

**CLASS 32 CHECKLIST FOR 202-7478 (COMMERCIAL STREET HOTELS)**

Project Title	Commercial Street Hotels
Permit Number	2020-7478
Lead Agency Name and Address	City of Sunnyvale 456 W Olive Avenue, P.O. Box 3707 Sunnyvale, CA 94088-3707
Contact Person/Project Planner	Cindy Hom (408) 730-7411 chom@sunnyvale.ca.gov
Project Location and Address	247 and 295 Commercial Street (APN 205-34-006 and 205-34-013)
Project Applicant	DOA Development
General Plan Designation	Industrial
Zoning	Industrial and Services (M-S)
Other Public Agencies whose Approval is Required	None

**BRIEF PROJECT DESCRIPTION**

The project is a request for the following permits:

- Use Permit to allow demolition of existing auto repair and auto yard facility and construction of two new six-story hotel buildings totaling 274 hotel rooms, one-level underground parking garage and installation of related site improvements. The application request includes a parking adjustment to allow mechanical parking and valet parking.
- Tentative Map to allow a lot merger for condominium purposes resulting in two units and one common area lot.

**DETAILED PROJECT DESCRIPTION****Surrounding Uses and Setting:**

The project site is located on a 1.5-acre site located at the southwest quadrant of the intersection at E. Arques Avenue and Commercial Street. The subject property consists of two adjacent parcels. The northern parcel is identified as 295 Commercial Street (0.77-acres) and as Assessor's Parcel Number (APN) 205-34-013 and the southern parcel is identified as 247 Commercial Street (0.70-acres) and as APN 205-34-006. The northern parcel is currently occupied by RevX Smog & Lube with an auto and equipment salvage yard located on the west side of the site. The southern parcel is currently occupied by Sunnyvale Towing. Presently the project site is developed a total of three buildings with a total square footage of 9,720 square feet, hardscaping, and various trees around the perimeter. Properties in the vicinity of the subject property include restaurants, auto repair/collision centers, the Apple Campus, a Sunnyvale Public Works Department facility, and various other commercial/industrial facilities. The project site and abutting properties have the Industrial General Plan designation and the Industrial and Services Zoning designation.

**On-site Development:**

The project proposes to demolish the existing one-story buildings and improvements including the removal of fifteen (15) protected trees (as defined in the Sunnyvale Municipal Code) and construct two new six-story hotels over an one-level underground parking garage that provides a total of 213 parking spaces. The Extended Stay

Hotel is proposed at 80,115 square feet and provides 144 guest rooms, 629 square foot fitness room and lobby space. The Select Hotel is proposed at 66,240 square feet and provides 130 guest rooms, full-service restaurant with outdoor dining patio, 803 square foot fitness room, and 865 square feet of meeting space. The project proposes various site improvements including an outdoor guest patio with seating, fire pit, water feature and game table, entrance plaza with benches and art sculpture, and installation of new utilities, site lighting, decorative paving, and new landscaping throughout the site.

**Construction Activities and Schedule:** Construction activities include full demolition of the existing buildings and parking on the project site and construction of a 274 room in two six-story hotel buildings and associated on-site and off-site improvements. The project will be subject to the Sunnyvale Municipal Code requirements for construction noise and hours of construction contained in Chapter 16.08.030.

Construction is estimated to span 18-24 months, which is typical for a project of this size. Demolition is likely to commence in late fall 2021. The remaining time will include construction of the buildings, on-site improvements, and off-site improvements. Construction will include standard construction equipment (e.g. backhoe, excavator, and loader) and will not include deep pile foundations or pile driving or extremely high noise-generating activities or significant vibration. A construction management team and coordinator will maintain proper protocol during the construction period.

**Off-site Improvements:** The existing curb cut, and driveway will be upgraded to comply with current standards. A new sidewalk, trees and streetlights will be installed in the public right-of-way, per standard specifications. Standard water, sewer, right-of-way, and utility upgrades will be provided as required by the Municipal Code.

## CEQA EXEMPTION:

Article 19 of the California Environmental Quality Act (CEQA) Guidelines, Section 15300 to 15333, identifies classes of projects that do not have a significant effect on the environment and, therefore, are exempt from review under CEQA.

