



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 16-0798, Version: 1

REPORT TO PLANNING COMMISSION

SUBJECT

File #: 2015-7686

Location: 830 E. El Camino Real (APN: 211-25-046)

Zoning: Highway Business/ Precise Plan for El Camino Real (C-2/ECR)

Proposed Project: Related applications on a 1.49-acre site:

SPECIAL DEVELOPMENT PERMIT: To allow the demolition of an existing one-story vacant restaurant (previously Crazy Buffet) and construction of a new 131-room, four story hotel over one level of underground parking, including associated site improvements.

VARIANCE: To allow shading of an adjacent roof by more than 10%

Applicant / Owner: Sunnyvale HHG Hotel Development, LP (applicant)/ Tara Kumar Trustee (owner)

Environmental Review: Mitigated Negative Declaration

Project Planner: Cindy Hom, (408) 730-7411, chom@sunnyvale.ca.gov

REPORT IN BRIEF

General Plan: Highway Business

Existing Site Conditions: The subject site is developed with a 9,130 square foot, one-story restaurant building with surface parking and landscaping.

Surrounding Land Uses

North: Commercial service and retail buildings including Corporate Inn Hotel, O'Reilly Automotive, Hacienda Shopping Center and Enterprise Car Rental Agency.

South: Single family and multi-family residential buildings

East: Commercial service and retail buildings including Ocean Motors, Believe Board Shop, and Sunnyvale Soccer Camp.

West: Commercial service and retail building including Panda Express and Walgreens.

Issues: Architecture, Compatibility, Solar Variance

Staff Recommendation: Adopt the Mitigated Negative Declaration and approve the Special Development Permit with the Conditions of Approval in Attachment 4 and deny the Variance.

BACKGROUND

Description of Proposed Project

The project entails the demolition of a vacant restaurant building, various site improvements and removal of 34 existing trees to allow for the construction of a new four-story hotel with 131 rooms and an underground parking garage on a 1.49 acre parcel. The proposed hotel structure provides approximately 85,680 square feet of floor area, with a 35,912 square foot, 97 space underground

parking garage. The height of the proposed hotel is approximately 59-feet to the top of the penthouse parapet. In addition to the underground parking spaces, there will be 8 surface parking spaces located on the main level, as well as 10 covered and uncovered bicycle parking spaces.

The proposed floor plan for the hotel includes a guest lobby, lounge area, media room, business center, meeting space, and fitness center on the main level. The proposed hotel also includes three private open space areas that include an outdoor pool and deck and lounge on the main ground level and a second floor roof terrace that includes landscaping, seating areas, BBQ and fire pit facilities.

See Attachment 1 for a map of the vicinity and mailing area for notices and Attachment 2 for the Data Table of the project.

Previous Actions on the Site

Previous planning applications related to subject site are summarized in Table 1 below:

**Table 1
Previous Actions**

File Number	Application Request	Decision	Date
Misc. Plan Permit No. 2016-7243	Temporary use for vehicle storage	Staff Approval	5/11/16
Appeal	Appeal of the parking methodology used to calculate parking requirements	Planning Commission	4/12/04
Use Permit No. 2003-0947	To allow for an 11,396 s.f. buffet style restaurant	Zoning Administrator	2/26/04

On January 23, 2007, City Council adopted an updated Precise Plan for El Camino Real (PPECR) and the project site was rezoned C2-ECR (Commercial General Business, El Camino Real Combining District). The site is located outside of the Eastern Node of the PPECR.

EXISTING POLICY

General Plan Goals and Policies: The following are key goals and policies from the Land Use and Transportation Chapter of the General Plan that pertain to the proposed project:

Goal LT-2: Attractive Community - Preserve and enhance an attractive community, with a positive image and a sense of place, that consists of distinctive neighborhoods, pockets of interest, and human-scale development.

- Policy LT-2.1 Recognize that the City is composed of residential, industrial and commercial neighborhoods, each with its own individual character; and allow change consistent with reinforcing positive neighborhood values.
- Policy LT-2.2 Encourage nodes of interest and activity, such as parks, public open spaces, well planned development, mixed use projects, and other desirable uses, locations and physical attractions.

