

STAFF REPORT

DATE: November 1, 2016

TO: City Council

FROM: Mike Webb, Assistant City Manager
Ashley Feeney, Assistant Director Community Development & Sustainability
Katherine Hess, Community Development Administrator

SUBJECT: **4647 Fermi Place, Residence Inn Hotel:** Planning Application #15-70:
Mitigated Negative Declaration #6-15, General Plan Amendment #4-15,
Rezoning and Planned Development Amendment #8-15, Conditional Use Permit
#8-15, Final Planned Development #11-15, and Design Review #29-15

Recommendation

Staff recommends the City Council hold a public hearing and approve the project applications, or ask questions of staff and the applicant, and continue the item to the meeting of November 15, 2016 if needed. At this or the next meeting, staff recommends the City Council take the following actions:

1. Certify Mitigated Negative Declaration #6-15 as adequately assessing the potential impacts of the project;
2. Approve the attached resolution amending the General Plan to conditionally allow hotels within the Office land use designation in the area between Second Street and Interstate 80, with a Floor Area Ratio up to 100 percent;
3. Introduce the attached ordinance amending Planned Development #4-88 to allow hotels as a conditional use within the Light Industrial / Business Park district, in the area between Second Street and Interstate 80, with Second Street setbacks of 20-25 feet and a maximum height of four stories and fifty feet;
4. Approve Conditional Use Permit application #8-15, Final Planned Development #11-15, and Design Review application #29-15 for the project, based on the attached findings and subject to the attached conditions.

This application is one of two extended stay hotel proposals undergoing development review. The other, a proposed Hyatt House on Cowell Boulevard, is also scheduled for public hearing on this agenda. The Planning Commission reviewed the Marriot Residence Inn applications on September 28, 2016 and unanimously recommended approval. The Commission also made comments on project consistency with City Council criteria for evaluation of hotel proposals, as discussed later in this report.

An accompanying background informational staff report common to both hotel proposals is also on the same agenda and includes a discussion of the full range of options for City Council action.

Project Description

The project is the construction of an extended stay hotel and customary accessory uses and facilities at 4647 Fermi Place, near the intersection of Mace Boulevard and Second Street. The 2.69-acre parcel is currently vacant.

The project proposal includes the following components:

- ◆ 120 guest rooms, including studio and one-bedroom units;
- ◆ Ground-floor guest amenities including fitness room, lobby (with a potential lounge amenity), meeting room, guest laundry, and outdoor pool and exercise court;
- ◆ A four-story structure with a maximum height of 49'4" to parapet;
- ◆ Surface parking lot with approximately 120 vehicle spaces (including EV charging spaces);
- ◆ Sustainability features including carport photovoltaic panels generating an estimated 75 kilowatts of electricity, a commitment to achieving a LEED equivalency certification through a mutually agreeable third party, and purchasing any remaining electricity from offsite renewable sources through the proposed City of Davis Community Choice Energy JPA; and
- ◆ Vehicular access from Fermi Place and bicycle/pedestrian access from Fermi Place and Second Street.



Rendering from Fermi Place frontage

Project Setting

The project site is located in the Mace Ranch area on the south side of Second Street, adjacent to the Mace Boulevard overcrossing.

Adjacent Zoning and Land Use:

	Existing Use	Zoning	General Plan Designation
Project Site	Vacant	PD #4-88 for Light Industrial / Business Park uses. Conference facilities are a conditionally permitted use.	Business Park
North	Gas station / Minimart and vacant portion of University Covenant Church parcel	PD #4-88 for Light Industrial / Business Park uses	Office
South	Vacant parcel, Union Pacific Railroad, and Interstate 80	PD #4-88 for Office uses	Office
East	Mace Boulevard	N/A	N/A

	overcrossing		
Southwest	Light Industrial and Retail businesses	PD #4-88 for Light Industrial / Business Park uses	Office



Project Vicinity Map

Project Data

Applicant:

