



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 17-0423, Version: 1

REPORT TO THE PLANNING COMMISSION

File #: 2016-7898

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: Special Development Permit: To allow demolition of an existing single story restaurant (formerly Crazy Buffet) and construction of a new 127-room, four-story hotel with underground parking garage and associated site improvements on a 1.49-acre parcel.

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: One and two-story commercial service and retail buildings.

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

Issues: Neighborhood Compatibility, Visual Impacts

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

BACKGROUND

On August 8, 2016, the Planning Commission denied the request for a Special Development Permit to allow for a 131 room, four-story hotel and variance for solar shading more than 10% on a neighboring roof structure. The basis for the denial included:

- The findings for the solar variance cannot be met.
- Unresolved massing and privacy issues.
- Uncertainty with the final architectural design due to the changes that would be required to

bring the project into compliance with the 10% solar shading requirement and requested architectural changes by staff if the project was to move forward.

The Planning Commission encouraged the applicant to continue to work with staff and the neighbors to better achieve the Land Use and Transportation Element Goal LT-4 regarding quality neighborhoods and districts and return to the Planning Commission with a revised project.

Subsequently, the applicant held several working meetings with staff and the adjacent neighbors to address and mitigate the massing and privacy issues. To clarify the anticipated visual impacts, staff recommended the applicant prepare drone images to clarify the line of sight and what the anticipated views would be from the 3rd and 4th floor hotel rooms. The applicant prepared images of different types of trees and sizes that can be planted to help with screening views and providing privacy. The applicant also received input from staff and the neighbors on the preferred type of fencing and height.

Based on the input from the Planning Commission, staff and adjacent neighbors, the applicant incorporated the following revisions to the hotel project:

- Reduced the number of floors from 4 to 3 on the rear elevation and incorporating a combination of frosted glass, opaque spandrel glass and fins (wall projections) to obscure views and sight lines from hotel rooms facing residential.
- Provided a rear building setback of 81-feet and 9 ½-inches to the 1st through 3rd floors, and 107-feet and 9 ½-inches setback to the 4th floor along the southern edge of the property.
- Reduce the number of rooms from 131 to 127.
- Relocated the second-floor outdoor amenity space to the west side of the building to help reduce shading on the neighboring Panda Express building.
- Removed the parking spaces that were originally proposed at the rear of the building to help reduce traffic and noise.
- Reconfigured the hammerhead turnaround for the fire and trash trucks to accommodate a double row of trees to provide a tree wall consisting of larger trees consisting of 48-inch box Incense Cedar trees.
- Maintained the existing 8-foot concrete block wall that will be textured and painted to match the hotel building. A new 2-foot decorative screen with horizontal members will be mounted on top of the existing fence to provide an overall height of 10-feet for added privacy.

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 (Approval Body)	Date
Special Development Permit and Variance No. 2016-7686	To allow a new four-story hotel with 131 rooms, underground parking garage, installation of associated site improvement and variance for shading more than 10% on adjacent roof structure.	Denial (Planning Commission)	8/8/16
Misc. Plan Permit No. 2016-7243	Temporary use for vehicle storage	Approval (Staff)	5/11/16
Use Permit No. 2003-0947	To allow for an 11,396 s.f. buffet style restaurant	Approval (Zoning Administrator)	2/26/04
UP 1979-498 VAR 1979-500	Use Permit for expansion and renovation of restaurant building and additional parking lot spaces NW corner. Variance for landscape and residential buffer yard requirements	Approval (Planning Commission)	8-13-79

Present Site Conditions

The project is located on a 1.49-acre site on 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, surface parking, and landscaping around the perimeter.

The General Plan designation for the subject site is Commercial General Business (CGB) and is zoned as Highway Business with the El Camino Real Precise Plan Combining District (C-2-ECR). The project is also located within the El Camino Precise Plan area. Surrounding land uses includes various commercial uses to the west and north, vacant buildings to the east and residential uses to the south and southeast. The vacant neighboring property to east has a planning application to redevelop the site with a new 10,350 square foot multi-tenant retail building.

Description of Proposed Project

The project entails the demolition of a vacant restaurant building, various site improvements including

removal of 39 existing trees to allow for the construction of a new four-story hotel with 127 rooms and an underground parking garage on a 1.49-acre parcel. The proposed hotel structure provides approximately 81,835 square feet of floor area with a 35,640-square foot underground parking garage that provide a total of 95 parking spaces. The height of the proposed hotel is approximately 56-feet to the top of the penthouse parapet. In addition to the underground parking spaces, there will be 7 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.

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 D: An Attractive Community for Residents and Businesses - In combination with the City's Community Design Sub-Element, ensure that all areas of the city are attractive and that the city's image is enhanced by following policies and principles of good urban design while valued elements of the community fabric are preserved.

