



Sunnyvale

City Council

- Lakeside Specific Plan Amendment
- SDP Modification – COA GC-11
- Post Entitlement Development Agreement

City Council, June 8, 2021

Lakeside Specific Plan

- 8.83-acre property
- 1250 Lakeside Drive

CURRENT PROJECT

- **Residential**
 - ◆ 250 apartment units
 - ◆ 3.34-acre publicly accessible park
- **New Hotel**
 - ◆ 263 Room
 - ◆ Guest amenities
 - ◆ Restaurant
 - ◆ Banquet/conference facilities



Lakeside Specific Plan: Land Use

“the hotel must be a required condition for approval of residential use on the larger portion of the Lakeside Specific Plan site”



Figure 3-1: Site Development Plan

Lakeside Specific Plan: History

- **2005:** Lakeside Specific Plan Adopted
- **2006:** Former hotel demolished
- **2016:** Lakeside Specific Plan Updated
- **Jul 2019:** Residential building permit issued
- **Dec 2019:** Hotel building permit application filed
 - ◆ **Mar-Apr 2020:** Construction Paused
- **Sep 2020:** Complete Hotel building permit submittals received
- **>Sep 2020:** Staff & landowner discuss alternatives to hotel construction timing
- **May 2021:** Council initiated Specific Plan Amendment

Specific Plan Amendment

The project may be phased only in the sense that demolition and new construction may require a particular sequence of actions. However, the development of residential units cannot occur without replacement of the hotel use, as planned, unless alternative timing with community benefits, is approved by the City Council.

Special Development Permit Modification

- GC-11. PROJECT PHASING:

The project shall not be phased during construction. The residential portion of the project shall be constructed at substantially the same time as the hotel portion of the project, unless alternative timing with community benefits is approved by the City Council.

Post Entitlement Development Agreement

- Post Entitlement Development Agreement (PEDA)
 - ◆ Negotiated Agreement
 - ◆ Provides assurances for Developer and City
 - ◆ Each party has defined benefits
- Adopted by Ordinance

City Benefit – Guaranteed Benefit

Developer will make the following guaranteed contributions to the Community Benefits Fund (CBF)

Phases 1 & 2 are 18 months
Phases 3 – 5 are 1 year each
Total is 6 years

Phase – Due Date	Benefit	Amount
1 – Jun 2021	Contribution to CBF	\$450,000
2 – Jan 2023	Contribution to CBF	\$300,000
TOTAL	Guaranteed Benefit	\$750,000

City Benefit – Contingent Benefit

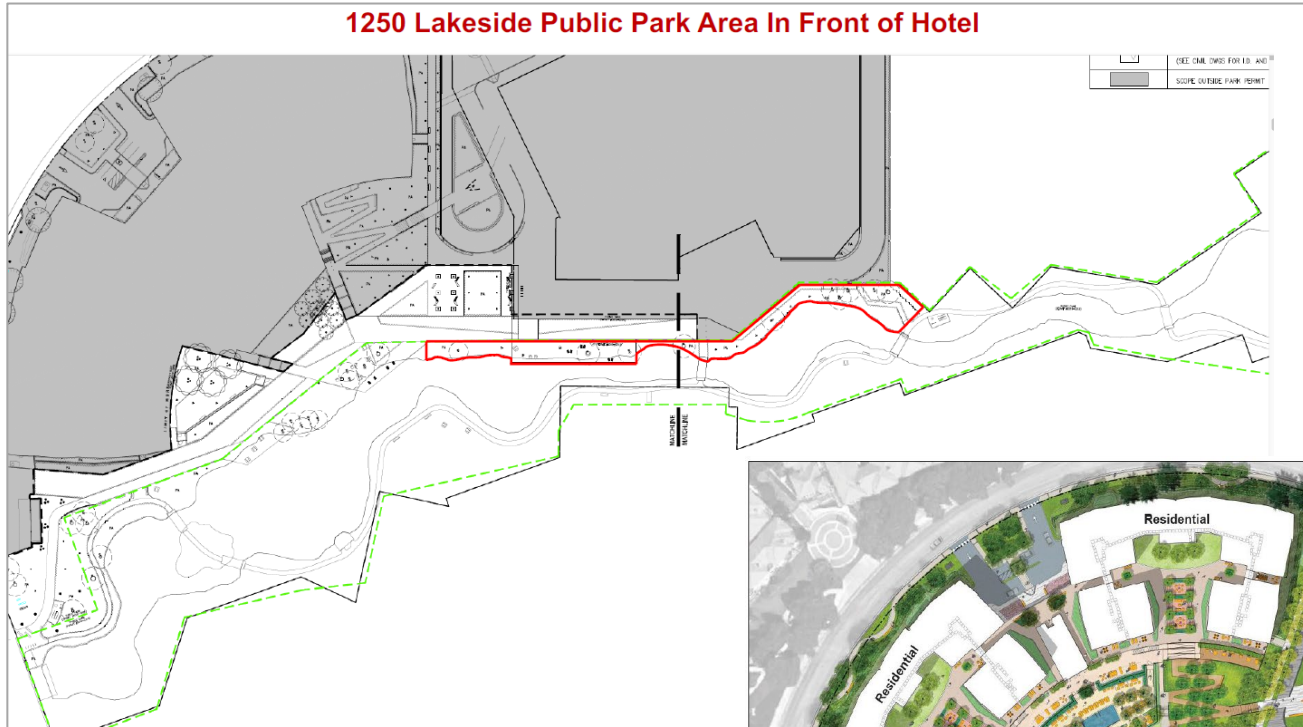
Developer contributions to Community Benefits Fund
if Hotel construction timelines not met