GOAL LT-4: Quality Neighborhoods and Districts - Preserve and enhance the quality character of Sunnyvale's industrial, commercial, and residential neighborhoods by promoting land use patterns and related transportation opportunities that are supportive of the neighborhood concept.

- Policy LT-4.1 Protect the integrity of the City's neighborhoods; whether residential, industrial or commercial.
- Policy LT-4.2 Require new development to be compatible with the neighborhood, adjacent land uses, and the transportation system.
- Policy LT-4.3 Support a full spectrum of conveniently located commercial, public, and quasi-public uses that add to the positive image of the City.
- Policy LT-4.4 Preserve and enhance the high quality character of residential neighborhoods.
- Policy LT-4.5 Support a roadway system that protects internal residential areas from City-wide and regional traffic.

Goal LT-6 Supportive Economic Development Environment -An economic development environment that is supportive of a wide variety of businesses and promotes a strong economy within existing environmental, social, fiscal, and land use constraints.

Goal LT-7: Balanced Economic Base - A balanced economic base that can resist downturns of anyone industry and provides revenue for the City.

In addition to the goals and policies above the Citywide Design Guidelines (updated 2013) provide recommendations for site planning, architecture and design. These guidelines are referenced in the discussion and analysis below.

ENVIRONMENTAL REVIEW

In accordance with the California Environmental Quality Act (CEQA), an Initial Study and Mitigated Negative Declaration have been prepared per Section 15070(b) of the State CEQA Guidelines and City guidelines (see Attachment 5). The Initial Study determined that construction of the proposed project has the potential to result in significant effects on air quality, biological resources, cultural resources and noise. However, with implementation of mitigation measures, these impacts would be reduced to a level of less than significant. The Mitigation Measures have been incorporated as Conditions of Approval (Attachment 4).

DISCUSSION

Present Site Conditions

The 1.49 acre project site is located at the south side of E. El Camino Real immediately east of the intersection of Maria Lane. The site is developed with a currently vacant one-story restaurant building that was previously occupied the Crazy Buffet restaurant, including surface parking and landscaping around the perimeter. Currently, the property is being used as a temporary vehicle storage lot for Lincoln and Ford cars. The zoning in the surrounding area is varied and consists of commercial and residential uses.

Special Development Permit

A Special Development Permit (SDP) is required for projects within the El Camino Real (ECR) Combining District to consider the proposed use as well as site and architectural review for site layout and design, building architecture, landscaping and stormwater management. An SDP also

allows for consideration for deviations from specific development standards in exchange for superior design, environmental preservation or public benefit. The applicant is requesting a deviation from the height and landscape buffer standards for properties within the ECR combining district as discussed further in the sections below. The required findings for an SDP are provided in Attachment 3.

Use: The use of the site for a hotel is consistent with the type of commercial and retail uses anticipated in the Precise Plan for El Camino Real (PPECR). A challenge with PPECR development is that many lots in the plan area are immediately adjacent to residential uses. A key factor in determining an appropriate use for the site is determining a type of use that can meet the purpose of the PPECR, meet the development standards, and be relatively compatible with the adjoining residential homes.

The applicants have designed a project intended to meet the needs for hotel rooms in the community and reduce the impact to immediate neighbors. Although the proposed hotel is a significant visible change to the site, it has been designed to maintain the building and active uses furthest away from the homes in order to mitigate the potential compatibility concerns. The project includes underground parking with access near the front of the building which keeps automobile noise and activity impacts away from the adjacent residents. The rear area of the hotel has been designed for emergency and trash service vehicles in order to limit the number of cars using the site near residents. As conditioned, the 10 foot perimeter wall between the neighboring residents will be retained or replaced.

Site Layout: The following Citywide Design Guidelines (CDG) and Precise Plan for El Camino Real (PPECR) design guidelines were considered in analysis of the site design:

CDG 1-A1: Design projects to be compatible with their surrounding development in intensity, setbacks, building forms, material, color and landscaping unless there are specific planning goals to change the character of the area.

CDG 1-A6: Project perimeter landscaping shall be integrated with the landscaping of adjacent development for streetscape continuity.