Eric Edelmayer for Jackson Properties
 155 Cadillac Drive Suite 100
 Sacramento 95825

Property Owner:

Dan Ramos for Ramco Properties
 PO Box 175
 West Sacramento CA 95691

Project Location:

4647 Fermi Place (at the intersection of Mace Boulevard and Second Street)

Existing and Proposed General Plan Designation:

Office

Current and Proposed Zoning:

Planned Development #4-88
 (Light Industrial / Business Park Subarea)

Lot Size:

117,176 square feet (2.69 acres)

Existing Use:

Vacant

City Council Goals 2014-16

Goal: Drive Innovation and Economic Vitality

Objective: Develop Davis as a visitor destination

Public Notice

Notice of this public hearing was published in the Davis Enterprise and mailed to owners of all property within 500 feet of the area affected by the General Plan and zoning amendments. The applicant also conducted outreach to nearby businesses, the Davis Chamber of Commerce, and the Yolo County Visitors Bureau.

Environmental Analysis

Negative Declaration #6-15 was prepared for the hotel project (Attachment 3). The applicant provided reports from kd Anderson (traffic), LSA Associates (air quality), and Bollard Acoustical Consultants (noise), which staff reviewed and found credible. The Initial Study concluded that the project, with mitigation, would not have an adverse effect on the environment.

A nesting pair of western burrowing owls (a Federal Bird of Conservation Concern and state Species of Special Concern) currently occupies the site. Burrowing owls are transient during the fall and winter months and additional owls could easily settle into the burrows onsite prior to commencement of construction. The site is not considered to be high-quality burrowing owl habitat due to its highly disturbed nature, proximity to high-traffic roads, and urban surroundings. However, burrowing owls and habitat occur, and mitigation would be required to reduce potential significant impacts to a less than significant level.

The City's Wildlife Resource Specialist recommends a three-pronged mitigation package for any burrowing owls present on the site:

1. Passive relocation (exclusion) during the non-breeding season, in accordance with California Fish and Wildlife's 2012 Burrowing Owl Mitigation Guidelines;
2. Coordination with CDFW to include the owls in any statewide burrowing owl exclusion study. Should CDFW decline to include the owls in their study, monitoring to document the activity of the owls prior to, during, and after exclusion to ensure take has been avoided and to document post exclusion activity of the owls; and
3. Mitigation for the loss of habitat in the amount of six acres, of greater quality than the existing site.

Alternatively, the developer may choose to work with burrowing owl researchers to translocate any owls found on the property, as long as such translocation is approved by the California Department of Fish and Wildlife with the appropriate permits. At this time, staff does not know whether the state would approve such a permit. Mitigation for habitat loss would also be required under this alternative.

Staff received two comment letters on the IS/MND related to project impacts on western burrowing owls. Letters from the Burrowing Owl Preservation Society and the Sierra Club Yolano Group were submitted to staff on October 17, 2016 and October 21, 2016, respectively. The letters questioned the analysis conclusions arrived at in the Initial Study Environmental Checklist stating that three conclusions were incorrect and that a higher level of environmental review for the project is warranted. Among other things, the letters also expressed a desire for

increased mitigation lands, and active relocation, capture and moving, of the burrowing owls to the Burrowing Owl Reserve at Grasslands Park. The applicant is continuing to explore opportunities for pursuing active relocation which is the desired mitigation approach of the commenters. An update on these efforts will be provided at the City Council meeting. The comment letters were reviewed by staff inclusive of the City's Wildlife Resource Specialist and a detailed response was prepared and is included as an appendix to the IS/MND.

Staff appreciates the comments provided on the IS/MND and has provided a response that further clarifies the analysis conclusions that with mitigation, the project, as proposed will not have a significant effect on the burrowing owl species.