## CLASS 32 (INFILL DEVELOPMENT)

Among the classes of projects that are exempt from CEQA review are those that are specifically identified as urban infill development. CEQA Guidelines Section 15332 state that the term *infill development* (or the Class 32 exemption) is applicable to projects that meet the following conditions:

- (a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as applicable zoning designations and regulations.
- (b) The proposed development occurs within the city limits, on a project site that is no more than 5 acres and surrounded by urban uses.
- (c) The project site has no value as habitat for endangered, rare, or threatened species.
- (d) Approval of the project would not result in any significant effects related to traffic, noise, air quality, or water quality.
- (e) The site can be adequately served by all required utilities and public services.

The analysis presented in the following section provides substantial evidence that the Project qualifies for an exemption under CEQA Guidelines Section 15332, as a Class 32 urban infill development, and would not have a significant impact on the environment.

**EXCEPTIONS**

Even if a project is ordinarily exempt under the potential categorical exemptions, CEQA Guidelines Section 15300.2 provides specific instances where exceptions to otherwise applicable exemptions apply. Exceptions to a categorical exemption apply in the following circumstances, effectively nullifying a CEQA categorical exemption:

- (a) Location. Classes 3, 4, 5, 6, and 11 are qualified by consideration of where the project is to be located. A project that is ordinarily insignificant in its impact on the environment may, in a particularly sensitive environment, be significant. Therefore, these classes are considered to apply in all instances, except that the project may affect an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, State, or local agencies.
- (b) Cumulative Impact. All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type and in the same place over time is significant.
- (c) Significant Effect. A categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.
- (d) Scenic Highways. A categorical exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway. This does not apply to improvements which are required as mitigation by an adopted negative declaration or certified EIR.
- (e) Hazardous Waste Sites. A categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code.
- (f) Historical Resources. A categorical exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource.

The following analysis present substantial evidence that there are no exceptions that apply to the Project or its site, that the Project would not have a significant effect on the environment, and that the Class 32 exemption remains applicable.

**CITY OF SUNNYVALE – STANDARD CONDITIONS OF APPROVAL**

As stated above, the Project site is within the Sunnyvale General Plan area. Therefore, the Project is subject to the Standard Conditions of Approval (SCA), which apply to all projects within the General Plan area. These conditions incorporate development policies and standards from several adopted plans and policies (such as the Sunnyvale Municipal Code, City General Plan, and other requirements of jurisdictional agencies) and substantially mitigate potential environmental impacts from projects. These conditions are included in the discussion and analysis of subsequent environmental review for all development projects within the General Plan area.

In reviewing project applications, the City determines which SCAs apply, depending on the specific characteristics of the project type and/or project site. Because these SCAs are mandatory City requirements, this analysis assumes that the SCAs would be imposed and implemented by the Project and not imposed as mitigation measures under CEQA. If a project is determined to have a significant environmental impact, even with implementation of these conditions, other feasible mitigation measures shall be developed.

**CEQA EXEMPTION CHECKLIST:**

The following analysis provides substantial evidence to support a conclusion that the Project qualifies for an exemption under CEQA Guidelines Section 15332 as a Class 32 urban infill development and would not have a significant effect on the environment.

**CRITERION SECTION 15332(a): GENERAL PLAN AND ZONING CONSISTENCY**

The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations. ☒ Yes ☐ No

The Sunnyvale General Plan designates the project site as Industrial and has the zoning designation of Industrial and Services (M-S). This designation provides for research and development, manufacturing, office, and heavy industrial uses as well as retail uses that serve the industrial area or the entire community may be considered appropriate. Per Sunnyvale Municipal Code (SMC 19.22.030), hotel and motel uses are conditionally permitted with a use permit. The project complies with the development standards for the M-S zoning district in terms, of building setbacks, floor area, height, lot coverage, landscaping, and parking and parking lot shading. The proposed hotel development is considered compatible with the surrounding office and neighboring commercial services uses.

**CRITERION SECTION 15332(b): PROJECT LOCATION, SIZE, AND CONTEXT**

The proposed development occurs within city limits on the project site of no more than 5 acres substantially surrounded by urban uses. ☒ Yes ☐ No

The project site is within the City limits and is located on a 1.5-acre site. The project site is within a developed, urban area of Sunnyvale and is surrounded by other office and industrial buildings as well as other commercial and retail buildings.

**CRITERION SECTION 15332(c): ENDANGERED, RARE, OR THREATENED SPECIES**

The project site has no value as habitat for endangered, rare, or threatened species. ☐ Yes ☒ No

A Biological Resource Assessment dated July 2020 was prepared by Rincon Consultants, Inc. The assessment evaluated and found the following:

Special-Status Plants - The project site does not contain suitable habitat for special-status plant species and no special-status plants are expected to occur. Therefore, there would be no impacts.