PPECR 3.4.3: Provide access to parking for retail and services uses directly from El Camino Real, with the number of access points limited in order to minimize disruption to the smooth flow of traffic on the street.

PPECR 4: Basic Design Principles: Projects will maintain a strong landscaped setback along street edges, and will seek to create visual continuity along the street front, except at the nodes where buildings may be placed close to the sidewalk.

PPECR 4.1.1: Site buildings to reinforce the El Camino Real streetscape.

PPECR 4.2.4: Provide well designed and articulated building facades.

The project site is a 64,991 square foot in size and trapezoid in shape with a width of approximately 170 feet and length of 405 feet. The subject site is an interior lot that is bounded by private properties on the rear and sides and abuts E. El Camino Real along the front. The main driveway entry is

located off the E. El Camino Real street frontage at the northeast corner of the site.

As part of this project, frontage improvements will include a new 15-foot wide public right-of-way that includes a 5-foot street dedication and 2-foot public realm easement to allow for an 8-foot wide monolithic sidewalk and 4-foot by 5-foot tree well.

Floor Area Ratio and Lot Coverage

The proposed hotel would be 4 stories and 85,680 square feet. The City does not apply FAR standards to hotels. The lot coverage would be 35%. The Project Data Table is Attachment 2.

Setbacks

The project meets all required setbacks for the Precise Plan for El Camino Real, including the required 15-foot front setback from the new right-of-way along the El Camino Real frontage. The building will be setback a minimum of 20-foot from the west property line (next to Panda Express) and has a varying setback ranging from 5-feet (measured from the porte-cochere column) to 60-feet along the east property line.

Properties within the C-2/ECR zoning district are required to provide a minimum 20-foot setback from adjacent residential zoning district. However, additional setbacks are required for development that have a side or rear yard contiguous to a property in a residential zoning district. Per SMC 19.34.110, a side yard and rear yard setback shall provide three additional feet at ground level for the second and each additional story above the first story. The project includes a 75-foot setback from the rear property line that abuts single family homes and a 38.5-foot setback from the rear property line that abuts the neighboring multi-family development. As proposed, the building complies with the required setbacks.

Access and Circulation: Currently, the project site is served by two driveways along El Camino Real. The applicant proposes to remove the west driveway and maintain the east driveway. The new driveway will extend to the back of the property and is designed so customer parking is located in the underground garage with access to it along the east side of the building. This design allows for the rear portion of the driveway to be not used by the general public, but mainly for turn-around by trash and fire trucks and limited employee parking. This design removes the on-site traffic away from nearby residents and keeps the rear of the site with limited traffic.

The project includes pedestrian walkways around the perimeter of the building that connects to the existing public sidewalks on El Camino Real. Pedestrian access to the hotel's underground parking garage would be provided by a centralized elevator and two staircases located on either side of the garage. Visitors would be able to access the hotel from the porte-cochere on the east side of the building as well as the front entry located along the El Camino street frontage.

Parking for the hotel will be provided in underground parking that is accessed from a drive ramp located on the east side of the building and surface parking is provided on the main level along the east and south side of the building.

Staff considers the general site design and layout of parking and landscape areas to be consistent

with the Citywide Design Guidelines and the Precise Plan for El Camino Real.

Architecture: The following Citywide Design Guidelines (CDG) and Precise Plan for El Camino Real (PPECR) design guidelines were considered in analysis of the architectural design:

CDG 2.C1: Maintain diversity and individuality in style but be compatible with the character of the neighborhood.

CDG 2.C5: Buildings should have three distinct components: base, middle and top. Define each component by horizontal and vertical articulation. Façade articulation may consist of changes in the wall plane, use of openings and projections, and materials and color variations. Exceptions may be permitted only where a specific architectural style offers other types of building form and façade articulations, as determined by the planning staff.

CDG 2.C9: Include decorative building elements in the design of all buildings. Add more interest to buildings by incorporating changes in wall plane and heights, arcades, porticos, trellises, porches, balconies, dormers, windows, and openings, etc.

CDG 2.10: Repeat design and decorative building elements in all elevations and the roof, not just in the front façade.

CDG 2.13: Define building entries by use of human scale architectural elements such as arches, posts, awnings, etc. Orient main entries towards public streets.