Other findings of the Initial Study include:

1. Air quality analysis showed implementation of the project would not conflict with or obstruct implementation of any air quality planning efforts or violate or contribute substantially to an existing or projected air quality violation.
2. Although Swainson's hawks may potentially nest near the site, a pre-construction survey and appropriate protections would reduce impacts to less-than-significant levels.
3. The proposed project would generate greenhouse gas emissions (GHG) that contribute to climate change impacts. Because the proposed project's net increase in operational GHGs would not be substantial with respect to mass emission thresholds that have been recommended by other air districts for analyzing stationary sources, the project would be consistent with the goals mandated by AB32, GHG emissions would not be cumulatively considerable, and impacts would be less-than-significant.
4. Interior noise levels within the hotel can be reduced to acceptable levels with upgraded windows for the rooms facing Interstate 80.

All mitigation measures have been accepted by the applicant, as required by CEQA.

Planning Commission Recommendation

The Planning Commission held a noticed public hearing on the project applications on Wednesday, September 28, 2016. The Commission received public testimony, deliberated, and recommended (7-0) that the City Council certify the Negative Declaration and approve the project applications. The Commission also considered the criteria for evaluation of hotel applications and made recommendations to the City Council in the areas of building appearance, sustainability, and access for cyclists and transit riders, as discussed later in this staff report.

Project Analysis

This staff report includes analysis of the following aspects of the project review:

1. Consistency with General Plan and PD #4-88 Principles (page 6)
2. Aesthetics and Site Plan (page 7)
3. Sustainability (page 8)
4. City Council Evaluation Criteria (page 10)
5. Summary of Applications and Recommendations (page 13)

Each of these sections includes staff analysis and recommendations.

1. Consistency with General Plan and PD#4-88 Principles

The site is designated for Office use on the General Plan Land Use Map. The intent of the Office designation is to provide locations for small administrative, professional and medical offices in centrally located areas near the downtown and/or residential neighborhoods. Allowable uses include administrative, professional and medical offices. Residential uses are conditionally allowable as secondary uses. Hotels are not explicitly identified as permitted uses within this designation. Floor Area Ratio is limited to 50 percent.

Planned Development #4-88, which includes much of Mace Ranch and a few nearby areas, identifies the subject area, along with several other properties south of Fifth Street / Alhambra Boulevard, as a light industrial / business park subarea. The intent of the subarea is to provide an environment exclusively for and conducive to the development and protection of modern, large scale administrative facilities, research institutions, and specialized manufacturing organizations, all of a non-nuisance type. Permitted uses include customary I-R uses of administrative offices, laboratories, research, and light manufacturing, plus warehouse and distribution facilities. Retail uses such as restaurants and auto service stations, necessary to serve and appropriate to the PD district, are conditionally permitted, as are conference centers and related facilities. The proposal is more intense than anticipated in the Planned Development, which has a minimum setback of 25 feet, a height limitation of 40 feet, and a maximum FAR of 50 percent. The Planned Development also requires all activities to be conducted within a structure.

Staff finds that an extended stay hotel can be an appropriate addition to the mix of uses found in this Business Park / Light Industrial area. The neighborhood of the project site includes a mix of light industrial, office, and retail uses. It is proximate to businesses such as DMG Mori Seiki, Schilling Robotics, the City's growing seed business cluster on Cousteau Place, and other companies with country-wide or international connections. The hotel rooms can provide space for visiting researchers and company officials from outside Davis, while the meeting room could support the needs of local businesses. In addition, more hotel rooms could support other economic development goals and activities, including the General Plan polices to "Increase attractions and amenities that bring people to the Core" and "Promote Davis as a destination for visitors with interests in eco-tourism, university/academic events, culture and arts, and downtown shopping." A hotel use is similar to the restaurant, service station, and conference center conditionally permitted under the Planned Development, and staff has concluded that the requested modification to the zoning can be supported. The potential lounge, if incorporated, could become an amenity for hotel guests and for employees of nearby businesses. The recommended General Plan and PD amendments adds hotel as a conditionally permitted use within the Office designation and Light Industrial / Business Park subarea of the Mace Ranch Planned Development, in the area between Second Street and Interstate 80. (See map, page 14)

The proposed project exceeds the intensity anticipated in the General Plan and Planned Development. The proposed project has a Floor Area Ratio of approximately 70 percent. The General Plan Office category has a maximum floor area ratio of 50 percent, with an additional 15 percent for the housing component of a mixed use project. The Planned Development also has a maximum FAR of 50 percent. In addition, the proposed project exceeds the Planned Development's height limit of 40 feet by ten feet, which is a greater exceedance than can be approved as a Minor Modification. The Second Street setback ranges from 20 to 25 feet, where 25 feet is required.