Special-Status Wildlife - The project site is completely developed, relatively small, and isolated from natural habitat. As such, the project site does not contain suitable habitat for special-status wildlife species and therefore no impacts are anticipated to special-status wildlife species.

The existing trees can be habitat for common nesting birds. However, this impact would be less than significant because the City of Sunnyvale is required to comply with all local, state, and federal regulations pertaining species and habitat protection. In addition, Sunnyvale's standard conditions of approval will include the following to help minimize impacts to a level of less than significant:

1. Avoidance. Demolition and construction activities should be scheduled between September 1 and January 31 to avoid the nesting bird season. If construction activities are scheduled to take place outside the nesting season, all impacts on nesting birds protected under the Migratory Bird Treaty Act (MBTA) and California Department Fish and Wildlife (CDFW) Codes will be avoided.
2. Preconstruction/Pre-disturbance Surveys. If it is not possible to schedule demolition and construction activities between September 1 and January 31 then preconstruction surveys for nesting birds should be

conducted by a qualified ornithologist to ensure that no nests will be disturbed during project implementation. We recommend that these surveys be conducted no more than 14 days prior to the initiation of demolition/construction activities. During this survey, the ornithologist will inspect all trees and other potential nesting habitats (e.g., trees, shrubs, grasslands, buildings) in and immediately adjacent to the impact areas for nests.

3. Buffers. If an active nest is found sufficiently close to work areas to be disturbed by these activities, the ornithologist will determine the extent of a construction-free buffer zone to be established around the nest (typically 300 ft for raptors and 100 ft for other species), to ensure that no nests of species protected by the MBTA and California Fish and Game Code will be disturbed during project implementation.
4. Inhibition of Nesting. If construction activities will not be initiated until after the start of the nesting season, all potential nesting substrates (e.g., bushes, trees, grasses, and other vegetation) that are scheduled to be removed by the project may be removed prior to the start of the nesting season (e.g., prior to February 1). This will preclude the initiation of nests in this vegetation and prevent the potential delay of the project due to the presence of active nests in these substrates.

**Special-Status Vegetation** - No CDFW listed sensitive natural communities or riparian habitats are present within the project area. Therefore, no impacts to sensitive natural communities would occur.

**Jurisdictional Waters and Wetlands** - No federally or state protected wetlands or waters are present in the project area, therefore no impacts to wetlands or waters would occur.

**Wildlife Movement** - No corridors for wildlife movement occur within the project area, and the site is completely enclosed in the developed area of the City. Therefore, no impacts to wildlife movement corridors would occur.

#### Local Policies and Ordinance

The City of Sunnyvale Municipal Code Chapter 13.16, Sunnyvale City Tree Ordinance, requires a permit for the removal of any “official” (documented) or “unofficial” (undocumented) street tree over four inches at DBH, including trees in the “Parkway strip” (the public area between the curbing and the sidewalk) as well as a tree removal permit for any on-site trees that are deemed protected trees pursuant to City of Sunnyvale Municipal Code Chapter 19.94. A protected tree is defined as having a trunk size of at least 38 inches in circumference, as measured 4.5 feet from the ground. Protected sized trees are required to be replaced per the City’s Tree Replacement Policy summarized in the table below:

Table 1: City of Sunnyvale Tree Replacement Standards

Trees to be Removed	Replacement Trees
12” – 18” diameter (36-56” circumference)	One 24” box tree or three 15-gallon trees.
18” – 24” diameter (56-75” circumference)	One 36” box tree or two 24” box trees
Over 24” diameter (greater than 75” circumference)	One 48” box tree or two 36” box trees or four 24” box trees

An Arborist Report dated June 2020 was prepared by Kielty Arborist Services for the project and evaluated 20 trees consisting of shamel ash (*Fraxinus uhdei*), raywood ash (*Fraxinus oxycarpa*), flowering pear (*Prunus calleryana*), red gum eucalyptus (*Eucalyptus camaldulensis*), silver dollar (*Eucalyptus polyanthemus*), and one California-native Modesto ash (*Fraxinus velutina*). There are fifteen (15) trees that are on-site which includes three (3) street trees and five (5) trees that are located on the neighboring property. The project proposes to removal

all fifteen (12) trees on-site and three (3) street trees to accommodate the proposed hotel buildings and site improvements. Thirteen (13) out of the fifteen (15) trees are deemed protected. The applicant proposes to install forty-two (42) 24-inch box trees and nine (9) 36-inch box trees consisting of coral bark Japanese maple, red elder, beefwood, desert willow, chitalpa, California Hazelnut, white champaca, plane tree, shumardii oak and frontier elm trees. As proposed, the project complies with the tree replacement standards.

