



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 17-0349, Version: 1

REPORT TO PLANNING COMMISSION

SUBJECT

File #: 2014-7659

Location: 590 W. El Camino Real (APNs: 201-22-006)

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

Proposed Project: Related applications on a 0.55-acre site:

SPECIAL DEVELOPMENT PERMIT: to redevelop a vacated site with an existing 2,675-square foot commercial building to a five-story hotel with 85 guest rooms with underground parking.

Applicant / Owner: Degan Development

Environmental Review: Mitigated Negative Declaration

Project Planner: Margaret Netto, (408) 730-1221, mnetto@sunnyvale.ca.gov

REPORT IN BRIEF

General Plan: Mixed Use Corridor

Existing Site Conditions: Vacant commercial building

Surrounding Land Uses

North: Public Facility (City of Sunnyvale city offices across El Camino Real)

West: Highway Business (Marriot Hotel)

East: Highway Business (Chick-fil-A restaurant)

South: Highway Business (Multi-family residential)

Issues: Architecture, Compatibility and Noise

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

BACKGROUND

Description of Proposed Project

The project includes demolition of a one-story commercial building and construction of a new 5-story hotel. The hotel is proposed at 53,538 square feet with a height of 59'-10" feet from the top of the street curb to the top of the building parapet. Sixty-eight total parking stalls are provided, with 25 surface spaces including 5 electric vehicle parking spaces and 43 underground parking spaces. There is one existing tree on-site to be retained and five Palm trees located in an easement along Raines Terrace to remain.

Vehicular access to the hotel garage and surface parking would be on the north side of the building from El Camino Real. Emergency access and garbage truck access is from Raines Terrace (private drive). The project includes sidewalks surrounding the hotel, with connections to the existing sidewalks on El Camino Real and a pedestrian access easement from the adjacent Chick-fil-A

restaurant to the Marriot Hotel. The sidewalks on the project site provide pedestrian connections to the hotel entrance. 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 project is in the Corridor Mixed Use designation of the Land Use and Transportation (LUTE) Chapter which allows regional, community, or employment-serving retail uses in conjunction with residential uses along major corridors. The proposed hotel is employment serving retail providing jobs and promoting economic development. Combined with the existing townhomes to the south and with the proposed hotel, the area would operate as a node for residents and businesses. The following are key goals and policies from the Land Use and Transportation Chapter of the General Plan which 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.

Applicable Design Guidelines: The City's Design Guidelines provide recommendations for site layout, architecture, and design. These guidelines are referenced in the discussion and analysis below.

ENVIRONMENTAL REVIEW

A Mitigated/Negative Declaration has been prepared in compliance with California Environmental Quality Act (CEQA) provisions and City guidelines (see Attachment 5). An Initial Study determined that construction of the proposed project has the potential to result in significant effects on Noise (construction noise) and Cultural Resources (possible discovery of resources during excavation). Implementing mitigation measures during the construction will reduce these impacts to less than significant. The Mitigation Measures have been incorporated as Conditions of Approval (see Attachment 4).

DISCUSSION

Special Development Permit

Use: The project includes full demolition of all existing buildings and pavement and construction of a five-story hotel with 85 rooms including 68 total parking stalls. The hotel would be five stories in height with surface parking, bike parking, lobby, and guest services on the ground level, and guest rooms on the 2nd through 5th floors with a fitness and business center on the 2nd floor. The 5th floor also includes an accessible open space area. A Special Development Permit is required for a hotel use in the C-2/ECR zoning district. The findings for the Special Development Permit are included in Attachment 3.

Site Layout: Vehicular access to the site would be provided by El Camino Real. The driveway would provide access to the 25 surface parking stalls, the centrally located main entrance and to the basement-level parking garage ramp located on the west side of the property. The project provides sidewalks surrounding the hotel, with connections to the existing sidewalks on El Camino Real. The site is located near several bus routes and stops on El Camino Real. Three bus stops on El Camino Real are within 500 feet from the project site. The walkways on the project site provide pedestrian

connection to the main hotel entrance. Pedestrian access to the hotel's underground parking garage would be provided by an elevator in the lobby and one staircase by the secondary hotel entrance.

Pedestrian access to the hotel is from the main entrance on El Camino Real and the secondary access on the west side of the hotel. The lobby area contains the check-in area. An outdoor patio area and landscaping is proposed at the entrance on El Camino Real at the ground floor level. The Citywide Design Guidelines (CDG) and Precise Plan for El Camino Real (PPECR) were considered in the analysis of the site design, and is included in Attachment 6 and staff can support the consistency of the project with the guidelines.

