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File #: 20-0877, Version: 1

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### REPORT TO PLANNING COMMISSION

#### SUBJECT

**Proposed Project:** Related applications on a 0.3-acre site:

**SPECIAL DEVELOPMENT PERMIT:** to demolish the existing buildings and construct a new 141,333 square foot seven (7) story office building with four (4) levels of underground parking, an adjustment to the required parking.

**TENTATIVE PARCEL MAP:** to make adjustments to the existing parcel boundary, street easement dedication and vacation and new utility and architectural easements.

**Location:** 100 Altair Way (APN:209-07-007)

**File #:** 2016-7438

**Zoning:** DSP Block 1

**Applicant / Owner:** Daniel Minkoff, Minkoff Group (applicant/owner)

**Environmental Review:** No additional review required as per CEQA Guidelines 15168(c)(2) and (4) - environmental impacts of the project are addressed in the Downtown Specific Plan Program Environmental Impact Report (EIR)(State Clearinghouse #2018052020).

**Project Planner:** Shaunn Mendrin, (408) 730-7431, smendrin@sunnyvale.ca.gov

#### REPORT IN BRIEF

**General Plan:** Downtown Specific Plan (DSP)

**Existing Site Conditions:** Residential, Retail and Post Office

#### **Surrounding Land Uses**

**North:** Office and Plaza Del Sol

**South:** Multi-Family

**East:** Plaza Del Sol

**West:** Office

**Issues:** Consistency with the Downtown Specific Plan and Parking

**Staff Recommendation:** Make the required Findings required to approve the CEQA determination that the project is consistent with the Downtown Specific Plan's Program Environmental Impact Report and no additional environmental review is required, and approve the Special Development Permit and Tentative Parcel Map based on Findings in Attachment 3 and Recommended Conditions of Approval in Attachment 4.

#### BACKGROUND

See Attachment 1 for a map of the vicinity and mailing area for notices and Attachment 2 for the Data Table of the project.

#### Description of Proposed Project

The proposed project includes the demolition of the existing structures and the construction:

- A new seven (7) story office building with four (4) levels of underground parking.
- The building will include sidewalk improvements with a combination of the Downtown City Standard and a raised tabled street area to integrate into Plaza Del Sol, as a means to activate the area.
- Streetlights and bollards will also match City standards.

The southern wall of the building has been designed to minimize privacy impacts to the adjacent multi-family building and includes limited windows in order to meet fire code requirements for a building built on a property line. The remaining exterior will be a glass curtain system. The ground floor will have a primary entry located on Altair Way near the corner Taaffe Street. The main entrance will be a two-story element that will have an accordion door system to keep the entry open to the plaza and street. The applicant is proposing a living wall within the two-story entry area as a point of interest at the ground floor. In addition, the applicant is proposing a green roof with landscape areas for tenants to enjoy. The total square footage for the proposed building is 141,333 square feet, which is the amount allowed through the approved Development Agreement (DA, Ord. 3165-20). The project also includes a Parcel Map to allow adjustments to existing easements around the project site.

The underground parking structure includes internal ramps of 16-18%, which exceeds the Parking Structure Design Guidelines policy for 12% ramps.

### **Previous Actions on the Site**

The project site is 0.30 acres in size and is currently a vacant 20 units residential complex, commercial space, and the former post office. The existing buildings have a total of approximately 40,000 square feet of floor area. The site was recently rezoned with the DSP update, which moved the site into the Block 1 and allowed the site to develop with office space. The previous designation of 1a only allowed residential and retail. The total allowed office space for Block 1 was not changed in the DSP update. However, the DSP update included new provisions to allow sites to propose higher floor area, density, height or changes in standards if they entered into a DA and Community Benefit element as part of the project proposal. The project applicant and City entered into a DA for the site to allow the additional office floor area for Block 1 for a total of 141,333 square feet. There have only been minor permits issued for the residential building since its construction in 1980's.