Recommendation: Staff has concluded that the consistency with General Plan and Planned Development goals can be met, and recommends approval of the General Plan Amendment and Planned Development Amendment, along with conditions of approval for the Conditional Use Permit and Design Review to ensure proper integration into the community in areas such as sustainability, operation, and parking management. Staff recommends modifications to the General Plan and Planned Development to allow hotel uses of this intensity in the area between Second Street and Interstate 80. (See map, page 13.)

2. Aesthetics and Site Plan

The site is limited in visibility from Interstate 80 because of the Mace Overcrossing structure and berm, but is very visible from Mace Boulevard and from Second Street. The four-story structure would be taller than the predominant one- and two-story buildings existing along Second Street. The building is placed at the corner of Mace Boulevard and Second Street, so that parking is located at the western portion of the site and adjacent to Fermi Place. Second Street parking areas are screened by a twenty-foot landscape area with both trees and a bioswale.

Staff appreciates the efforts of the applicant and architect team in designing a building with articulation of the façade, extensive landscaping, and an attractive mix of materials for elevations facing Fermi Place, Second Street, and Mace Boulevard. Staff and the applicant team have worked to ensure that mechanical equipment is screened by the building parapet, and include appropriate accommodations for bicyclists and pedestrians on and to the site. Signage for the building is anticipated to be predominantly on the Second Street elevation, with additional ground-level and monument signs to identify the site from Fermi Place.

The Planning Commission recommendations on the project applications include a request for greater articulation and better detailing of the Second Street elevation, and improved screening and materials for the sports court near Mace Boulevard. The applicant has provided revised elevation exhibits with a shift in some of the guest rooms facing Second Street from king rooms to dual-queen rooms. This increases the size of the rooms slightly, and increases the articulation

on the northern façade. The change also results in a slight increase of project FAR, and decrease of the Second Street setback in a few areas, but no less than 20 feet. The applicant also submitted a fence screening detail in response to Planning Commission recommendations shown on landscape plan sheet L0.1.

Staff and the applicant are continuing to discuss mechanisms for addressing Planning Commission comments regarding the ground-floor elevation from Second Street, improved materials and screening of the sports court from Mace Boulevard, and a more prominent and welcoming pedestrian access to the entrance at the south end of the building.

Recommendation: Staff appreciates the willingness of the applicant to improve the project appearance in response to Planning Commission comments. In addition to standard Design Review conditions of approval, staff recommends the following additional conditions:

1. Site plan shall be revised to incorporate a five-foot sidewalk connection to the intersection of Mace Boulevard and Second Street from the eastern entrance of the building. Existing overpass slope and slope easement need to be shown and accounted for in the site/drainage swale layout. Also, drainage swale is in conflict with service, control and pump facilities at Mace Blvd and layout is subject to review and approval by the City Engineer. (Condition 18)
2. Design details for Second Street ground floor elevations, sport court screening, and the Second Street pedestrian entrance to the building shall be reviewed during building permit submittal to ensure that utility areas are well-screened and that the building has a welcoming pedestrian entry for guests and visitors. (Condition 52)
3. Second Street setbacks shall vary from 20 to 25 feet, as shown on the site plan exhibit, to provide greater articulation of the northern elevation. (Condition 53)
4. Prior to the issuance of permits, preliminary exterior paint colors (and materials) shall be submitted for review and approval by the Community Development & Sustainability Department. (Condition 54)

The Industrial Research zoning district allows a maximum of 100 square feet of signage for a building with frontage exceeding 73 feet. In contrast, the Commercial Highway zoning district allows twice the sign area. The recommended amendment to PD #4-88 allows sign area for conditional uses to be determined by the Director of Community Development and Sustainability, reflecting consistency with the principles of the City-wide sign design guidelines. Staff anticipates the final sign program for the project will be approved administratively, reflecting the site's use, location and neighborhood context, and total sign area will be greater than that otherwise allowed in the Light Industrial zoning district.