- Policy 50: Encourage nodes of interest and activity, public open spaces, well-planned development, mixed-use projects, signature commercial uses, and buildings and other desirable uses, locations, and physical attractions.
 - Action 3: Allow for innovative architectural design.
 - Action 4: Promote distinctive commercial uses.
- Policy 51: Enforce design review guidelines and zoning standards that ensure the mass and scale of new structures are compatible with adjacent structures, and also recognize the City's vision of the future for transition areas such as neighborhood Village Centers and El Camino Real nodes.
 - Action 3: Enforce local design guidelines that ensure buildings and monuments respect the character, scale, and context of the surrounding area.
 - Action 4: Ensure that new construction and renovation contribute to the quality and overall image of the community.
 - Action 5: Use the development review and permitting processes to promote high-quality architecture and site design.

Goal F: Protected, Maintained, and Enhanced Residential Neighborhoods - Ensure that all residential areas of the city are maintained and that neighborhoods are protected and enhanced through urban design which strengthens and retains residential character.

- Policy 57: Limit the intrusion of incompatible uses and inappropriate development in and near

residential neighborhoods, but allow transition areas at the edges of neighborhoods.

- Action 2: Require appropriate noise attenuation, visual screening, landscape buffers, or setbacks between residential areas and dissimilar land uses.

Goal I: Supportive Economic Development Environment - Facilitate an economic development environment that supports a wide variety of businesses and promotes a strong economy within existing environmental, social, fiscal, and land use constraints.

- Policy 75: Support a full spectrum of conveniently located commercial, mixed-use, public, and quasi-public uses that add to the positive image of the community.
- Policy 76: Promote business opportunities and business retention in Sunnyvale.
 - Action 1: Encourage conveniently located retail, restaurant, and other supportive land uses near business areas.
- Policy 83: Encourage land uses that generate revenue while preserving a balance with other community needs, such as housing.
 - Action 1: Monitor revenues generated by different economic sectors on an ongoing basis.

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

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 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 choosing a type of use that can meet the purpose of the PPECR, development standards, and be relatively compatible with the adjoining residential homes.

The applicants have designed a project intended to meet the need 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 provide visual quality and interest as well as keep active uses furthest away from the homes to mitigate the potential compatibility concerns. Some of the key design elements includes:

- Access to the underground parking and all the surface parking spaces are located on the side of the building that interfaces another commercial property. This design feature enables the automobile noise and activity impacts to be away from the adjacent residents.
- The rear area of the hotel has been designed for emergency and trash service vehicles only to limit the amount of traffic and noise near residents. Additional buffering is provided by a 10-foot perimeter wall between the neighboring residents and the proposed hotel.
- The proposed hotel steps down from four the three stories at the rear of the hotel building to help reduce the bulk, massing and visual prominence seen by adjacent residential home.
- The project also incorporates a combination of frosted glass, opaque spandrel glass and fins (wall projections) to obscure sight lines and views from hotel rooms facing residential.
- The project provides a double row of trees consisting of larger, evergreen trees to help provide privacy and screen views.

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 64,991 square foot in size and trapezoidal in shape with a width of approximately 170 feet and length of 405 feet. The subject site 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 will be 4 stories and 81,835 square feet. The City does not apply FAR standards to hotels. The lot coverage is 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 41-feet, 6-inches (measured from the southeast corner of the building) to 61-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 developments 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 an 87-feet, 7-inch setback from the rear property line that abuts single family homes and a 41-feet, 6-inch 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 within 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.

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 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 within the underground parking that is accessed from a drive ramp located on the east side of the building and surface parking provided on the main level along the east 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.

PPECR 4.1.1. a: Orient building entries to El Camino Real rather than to side parking lots.

PPECR 4.1.3.a: Provide special textured and/or colored paving at pedestrian crossings of project entries. Extending this paving into the project site at least to the 15-foot landscape setback line is encouraged.

PPECR 4.2.1.a: New projects should be sensitive to neighboring projects in terms of scale, style, form and materials.

PPECR 4.4.6. a and b: Multiple customer entries are strongly encouraged and provide at least three of the following desirable entry features:

1. Canopies or entry awnings
2. Overhangs
3. Recesses and projections
4. Arcades
5. Raised cornice parapets over entry doors
6. Peaked roof forms
7. Arches
8. Display windows
9. Architectural details (e.g., tile work and moldings that are integrated into the building structure and design)
10. Integral planters that incorporate seating areas and/or

landscaped areas

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 is 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)

Building Height: Regarding 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 53-feet to the top of the parapet which meets the maximum building height of 55-feet in the ECR Combining District. Per SMC 19.32.030 mechanical roof screens can exceed the maximum height limit by 25-feet. As proposed the mechanical roof screen projects an additional 3-foot, 3-inches above the parapet wall.

Perimeter Wall: The applicant proposes to maintain an existing 8-foot concrete perimeter block wall. To update the wall and provide design continuity with the hotel architecture, the applicant proposed to stucco-coat and paint to match the hotel building. A new 2-foot decorative metal screen with horizontal members will be mounted on top of the existing fence to provide an overall height of 10-feet for added privacy.