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 resulting in an 8-foot wide monolithic sidewalk and 4-foot by 5-foot tree well for a total of 12 feet of public access across the front of the property. This will tie into the neighboring properties sidewalks, which are built to a lesser standard

Floor Area Ratio and Lot Coverage

The proposed hotel will be 5 stories and 53,538 square feet. The City does not apply FAR standards to hotels. The lot coverage is 56% which exceeds the 35% maximum allowed. The applicant is requesting a deviation from the lot coverage requirement. Staff supports the deviation because it allows the project to be fully parked underground as encouraged in the Citywide Design Guidelines and reduces the overall bulk of the project. Roof top garden decks, generous front patio area and sidewalks, and rear landscaping were added to provide visual relief and to add more landscaping. 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 have a varying side setback from 7 to 12 feet along the west property line (next to Marriot Hotel) and a varying side setback ranging from 7 to 12 feet along the east property line (Chick-fil-A restaurant).

Properties within the C-2/ECR zoning district are required to provide a minimum 20-foot setback from adjacent residential zoning district. The project exceeds that standard with a varying setback from 51 to 71 feet from the rear property line that abuts the multi-family residential project. Large specimen size trees will be planted along the rear property for a privacy buffer and the building includes a green screen on the vertical face to mitigate the appearance from the adjacent properties. As proposed, the building complies with the required setbacks.

Architecture: The architectural style is considered contemporary. The proposed hotel building would include, stone tile, glass curtain wall, and aluminum accents. The structure is oriented towards the north with an architectural light feature projecting over the entrance.

The building utilizes variation of rectangular forms with the El Camino Real frontage stepping back from five stories to four stories. The building design is articulated with a variation of windows and stepping back of the fifth floor. The El Camino Real frontage includes changes in the wall plane with recessed windows and two glass curtain walls flanking the entrance. Contrasting paint colors break

up the façade. The building height is 59'-10" feet to the top of the parapet. The contemporary architectural style is compatible with the commercial uses on El Camino Real.

The project incorporates distinct base, middle and top elements in the design. The components are defined by the changes in wall plane, the use of materials and variations in color. The base is defined using several materials; glass, stone veneer, and metal. The middle component is defined by the window openings, varying wall plans and materials, and the top with the light brown stucco finish. The architectural overhang canopy defines the entrance to the hotel on the north side of the building.

The guidelines shown in Attachment 6 were considered in analysis of the architectural design, and staff can support the project as meeting the guidelines. The project was also reviewed under the Bird Safe guidelines, and staff worked with the applicant to ensure the project meets the standards.

Landscaping: A preliminary landscape plan has been submitted which indicates compliance with the Municipal Code standards for water efficient landscaping. The project is designed with approximately 40% of the lot area landscaped which includes the roof level (11%) and the perimeter landscaping (29%), which complies with 20% minimum landscape requirement.

There is one existing tree on-site to be retained and five Palm trees located in an easement along Raines Terrace to remain. No protected trees are proposed to be removed.

SMC Section 19.37.070 states that at least 50% of the parking area must be shaded within 15 years after establishment of the lot. The surface parking is covered by the building which complies with this requirement. The ground level as noted above has 29% of the lot area landscaped.

A landscape strip is proposed around the perimeter of the property. A low decorative wall and patio area are proposed along El Camino Real. Street trees are proposed along El Camino Real. Raised planters in front of the entrance proposed drought tolerant landscaping. The project provides 15-foot landscaped setbacks along El Camino Real. The rear of the property provides screening trees for the neighboring residential property.

In addition to the City's water efficient landscape code the Guidelines shown in Attachment 6 were considered in the analysis of the project landscaping and staff can support the project as meeting the guidelines.

Parking and Circulation: SMC 19.46.100 requires a minimum of 0.80 parking spaces per hotel room which results in a minimum of 68 required parking spaces. Sixty-eight total parking stalls are provided, consisting of 25 surface spaces (which includes 5 electric vehicle parking spaces), and 43 underground parking spaces. The preliminary parking lot striping plan shows compliance with parking lot design requirements. As conditioned, a final parking lot striping plan demonstrating conformance to SMC 19.46 and Design Guidelines will be reviewed by staff prior to approval of a building permit.

SMC 19.46.150 requires a minimum number of bicycle parking spaces equal to 5% of the number of parking spaces provided, or 4 bicycle spaces for the project. The project exceeds the minimum bicycle parking requirements by providing 6 parking spaces. The applicant proposes to place the bicycle racks near the main entrance and secured bike parking in the rear of the building. This location complies the VTA Design Guidelines to encourage visibility and ease of access to the

bicycle parking spaces.

A loading area is provided off the private drive. This driveway entrance is dedicated for loading and trash pickup. The applicant is also providing shuttle service for guests to and from work destinations.