3. Sustainability

The project would be subject to standard City requirements, including stormwater best management practices and mandatory CalGreen Tier 1 building code requirements with 15% compliance margin for exceeding energy code. Additional sustainability components include:

- ♦ Photovoltaic panels on parking lot carports and/or building roof generating a minimum of 75 kilowatts of electricity;
- ♦ High efficiency kitchen appliances, laundry appliances, and boilers, and Energy Star appliances in guest rooms.

- ◆ Rooftop solar thermal to serve guest rooms, laundries, and staff kitchen.
- ◆ EV charging stations in the parking lot consistent with the City's draft EV readiness standards.
- ◆ Bicycle parking and loaner bicycles for guests, and a secured bicycle parking area for employees and guests.
- ◆ Shuttle or other on-demand transportation to connect to airport, UC Davis, other destinations.

The Planning Commission received public comments requesting additional sustainability provisions, including LEED Gold. The Planning Commission requested the applicant to seriously consider striving for LEED Gold, and included a comment that additional solar could be installed on carports in the south parking lot. In response to the Planning Commission request, the applicant has continued to work with staff to increase sustainability commitments for the project. The applicant is continuing to explore opportunities to increase their sustainability commitments and at the time of drafting this report have agreed to the following:

- ◆ A commitment to build the project to a LEED equivalency certification standard that would be verified through a third party energy consultant agreeable to the City at the applicant's expense.
- ◆ Installation of photovoltaic infrastructure (i.e. switchgear tie-in points and conduits) allowing for expansion of the photovoltaic system in the future.
- ◆ A commitment to participate in the Community Choice Energy program when it is implemented.
- ◆ In efforts to promote alternative modes of transit, the applicant has agreed to the installation of a "Getting Around Davis" informational concierge area in the lobby that combines fixed wall signage and interactive electronic support with a focus on the bicycle loan program, City bike routes, local public transit, transit support services and local amenities.

Staff recognizes that recent changes to building codes, and the City requirement for Mandatory CalGreen Tier 1 compliance, result in a very efficient building envelope with high-performing lighting and utility systems and are encouraged by the applicant's increased sustainability commitments that go beyond the CalGreen Tier 1 compliance requirement.

Recommendation: Staff recommends the applicant's sustainability provisions be included as conditions of approval for the conditional use permit (Condition 82). Staff further recommends the applicant increase their sustainability commitments by building the project to a minimum LEED Silver equivalency certification standard that would be verified through a third party energy consultant agreeable to the City. The applicant has voiced concerns about their ability to achieve points necessary to obtain a LEED Gold equivalency after a detailed review of the criteria. The applicant has stated that outside of being near transit, the project scores relatively low on site location points given the suburban location. The applicant has voiced concerns that in order to make up the points lost on site location in other categories, the additional costs would result in a project that is no longer economically viable.

In furtherance of sustainability commitments, staff also recommends that a third party photovoltaic consultant/designer agreeable to the City be engaged to further refine the photovoltaic system sizing for the project to ensure the system size achieves optimum energy production for the project in a manner that makes economic sense subject to review and approval by the Director of Community Development and Sustainability. Minor modifications of the sustainability components are subject to review and approval by the Director of Community Development and Sustainability, while major revisions could require Planning Commission hearing and alteration to the CUP.