Habitat Conservation Plan - The study area is not located within any habitat Conservation Plan or Natural Community Conservation Plan. Therefore, no conflicts with state, regional, or local habitat conservation plans would be anticipated.

### **CRITERION SECTION 15332(d): TRAFFIC**

Approval of the project would not result in any significant effects related to traffic.

☐ Yes ☒ No

The City adopted **Council Policy 1.2.8 Transportation Policy** that changes how transportation impacts are analyzed to comply with California Environmental Quality Act (CEQA). The new policy established Vehicles Miles Traveled (VMT) to identify potential environmental impacts related to transportation of a proposed project.

#### **Council Policy 1.2.8 – 1. Land Use Projects:**

*For residential and employment projects, projects will use the Countywide Average VMT as the baseline with a VMT reduction threshold set at 15% below the baseline to identify potential transportation impacts and propose mitigations.*

The residential and employment Countywide Average VMT is obtained from the Santa Clara Transportation Valley Transportation (VTA) Countywide model:

- Residential - VMT/capita - Home-based (light-duty vehicle) VMT per capita/resident.
- Office – VMT/employee - Home-based work (light-duty vehicle) VMT per employee.

The Countywide VMT threshold for office land use is for generic employment (VMT/employee) obtained from the Countywide Travel Demand Model by considering all trips going to “work” from “home”, regardless of the type of employment it is. The trips generated by office visitors are transient where they are typically trips to attend meetings on-site, they do not occur daily, and the destination could vary pending on where the visitors are coming from. Therefore, for office land use, only VMT/employee is considered as they represent the regular daily usage for the site. For hotel land use, trips generated by employees are regular trips that would be generated daily, whereas trips generated by hotel guests would be transient. The hotel guests do not stay at the hotel daily, and their destinations vary depending on the purpose of their visit. Therefore, for the proposed project, we are evaluating VMT for hotel employees by considering the generic VMT/employee, which is the same as office land use. In addition, like how the VMT analysis is performed for office land use, VMT for visitors are not considered.

#### **Council Policy 1.2.8 – 2. Exemption:**

Project does not require a VMT analysis if it meets at least one of the six (6) criteria as identified under Council Policy 1.2.8 2. Exemption. Table 1 presents the VMT Analysis Exemption Screening Checklist for the proposed project. As stated above, the VMT for the proposed project will be evaluated by considering the generic VMT/employee, which is the same as office land use, and therefore, the proposed project will be also screened for VMT Analysis Exemption using the same methodology as office land use.

As shown in Table 1, the proposed project is **exempted** from VMT Analysis under F: Transit Supportive Projects as the proposed project meets the following criteria:

- Per RTC 20-0640 Attachment 9 Transit Supportive Projects Map, the proposed project is located within ½ mile of an existing major bus stop or existing stop along a high-quality transit corridor.
- It has a FAR of 2.2, which is more than 0.75.
- It supports multimodal transportation network as it will not harm or hinder access to multimodal transportation and it will make sidewalk improvements along its project frontage.
- It provides 219 on-site parking spaces, which complies with the required parking spaces of per Sunnyvale Municipal Code 19.46.100.
- It is transit originated in design as the site plan as well as the frontage improvements contain a walkable design that prioritizes pedestrians. It provides comfort and safety elements for pedestrians, including new streetlight fixture and street trees.

CEQA Guideline Section 15064.3 (b)(1), states that lead agencies generally should presume that certain projects (including residential, retail and office projects, as well as projects that are a mix of these uses) that proposed within ½ mile of an existing major transit stop or an existing stop along a high-quality transit corridor will have a less than significant impact on VMT.

As designed, the project will not create or contribute to an existing hazard due to a design feature or incompatible use. The project design provides adequate site circulation for vehicles, pedestrians, and emergency vehicles. The Project would not result in a significant effect relating to traffic, and therefore qualifies for an exemption under CEQA Guidelines Section 15332(d)(1) as a Class 32 urban in-fill development under the traffic criteria.