Phase - End	Performance Requirement	Amount
1 - Dec 2022	Building Permits Issued	\$500,000
2 - Jun 2024	Infrastructure & Foundation Complete	\$750,000
3 - Jun 2025	Vertical Construction Commenced	\$1,000,000
4 - Jun 2026	Vertical Construction Progressing	\$1,250,000
5 - Jun 2027	Hotel Construction Complete & Open	\$1,500,000
	Maximum Contingent Benefit	\$5,000,000

Landowner/Developer Benefit

- Longer Timeframe to construct hotel
- Occupancy of residential units
- Ability to apply for revised hotel design
- Deferral of landscaping adjacent to the lake

Deferred Park Area Adjacent to Hotel



**UPDATED REQUEST
– no deferral**

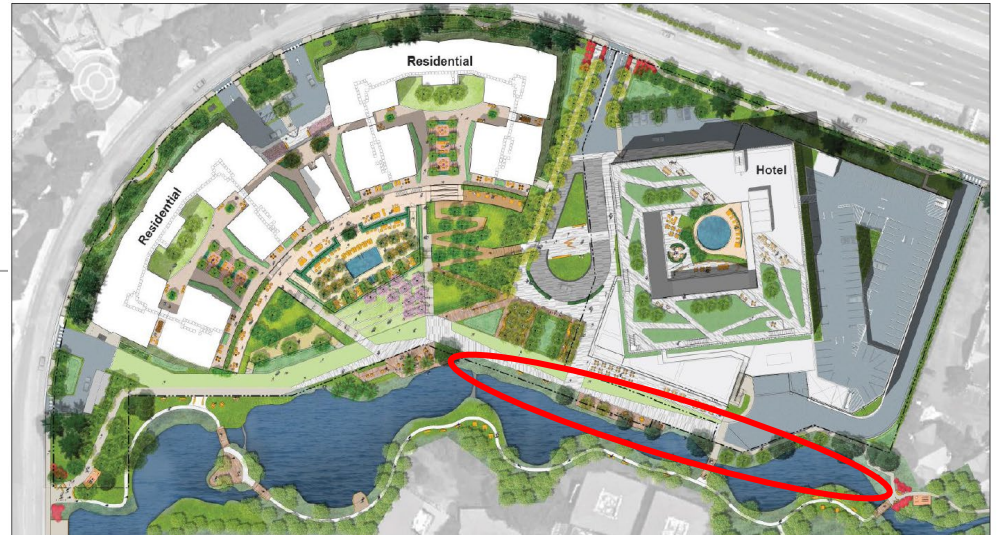


Figure 3-1: Site Development Plan

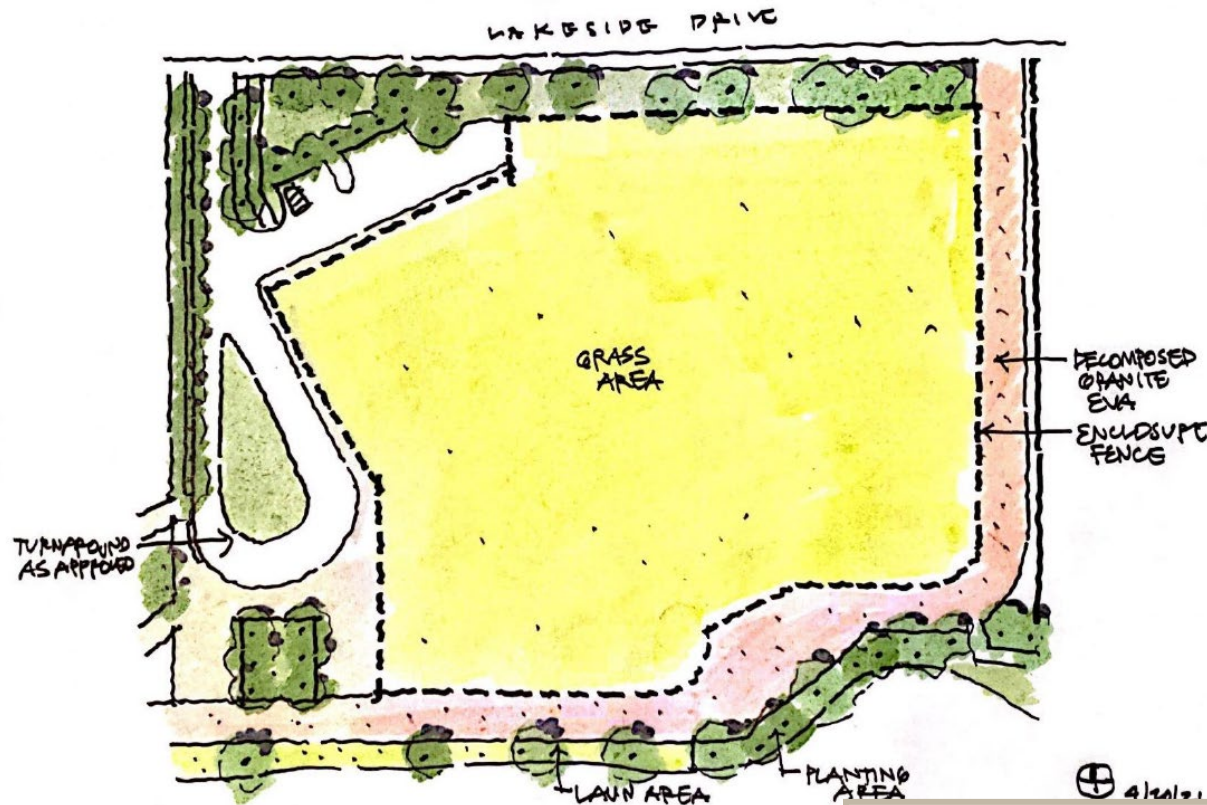
Deferred Park Area Adjacent to Lake



**UPDATED REQUEST –
defer to October 31**

Other Provisions of PEDAs

Interim Improvements on Hotel site



**UPDATED REQUEST –
defer to October 31**

Updated Requests from Millennium

Evolving Conditions

- Residential progress faster than anticipated
- Park area adjacent to Hotel site faster than anticipated
- Supply chain uncertainties on materials needed for Lakeside park area and hotel site

Planning Commission Recommendation

May 24, 2021

- Made Determination (findings) for PEDDA
- Recommended original staff recommendation

Updated Staff Recommendation

Alternatives 1 and 2

- Affirm the Planning Commission's Determination for Post Entitlement Development Agreement
- Accept Addendum to SEIR
- Approve Amendment to Lakeside Specific Plan
- Approve Modification to SDP Condition GC-11
- Introduce Revised Ordinance to approve the PEDAs w/changes (3.2.4 and 3.2.5)
 - ◆ **Delete deferral** of Park area adjacent to hotel site
 - ◆ **Defer** completion of interim hotel and lakeside improvements to **October 31, 2021**.