4. City Council Evaluation Criteria

This spring, the City Council discussed pending hotel applications (this proposal and the proposed Hyatt House on Cowell Boulevard), reviewed analyses of the market prepared by a hospitality consultant under contract with the City, and adopted criteria for evaluation of hotel proposals (See Attachment 8). Responses from the applicant regarding the adopted criteria are included within Attachment 1.

The Council's action to adopt the criteria for evaluation of hotel proposals does not provide formal direction on how the criteria are to be used. Only the City Council can determine how much weight to assign to each criterion, and how many must be "met" for a project to be approvable.

The resolution establishing Criteria for Evaluation of Hotel Proposals speaks to site, project, and developer characteristics. During the Planning Commission review, Commissioners discussed project consistency with those criteria within the Commission's land use purview, while confirming that issues such as brand profile, fiscal impacts, and developer capacity are the territory of the City Council.

Staff finds that the project, with recommended conditions of approval, is generally consistent with the following criteria:

- A Proximity to demand generators, including international businesses, sports facilities, and UC Davis. The Planning Commission noted proximity to businesses such as Mori Seiki, as well as the Davis Legacy soccer fields south of Interstate 80. Commissioners noted the site's distance from UC Davis as underscoring the need for transit and bicycle accommodations.

- B Pedestrian and bicycle access and accommodations, including loaner bicycles. The project includes loaner bicycles for guests (Conditions 81 and 82). The Planning Commission noted bicycle lanes and paths within the area of the hotel. The Commission requested way finding for cyclists, and suggested pavement markings to provide direction to bicycle routes. Staff recommends and the applicant has agreed to permanent way finding display within the building lobby, as well as maps and route directions inclusive of directional signage at project exit points to aid guests in reaching their destinations and returning to the hotel (Condition 81 and 82).

- C Visibility and accessibility from Interstate 80. The Planning Commission expressed comfort with the site's location and proximity to the freeway. Staff notes that the building will be screened by the Mace overcrossing, particularly from westbound travelers. However, the general practice of on-line or telephone reservations and GPS navigation has reduced the benefit of freeway visibility in hotel marketing.
- D Site location, product characteristics and amenities, and desirability for extended stay travelers (restaurants, groceries, neighborhood services, etc.). The Planning Commission concurred with staff that a number of amenities to serve extended stay travelers exist in the area. Restaurants and groceries within the area include Beach Hut Deli, Target, and Ikeda's. Other supplies and services are available by bicycle, including Fifth Street Plaza (at Spafford) and downtown Davis.
- E Proximity or access to public transit. Planning Commissioners noted proximity to both Unitrans and YoloBus stops. The Planning Commission requested improved access to Unitrans, including real-time information at nearby shelters. Staff has consulted with Unitrans, which reports that it has the ability to add real-time information at a stop with a power source and a place to mount them (which would typically be a bus shelter). Unitrans staff noted that that this information is readily available by smartphone app. YoloBus offers a similar service. Staff suggests the condition of approval relating to bicycle information be augmented to include the "Getting Around Davis" informational concierge described in the Sustainability section on page 8 be added as a requirement to serve hotel guests.
- Staff has also verified that a hotel guest may be eligible to use Davis Community Transit services within Davis by providing a certification document from their home paratransit service or submitting an application for temporary status.
- F Proximity to residences and neighborhood compatibility. The site is not proximate to residential uses. The Planning Commission noted that the hotel use is compatible with nearby business uses.
- G Existing zoning. The proposal requires the following amendments to the Planned Development:
- ◆ Addition of a hotel as a conditionally permitted use
 - ◆ Increase in Floor Area Ratio from 0.5 to 1.0 (recommended; the current proposal is approximately 0.7)
 - ◆ Reduction in Second Street setback from 25 feet to 20-25 feet to allow façade articulation
 - ◆ Sign area exceeding Light Industrial standards, to be established through Design Review
 - ◆ Recreational facilities permitted outside an enclosed building.