### **CRITERION SECTION 15332(d): NOISE**

Approval of the project would not result in any significant effects related to noise.

☐ Yes ☒ No

A Noise and Vibration Study for the project was prepared by Rincon Consultants, Inc. in August 2020. The study provides site-specific analysis of existing noise conditions and the extent of project noise impacts.

The anticipated construction noise would generate noise levels of up to 83 dBA  $L_{eq}$  (8-hour), which would not exceed the FTA construction noise thresholds at nearby commercial and industrial properties of 85 dBA  $L_{eq}$  (8-hour) and 90 dBA  $L_{eq}$  (8-hour), respectively. In addition, construction would be limited to hours allowed by the City's Municipal Code. Impacts would be less than significant. The project would generate temporary noise during construction. The following LUTE standard conditions would apply to the project if approved.

- New development and public projects shall employ site-specific noise attenuation measures during construction to reduce the generation of construction noise and vibration. These measures shall be included in a Noise Control Plan that shall be submitted for review and approval by the City. Measures specified in the Noise Control Plan and implemented during construction shall include, at a minimum, the following noise control strategies:
  - Equipment and trucks used for construction shall use the best available noise control techniques (e.g., improved mufflers, equipment redesign, use of intake silencers, ducts, engine enclosures, and acoustically attenuating shields or shrouds;

- Impact tools (e.g., jackhammers, pavement breakers, and rock drills) used for construction shall be hydraulically or electrically powered wherever possible to avoid noise associated with compressed air exhaust from pneumatically powered tools; and
- Stationary noise sources shall be located as far from adjacent receptors as possible, and they shall be muffled and enclosed within temporary sheds, incorporate insulation barriers, or include other measures.
- Noise and vibration reducing pile-driving techniques shall be employed during construction and will be monitored to ensure no damage to nearby structures occurs (i.e., vibrations above peak particle velocity (PPVs) of 0.25 inches per second at nearby structures). These techniques shall include:
  - Installing intake and exhaust mufflers on pile-driving equipment;
  - Vibrating piles into place when feasible, and installing shrouds around the pile-driving hammer where feasible;
  - Implementing “quiet” pile-driving technology (such as pre-drilling of piles and the use of more than one pile driver to shorten the total pile driving duration), where feasible, in consideration of geotechnical and structural requirements and conditions;
  - Use cushion blocks to dampen impact noise, if feasible based on soil conditions. Cushion blocks are blocks of material that are used with impact hammer pile drivers. They consist of blocks of material placed atop a piling during installation to minimize noise generated when driving the pile. Materials typically used for cushion blocks include wood, nylon and micarta (a composite material); and
  - At least 48 hours prior to pile-driving activities, notifying building owners and occupants within 600 feet of the project area of the dates, hours, and expected duration of such activities.

The project would introduce sources of operational noise to the site, including mechanical equipment (HVAC units). Operational noise levels would reach up to 35 dBA  $L_{eq}$ , which would be well below City Municipal Code standard of 75 dBA  $L_{eq}$ . Therefore, operational noise from the project would not exceed limits at off-site receivers.

The vehicle trips associated with the project would increase noise levels by up to 0.5 dBA, which would not increase noise levels beyond the 3 dBA threshold and impacts would be less than significant.

Operation of the project would not include any substantial vibration sources. Groundborne vibration from construction activities, such as the use of a dozer, would not exceed the applicable vibration thresholds. Therefore, vibration impacts would be less than significant.

The project is not located within the noise contours for Moffett Federal Airfield and the Norman Y. Mineta San Jose International Airport. Therefore, no substantial noise exposure would occur to construction workers or users of the project site from aircraft noise, and no impacts would occur. Traffic noise levels at exterior areas of the project would not exceed the City’s 60 CNEL normally acceptable exterior noise standard and 45 CNEL interior noise standards for hotels and therefore would not conflict with the City General Plan.

