

## **Additional Clarification 8/14/18**

Below is some follow up information for the August 15, 2018 Planning Commission Meeting.

### **PH-1**

- The proposed conditions 1 & 2 on Data Sheet 1 for alcohol sales require that the kitchen be open and available for meals when alcohol is being served. However, it does not require that alcohol be sold *with* food.
- The theater will remain open while construction is going on.
- The installation of a commercial kitchen will require a grease interceptor. Both Public Works and the Building Division will be involved in the permitting. Studio Movie Grill has already had initial discussions with staff about the location and the appropriate requirements, such as the size of the grease interceptor that is needed to support the use.

### **PH-2**

- The building height is taller than the surrounding buildings in the area. Almost all buildings in the immediate area are either one or two stories. The closest comparable project is the four-story paragon building and approximately 50' at its tallest point.
- There are five districts along South Myrtle Avenue. This project is in the Old Town Extension District which is bounded by the Old Town District at Olive Avenue and The Crossroads District which begins at Maple Avenue.
- The Guidelines for the Old Town Extension District envision an area that over time will transition to mixed use (ground floor commercial below multifamily residential). While some general design considerations included in the General Plan for this area, those are focused more on criteria to establish the building envelope such as height limit, maximum FAR, building step between 3<sup>rd</sup> and 4<sup>th</sup> story on Myrtle Avenue, ground floor commercial presence, and minimal setbacks along street frontages.
- The building was purposefully designed to take design cues (but not mimic) the architecture of the Library including color. The building's architects also took some design inspiration from prominent southern California architect Irving Gill, whose designs were very clean without much ornamentation and without rooflines. As this building is the halfway point between Old Town and the East Huntington Drive High Tech Corridor and it is a more modern style than the traditional features incorporated into Paragon, yet not as contemporary as Areum, Moda or other buildings envisioned for Station Square.
- The developer has been very open to design comments. Although the applicant considered alternatives that exceeded the 65 foot height limit, they have indicated that they would like to stay within the proposed building envelope. The CEQA document evaluated the project at a 65 foot height limit. Any increase to the overall building height would require a new CEQA analysis and recirculation of the CEQA documents.
- As far as the height of the building, the applicant is proposing to use the state's density bonus provisions which allow densities above and beyond what the General Plan allows—by right. It also allows the developer to request concessions or incentives from the City's development standards (height, parking, setback, etc.), also by right. In this area, the maximum height is 4 stories and the developer is asking for a concession on that standard. One of the other concessions that was discussed was upper story setback. The code requires the fourth floor to be setback further than the third. Based on staff's desire to maintain the upper story setback to

reduce massing from Myrtle Avenue, that concession was not requested. Both staff and the applicant agreed that that was an important design consideration for the building.

- One of the conditions of approval allows the property owner to elect to create a Community Facilities District (CFD). CFDs are authorized through the Mello-Roos Community Facilities Act of 1982 (the Act), which provides a mechanism to fund public improvements and services. Through the establishment of a CFD, an additional property tax overlay is assessed on the property to fund the specific improvements and services identified when the CFD is formed. This provides an ongoing revenue stream to the City, in perpetuity, to pay for services that could be impacted by the development. The applicant has to propose or agree to the CFD. The City cannot require it, therefore the condition is worded as an option. The Richman development was the first to include this provision in the conditions of approval.

### PH-3

- Parking is one of the uniform concerns with most development. The City's zoning standards require hotels to provide one parking space per guestroom. The hotel meets this requirement, although they are requesting a Minor Exception to utilize a limited number of compact stalls. The application doesn't request a decrease in the total number of parking spaces. If the hotel had a large banquet facility or restaurant, additional parking based on those additional uses would be required based on the City's parking standards.
- Staff had several conversations with the operator to get a better understanding of the demand. What they have seen is that hotels of this nature in suburban locations generally require less than one parking stall per guestroom for several reasons.
  - o Parking demands for guests and employees do not occur at the same time.
    - § The hotel would employ 22 to 26 part-time employees and 10 full-time employees. Hotel employees generally work in three shifts: 7:00 a.m. to 3:00 p.m., 3:00 p.m. to 11:00 p.m., and 11:00 p.m. to 7:00 a.m. The largest shift occurs between 7:00 a.m. to 5:00 p.m. with a staff of 12 to 14 employees. The hotel industry reports that peak parking utilization rates normally range between 0.74 and 0.81, and that the peak demand typically occurs during the late-night hours when most guests are in their guest rooms. During the late night shift the hotel usually only employs between 1 and 3 staff members.
  - o It is also important to note that not all hotel guests bring a car to the site. Some arrive by taxi, Lyft, or Uber, etc. Additionally, multiple guests arriving in one car will utilize two or more rooms.
- Condition of Approval No. 3 requires the hotel operator to obtain a Special Event Permit two weeks prior to any event that would intensify any of the uses authorized by the conditional use permit. It is important to note that the hotel is not planning to host special events at the facility. However, having a condition in place would prevent them from having to amend their conditional use permit in the future should they decided to host such an event. When there could be a parking impact, one of the requirements of a Special Event Permit is to require a parking impact plan.
- This project also has the option to enter into a CFD, if they so choose.