### **EXISTING POLICY**

**Downtown Specific Plan (DSP) Goals and Policies:** The vision, key goals and policies from the Downtown Specific Plan which pertain to the proposed project have been included in the Findings in Attachment 3.

**Applicable Design Guidelines:** The DSP includes a Chapter of Design Guidelines for projects in the downtown and include General Design Guidelines, Building Type-Specific Guidelines and the Commercial Core Design Guidelines. This is consistent with the adopted design guidelines and they are included in the Findings for the project in Attachment 3.

The City Structured Parking Garage Guidelines would pertain to the project. These guidelines relate more to an above-ground structure and were prepared before a project on a small lot in the downtown area was anticipated. The key element of the guidelines that applies to the subject

property is the garage ramp grade.

## **ENVIRONMENTAL REVIEW**

A part of the review of the amendments to the Downtown Specific Plan (DSP), the City prepared a Draft and Final Environmental Impact Report (collectively, "EIR") (State Clearinghouse #2018052020) pursuant to the California Environmental Quality Act (CEQA). The EIR provided a program-level review of the environmental impacts of the DSP amendments as well as a project-level review of six specific development proposals within the DSP, including the development proposed by the applicant. Certification of the EIR included a Mitigation Monitoring and Reporting Program (MMRP) with provisions to reduce the potentially significant impacts to a less than significant level, although some impacts will remain significant and unavoidable after mitigation. A Statement of Overriding Considerations for significant unavoidable impacts to cultural and historic resources, noise, utilities, and traffic was adopted by the City Council as part of its action on the EIR. An adopted Statement of Overriding Considerations is deemed by the certification of the EIR to be applicable to subsequent projects that are consistent with or that implement the DSP's goals and objectives. As the lead agency, the City of Sunnyvale implements the adopted MMRP for each subsequent project that includes the approved mitigation measures of the EIR. The proposed project is within the scope of the DSP EIR and is therefore exempt from additional CEQA review, because the proposed project was specifically analyzed in the EIR and because it has no additional significant impacts that were not analyzed as part of the programmatic EIR for development in the DSP area (CEQA Guidelines Section 15168(c)(2) and (4) and Public Resources Code Section 21094(c)). The 100 Altair Specific Development MMRP has been incorporated into the Recommended Conditions of Approval in Attachment 4.

## **DISCUSSION**

### **Present Site Conditions**

The existing site is developed with two buildings. The first building is located on the east half of the site and is a one-story building that was the former United States Post Office. The second building is located on the east half of the site and is a three-story residential building with ground floor retail space and 20 units. The surrounding street is the standard curb and gutter configuration with the driveway entrance into the Plaza Del Sol parking garage.

### **Special Development Permit**

The project applicant is seeking approval of a Special Development Permit and Parcel Map to allow the construction of a new office building, an adjustment to the required parking and to consider increased garage ramp slopes.

### **Development Standards**

**Floor Area Ratio:** The DSP provides an allocation of floor area and units for each block. For Block 1, 480,600 square feet of office space and 10,000 square feet of commercial are allocated. The existing Mozart Office Buildings use approximately 460,00 square feet of the allocated office space. As noted above, the recorded DA provides for the additional floor area that is needed for the proposed development.

**Lot Coverage:** The DSP does not provide a maximum lot coverage, however, it allows lot coverage proposed with a project to be evaluated through the Special Development Permit process. The proposed development will be covering nearly 100% of the buildable area and 72% of the parcel size (due to roadway easements instead of right of way dedications). Since the site is located within the

Downtown, it is expected that developments include a higher lot coverage.