### **CRITERION SECTION 15332(d): AIR QUALITY**

Approval of the project would not result in any significant effects related to air quality. ☐ Yes ☒ No

An Air Quality and Greenhouse Gas study was prepared for this project by Rincon Consultants, Inc in July 2020 to evaluate air quality impacts. The study concluded the following:

- The project would not result in exceedances of BAAQMD's thresholds for criteria air pollutants and thus would not conflict with the 2017 Clean Air Plan's goal to attain air quality standards. Furthermore, the proposed project would include applicable control measures from the 2017 Clean Air Plan and would not disrupt or hinder implementation of such control measures. Therefore, the proposed project would result in no impact related to consistency with the 2017 Clean Air Plan.
- The project construction emissions would be below the BAAQMD average daily thresholds of significance and therefore the impacts would be less than significant. Furthermore, standard conditions in the LUTE EIR require construction projects to implement BAAQMD's basic construction mitigation measures, which include the following dust control measures:
  - a. All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) shall be watered two times per day;
  - b. All haul trucks transporting soil, sand, or other loose material off-site shall be covered;
  - c. All visible mud or dirt track-out onto adjacent public roads shall be removed using wet power vacuum street sweepers at least once per day. The use of dry power sweeping is prohibited;
  - d. All vehicle speeds on unpaved roads shall be limited to 15 mph;
  - e. All roadways, driveways, and sidewalks to be paved shall be completed as soon as possible. Building pads shall be laid as soon as possible after grading unless seeding or soil binders are used; and
  - f. Post a publicly visible sign with the telephone number and person to contact at the Lead Agency regarding dust complaints. This person shall respond and take corrective action within 48 hours.
- The BAAQMD operational screening level size for hotels is 489 guest rooms. The proposed project guidance, a detailed air quality assessment of their project's criteria air pollutant emissions is not necessary, and project operation would not result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard. Impacts would be less than significant.
- The project will not expose sensitive receptors to substantial pollutant concentrations. The sensitive receptors nearest to the project site are apartment buildings 0.6 mile northwest of the project site as well as San Miguel Elementary School 0.7 mile north of the project site.
- The impact of localized CO emissions would be less than significant. Based on CalEEMod trip generation estimates for the land use type of "Hotel", there would be approximately 2,247 vehicle trips to the site per weekday, 2,252 vehicle trips to the site per Saturday, and 1,636 vehicle trips to the site per Sunday. Considering the small size of the surrounding roadways in the project vicinity, this increase in project trip generation would not be expected to exceed the screening thresholds listed below.
  - a. The project is consistent with an applicable congestion management program for designated roads or highways, regional transportation plan, and local congestion management agency plans.
  - b. The project would not increase traffic volumes at affected intersections to more than 44,000 vehicles per hour
  - c. The project traffic would not increase traffic volumes at the affected intersections to more than 24,000 vehicles per hour where vertical and/or horizontal mixing is substantially limited (e.g., tunnel, parking garage).
- The proposed hotel project is not defined by CARB as a sensitive land use, which includes residences, schools and school yards, parks and playgrounds, daycare centers, nursing homes, and medical facilities

(BAAQMD 2017c). Therefore, the proposed project would not expose sensitive populations to substantial pollutant concentrations from freeway or roadway sources.

- The project would generate oil and diesel fuel odors during construction from equipment use as well as odors related to asphalt paving. The odors would be limited to the construction period and would be temporary. With respect to operation, the BAAQMD's CEQA Air Quality Guidelines (2017) identifies land uses associated with odor complaints to include, but not limited to, wastewater treatment plants, landfills, confined animal facilities, composting stations, food manufacturing plants, refineries, and chemical plants. Hotel uses are not identified on this list. Therefore, the proposed project would not generate objectionable odors affecting a substantial number of people, and impacts would be less than significant.

### CRITERION SECTION 15332(e): UTILITIES AND PUBLIC SERVICES

The site can be adequately served by all required utilities and public services.

☒ Yes ☐ No

The Project is located within a fully urbanized portion of the City of Sunnyvale, which is fully served by all needed utilities (e.g. water, electricity, sanitary sewer facilities, and storm drain facilities), and all required public services (e.g. police and fire services).

The Project will require specific on-site extensions and improvements to existing utility infrastructure to serve the new building. In coordination with utility providers and the City, an extension or re-establishment of existing sanitary sewer lines, water supply pipelines and storm drains that previously served the site will be needed. Connections to existing water mains in Commercial Street would provide the building with service for domestic water and sanitary sewer service. All on-site utilities would be designed and connected in accordance with applicable codes and current engineering practices.

Although the Project would add a small increment of additional employees and hotel guests, which would incrementally increase the demands for public services such as police, fire and emergency services, the minor increment of new demand attributed to the Project would not be significant, and would not require new public facilities.

As such, the Project would not result in a significant impact to these utilities or services, and therefore qualifies for an exemption under CEQA Guidelines Section 15332(e) as a Class 32 urban in-fill development.

