



City of Sunnyvale

Agenda Item-No Attachments (PDF)

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REPORT TO THE ZONING ADMINISTRATOR

SUBJECT

Proposed Project:

SPECIAL DEVELOPMENT PERMIT to consider a new 14,140 square foot restaurant (Flatstick Pub) with general alcohol service, indoor mini golf course, and a 3,120 square foot mezzanine space.

Location: 301 West McKinley Avenue Suite E-150 (APN: 209-39-002)

File #: 2022-7208

Zoning: DSP-18 (Downtown Specific Plan Area Block 18)

Applicant / Owner: Tipsy Putt LLC (applicant) / STC Venture LLC (Owner)

Environmental Review: Class 1 Categorical Exemption relieves this project from the California Environmental Quality Act (CEQA) provisions.

Project Planner: Mary Jeyaparakash, 408-730-7449, mjeyaparakash@sunnyvale.ca.gov

BACKGROUND

The project site is located on the northwest corner of West McKinley Avenue and South Taaffe Street, in Building E of Sub-block 2 of the Downtown Specific Plan (DSP) Area Block 18. Building E, the Flats at Cityline, is surrounded by a parking structure (PD-2 or Orange Garage) to the north, a mixed-use building (across West McKinley Avenue) to the south, Redwood Square to the east (across South Taaffe Street), and an office building to the west (across Aries Way). Building E was constructed in 2010 with a five-story mixed-use building with a below ground parking area. The proposed use is a restaurant with full alcoholic beverage service and an indoor mini golf course inside a 11,020 square foot tenant space within Building E.

Description of Proposed Project

The project requests conversion of a 11,020 square feet retail tenant space into a restaurant with an addition of a 3,120-square foot mezzanine area, resulting in a 14,140-square foot restaurant, Flatstick Pub. The project also proposes full alcoholic beverage service and an indoor mini golf course on the first floor.

The alcoholic beverages will be served, and the mini golf will be accessible during the following business hours:

- Sunday - Thursday: 11:00 A.M. to 12:00 A.M.
- Friday - Saturday: 11:00 A.M. to 1:00 A.M.

Approval of a Special Development Permit (SDP) is required for review and approval of a change of use from retail to restaurant and addition of new commercial spaces. As part of the adopted 2020 Development Agreement between the City of Sunnyvale and STC Venture LLC - CityLine, a maximum of 181,931 square feet of additional commercial space for the entire development area on Block 18 is allowed. An SDP is also required for a restaurant that has on-sale general alcoholic

beverage service in the DSP Block 18 zoning district.

See Attachment 1 for a map of the vicinity and mailing area for notices.

Previous Actions on the Site

The Sunnyvale Town Center redevelopment (SDP #2007-0030) was approved by City Council on February 6, 2007. On May 23, 2016, Planning Commission approved an amendment to the Town Center development and conditions of approval (SDP #2016-7290). There were subsequent amendments approved on December 5, 2016 (SDP #2016-7968) and on May 29, 2018 (SDP #2017-7527). On August 23, 2019, a Miscellaneous Plan Permit (#2019-7395) was approved allowing storefront improvements for Building E in Sub-block 2. On August 11, 2020, a Development Agreement (#2020-7182) was approved allowing an additional 181,931 square feet of commercial space for Block 18.

ENVIRONMENTAL REVIEW

The Class 1 Categorical Exemption (CEQA Guidelines, Section 15301, Existing Facilities) relieves this project from the California Environmental Quality Act (CEQA) provisions. The project proposes no changes to the existing building and site and involves negligible expansion of the existing use.

DISCUSSION

The proposed project is to allow a 14,140 square foot restaurant with full alcoholic beverage service and indoor mini golf. There are no changes requested to the building exterior or to the site, as part of this application. See Attachment 2 for the Project Data Table for Building E of Sub-block 2 and Attachment 8 for the Use Permit Justification by the Applicant.

Proposed Use

As proposed, the tenant space would include a reception desk, dining area, bar, mini golf, kitchen, lounge, trophy club, storage, and restrooms (Attachment 5). The mini golf area would occupy approximately one-eighth of the total restaurant floor area and would be contiguous with and open to the reception desk and dining area. The mini golf portion of the tenant space is proposed along the east frontage of Building E facing South Taaffe Street.

The proposal also includes full alcoholic beverage service. It is common to have full alcoholic beverage sale and service with food establishments like restaurants, especially in the Commercial Core District of the DSP area, which is designated to have a high concentration of services and restaurants. Therefore, staff finds that the request meets the required SDP findings, as the use complies with the General Plan and DSP goals and policies that encourage offering of a region and citywide commercial and entertainment destination. See Attachment 3 for the recommended findings.

Development Standards

Development Intensity

A Development Agreement (DA) was approved in 2020 for Block 18 (Ord. No. 3164-20), which allocated increased commercial square footage. The DA provides a total base allocation of 181,931 square feet of commercial space for Block 18. This includes 177,800 square feet from Macy's building (approved for demolition) and 4,131 square feet net new retail space. The proposed addition is within the DA's base allocation and leaves 26,313 square feet for future projects.

The following table lists the previously approved and proposed additions, in addition to the remaining

development potential for Block 18.

Table 1. Block 18 Commercial Development Potential (Based on planning applications)	
	Commercial Sq. Ft.
2020 DA Allocation	181,931
Sub-block 3S (2020-7262)	29,355
Sub-block 3N (2020-7110)	110,408
Sub-block 1 (2019-7293)	12,735
Sub-block 2 (2022-7208)	3,120 (proposed)
Remaining as of August 12, 2022	26,313

Staff finds that the proposed intensification is within the allowed development potential.