CDG 2.D7: Include architectural elements such as projecting cornices in design of flat roofs to define the edge of the roof. Depending on architectural style, industrial buildings are encouraged to use these elements to enhance roof edges.

CDG 2.D9: Parapets and roof screens should be integrated architecturally into building designs. Placement, material and color of roof screens should not impact the building architecture or roof form.

The proposed architecture reflects a modern, contemporary style that focuses on simplicity and emphasis on vertical and horizontal lines. The proposed hotel building uses high quality materials and decorative elements such as but not limited to glass, porcelain cladding, metal clad sun shades, high pressured compact laminate wood paneling and stucco. The proposed color scheme consists of muted cool earth tones in white, grey and charcoal with wood paneling as an accent color throughout the building. The ground floor utilizes clerestory windows at the lobby and guest function areas to provide an open and pedestrian friendly experience.

The massing of the exterior walls are broken up with windows, projecting wall planes, decorative metal sun shades and varying materials, finishes and color to provide visual interest and articulation throughout the building. Staff is recommending the following conditions to further enhance the architecture:

- Building Color - Final color, material and finishes for the building and outdoor recreation area shall be submitted to the Planning Director for review and approval. (Recommended Condition PS-4)

- Roof Cap - Provide an architectural roof cornice to create an interesting roof crown and enhance the overall design and visual appeal of the hotel building subject to the review and approval of the Community Development Director. (Recommended Condition PS-4)
- Entry Portico - Provide an enhanced front entry feature consisting of high quality materials to match or complement the architectural style of the building subject to the review and approval of the Community Development Director. (Recommended Condition PS-4)
- Porte Cochere - Revise to provide for a more substantial width of the columns, wrap the porcelain cladding around all sides of the columns, include a decorative column cap, enhance the treatment of the fascia band that faces the street, and incorporate other architectural elements that creates a more interesting entry element subject to the review and approval of the Community Development Director. (Recommended Condition PS-4)
- Landscape Screen Wall for Exterior Stairway on East Elevation - Provide an aesthetic landscaping treatment to soften the appearance of the wall and add visual interest such as but not limited to tiered landscaping, large flower pots, or trellis with creeping vines. Incorporate a decorative cornice on the top of the wall to provide a finished wall cap. (Recommended Condition PS-4)
- West Elevation - Extend cladding on west elevation to cover additional portions of the first floor wall to a length of 2/3 of the building. (Recommended Condition PS-4)

Building Height: In terms of the height, massing and bulk of the building, the proposed hotel has a rectangular building form with a flat roof design that is consistent with the modern contemporary architectural style. The proposed height of the hotel structure is approximately 59-feet to the top of the penthouse parapet which exceeds the maximum building height of 55-feet in the ECR Combining District (the property is outside the designated Node area which allows greater building height). The applicant is requesting a deviation from this standard to allow additional 4-feet to meet city design guidelines to provide an articulated roof line and screening for mechanical roof top equipment which are normally allowed to exceed the maximum limit pursuant to SMC 19.32.030 for increases in building heights.

Perimeter Wall: The applicant intended to demolish the entire site. Although the applicant planned an 8-foot tall common wall between adjacent properties as required by code, the existing wall that was installed approximately 9 years ago is generally 10-feet in height and appears to be in good condition. Several neighbors have expressed the desire to maintain the higher wall. Staff recommends a 10-foot wall to be maintained or replaced if necessary between adjacent residential

Parking: Per Sunnyvale Municipal Code (SMC) 19.46.100 requires a minimum of 0.8 parking spaces per hotel room and a maximum of 1.2 spaces per hotel room, which results in a minimum requirement of 105 spaces and a maximum of 157 spaces for the project. The project includes 105 parking spaces. There are 97 parking spaces proposed in the underground parking lot accessed via a ramp located near the main driveway and 8 surface parking spaces on the main level. The location of the garage entrance is located on the east side of the building, away from residential uses to minimize any potential noise impacts related to the visitor parking.

The preliminary parking lot striping plan shows compliance with parking lot design requirements, such as universal stall dimensions, wheel stops, loading space and maintenance of driveway vision triangles. As conditioned, a final parking lot striping plan demonstrating conformance to SMC 19.46 and Citywide Design Guidelines will be reviewed by staff prior to submittal of a building permit.