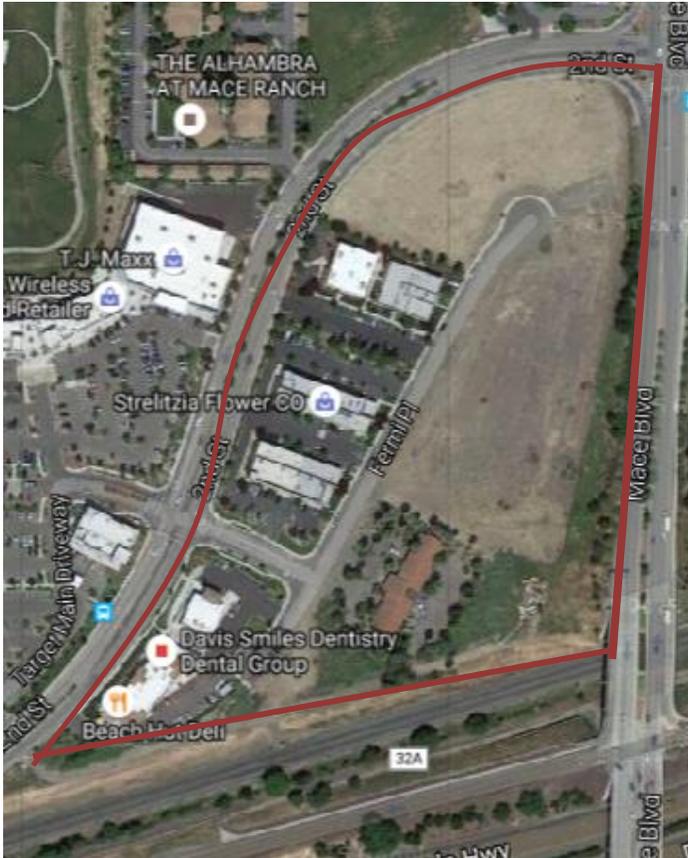
The Planning Commission noted that the hotel use is similar to the "conference center" use conditionally permitted in the Planned Development. Staff has concluded that these

amendments are appropriate for the Light Industrial area in the Mace Ranch Planned Development, in the area between Second Street and Interstate 80.

- I High-profile brand not provided elsewhere in the City of Davis. Staff notes that there is no Marriott-branded hotel in Davis or on the UC Davis campus. Although the City does not have the ability to regulate product or brand name through its land-use authority, a representative from Marriott hotels spoke at the Planning Commission hearing about the company's desire to be in Davis.
- J Transportation demand management commitments, including a shuttle service to airport and conference facilities The project includes on-demand service to the airport and other destinations, either through a shuttle or a service such as Uber. (Condition 82)
- K Anticipated revenue to the City of Davis (including TOT, property tax, sales tax, and Development Agreement commitments). The Finance and Budget Commission discussed the potential fiscal impacts of the hotel proposals at their September 12th meeting. Conclusions of the Finance and Budget Commission are included as Attachment 9 to this staff report. In summary, the Commission concluded that the Marriott Residence Inn would likely result in a net fiscal benefit of hundreds of thousands of dollars annually to the City of Davis.
- L Commitment to high-quality architectural treatments that reflect the community and neighborhood context. Staff feels the project includes high-quality architectural treatments, materials and the building is well-articulated by using deep recesses to break up the building façade adding shadow and depth. As discussed earlier in this report, the project revisions at 2nd Street requested by staff and the Planning Commission further consistency with this criterion.
- M Integration of project amenities such as public art. Commissioners noted the requirement to pursue art by local artists (Condition 61).

The Council will need to determine its comfort with the following criteria, less related to the development's location and use:

- H Sustainability, including commitment to CalGreen Tier 1. LEED Gold or higher is encouraged. Desirable components could be on-site generation of renewable energy, water conservation practices, LED lighting, and similar measures. Sustainability commitments are discussed on page 8 of this report. The proposal meets and exceeds City standards, including mandatory CalGreen Tier 1 building code requirements with a 15% compliance margin for exceeding energy code.
- N Demonstrated team experience and capability for both the development and operation of a first-rate hotel facility
- O Demonstrated financial capacity for project delivery, if approved



Developer information has been provided in Attachment 1. The applicant is proposing to identify an experienced pre-approved Marriot corporation hotel operator, to manage the hotel.

