planning Officer

ATTACHMENTS

1. Noticing and Vicinity Map
2. Project Data Table
3. Recommended Findings
4. Recommended Conditions of Approval
5. Initial Study - Mitigated Negative Declaration
6. Site & Architectural Plans
7. Letter from the Applicant Regarding Unit Count