SMC 19.46.150 requires a minimum number of bicycle parking spaces equal to 5% of the maximum number of parking spaces required; staff calculates this based on maximum requirement, which is 10 bicycle parking spaces (four secured bicycle lockers and six bike rack) for the project. The applicant proposes to place the bicycle rack near the main entrance. This location complies with the VTA Design Guidelines to encourage visibility and ease of access to the bicycle parking spaces.

A loading area is provided adjacent to the southeast side of the hotel building and in proximity to the trash room and kitchen service area. The trash room is located within the footprint of the building.

Landscaping and Tree Preservation: The following Guidelines were considered in the analysis of the project landscaping:

CDG 4.A4: Properly landscape all areas not covered by structures, driveways, and parking.

CDG 4.B1: Provide a minimum of a 15-foot wide landscape strip along public street side of all developments, except for single family residences. Landscape strips of more than 15-feet. are strongly encouraged to enhance the public streetscape.

CDG 4.A6: Choose a variety of plant material with different textures and colors. Use water wise plant material, as specified in the Landscape regulations.

PPECR 4: Basic Design Principles

Substantial landscaping of parking areas and project entries will be expected.

PPECR 4.1.2: Provide landscape setbacks at all street edges.

PPECR 4.1.5: Provide well organized and landscaped parking lots.

Various landscaping and decorative hardscape will be installed along the perimeter of the site. A preliminary landscape plan has been submitted which indicates compliance with the Municipal Code standards for landscaping. The project is designed with approximately 26% of the lot area as landscaping where 20% is required. , In addition, SMC Section 19.37.070 requires at least 50% of the parking area to be shaded within 15 years after the establishment of the lot. The applicant demonstrates compliance with this requirement. As conditioned, the project will be required to meet the City's standards for water efficient landscaping. The final landscaping plan will be reviewed by staff prior to building permit submittal. (Recommended Condition BP-7)

The general standard for all properties located within the ERC combining district are required to provide a 20-foot wide landscape buffer and an eight-foot masonry wall that would separate the hotel use from the adjacent multi-family and single family developments as required by SMC 19.26.160. The applicant is requesting to deviate from this standard to accommodate the required fire vehicle turnaround which reduces the landscape buffer to less than 20' in most areas. The applicant proposes a meandering landscaped planter that ranges from 7 ½ - feet to 25-feet wide along the southeast boundary and approximately 2-feet to 12-feet wide along the southwest boundary. To address the reduction in landscape area from this deviation, the applicant will be utilizing decorative grass pavers for the surface treatment for the fire turnaround. The proposed grass pavers would remove an impervious surface and provide an aesthetic hardscape that would add some greenery to

help the project meet the intent of the zoning provision.

The applicant proposes to remove two protected trees and preserve five trees on-site which are located along the southern boundary of the property adjacent to residential uses. Although 34 trees are proposed to be removed, only two are deemed as protected trees as defined in the Sunnyvale Municipal Code. An arborist report was prepared by Debbie Ellis, MS Consulting Arborist & Horticulturist, dated August 6, 2015. Based on the Arborist Report none of the trees are native to the immediate vicinity of the site. All but four trees are listed as in fair or good condition. The proposed Tree Mitigation Plan (Sheet TS-1) includes installation of 35 new 24-inch box trees and 10 new 36-inch boxes tree as well as other various landscaping including shrubs and groundcover which is consistent with the City's tree replacement standards.

Trash and Recycling Access: The trash and recycling area for the hotel is located away from adjacent residential uses and is located on the east side of the building near the ramp into the underground parking garage.

Green Building Requirements: Green building standards require non-residential construction that exceeds 5,000 square feet to attain LEED Silver level checklist (formal certification not required.) The project will meet LEED Silver or equivalent. As proposed hotel incorporates various Green Building Design measures and complies with the City's requirements.

