

June 27, 2022

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TRANSMITTED VIA EMAIL

Mayor Klein, Vice Mayor Cisneros, and Councilmembers
456 West Olive Avenue
Sunnyvale CA 94088-3707

Re: El Camino Real Specific Plan, June 28th, 2022 City Council Meeting - Item 3, 22-0964, File No. 2014-7432

Dear Mayor Klein, Vice Mayor Cisneros, and City of Sunnyvale Councilmembers,

On behalf of Silicon Valley at Home, we write to you today regarding the El Camino Real Specific Plan (ECRSP). We commend the City of Sunnyvale's forward-thinking vision on transforming this corridor to one that is vibrant, prosperous, accessible, and sustainable while aiming to preserve its current businesses and residential tenants. We thank staff for their work developing this comprehensive plan that has faced years of unfortunate and uncontrollable delays, including the COVID-19 pandemic and staff turnover.

The ECRSP lays out a clear vision and guiding principles. We are pleased that they focus on providing "significant new residential options", including a "full range of affordable and marketrate housing," and preventing "displacement of existing residents". We commend these goals and want to ensure that we achieve them.

We believe the ECRSP can go further in meeting Sunnyvale's housing needs by maximizing the Community Benefits and Incentives Program, reasonably increasing its densities, and updating the commercial requirements while right-sizing spot zoning:**I. Strengthening the Community Benefits and Incentive Program, while Maximizing Housing with Commercial Space**

It is unclear if the current Community Benefits and Incentives Program (the Program) is strong enough to meet the City's affordability goals (684 lower-income units by 2031). The Program would grant additional density points if developers build over 15% very-low-income units. This, however, is less enticing to developers than the State Density Bonus Law, which allows more flexibility in the variety of affordable units. The sole focus on the very-low income category also undermines Housing Element Update goals for the Plan area.

Therefore, we recommend that a variety of options for incentive points be allowed for mixes of extremely low, very-low, and low-income units. More incentive points could be given on a "sliding scale" for deeper levels of affordability. This would allow the City to further encourage developers to gain density points for more affordable units overall while they recover their costs through increased densities and market-rate units.

Most importantly, we believe the ECRSP should actively encourage developers to build 100% deed-restricted affordable housing projects so that we can meet required RHNA targets for lower-income housing units. For example, 100% deed-restricted affordable

housing developments should receive more of affordable housing density bonus points in our “sliding scale” recommendation of the Program.

II. Reasonably Increasing Densities while Preserving Commercial Uses

The Housing Element Update requires cities to provide a minimum of 30 DU/AC for lower-income residential projects and in order to be financially competitive for state and federal assistance, lower-income projects should have at least 50 to 150 units. Additionally, the upcoming [Transit Oriented Communities Policy](#) may likely have an allowable density of 35 DU/AC for regional transportation funding. With this in mind, we believe there are some missed opportunities in the ECR-MU24, ECR-MU28, R-3 and R-4 zoned sites at each of the nodes. Many of these sites should be opportunity areas to maximize feasible residential density. The current densities of 24 DU/AC and 36 DU/AC under R-3 and R-4, for example, are too low. [A regionally adaptable study presented by the City of Santa Clara for their Downtown Precise Plan](#) (see page 25) showed that developers would “maybe” consider residential apartments feasibly developable at 60 or 70 DU/AC, with a definite “yes” at 80 DU/AC. Even with density bonuses, densities that are too low will not be competitive enough to include affordable housing.

We agree with the need to retain and encourage commercial development, but where there are opportunities to increase residential units to support those commercial uses, we should take advantage. Even if the likelihood of redevelopment in these areas is currently low, or parcels are not part of the Housing Element Site Inventory, future opportunities to achieve higher density residential development will be shaped and influenced by this plan. A higher residential population along the ECR corridor increases the viability of retail and could make it more feasible to include commercial space as part of mixed-use developments.

Therefore, we recommend that the City of Sunnyvale make, at a minimum, the following reasonable density increases at this stage of the planning process:

- **ECR-MU24, ECR-MU28, and R-3 densities to at least somewhere between 30 DU/AC and 35 DU/AC;**
- **ECR-MU33 to at least 35 DU/AC; and**
- **R-4 to at least 42 DU/AC.**

Moreover, there are some R-3 and R-4 zoned sites that are not neighboring single-family homes and have the potential to match the densities of their adjacent higher zoned densities located at the Orchard District and the Three Points Neighborhood nodes. Some examples include sites near 555 El Camino Real, 631 El Camino Real, and 929 El Camino Real. **We recommend that the density in these potential areas match their neighboring proposed densities.**

III. Enhancing Minimum Ground-floor Commercial Requirements and Commercial Spot Zoning

The Municipal Code Section 19.36.100 edits for minimum ground floor commercial area in mixed-use development did not account for parcels that are odd-shaped and/or have little-to-no frontage along El Camino Real. For example, lots that are long, narrow, deep, and not on El Camino Real would not benefit from the greater commercial square footage requirement based on lot size, the “75% of El Camino Real frontage length x 50” alternative, nor Footnote 2, which requires capping commercial areas at 10% of the lot size. The result from each scenario would be deep, retail boxes with little visibility, potentially unleaseable space, and unnecessary parking requirements.

Therefore, we recommend that the required amount of commercial area be consistent with the shape of a parcel to maximize its use, ground-floor activation, and housing units by replacing the current Code language under Table 19.36.100 with the following:

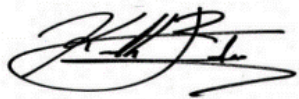
- **Second Column Title: “Minimum Required Commercial Area, whichever is lesser”;**
and
- **Footnote 2: “If a property has no frontage along El Camino Real, a commercial area capped at 10% of the lot size or 75% of Major Commercial frontage length x 50 if the property is 400’ or more from El Camino Real shall also be permitted”.**

There is no one-size fits all amount of retail for each parcel but this is another opportunity where the number of housing units could be increased.

Finally, we understand the City’s concerns about retaining commercial and retail uses in areas proposed for mixed-use, which in some cases has resulted in commercial-specific zoning splits. **We strongly support a provision allowing large parcel owners who now have split-zoned properties, as a result of the ECRSP, to retain the full residential density allowed on their property, as if the entire parcel was zoned mixed-use.** This will ensure that landowners can have the choice to both build dense housing and retain commercial uses so that they are not out of conformance or constrained in their residential potential.

We recognize and support staff’s hard work in developing the ECRSP over all these years and we are excited about its adoption. We hope that some of these minor adjustments can be made to strengthen the ECRSP to meet Sunnyvale’s housing needs. We appreciate the City Council’s efforts to ensure that ECRSP reflects its multi-generational housing vision of providing diverse housing options.

Sincerely,



Kenneth Javier-Rosales
Planning Senior Associate