**Architecture and Site Layout:**

The proposed architecture is a modern glass curtain wall façade with staggered framed window elements and dark crisp mullions along the upper floors. The Altair Way façade includes a two-story ground floor lobby which will be open air during business hours and an inset balcony element spanning the first through fifth floor levels. At the ground floor, the building will provide a slight building overhang where green living walls are proposed, in addition to the two-story green living wall proposed in the lobby of the building. The side elevations are a simple smooth glass curtain wall with a taller vertical element on the south side to accommodate elevator runs and stairs. The southern wall has been designed with a primarily solid wall face covered with a glass fiber reinforced panel system and minimal openings that have been recessed one foot from the façade to meet fire code requirements and reduce privacy impacts.

The project is subject to the General Guidelines and Building Type Guidelines in the Downtown Specific Plan. A table has been included in the Findings for Approval in Attachment 3. Based on the proposed project and Design Guidelines listed in Chapter 6 of the DSP. Eighty-two (82) design guidelines were compiled. Of these, 23 were not applicable either due to specific site references or land use typology. Staff found that the project did not specifically meet guidelines GG-B.2 (base, middle and top) and GG-B.10 (variable roof heights). However, staff was able to provide a rationale for the proposed design (refer to Attachment 3 for an explanation).

**Setbacks:**

The required setbacks for this block are zero on all frontages. The proposed building provides zero setbacks, including the southern property line. There was concern noted at a previous Planning Commission Study Session regarding privacy and treatment on this wall due to the adjacent multi-family development. The applicant has made adjustments to the southern wall by recessing the window one (1) foot into the wall frame and including a dark extruded frame.

**Building Height:**

The maximum building height allowed in Block 1 is 100 feet. The approved DA allows up to 125 feet for this project with provision to allow for mechanical equipment. The proposed building height is at 100 feet at the building parapet. The mechanical elements are at 120 feet and the proposed rooftop arbor element is at 119 feet. The proposed building is below the allowed height of the DA.

**Parking:**

The DSP allows a minimum of 283 spaces and a maximum of 564 spaces. The proposed development includes 301 parking spaces. Of the 301 parking spaces, 158 spaces are striped spaces within the new four (4) story parking garage. The remaining 143 spaces would be located within the new drive isles, through a valet parking system. The project also includes 39 compact spaces, out of the 158 striped space, which would be used by the valet operators and not for operators. Adjustments to parking requirements may be considered through the Special Development Permit. The project design also includes garage ramps of 16-18%, which exceeds the standards in the garage guidelines.

- **Parking Adjustment**

### **Valet Parking System**

The project parking, proposed valet system, and TDM were evaluated by Walker and Associates (see Attachment 7-Walker Study and Attachment 8-TDM and Valet Proposal). The parking analysis evaluated the proposed TDM plan which included 30% reduction upon initial occupancy of the building and 40% reduction within six months of occupancy. Based on the 40% reduction, the site would need 140 parking spaces above the 158 physically constructed spaces. The additional 140 spaces would be accommodated on-site through a valet parking system. Walker and Associates found that the proposed valet parking system is feasible and similar to other valet systems they have studied in the past. The study notes that the project is located within the Parking Management District and the applicant will pay into the Parking Management District for the 140-space deficit, which a nominal fee currently at \$21.88 per deficit space. In addition, the Walker Study included additional recommendations regarding the TDM program including hiring a TDM manager for the site, reporting at 6 months, and then annually. The study and recommendations have been incorporated by reference into the Conditions of Approval in Attachment 4.

### **Compact Spaces**

The project applicant has proposed 39 striped compact spaces or 24%. With the new ordinance changes for the Downtown Specific Plan, the allowance for compact spaces for nonresidential uses has been eliminated. Due to the lot size and elements that the project is proposing such as bike lockers, gym and showers within the parking structure. The compact spaces are located adjacent to these areas on each floor of the parking structure. Since the project is proposing valet parking, the compact spaces will be managed accordingly by the valet staff. Staff can support the request for compact spaces in combination with the valet parking system.

The Zoning Code includes additional findings for parking adjustments, in which case, one or more need to be made. In this case, the project includes a valet parking system, a Transportation Demand Management program and is located within 500 feet of the Caltrain station. Therefore, staff can support the parking adjustment for the valet parking and compact spaces.