### EXEPTIONS TO CATEGORICAL EXEMPTIONS CHECKLIST:

In addition to investigating the applicability of CEQA Guidelines Section 15332 (Class 32), this CEQA document also assesses whether any of the exemptions to qualifying for the Class 32 categorical exemption for an Infill Project are present. The following analysis compares the criteria of CEQA Guidelines Section 15300.2 (Exceptions) to the Project.

### CRITERION SECTION 15300.2(a): LOCATION

Is there an exception to the Class 32 exemption for the project due to its location in a particularly sensitive environment, such that the project may impact an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, State, or local agencies? ☐ Yes ☒ No

The Project is not located in a particularly sensitive environment and would not impact any environmental resources or hazardous of critical concern as designated, mapped or adopted pursuant to law by federal, state, or local agencies.

### **CRITERION SECTION 15300.2(b): CUMULATIVE IMPACT**

Is there an exception to the Class 32 exemption for the project due to significant cumulative impacts of successive projects of the same type and in the same place, over time? ☐ Yes ☒ No

The Project would not make a significant contribution to cumulative impacts of successive projects of the same type and in the same place, over time. The Project would have no (1) peculiar impacts, (2) impacts not analyzed in the Land Use Transportation Element (LUTE) EIR, or (3) significant off-site impacts and cumulative impacts not discussed in the LUTE EIR, and (4) there is no substantial new information indicating that an impact would be more severe than discussed in the LUTE EIR.

### **CRITERION SECTION 15300.2(c): SIGNIFICANT EFFECT**

Is there an exception to the Class 32 exemption for the project because there is a reasonable possibility that the project will have a significant effect on the environment due to unusual circumstances? ☐ Yes ☒ No

As analyzed throughout this document, the Project would not result in any significant effects on the environment. There are no unusual circumstances specific to the Project or specific to the site or its surroundings that would pose a reasonable possibility of causing a significant effect on the environment. Within the immediate surroundings of the Project site there are other commercial developments, including office, commercial services, restaurant other hotels and light industrial uses. The Project site does not pose any unusual circumstances for redevelopment.

### **CRITERION SECTION 15300.2(d): SCENIC HIGHWAY**

Is there an exception to the Class 32 exemption for the project because project may result in damage to scenic resources, including but not limited to trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a State scenic highway? ☐ Yes ☒ No

The project is located within an existing developed industrial area that does not have any scenic resources, features, or any scenic vistas. The City of Sunnyvale does not have any designated scenic highways.

The project proposes to replace auto repair and salvage yard with two new six-story hotels and various site improvements. The proposed contemporary style architectural design of the two hotel buildings utilizes materials consisting of stucco and combination of fiber cement composite panels, custom glass fiber reinforced concrete (GFRC) panels, metal mesh screens metal awnings, and metal window frames to help articulate and modulated building façade and create visual interest. The project design and landscaping would enhance the existing streetscape along Commercial Street. The sidewalks would be widened to meet City standards and new street trees would be planted.

**CRITERION SECTION 15300.2(e): LOCATION**

Is there an exception to the Class 32 exemption for the project because the project is located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code? ☐ Yes ☒ No

A Phase I and II Environmental Site Assessments (ESAs) was prepared for the project site by Rincon Consultants, Inc in February, and July 2020 to identify any recognized or potential recognized environmental conditions with hazardous materials and to further evaluate:

- Potential impacts associated with residual on-site hydrocarbons because of the former on-site release case, as well as potential impacts associated with the former agricultural land use and existing industrial/auto facilities
- Vapor intrusion associated with the Mohawk Labs regional solvent plume located beneath the subject property.
- Impacts to the subject property associated with the on-site salvage yard.

Based on the findings of this Phase II ESA, various concentrations of metals were detected in each of the soil samples analyzed with some screening level exceedances in the shallow soil samples collected from 1.0-1.5 feet borings. However, based on the laboratory data for the samples collected from 2.5-3.0 feet borings, the impacts are vertically delineated and no further health risk evaluation of metals in soil is recommended. However, based on an elevated concentration of lead detected in the shallow soil boring, the excavated soil for the subterranean parking garage will need to be stockpiled separately and require Soluble Threshold Limit Concentration (STLC) and Toxicity Characteristic Leaching Procedure (TCLP) analyses for waste classification/disposal purposes.

