



# City of Sunnyvale

## Agenda Item-No Attachments (PDF)

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File #: 18-0111, Version: 1

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### REPORT TO PLANNING COMMISSION

#### **SUBJECT**

**File #:** 2016-7521

**Location:** 1120 Innovation Way (APNs: 110-27-027, 110-27-038)

**Zoning:** Moffett Park General Industrial (MP-1)

**Proposed Project:** Consideration of an application on a 1.65-acre site.

**MOFFETT PARK SPECIAL DEVELOPMENT PERMIT:** to redevelop a former Fire Station site and portion of the Onizuka Air Force Station property into a 180-room, seven-story hotel with surface and underground parking.

**Applicant / Owner:** DES Architects/ Moffett Park LLC

**Environmental Review:** Mitigated/Negative Declaration

**Project Planner:** Margaret Netto, (408) 730-7628 [mnetto@sunnyvale.ca.gov](mailto:mnetto@sunnyvale.ca.gov)

#### **REPORT IN BRIEF**

**General Plan:** Moffett Park Specific Plan

**Existing Site Conditions:** Vacant (former Fire Station)

##### **Surrounding Land Uses**

**North:** Office

**South:** Office

**East:** Office

**West:** Office

**Issues:** Architecture and Traffic

**Staff Recommendation:** Adopt the Mitigated Negative Declaration and approve the Special Development Permit with the Conditions of Approval in Attachment 4.

#### **BACKGROUND**

##### **Description of Proposed Project**

The project includes demolition of the former fire station building and improvements and construction of a new 7-story hotel. The hotel is proposed to be 113,550 square feet with a height of 100 feet from the top of the street curb to the top of the mechanical screen. One-hundred eighty-five total parking stalls are provided, with 59 surface spaces including 16 electric vehicle parking spaces and 126 underground parking spaces. There are seven trees to be removed, six are considered protected trees.

Vehicular and pedestrian access to the hotel area would be from Innovation Way. Access to the underground garage and the surface parking would be on the north side of the proposed hotel building from Innovation Way. Emergency access and garbage truck access is also from Innovation Way. The project includes private sidewalks surrounding the hotel, with connections to the existing public sidewalks on Mathilda Avenue and Innovation Way. The sidewalks on the project site provide

pedestrian connections to the hotel entrance.

The first floor contains the main lobby, 2,780 square feet of meeting rooms, a 4,500-square foot independent restaurant with outside dining patio area, and surface parking. The second floor has the 4,790 square foot hotel guest restaurant, balcony, service area and living room lounge, and guest rooms. The third through the seventh floors contain the guest rooms. The seventh floor also contains an accessible roof top terrace. See Attachment 1 for a map of the vicinity and mailing area for notices and Attachment 2 for the Data Table of the project. See Attachment 6 for the applicant's project description.

## **EXISTING POLICY**

### **General Plan Goals and Policies:**

The Moffett Park Specific Plan implements the goals and policies of the General Plan for properties within the plan area. Hotel use is encouraged in the Moffett Park Specific Plan area. The proposed project will provide a hotel use, restaurants, and meeting rooms within proximity to surrounding office, R&D, and industrial uses in Moffett Park, and will update and enhance the character of the site, streetscape, and surroundings. Staff determines that the project meets key objectives and purposes from the Moffett Park Specific Plan, as shown in Attachment 3.

The Moffett Park Specific Plan includes Design Guidelines that provide recommendations for site planning, architecture, landscaping and site amenities, sustainable design and green building techniques, and artwork in private development. The Citywide Design Guidelines provide additional recommendations for site planning, architecture and design. Staff has determined the project is consistent with the Design Guidelines.

The project is in the Industrial designation of the Land Use and Transportation Chapter of the General Plan which allows research and development, manufacturing, office, and heavy industrial uses and is found in the southern portion of the Moffett Park Specific Plan area. The proposed hotel is employment serving retail providing jobs and promoting economic development to the area and is consistent with the designation.

The proposed project attains the objectives and purposes of the Moffett Park Specific Plan since the MP-I subdistrict is intended for general industrial development at moderate FAR due to its proximity to regional transportation facilities and transit services. Also allowed are ancillary uses that include hotels, restaurants, financial institutions, retail sales and services intended for area employees, professional services, and similar compatible uses. Accessory uses for the benefit of onsite employees (e.g., recreational facilities, cafeterias) are also allowed and encouraged. The project will enhance the character of the site, surrounding neighborhood, and community through the addition of a new hotel use.