Stormwater Management: The Municipal Permit for stormwater discharge requires all treatment be achieved through Low Impact Development (LID) measures such as infiltration, harvesting use and biofiltration and limits the use of mechanical treatment. A preliminary Stormwater Management Plan (SWMP) has been provided, which demonstrates compliance with LID requirements by incorporating infiltration basin into the landscaped area. A third-party certification of a final SWMP is required prior to issuance of building permits (Recommended Condition BP-23 and BP-24).

Variance

The proposed project includes a Variance request to allow solar shading to exceed a maximum of 10% on an adjacent commercial building (currently occupied by Panda Express). Municipal Code section 19.56.020 defines solar access to roofs which means "the absence of shadows blocking or reducing exposure to the sun to an extent greater than ten percent daily during the hours between 9:00 a.m. to 3:00 p.m., Pacific Standard Time, throughout any solar cycle."

The Planning Commission recently recommended to Council to amend the zoning requirements for solar access to require an applicant to show shading over a solar cycle to not exceed 10% on an adjacent roof if the initial survey of shading exceeds 10% on December 21st. The recommendation included the following:

- Continue to require applicants to demonstrate the percent of shading on adjacent roofs on the shortest day of the year (December 21st). If shading does not exceed 10% of the roof, no further solar shading review is necessary.
- If the shading study determines there is more than 10% shading on December 21st, a more detailed evaluation must be prepared to show the amount of shading over a solar cycle (365 days).

- If it can be shown that the adjacent property is not shaded by more than 10% throughout the solar cycle, no further study is required.
- If shading exceeds 10% throughout the solar cycle the project must be redesigned to show compliance with the code. Alternatively an applicant could pursue other measures (such as solar easements) or a Variance must be approved to allow the project to move forward.

The applicant's solar analysis is located in Attachment 9. Table 1 on page 5 of the analysis indicates that on December 21st between 9:00 a.m. and 3:00 p.m. the proposed hotel shades up to 85.7% of the adjacent Panda Express building. The daily average is 83.8%. Per the newly recommended guidelines the applicant conducted a solar cycle analysis. The same Table 1 indicates that the average shaded area on the Panda Express building would be 11.2% for the year. This would not meet the intent of the proposed ordinance and would require approval of a Variance.

Variances address practical difficulties, unnecessary hardships or results inconsistent with the general purposes of the zoning district, which may occur through the strict application of standard zoning requirements. In this case, although there is a physical hardship in that the subject property is long and narrow and has a north-south orientation, the applicant has the option to reduce a portion of the roof to avoid exceeding 10% over a solar cycle. Staff does not support approval of the Variance for an 11.2% shading through the solar cycle. It may be possible to reduce a portion of the building height to limits the shading to 10% over the solar cycle. Staff would support 10% shade coverage based on the proposed solar access study ordinance amendment. Findings are in Attachment 3.

If the Planning Commission is interested in allowing the solar Variance as proposed, there are factors to consider. The hotel structure has been sited as far away from the residential uses as possible. Also, it is possible that the amount of reduction to the building necessary would result in loss of hotel rooms and desirable hotel amenities that would render the project economically unviable. Additionally, the shaded building is a retail building which does not currently have a solar system in place. It does have a large surface parking lot that would not likely be impacted by the proposed hotel, if future solar systems are considered.

Traffic

A preliminary analysis by the City's Transportation Division determined that this hotel use did not generate significant peak hour trips and a traffic impact analysis was not required. This is noted in the attached CEQA Initial Study. (Attachment 5)

Expected Impacts on the Surroundings

Staff finds the design meets the zoning code and design guidelines for a use within the PPECR located adjacent to single-family residential uses. Green Building standards will be met. There are no significant environmental impacts. Environmental requirements such as stormwater management will also be met.

The proposed project is similar with more recent projects approved and constructed within the vicinity and along El Camino Real in terms of building height, bulk, massing and architecture (Hampton Inn Wolfe at ECR). However, the proposed building height of 59 feet is adjacent to residential uses, which raises concerns not found in other sites.