- **Slopes of Garage Ramps**

Walker and Associates also evaluated the proposed garage ramp slopes as they relate to the Citywide Parking Structure Design Guidelines. Specifically, Guideline PL-3 which states the following:

*PL-3. Maximum vehicle ramp grade should be 12 percent with minimum 10-12-foot long transitions at the top and bottom of the ramp.*

Due to the narrowness of the site, ramp angles have been challenging without losing additional parking. Driveway ramps range from 16% to 18% typically with transition slopes of 8%. Steeper ramps are not uncommon in downtown situations with smaller lots. The applicant has been working with staff to ensure that the entrance into the garage is level for 20 feet from back of sidewalk to ensure maximum visibility of cars exiting the structure, which would reduce the possibility of pedestrian and automobile conflicts. The City's Traffic Division has also conditioned additional notification equipment be used at the exist to warn pedestrians of

existing cars. Overall, due the site constraints, staff can support the request of increased ramp slopes with the additional safety measures included in the project (included in the Findings in Attachment 3 - Design Guidelines Table)

### **Traffic:**

As noted above, the applicant has submitted a TDM plan for the proposed project. The proposed robust TDM plan includes the following:

- **TDM Measures**

Community Ridematching Service; Preferential Carpool Parking; Incentive Program for Sustainable Transportation; Transportation Coordinator; Guaranteed Ride Home; Subsidized Transit Passes; Provide Showers and Change Rooms; Secure Bicycle Storage; Bicycle Repair Facilities; Transportation Information Center Board/Screen; New Employee Orientation Package; Promotional Marketing and Events; High-Quality Pedestrian Connections; and Transit Accessibility.

- **Proposed Parking Policy & Operational Strategies**

Limit Parking Supply, District Parking; and Valet Parking

Many of the measures are either already implemented in the design of the building, such as secure bike lockers, showers, gym, and valet parking. Other TDM measures will be implemented upon tenant improvements and occupancy. In addition, staff has included a condition requiring the project to participate in a Downtown Transportation Management Agency (TMA) when one is formed. This was one of the long-term recommendations in the City Council Study Issue, Downtown Parking Study. Lastly, the TDM plan has been incorporated by reference into the Conditions of Approval in Attachment 4.

### **Landscaping and Tree Preservation:**

The site currently does not have any trees and only very minor landscaping. The proposed project will install a street trees on Taaffe Street and Aries Way. Additional street trees and landscape pockets will be added on Altair Way. Additionally, the project is proposing a green living wall in the ground floor lobby which will provide additional greenery at the pedestrian level. The project includes changes to the current street level, creating a tabletop (level with the sidewalk) around the project. This will result in some street work on the north side of Altair Way where street trees currently exist. Tree protection measures will be required. Lastly, the rooftop of the proposed building will include various plantings including trees, grassy meadow elements and an arbor element. This will provide an open space amenity for future tenants.

### **Green Building Requirements:**

The proposed project will be LEED Gold with USBC Certification and all electric. The project is not requesting any incentives as part of the Green Building Program, these have been achieved through the approved DA.

### **Solid Waste:**

Solid Waste pick up will occur on Aries Way, similar to the Loft House development to the south. Bins will be moved out onto Aries Way via an existing service and loading area.

### **Public Art:**

As noted above, the applicant is proposing a green living wall within the two-story lobby and ground floor columns. The lobby will have clear glazing and the green living wall would be visible at all times. The ground floor columns would be visible at all times. The applicant is proposed these as the public art component and is currently coordinating the artwork with the Art Commission staff with Library and Recreation Services. The proposed public art is under the purview of the Arts Commission.

