May 24, 2021

4. <u>21-0542</u>

Proposed Project: Forward Recommendations to the City Council for related actions:

LAKESIDE SPECIFIC PLAN AMENDMENT: Adopt a Resolution to Amend the Lakeside Specific Plan to allow

modification of the timing of development for the required hotel. **SPECIAL DEVELOPMENT PERMIT** (SDP): Modify SDP 2015-7576 Condition of Approval GC-11 related to the timing of hotel construction.

POST ENTITLEMENT DEVELOPMENT AGREEMENT

Introduce an Ordinance Approving and Adopting a: Post Entitlement Development Agreement between the City of Sunnyvale and Sunnyvale Partners Ltd Co. including consideration of community benefits Location: 1250 Lakeside (APNs: 216-43-037, -038, -039 and -040) File #: 2021-7341 Zoning: Lakeside Specific Plan Applicant / Owner: Sunnyvale Partners Ltd Co. (owner) Environmental Review: Addendum to the Supplemental Environmental Impact Report Project Planner: Trudi Ryan, (408) 730-7444, tryan@sunnyvale.ca.gov

Community Development Director Trudi Ryan presented the staff report.

Commissioner Harrison asked Director Ryan how much the landowner will be paying now and what, if any, penalty fees will need to be paid in the future. Director Ryan responded that the applicant will be paying \$450,000 and \$300,000 now, and the penalty fee that they may pay later is contingent upon meeting the deadlines. Commissioner Harrison asked Director Ryan what would happen if the hotel is not built by the deadline. Director Ryan stated that the penalty fee is a risk, but it is still possible for the landowner to build the hotel passed the six-year deadline. Commissioner Harrison asked what the reason was for redesigning the hotel. Director Ryan stated that there was obstacle with importing pre-fabrication parts which is why the applicant chose a build-in-place design.

Chair Howard asked staff if there will be an applicant presentation.

Applicant Bryan Wenter, with Outside Legal Counsel, stated that one of the members on the construction team will be giving the applicant presentation. Mr. Wenter stated that he can answer help answer any questions the Commissioners have.

Commissioner Olevson commented about the embargo on a type of construction. Director Ryan stated that the embargo was on the imports. Commissioner Olevson also commented on how fast the agenda item made it to a hearing.

Applicant Kurt Wittek with Wittek Development provided information on the embargo to the Planning Commission. Mr. Wittek also commented on the various approaches to the design and construction with what has unforeseen circumstances have happened the past couple of years.

Chair Howard opened the Public Hearing.

A Sunnyvale resident who lives across from the apartment complex commented that he is in overall support with the delay of any further development at this time.

Mr. Wenter stated that there will be no applicant presentation and that he is able to answer any questions the Commissioners have.

Chair Howard closed the Public Hearing.

MOTION: Commissioner Weiss moved and Commissioner Harrison seconded the motion to Alternative 1 - Make the Determination required by Resolution No. 371-81 (Attachment 8 to the Report); and, Recommend to City Council Alternative 2: Accept the Addendum to the previously certified Supplemental Environmental Impact Report Pursuant to the California Environmental Quality Act Guidelines Section 15164 and Adopt a Resolution to amend the Lakeside Specific Plan (Attachment 4 to the Report); Approve a modification to a condition of approval for Special Development Permit 2015-7576 (Attachment 5 to the Report); and Introduce an ordinance for a Post Entitlement Development Agreement (Attachment 6 to the Report).

Commissioner Weiss commented that the applicant has made a reasonable request during these unforeseen times.

Commissioner Olevson stated that he will be supporting the motion to approve the project proposed by the staff. He also commented that he appreciated the amount of information that was provided by both the staff and applicant.

Chair Howard spoke in overall support of the motion. He commented that the applicant has made a reasonable request.

The motion carried by the following vote:

- Yes: 4 Chair Howard Commissioner Harrison Commissioner Olevson Commissioner Weiss
- **No:** 0
- Absent: 3 Vice Chair Simons Commissioner Howe Commissioner Rheaume

This recommendation will be forwarded to the City Council for consideration at the Tuesday, June 8, 2021 meeting.