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 102 spaces and a maximum of 152 spaces for the project. The project provides 102 parking spaces. There are 95 parking spaces proposed in the underground parking lot accessed via a ramp located near the main driveway and 7 surface parking spaces on the main level. As proposed, the project complies with the parking requirements.

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 vehicle 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. The proposed bicycle lockers are located within the underground parking garage adjacent to the ramp. 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 4.1.2: 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 project complies with this requirement in that it provides 55% shading for the surface parking area. 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 require projects 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 8 ½ - feet to 37-feet wide along the southeast boundary and approximately 4-feet to 26-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. Staff can support this deviation request because 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 original project had proposed to preserve five Chinese Elm trees along the rear portion of the lot. However, many of the neighbors felt the trees were not of sufficient size or adequate to provide privacy screening. In response to their privacy concerns, the applicant is proposing to remove all the

on-site trees to allow more substantial trees to be planted. The applicant proposes to remove a total of 39 on-site trees consisting of Chinese Elms, London Plane, Red Oak, Red Maple, and palm trees. There will be 2 protected trees and 37 unprotected trees that will be removed as part of the application. 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 area. All but four trees are listed as in fair or good condition. The proposed Tree Mitigation Plan (Sheet TS-1) includes installation of twenty-seven 24-box trees, ten 36-inch box tree and thirty-three 48-inch box trees as well as other various landscaping including shrubs and groundcover which are 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 (formal certification not required.) The project will meet LEED Silver or equivalent. As proposed the 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).

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. The proposed hotel generates 85 AM trips and 89 PM trips. The net new trips (subtracting the existing restaurant) would be 85 AM trips and -23 PM trips. This is noted in the attached CEQA Initial Study. (Attachment 5)

Solar Shade Analysis

The project has been revised from the original design to avoid a solar variance. As mentioned in the previous sections of the staff report, the second-floor terrace was moved from the east side of the building to the west side of the building to reduce the amount of shade on the adjacent Panda Express building. Based on the solar analysis that was prepared by RWDI dated 10-6-16, based on a 365-day solar cycle the anticipated amount of solar shading is 4.9% on the adjacent Panda Express building and 0% and the Walgreens building. The proposed amount of shading is within the 10% that is allowed by SMC 19.56.020.

Expected Impacts on the Surroundings

Staff finds the revised design to be an improvement from that reviewed by the Planning Commission in 2016, and finds that it 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). The proposed building height of 53-feet adjacent to residential uses, however, is not found in other sites.

To address that issue, project includes a significant 81-foot setback from the shared property line with single family homes (the code requires at least 75-feet). The upper floors are set back an additional 26-feet, and the upper floors include design elements meant to reduce visibility into neighboring residential properties. 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 the activity centers such as the pool and roof terrace are located on the east and west side of the building, away from residential uses. Vehicle and pedestrian traffic is limited to the front and sides of the building. 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 that are similarly found in the vicinity.

In terms of shading impacts, the only building that would be affected is the adjacent Panda Express building located to the west of the project site. Based on the analysis, the hours when greater than 10% of the roof is shadowed are limited to the morning hours during the winter months when any building naturally creates larger shadows. For the months of May through September there is essentially no shadowing predicted on the Panda Express roof.

FISCAL IMPACT

The proposed project is anticipated to have a positive fiscal impact on the City. The applicant estimates \$ 1.03 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 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 \$131,397.29 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 2016. This project is subject to a \$563,463.75 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 February 27, 2017. The Commission members were generally supportive of the design but wanted the color of the wood paneling to be more vibrant or deeper and not as muted as shown on the colored perspective..

Community Outreach Meeting: A community outreach meeting was held by the applicant on March 9,

2017. There were approximately 4 people who attended the outreach meeting. The general comments related to the following:

- What is the anticipated start and duration of the construction
- Could the trees be planted prior to the construction of the building to allow them to start maturing.
- Clarification of the changes of the rear elevation and window arrangements.

Notice of the Mitigated Negative Declaration and Public Hearing

- Published in the Sun newspaper
- Posted on the site
- 3,024 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

CONCLUSION

Staff can make the required Findings for the Special Development Permit. Recommended Findings and General Plan Goals and Policies are provided in Attachment 3.

ALTERNATIVES

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

Staff can support the revised project design with the emphasis on reducing the visual and massing impacts to the neighboring residential properties. Changes to the design and reduction in rooms have provided a project in better scale with the neighbors. Inclusion of additional landscaping and trees further reduce the effect on the neighbors.

The proposed project is consistent with the goals and objectives of the Sunnyvale General Plan and El Camino Real Precise Plan in terms of land use, design standards, and adds to the economic vitality to the city.

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 Table
3. Recommended Findings for CEQA and SDP
4. Recommended Conditions of Approval
5. Mitigated Negative Declaration
6. Site and Architectural Plans
7. Solar Shade Analysis