### **Bird Safe Design:**

The proposed project was evaluated against the City's Bird Safe Design Guidelines by H.T. Harvey and Associates (date August 25, 2020, see Attachment 9). The evaluation found that location of the building is not in an area of high potential bird strikes. In addition, the study found that the treatment of the east, west and southern facades provide changes in materials in which a bird would perceive as solid and thus avoid incidental strikes. Some elements do have the potential for bird strikes and these include the top roof parapet due to its proximity to the plantings on the roof, the corner large panes of glass elements, the north façade (2<sup>nd</sup>-7<sup>th</sup> floors), and the ground floor corners. These elements may be treated with a frit pattern or UV frit pattern to help reduce potential bird strikes. Staff is recommending that the ground floor corners and lobby be eliminated from this requirement as this is intended to be active ground floor space and adding a frit pattern to the glazing detracts from that. Staff finds that the bird strikes are less concerning on the ground floor of buildings.

### **Tentative Parcel Map:**

As part of the proposed Tentative Parcel Map, the project will be making adjustments to existing street easements to accommodate current street turning radii and DSP street sections. Findings for the Tentative Parcel Map approval have been included in Findings in Attachment 3.

### **FISCAL IMPACT**

No fiscal impacts other than normal fees and taxes are expected. The project will be contributing a Traffic Impact Fee estimated at \$548,010, a Housing Mitigation Fee estimated at \$2,025,324 and a Public Art equivalent estimated at \$223,511. In addition, the project will also be contributing \$3,000,000 towards the Community Benefit Fund. Lastly, the project will also register all construction sales tax for the project with the State which will direct that revenue back to the City of Sunnyvale.

### **PUBLIC CONTACT**

#### **Notice of Public Hearing**

- Published in the *Sun* newspaper
- Posted on the site
- 133 notices mailed to property owners and residents within 1,000 feet of the project site, the Charles Street 100, Sunnyvale West and Heritage District Neighborhood Associations and the Downtown Sunnyvale Associations.

#### **Staff Report**

- Posted on the City's website

#### **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.

### **Planning Commission Study Session**

On March 25, 2019, staff presented the proposed project to the Planning Commission for comments. Site and architectural plans were discussed. The Planning Commission generally liked the direction of the proposed project. Additionally, the proposed design has been presented in various meetings for the Downtown Specific Plan update and it has been well received in those meetings.

### **ALTERNATIVES**

1. Make the required Findings required to approve the CEQA determination that the project is consistent with the Downtown Specific Plan's Program Environmental Impact Report and no additional environmental review is required, and approve the Special Development Permit and Tentative Parcel Map based on Findings in Attachment 3 and Recommended Conditions of Approval in Attachment 4.
2. Make the required Findings required to approve the CEQA determination that the project is consistent with the Downtown Specific Plan's Program Environmental Impact Report and no additional environmental review is required, and approve the Special Development Permit and Tentative Parcel Map based on Findings in Attachment 3 and Recommended Conditions of Approval in Attachment 4 subject to modified Conditions of Approval.
3. Deny the Special Development Permit and Tentative Parcel Map and provide direction to staff and applicant on where changes should be made.

### **STAFF RECOMMENDATION**

Alternative 1:

Make the required Findings required to approve the CEQA determination that the project is consistent with the Downtown Specific Plan's Program Environmental Impact Report and no additional environmental review is required, and approve the Special Development Permit and Tentative Parcel Map based on Findings in Attachment 3 and Recommended Conditions of Approval in Attachment 4.

Prepared by: Shaunn Mendrin, Principal Planner

Reviewed by: Noren Caliva-Lepe, Principal Planner

Approved by: Andrew Miner, Assistant Director of Community Development

### **ATTACHMENTS**

1. Site, Vicinity and Public Notice Mailing Map
2. Project Data Table
3. Recommended Findings
4. Recommended Conditions of Approval
5. Proposed Site and Architectural Plans
6. Project Description
7. Walker & Associates 100 Altair Parking Study, dated August 11, 2020
8. Transportation Demand Management Program, dated August 2020
9. H.T. Harvey and Associates Study, dated August 25, 2020