As proposed, the impact is mitigated by the significant 81-foot setback from shared property line with single family homes (the code requires at least 75-feet). Inclusion of a 10-foot wall along the rear of the property further mitigates the concern. The rear portion of the hotel property is designed to be a passive area with landscaping and grass pavers. All of the activity centers such as the pool and roof terrace are located on the east side of the building, away from residential uses. Vehicle and pedestrian traffic is limited to the front and sides of the building. Parking in the rear is limited to only 4 parking spaces and would be used primarily by the emergency vehicles and trash service truck as a turnaround. The contemporary architectural style includes design emphasis on horizontal and vertical elements, use of high quality materials, variation in the color and texture of building materials similar to those found in the vicinity.

If the Solar Variance is denied the applicant will likely need to reduce the height of the building further.

FISCAL IMPACT

The proposed project is anticipated to have a positive fiscal impact on the City. The applicant estimates \$3.12 million in revenue from the anticipated transient occupancy taxes (TOT) for the first five years. Based on increasing occupancy rates in the City over the last few years, the applicant's estimate is likely reflects what the current market could support. Sunnyvale has seen an average occupancy rate of 72%.

Transportation Impact Fee

Projects resulting in new peak hour automobile trips are subject to transportation impact fee. The transportation impact fee is estimated to be \$138,575.50 and will be paid prior to issuance of a building permit. The amount is subject to the fee in place at the time of payment.

Housing Mitigation Fee

New requirements for housing mitigation associated with non-residential development were adopted 2015. This project is subject to a \$664,020.00 mitigation fee that is paid prior to issuance of a building permit. The amount is subject to the fee in place at the time of payment.

PUBLIC CONTACT

Planning Commission Study Session: Staff presented the project to the Planning Commission at a study session on April 25, 2016. The Commission members were generally supportive of the use but shared concerns related to the architecture in terms of the window placements and treatment, appropriateness and scale of the stone veneer, overall bulk and massing, and preservation of existing trees. In response to the comments received from the Commissioners, the applicant has revised the architectural elevations to provide balance and symmetry with the windows, replace the stacked stone with porcelain tiles, and maintained some of the larger trees in the back of the property.

Community Outreach Meeting: A community outreach meeting was held by the applicant on August 26, 2015. There were approximately 10 people who attended the outreach meeting. The primary concerns that were shared by the participants related to the visual impact from the street and the need for another hotel at this location.

Notice of Mitigated Negative Declaration and Public Hearing

- Published in the Sun newspaper
- Posted on the site
- 933 notices were mailed to property owners and tenants within 1,000 feet of the project as shown in Attachment 1
- Posted on the City of Sunnyvale's web site
- Provided at the Reference Section of the City of Sunnyvale's Public Library

Agenda

- Posted on the City's official notice bulletin board
- City of Sunnyvale's web site

Prior to completion of the staff report, staff received several letters from adjacent neighbors or their representatives (Attachment 8). The letters state opposition to the project and provide visual exhibits to demonstrate that it is not compatible with adjacent residential uses.

CONCLUSION

Staff was able to make the required Findings for the Special Development Permit, but could not make the findings necessary to approve the Variance. Recommended Findings and General Plan Goals and Policies are located in Attachment 3.

ALTERNATIVES

1. Adopt the Mitigated Negative Declaration, approve the Special Development Permit with the conditions in Attachment 4, and deny the Variance.
2. Adopt the Mitigated Negative Declaration, approve the Special Development Permit with modified conditions, and deny the Variance.
3. Adopt the Mitigated Negative Declaration and approve the Special Development Permit and Variance with the conditions in Attachment 4.
4. Adopt the Mitigated Negative Declaration and deny the Special Development Permit and Variance.
5. Do not adopt the Mitigated Negative Declaration and direct staff as to where additional environmental analysis is required.

RECOMMENDATION

Alternative 1 to Adopt the Mitigated Negative Declaration, approve the Special Development Permit, and deny the Variance based on the Findings in Attachment 3 and with the recommended Conditions in Attachment 4.

Prepared by: Cindy Hom, Assistant Planner

Reviewed by: Gerri Caruso, Principal Planner

Approved by: Andrew Miner, Planning Officer

ATTACHMENTS

1. Vicinity and Noticing Map
2. Project Data Form
3. Recommended Findings for CEQA, SDP and Variance
4. Recommended Conditions of Approval

5. Mitigated Negative Declaration
6. Project Plans
7. Applicant's Variance Justifications
8. Comment Letters
9. Solar Shade Analysis