Green Building: 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 proposes LEED Gold standard.

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.

Easements and Undergrounding: All utilities are required to be placed underground. There are no easements on the property.

Development Standards

Visual: The proposed project is compatible with the surrounding building within the vicinity, both in terms of architecture and massing and with the El Camino Real Specific Plan.

Traffic: - Since the project would generate less than 100 new peak hour vehicle trips, an analysis in accordance with the Congestion Management Plan (CMP) is not required. The project would add 57 AM and 60 PM peak hour trip.

Per the City's impact criteria, the project is not expected to have a significant impact at any study intersections under the development scenario. The project is also not expected to significantly impact turn lane queues. Therefore, no mitigation measures are required related to traffic.

FISCAL IMPACT

The proposed project is anticipated to have a positive fiscal impact on the City. The applicant estimates \$70,000 annually in transient occupancy fees for the first five years. Based on increasing occupancy rates in the City over the last few years and with consideration of demand for hotel rooms near Santa Clara Levi Stadium, the applicant's estimate is more likely based on what the current market could support. Sunnyvale has seen annual hotel occupancy rates increase from 62.2% in 2010 to 77.1 % in 2013.

Transportation Impact Fee:

Projects resulting in new peak hour automobile trips are subject to a transportation impact fee. The transportation impact fee is estimated to be \$103,034.20 and must be 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, 2015. The Commission members were supportive of the use but had concerns with the 5th floor which needed to be stepped back from El Camino, with the privacy of the residential units toward the rear of the property and with the blank wall on the south elevation. Also,

concern with the “canyon effect” on El Camino Real and the lot coverage.

The applicant modified the architecture to break up the massing by stepping the fifth floor back 20 feet from El Camino Real and from the rear property line. Stepping back the rear elevation provides privacy and transition to the residential use. The fifth floor also provides an accessible roof garden on the El Camino Real side and adds to the privacy screening with the roof top garden on the rear, is not accessible (to avoid privacy concerns for the neighboring residents). Also, large specimen trees were added to the rear of the property and a trellis with vines on the wall.

The lot coverage was reduced by 1% to 56% lot coverage and the roof top decks were added to provide more landscaping. At the façade, the exterior materials, window systems, and color variety give the appearance of several smaller segments. A patio area was also added to the El Camino frontage to activate the frontage. The access to the garage was also moved closer to the private drive to eliminate any concern with the queuing at the El Camino Real and Mathilda Avenue intersection. These drawings reflect the changes.

Community Outreach Meeting: A community outreach meeting was held by the applicant on January 21, 2016 at the Community Center which was attended by approximately 7 residents. Attendees expressed concern with traffic on El Camino Real and not being able to turn out of the Raines Terrace driveway on to El Camino Real. Several residents expressed concerns about getting out of their driveway during construction. A traffic study or operational analysis was not warranted and therefore, was not performed. Two public comment letters were received and are included in Attachment 7.

PUBLIC CONTACT

Notice of Mitigated Negative Declaration and Public Hearing

- Published in the *Sun* newspaper
- Posted on the site
- 2,511 notices were mailed to property owners and tenants within 2,000 feet of the project as shown in Attachment 1

Staff Report

- Posted on the City’s website
- Provided at the Reference Section of the City’s Public Library

Agenda

- Posted on the City’s official notice bulletin board
- Posted on the City’s website

Public Contact: Staff has not received any correspondence or phone calls from neighbors at the time of writing of this report.

ALTERNATIVES

1. Make the required Findings to adopt the Mitigated/Negative Declaration. Approve the Special Development Permit subject to recommended conditions of approval in Attachment 4.
2. Make the required Findings to adopt the Mitigated/Negative Declaration. Approve the Special Development Permit subject to modified conditions of approval.

3. Do not adopt the Mitigated/Negative Declaration and direct staff as to where additional environmental analysis is required.
4. Deny the Special Development Permit and provide direction to staff and applicant on where changes should be made.

STAFF RECOMMENDATION

Alternative 1: Make the required Findings to adopt the Mitigated/Negative Declaration. Approve the Special Development Permit subject to recommended conditions of approval in Attachment 4.

Prepared by: Margaret Netto, Planner

Reviewed by: Gerri Caruso, Principal Planner

Approved by: Andrew Miner, Planning Officer

ATTACHMENTS

1. Location Map and Public Notice Mailing Map
2. Project Data Table
3. Recommended Findings
4. Recommended Conditions of Approval
5. Mitigated Negative Declaration
6. Design Guidelines
7. Public comment letters
8. Project renderings
9. Proposed Site and Architectural Plans