

MEMORANDUM

TO: City Council

FROM: Brian Pedrotti, Director of Community Development

BY: Andrew Perez, Planning Manager

SUBJECT: Pre-Application for a New Hotel at 400 W. Branch Street

DATE: February 11, 2025

RECOMMENDATION:

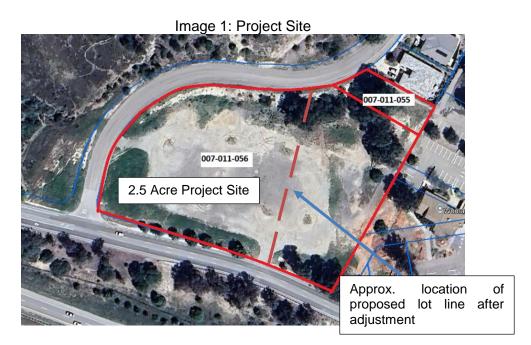
Review the proposed pre-application, receive public comment, and provide preliminary comments to the applicant.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

No financial impacts are associated with the pre-application discussion.

BACKGROUND:

The project site is approximately 4.25 acres, comprised of two parcels (APNs 007-011-055 and 007-011-056) and is owned by the City in fee simple. Each parcel is zoned Public Facility (PF) and has a Community Facility land use designation for the General Plan. The parcel ending in -056 is approximately 4.0 acres and the parcel ending in -055 is approximately 0.25 acres. The City followed the required procedure associated with the Surplus Land Act between 2022 and 2024, and subsequent to that time, the City engaged in negotiations with an interested hotel developer for the potential purchase and development of the project site. The developer submitted a pre-application to obtain preliminary comments from staff, the Council, and the public on a potential hotel project at this site.



Project Description

The preliminary and conceptual plans propose a three-story hotel on 2.5 acres of the 4.25-acre site. The hotel plans include 125 guest rooms, a fitness room, swimming pool and spa, and a surface parking lot. The floor plans show 33 guest rooms on the first level, and 46 guest rooms on the second and third levels. Landscaping consisting of various trees and shrubs is proposed around the perimeter of the site and within the parking lot. Off-site improvements consisting of City-standard curb, gutter, and sidewalk along the project frontages on W. Branch Street and Old Ranch Road would also be constructed as part of the project. A lot line adjustment (LLA) will be necessary to establish the boundaries of the 2.5-acre project site, leaving the remaining approximately 1.75 acres of the property for another future use.

At the preliminary stage, the conceptual plans demonstrate that the project is compatible with the surrounding development. The proposed finished grade of the project site where the hotel is located is approximately 25 feet lower than the highest elevation of the project site. This grade differential will help obscure views of the parking lot and much of the hotel structure from the residential neighborhoods to the north. Robust landscaping will further obscure the project's visibility from the north. Hotel generated traffic will access the site from W. Branch Street and is unlikely to create a significant number of trips that travel into the residential areas near the project site.

ANALYSIS OF ISSUES:

The current land use designation of the property is Community Facility and its zoning designation is Public Facility. The PF zone implements the Community Facility land use designation by allowing for the development of public and quasi-public land uses such as

educational and public recreational facilities, public safety facilities, hospitals, and religious buildings. These current designations do not allow for the development of a hotel, therefore a General Plan Amendment (GPA) and Development Code Amendment (DCA) will need to be processed either prior to, or concurrently with an application for the hotel itself. A change in the land use and zoning designations to Mixed-Use and Highway Mixed-Use (HMU) will allow for the processing of an application for the hotel entitlements. The City Council is authorized by the AGMC to approve the GPA and DCA.

Accordingly, analysis of the conceptual project is consistent with the HMU zone. The application for a GPA and DCA would involve both parcels, which will make the 1.75-acre parcel available for multi-family housing or other uses allowed in the HMU zone. It is important to note that the Surplus Land Act process required the City to record a covenant against both subject parcels, that requires any future housing development project consisting of ten (10) or more units on the subject property must reserve at least fifteen percent (15%) of the units for lower income households. This does not affect the proposed hotel development.

The HMU district implements and is consistent with the Mixed Use General Plan Land Use designation by providing areas for a variety of visitor-serving and auto-related uses in areas convenient to both freeway traffic and vehicles or pedestrians. The associated development standards are intended to enhance the types of land uses allowed in this zone, which tend to be compatible with locations near Highway 101.

General Plan Consistency

The Mixed Use General Plan Land Use designation is intended to provide for a variety of retail and service commercial, offices, residential, and other compatible uses that support multiple neighborhoods and the greater community. Policy 5-8 of the Land Use Element encourages the development of commercial, office, and residential uses along the City's primary mixed-use corridors. Tourist accommodation and eating and drinking establishments are specifically encouraged by this policy.

The proposed project helps further three (3) of the City's Primary Economic Development Element goals, including:

- 1. Create a thriving economy;
- 2. Meet unmet community needs; and
- 3. Promote business activity.