Specific findings related to the general site plan and architectural design is in Attachment 3.

## **DISCUSSION**

### **Present Site Conditions**

The 1.65-acre site is located near Mathilda Avenue and Innovation Way in the Moffett Park Specific Plan. The site is adjacent to office, R&D, and technical offices with a hotel across the street. VTA tracks run east of the site. Access to the site is from Innovation Way. The site is currently occupied

by vacant fire station and a portion of the Onizuka Air Force Station property. The entire site is covered in structures or pavement, except for a few existing trees.

### **Moffett Park Special Development Permit**

**Use:** The project includes demolition of the former fire-station building and construction of a new 7-story hotel. The project is comprised of one, 7-story linear building. A Moffett Park Special Development Permit is required for a hotel use in the MP-I zoning district. The findings for the Moffett Park Special Development Permit are included in Attachment 3.

**Site Layout:** The proposed hotel building is located on the east side of the site with vehicular access from Innovation Way. Access to the underground garage and the surface parking would be on the north side of the building from Innovation Way. Emergency access and garbage truck access is also from Innovation Way. Surface parking and loading areas and the underground parking ramp are concealed from Mathilda Avenue view by the placement of the building along Mathilda Avenue. The main vehicular pick-up and drop-off and surface parking areas are also located in front of the building with a decorative paving system. A front plaza serves as the focal point to the project with patio dining and passive seating.

The site is located near several bus routes and stops and light rail system stops on Mathilda Avenue. Eight bus routes operate within the study area. These routes have a bus stop at the Lockheed Martin Transit Center, which is located on the west side of Mathilda Avenue along 5<sup>th</sup> Avenue. The light rail operates between the Mountain View Station and the Winchester Station.

The walkways on the project provide pedestrian connection to the main hotel entrance. Pedestrian access to the hotel's underground parking garage would be provided by a centrally located elevator and two staircases, one on either side of the garage.

**Architecture:** The architectural style is considered contemporary and is in character with the existing buildings in the Moffett Park area. The proposed hotel building would include stone tile, cement plaster, metal green screen, metal panels and vision glass.

The building utilizes variations of rectangular forms composed of stepping and overlapping layers of architectural planes and volumes with the use of materials. The features reduce the massing and create a variety of interesting corner conditions around the building. Building mass is also articulated by exterior balconies and accent trim, and roof top trellis elements which creates another layer of visual interest. The concave curvilinear form at the front façade facing Innovation Way creates a unique building identity and pedestrian friendly atmosphere.

Overall the building elevations are treated and designed with equal importance. The proposed east and west elevations include varying color, accent color reveals and metal panel band consistent with the curvilinear north elevation. The south elevation provides additional windows in the stair well, varying the color and adding the metal band to break up the massing.

The project incorporates distinct base, middle and top elements in the design. The components are defined by the changes in wall plane, the use of materials and variations in color. The base is defined using several materials; spandrel glass, stone cladding, metal clad columns, and metal canopy. The middle component is defined by the window openings, varying wall plans and materials, and the top with the metal panel band and metal canopy trellis. The architectural overhang canopy defines the entrance to the hotel on the west side of the building.

The project was also reviewed under the Bird Safe guidelines, and staff worked with the applicant to ensure the project meets the standards.

### **Development Standards**

The project complies with the applicable development standards in the Municipal Code and Moffett Park Specific Plan, such as lot coverage, setbacks, parking and landscaping. The Project Data Table in Attachment 2 summarizes the project's compliance with code standards. The proposed heights of the hotel buildings exceed the 75-foot height limit specified in the Municipal Code and the Major MP-SDP allows consideration of buildings above the height limit on a case-by-case basis..

### **Floor Area Ratio and Lot Coverage**

The proposed hotel would be 7 stories and 113,550 square feet. The City does not apply FAR standards to hotels. The lot coverage is 23.3% which is consistent with the 35% maximum allowed.

### **Height**

The height of the proposed hotel would be 100 feet measured from the top of the street curb to the top of the mechanical roof screen. The proposed height exceeds the standard 75-foot height limit specified in the Municipal Code but hotels can exceed the height limit when considered through a Major MP-SDP. The roof top trellis elements provide visual interest to the building.