Considering the documented soil vapor impacts beneath the subject property, the design includes an underground parking structure that spans the subject property, the VOC impacts should be mitigated by proper ventilation of the proposed subterranean parking structure as well as the installation of a vapor barrier. However, there also is a possibility that the subject property has had a release of VOCs and those VOCs were detected in the soil vapor samples collected as part of this assessment. Prior to permit issuance, the Permittee will be required to obtain regulatory oversight by the Regional Water Quality Control Board to ensure the sites are adequately assessed and the risks will be appropriately managed.

Prior to start of construction, a Soil Management Plan (SMP) should be prepared. The purpose of the SMP is to mitigate the potential for health risks that may result from the excavation and removal of contaminated soil by designing procedures and protocols that will be followed during soil handling activities.

Lastly, although groundwater was not encountered during this assessment, groundwater is likely to be encountered at depths ranging from 6 to 12 feet borings. If the subterranean parking garage excavation is planned to extend down to 13 feet below existing grade, then construction dewatering should be expected. Prior to dewatering, groundwater samples should be collected to address discharge requirements.

With implementation of the above recommendations, which will be incorporated as conditions of approval and project compliance with all local, state, and federal regulations, the impacts would be minimized to a level of less than significant.

**CRITERION SECTION 15300.2(f): HISTORICAL RESOURCES**

Is there an exception to the Class 32 exemption for the project because the project may cause a substantial adverse change in the significance of a historical resource? ☐ Yes ☒ No

A Cultural Resource Assessment was prepared by Rincon Consultants, Inc in August 2020. The results of the cultural resources records search and field survey did not identify any prehistoric or historic cultural resources within the project site. The subject properties at 295 and 247 Commercial Street do not meet any of the criteria for listing in the National Register of Historic Places (NRHP), the California Register of Historic Resources (CRHR), or for designation as a City of Sunnyvale Heritage Resource. Based on the results of this cultural resource assessment report, the two properties are not considered historical resources under CEQA and the demolition would not result in a significant impact.

Based on an evaluation of the environmental setting and features associated with known sites, Native American resources in this part of Santa Clara county have been found along the general margin of the bay and its associated wetland areas. The following standard conditions of approval are included to reduce the potential impact to less than significant level:

- If archaeological resources are encountered during construction, work shall be temporarily halted in the vicinity of the discovered materials and workers shall not alter the materials and their context until a qualified professional archaeologist has evaluated the situation and provided appropriate recommendations.
- Project personnel shall not collect cultural resources. Native American resources include chert or obsidian flakes, projectile points, mortars, and pestles; and dark friable soil containing shell and bone dietary debris, heat-affected rock, or human burials. Historic-period resources include stone or adobe foundations or walls; structures and remains with square nails; and refuse deposits or bottle dumps, often located in old wells or privies.
- Any identified cultural resources shall be recorded on DPR 523 historic resource recordation forms. The conditions will become valid when the Use Permit is approved and prior to building permit issuance.

**SECTION 15300.2(G): OTHER POTENTIAL EFFECTS**

A Geotechnical Investigation Report was prepared by Cornerstone Earth Group, dated July 2020. The site is not located within an Earthquake fault zone and therefore, the fault rupture is low. The site is located approximately 2.5 miles inland from the San Francisco Bay shoreline and is approximately 53 to 55 feet above mean sea level. The site is located within Flood Zone X, an area with reduced flood risk due to levee and not located within a dam failure inundation area. As such, the potential for inundation due to tsunami or seiche is considered low. However, based on the geotechnical investigation, the project site is found to have with shallow groundwater, presence of moderately expansive soils and potential for static and seismic settlements. The study provides recommendations to address potential for significant static and seismic settlements, shallow ground water, presence of highly expansive soils, and soil corrosion potential. These recommendations are not uncommon in Sunnyvale. Through implementation of the Building Code and recommendations from the geotechnical investigation, standard procedures for structural analysis and confirmation during the building permit process; impacts will be considered less than significant.

## CONCLUSIONS

Based on the evidence provided above, the Project is eligible for a Class 32 categorical exemption, in accordance with Section 15332, Infill Development Projects, of the CEQA Guidelines. Based on the above analysis, no additional substantial adverse impacts beyond those discussed above are anticipated. Because the Project meets the criteria for categorically exempt infill development projects, and because it would not have a significant effect on the environment, this analysis finds that a Notice of Exemption may be prepared for the Project. No further review is needed.