The conceptual project would generate revenue through transient occupancy tax (TOT) to support the City's general fund. Additionally, the hotel will generate jobs during the construction phase and in perpetuity during its operations. It is also consistent with Policies ED6-3 and ED6-1.8 of the Economic Development Element as follows:

• ED6-3: Capitalize on development opportunities to increase lodging facilities.

• **ED6-1.8:** Work with developers, landowners, and others to site and design appropriate hotels, motels, bed and breakfasts, and country inns.

Development Standards

Hotels are allowed in the HMU zone with the approval of a conditional use permit (CUP) and are subject to the development standards for the zone. The HMU zone allows for zero setbacks, except when a project site is located adjacent to a residential use or residentially zoned property. No residential uses or lots abut the project site, therefore no setbacks are required for this proposed project. The hotel rendering is shown approximately 20 feet from both W. Branch Street and Old Ranch Road to allow room for landscaping. The project proposes a lot coverage of twenty percent (20%), which is much less than the maximum allowed lot coverage of seventy-five percent (75%). The project also complies with the standard for floor-area ratio (FAR), which is defined as the numerical value obtained by dividing the gross lease-able floor area of a building or buildings located on a lot by the total net area of the lot. The maximum allowed floor-area ratio is 0.75, and the project proposes a FAR of 0.48. Visitor-serving uses, such as hotels, may be up to 36 feet tall with the approval of a CUP in this zone. Building height is measured from the average finished ground level to the highest point of the roofline, exclusive of incidental appurtenances such as mechanical equipment, chimneys, and other architectural features. The proposed design shows the primary roof line at 34 feet, in compliance with the Municipal Code. The proposed finished elevation of the project site, which is approximately 25 feet lower than the elevation at the northern boundary of the site will minimize views of the structure from nearby residential neighborhoods.

<u>Architecture</u>

A contemporary architectural style featuring a variety of colors and materials is currently proposed. Vertical board siding is shown on the ground level and at the corners of the structure, while the remaining portion of the structure would be clad in exterior plaster. Stone veneer would be used as an accent material throughout the design. Standing seam metal roofing material is used throughout and complemented by metal canopies on the north and south elevations. The design uses tower elements of various heights to avoid a single roofline. These towers also project from the main wall plane to break up the massing of the building. Surface artwork and metal art panels resembling the silhouette of an oak tree add interest to the design. When the formal application is submitted, the project design will be reviewed by the Architectural Review Committee, who will make a recommendation to decision makers.

Access & Parking

Two driveways are proposed to provide access into the hotel's parking lot: the primary driveway located on W. Branch Street and the secondary on Old Ranch Road. The driveway on W. Branch Street would serve as the only point of egress from the site. The Five Cities Fire Authority has reviewed the preliminary plans and determined that the access and internal circulation provide sufficient access for emergency vehicles.

The Municipal Code requires hotels to provide one (1) parking space per guest room and two (2) spaces for the associated office space, resulting in a parking requirement of 127 spaces for the proposed hotel use. The site plan shows 124 automobile parking spaces for the proposed hotel and five (5) motorcycle spaces. AGMC Section 16.56.080 requires motorcycle parking at a rate of one (1) space for every twenty-five (25) automobile parking spaces. Motorcycle parking spaces required by Section 16.56.080 count toward fulfilling automobile parking spaces at the rate of one parking space per motorcycle parking space. Therefore, the parking proposed for the conceptual project meets the requirements of the AGMC.

Next Steps

With feedback from City Council and the public, the applicant can refine the hotel design and prepare an application for a formal submittal. The project will undergo review from the Staff Advisory Committee and Architectural Review Committee prior approval of the entitlements. Multiple applications are required to entitle this project, and pursuant to AGMC Section 16.12.70, because City Council is authorized to approve the GPA and DCA, the approval authority for all the applications rests with City Council. In the event that the GPA and DCA be approved by City Council separately and prior to the CUP and LLA, the Planning Commission would be authorized to approve the CUP and LLA, and would not be considered by City Council.

ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

- 1. Provide preliminary comments and suggestions to the applicant regarding the proposed project, as presented; or
- 2. Provide other direction to staff and/or the applicant.

ADVANTAGES:

The applicant is currently seeking comments and suggestions from the City Council and the public on processing entitlements to establish a new hotel on surplus property. Comments made on the proposed project will provide the applicant with information to make a decision whether or not to pursue the application process for establishment of tourist accommodations.

DISADVANTAGES:

The project will have localized impacts such as increased traffic and construction work. The area may be impacted by the proposal if appropriate mitigation is not incorporated and implemented. Further, the project location has been used for intermittent staging of equipment for City projects, and an alternate site will need to be found for these purposes.

ENVIRONMENTAL REVIEW:

No environmental review is required for this pre-application item. Appropriate environmental review will be required as part of processing the formal project submittal.

The formal application will require a thorough analysis of potential environmental impacts pursuant to the California Environmental Quality Act (CEQA).

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2. Staff mailed a courtesy notice of this pre-application discussion to all property owners on Mercedes Lane and Old Ranch Road, immediately north of the project site. The neighborhood will continue to be engaged during the entitlement process.

ATTACHMENTS:

1. Conceptual Plans