5. Summary of Applications and Recommendations (for action November 1, 2016)

A Mitigated Negative Declaration #6-15 analyzing the effect on the environment with specific focus on raptors, roadways, noise, and air quality.

Recommendation: Staff recommends the City Council determine that the Initial Study and Negative Declaration (Attachment 3) adequately assess the potential impacts of the project, and that recommended mitigation measures reduce any potential environmental impacts to less-than-significant levels. Mitigation measures to address potential impacts to raptors and to meet City interior noise standards are included.

B Amendment to the General Plan.

Recommendation: Staff recommends the City Council adopt a resolution (Attachment 4) to add hotels as conditionally permitted uses within the Office land use designation in the area between Second Street and Interstate 80, with a maximum Floor Area Ratio of 100 percent (see outlined area, above). This area includes one other vacant parcel that could potentially accommodate hotel or conference center use, subject to property owner interest and City approval of any Conditional Use Permit application. However, no interest has been expressed for hotel development by other property owners in the designated area.

C Amendment to Planned Development # 4-88

Recommendation: Staff recommends the City Council adopt an ordinance (Attachment 5) to add hotels as conditionally permitted uses within the Light Industrial / Business Park subarea in the area between Second Street and Interstate 80, with a Second Street setback of 20-25 feet, maximum building height of four stories and 50 feet, add outdoor recreational areas to the list of

uses that are not required to be wholly contained within a building, and allow sign dimensions and location to be established for hotel uses to be subject to review and approval by the Director of Community Development and Sustainability.

D Conditional Use Permit for the extended-stay hotel

Recommendation: Staff recommends the City Council approve the Conditional Use Permit, based upon the findings and subject to the conditions in Attachments 6 and 7. Specifically, staff recommends the City Council find that the proposed use will not constitute a nuisance and that any additional conditions stipulated by the Commission and Council have been or will be met. Specific Conditional Use Permit approvals include a four-story 120-room extended stay hotel with guest lobby, guest gathering/meeting room, fitness room, and outdoor common area, swimming pool, and sport court. A lounge is recommended to be permitted, although the applicant suggests that one may not be included. This Conditional Use Permit also allows project signage to deviate from the size and location requirements of the Zoning Ordinance, subject to review and approval of the Director of Community Development and Sustainability.

E Final Planned Development and Site Plan and Architectural Review.

Recommendation: Staff recommends the City Council approve the Final Planned Development (establishing development standards) and Site Plan and Architectural Review for the proposal, based upon the findings and subject to the conditions in Attachments 6 and 7.

Conclusion

Staff has concluded that the proposal is consistent with the goals of the General Plan and the City Council 2014-16 Goals. All potential environmental impacts can be mitigated to less-than-significant levels. The hotel will meet existing needs for hotel rooms and meeting space to serve local businesses and residents. The City will benefit financially from increased property taxes, sales taxes, and transient occupancy taxes. Staff recommends the City Council approve the applications.

Attachments

1. Applicant Submittals (complete submittal posted at <http://www.cityofdavis.org/city-hall/community-development-and-sustainability/test-development-projects/marriot-residence-inn>)
2. Applicant information, including response to City Council criteria for evaluation of hotel applications, response to Planning Commission comments which included a
3. Initial Study / Negative Declaration (Attachments are at the above link)
4. General Plan Amendment Resolution
5. Planned Development #4-88 Amendment Ordinance
6. CUP, Final Planned Development, and Site Plan and Architectural Review Findings
7. CUP, Final Planned Development, and Site Plan and Architectural Review Conditions
8. Resolution 16-049 Establishing Criteria for Evaluation of Hotel Proposals
9. Finance and Budget Commission Conclusions
10. Correspondence (transmitted separately; not posted)