In Moffett Park, there are a total of 34 buildings built, planned, approved, or under construction with an average height of 115 feet (ranging from 60 feet to 130 feet) developed. Most recently approved projects and projects in the review pipeline are close to the maximum allowable height limit of 130 feet with a MP-SDP, and this is expected to continue as existing low-rise industrial properties redevelop with taller buildings. Staff can support the request for additional building height because it is consistent to other buildings in the area and is located on one of the main arterials in Moffett Park.

The Federal Aviation Administration (FAA) has conducted an aeronautical study of the proposed project and revealed that the proposed building heights do not exceed obstruction standards and would not be a hazard to air navigation. The FAA also found that marking and lighting on the structure are not necessary for aviation safety. The project is located outside of the Airport Safety Zones.

### **Setbacks**

The project meets all required setbacks for the Moffett Park Specific Plan District, including the required 15-foot front setback from the Innovation Way frontage. The building would have a varying side setback from 46'-1" feet along the south property line (next to the Veterans Administration lot) to 20'-8" feet along the north property line (Innovation Way) and 10-foot setback from Mathilda Avenue. As proposed, the building complies with the required setbacks.

### **Parking and Circulation**

SMC 19.46.100 requires a minimum of 0.80 parking spaces per hotel room which results in a minimum of 144 required parking spaces. One-hundred eighty-five (185) total parking stalls are provided, with 59 surface spaces including 16 electric vehicle parking spaces and 126 underground parking spaces. The project also provides parking for the independent restaurant. The preliminary parking lot striping plan shows compliance with parking lot design requirements. As conditioned, a final parking lot striping plan demonstrating conformance to SMC 19.46 and Citywide Design

Guidelines would be reviewed by staff prior to approval 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 9 bicycle spaces for the project. The project exceeds the minimum bicycle parking requirements by providing nine Class 1 and two Class 2 bicycle parking spaces. The applicant proposes to place the bicycle racks near the main entrance and secured bike parking in the underground parking. These locations comply with the VTA Design Guidelines to encourage visibility and ease of access to the bicycle parking spaces.

The building loading area and trash area is provided off the fire lane on the south side of the property line.

### **Landscaping**

A preliminary landscape plan has been submitted which indicates compliance with the Municipal Code standards for water efficient landscaping. The project is designed with approximately 21% of the lot area landscaped, which complies with 20% minimum landscape requirement.

SMC Section 19.37.070 states that at least 50% of the parking area must be shaded within 15 years after establishment of the lot. The preliminary landscape plan demonstrates compliance with the shading requirement by providing 57% shading in 5 years.

A landscape strip is proposed around the perimeter of the property. Café seating and seating areas are proposed near the hotel entrance. Street trees are proposed along Innovation Way. Outdoor art, seating areas, café space benches and other outdoor furniture are sprinkled throughout the site. Landscape screening along Mathilda Avenue is proposed to provide a buffer from the light rail.

In addition to the City's water efficient landscape code and the Citywide Guidelines were considered in the analysis of the project landscaping and staff can support the project as meeting the guidelines.

**Tree Protection:** An arborist report was prepared by Arbor Resources, dated April 6, 2016. A total of 7 trees were surveyed, Monterey Pine, Fern Pine, Southern Magnolia and Holly Oak.

The following table summarizes the disposition.

**Table 1- On-Site Tree Summary**

	<b>Removed</b>
<b>Non-protected trees</b>	<b>1 due to grading and site development</b>
<b>Protected</b>	<b>6 due to grading and site development</b>
<b>Total</b>	<b>7</b>

There are 6 trees located on-site that are considered protected under SMC Section 19.94. A protected tree is defined as having a trunk size of at least 38 inches in circumference, as measured 4.5 feet from the ground, 2 protected trees are proposed to be removed. The trees to be removed are within the limits of on-site improvements. For every protected tree removed, over 24" in diameter one 48: box or two 36" box or 4 24" box trees would be added to the site. The project is consistent with

the typical tree replacements requirement and SMC Section 19.94.

### **Green Building**

Green building standards require non-residential construction that exceeds 5,000 square feet to attain LEED Silver requirements (formal certification not required). The project proposes to meet the LEED Gold standard.

### **Stormwater Management**

The Municipal 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 infiltration basin into the landscaped area. A third-party certification of a final SWMP is required prior to issuance of building permits.

### **Art in Private Development**

The Sunnyvale Municipal Code requires that all new development on sites over two acres in size to include public artwork. The artwork will be considered by the City's Arts Commission for approval at a later date.

### **Easements and Undergrounding**

All utilities are required to be placed underground. There is a 10-foot wide Pacific Telephone and Telegraph easement for underground utilities that bisects the property.