Parking

The proposed use is within Sub-block 2 of the Commercial Core District, which has access to the Orange Garage directly adjacent to the north of the subject site. Sunnyvale Municipal Code (SMC) Section 19.28.100 requires a parking study to evaluate proposed parking demand. A parking study was prepared by Walker and Associates, dated July 21, 2022 (see Attachment 6). The Study evaluated potential impacts of the proposal against existing and proposed projects and available parking within the Orange Garage and the entire Commercial Core District. There are 848 public parking spaces available in the Orange Garage and the proposed use is expected to increase the parking utilization. Per a previous parking study prepared by Walker and Associates, dated March 23, 2021, Sub-block 2 was previously approved for 3,931 square feet of restaurant use with a peak parking demand of 141 spaces. The project proposes to increase additional 14,140 square feet restaurant area, resulting in increased peak parking demand of 274 spaces. This is an increase of 133 parking spaces from the previously approved land uses. The parking study finds that there is enough capacity to accommodate the increased parking demand in the Orange Garage.

Following is a summary from the parking study,

- The increase in restaurant use, will not only increases the parking demand, but will also change the peak parking time for Sub-block 2 from afternoon (12:00 p.m. to 2:00 p.m.) to evening (6:00 p.m. to 8:00 p.m.).
- There would be enough parking capacity in the Orange Garage to accommodate the increased parking demand and change in peak parking time.
- During the new peak parking time for Sub-block 2, there would be 612 out of 848 parking spaces available.
- During the peak parking time for the entire Block 18, there would be 559 out of 2,995 public parking spaces available.

Staff finds that the available parking capacity is more than sufficient to allow for the increase in restaurant space and does not overwhelm the available parking supply.

Noise Impacts

City of Sunnyvale Municipal Code Section 19.42.030 limits noise levels to 60 dBA during daytime

hours (7 a.m. to 10 p.m.) and 50 dBA during nighttime hours (10 p.m. to 7 a.m.). The project should also comply with interior multifamily dwelling noise standard (45 dBA) for the residential units above and all applicable noise policies as contained in the Noise Element of the City of Sunnyvale General Plan. Activities associated with mini golf and amplified music are potential noise concerns from the proposed use.

The subject suite is immediately surrounded by retail store to the west, the Orange Garage to the north, and residential units above. A noise study was prepared by Salter and Associates, dated May 24, 2022 (see attachment 7). The Study conducted preconstruction field measurements to evaluate potential impacts of the proposal on adjacent uses. The study included simulation of noise sources generally associated with indoor mini golf in the proposed area and noise measurement at the residential unit directly above, which is the most sensitive use of all surrounding receiving uses. The study indicates that the receiving noise level measured at the residential unit was 32 dBA, using simulated noise levels at the proposed mini golf area. The noise study states that the activities associated with mini golf will not exceed 45 dBA. Also, playing amplified music is highly unlikely because it would cause discomfort for patrons and potential hearing damage for employees with prolonged exposure. The study concludes that the proposed use will comply with the City's noise standards. Staff believes that the recommended conditions of approval will provide guidance to the applicant, as well as future business owners, and grant the City the right to require noise tests be conducted and noise and vibration attenuation measures be applied, should the operational noise level exceed the City standards.

Staff finds that the proposed use will comply with the City's noise standards with the incorporation of the recommended conditions of approval (# PC-1 and # AT-4) in Attachment 4.

NEIGHBORHOOD IMPACTS/COMPATIBILITY:

The proposed restaurant is located on the northwest corner of West McKinley Avenue and South Taaffe Street in the DSP area. The area is designated as the Commercial Core District with a variety of other retail, restaurants, amenities, and residents. Staff believes this use will not have a negative impact to the surrounding uses with the incorporation of the recommended conditions of approval (Attachment 4). The conditions provide guidance to the applicant, as well as future business owners, and grant the City the right to modify or revoke the permit if the business operations begin to have negative impacts to the area. The Department of Public Safety reviewed the proposed application and found no concerns with allowing full alcoholic beverage service. Therefore, the neighborhood impact from the requested full alcoholic beverage service would be minimal.

PUBLIC CONTACT

21 notices were sent to surrounding property owners, tenants, and residents adjacent to the subject site in addition to standard noticing practices, including advertisement in the Sunnyvale Sun Newspaper and on-site posting. Staff has not received any letters or calls from the public regarding the proposed project.

CONCLUSION:

Staff is able to make the required Findings (Attachment 3) of the Special Development Permit. Staff recommends that the Special Development Permit be approved.

ALTERNATIVES

1. Approve the Special Development Permit with recommended Conditions in Attachment 4.

2. Approve the Special Development Permit with modifications.
3. Deny the Special Development Permit.

RECOMMENDATION

Alternative 1. Approve the Special Development Permit with recommended Conditions in Attachment 4.

Staff

Prepared by: Mary Jeyaprakash, Associate Planner

Approved by: Momo Ishijima, Senior Planner

ATTACHMENTS

1. Vicinity and Noticing Maps
2. Project Data Table
3. Recommended Findings
4. Recommended Conditions of Approval
5. Site and Architectural Plans
6. Parking Study by Walker and Associates
7. Noise Study by Salter and Associates
8. Use Permit Justification by Applicant