### **Expected Impact on the Surroundings**

#### **Visual**

The proposed project is compatible with the surrounding buildings within the vicinity, both in terms of architecture and massing and with the Moffett Park Specific Plan.

#### **Traffic**

A Traffic Impact Analysis (TIA) was prepared for the project. The proposed project is estimated to generate approximately 1,471 daily trips, 95 AM peak hour trips and 55 PM peak hour trips. No trip reductions were assumed for the proposed project related to proximity to transit because the VTA Transportation Impact Analysis Guidelines do not specify standard trip reductions for single-use hotel developments near transit. Payment of the city's Traffic Impact Fee (TIF) would constitute a fair share contribution of the proposed project toward the SR 237/Mathilda Avenue reconfiguration project. Therefore, the improvements would reduce the project's impacts to less-than-significant level. The project is also not expected to significantly impact turn lane queues.

### **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 Noise (construction noise) and Cultural Resources (possible discovery of resources during excavation). Implementing mitigation measures during the construction would reduce these impacts to less than significant. Mitigation Measures have been incorporated as Conditions of Approval (see Attachment 4).

## **FISCAL IMPACT**

The proposed project is anticipated to have a positive fiscal impact on the City. The applicant estimates \$1,940,203 annually in transient occupancy fees for the first five years. Based on increasing occupancy rates in the City over the last few years and with the consideration of demand for hotel rooms near Santa Clara Levi stadium, the applicant's estimate is more likely based on what the current market could support. Sunnyvale has seen annual hotel occupancy rates increase from 62.2% in 2010 to 77.1% in 2013.

## **Transportation Impact Fee**

Projects resulting in new peak hour automobile trips are subject to a transportation impact fee. The transportation impact fee is estimated to be \$610,790.86 and must be paid prior to issuance of a building permit. The amount is subject to the fee in place at the time of payment.

## **PUBLIC CONTACT**

As of the date of staff report preparation, staff has received no public comments.

**Planning Commission Study Session:** Staff presented the project to the Planning Commission at a study session on August 14, 2017. The Commission members were supportive of the use but had concerns with three of the architectural elevations including the east, south and west elevations.

The applicant modified the architecture on the east and west elevations by varying the color, adding accent color reveals and metal panel band consistent with the curvilinear north elevation. The south elevation has been modified with adding additional windows in the stair well, varying the color and adding the metal band to break up the massing. The applicant modified the materials throughout the project on all elevations. Also, large specimen trees were added to the landscaping. The proposed Site and Architectural Plans (Attachment 7) reflect these changes.

**Community Outreach Meeting:** A community outreach meeting was held by the applicant on July 27, 2017 at the project site which was attended by primarily Juniper Network employees. Attendees expressed concern with the construction schedule and road maintenance.

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

- Published in the *Sun* newspaper
- Posted on the site
- 226 notices were mailed to property owners and tenants within 2,000 feet of the project as shown in Attachment 1

## **Staff Report**

- Posted on the City's website
- Provided at the Reference Section of the City's Public Library

## **Agenda**

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

**Public Contact:** Staff has not received any correspondence or phone calls from neighbors at the time of writing of this report.

## **ALTERNATIVES**

1. Make the required Findings in Attachment 3 to adopt the Mitigated Negative Declaration. Approve the Special Development Permit subject to recommended conditions of approval in Attachment 4.
2. Make the required Findings in Attachment 3 to adopt the Mitigated Negative Declaration. Approve the Moffett Park Special Development Permit subject to modified conditions of approval.
3. Do not adopt the Mitigated Negative Declaration and direct staff as to where additional environmental analysis is required.
4. Deny the Moffett Park Special Development Permit and provide direction to staff and applicant on where changes should be made.

## **STAFF RECOMMENDATION**

Alternative 1: Make the required Findings in Attachment 3 to adopt the Mitigated Negative Declaration. Approve the Moffett Park Special Development Permit subject to recommended conditions of approval in Attachment 4.

Prepared by: Margaret Netto, Planner  
Reviewed by: Gerri Caruso, Principal Planner  
Approved by: Andrew Miner, Planning Officer

## **ATTACHMENTS**

1. Location Map and Public Notice Mailing Map
2. Project Data Table
3. Recommended Findings
4. Recommended Conditions of Approval
5. Mitigated Negative Declaration
6. Applicant's Project Description
7. Proposed Site and Architectural Plans
8. Proposed Project Renderings