



FINAL LOCAL ACTION NOTICE AND ZONING PERMIT

August 10, 2022

Dhanesh Patel
8430 Murray Avenue
Gilroy, CA 95020

RE: Notice of Final Action on Application #21-0122

720 Hill Street

Design Permit, Conditional Use Permit, and Tree Removal Permit for a new 42-room hotel located within the C-C (Community Commercial) zoning district and the AH (Affordable Housing) overlay zone ("Project").

This project is outside of the Coastal Zone and does not require a Coastal Development Permit.

Environmental Determination: Categorical Exemption 15332

Property Owner: Dhanesh Patel

Representative: Gwen Jarick, Filed: 12.14.21

The above matter was presented to the Planning Commission on July 21, 2022, and was **approved**, with the following findings and conditions. Any modifications to the conditions and findings are indicated below in strikeout and underline notation.

Conditions of Approval

General Conditions

1. The project approval consists of a Conditional Use Permit, Design Permit, and Tree Removal Permit for the construction and operation of a hotel at 720 Hill Street. The CUP, Design Permit, and Tree Removal Permit application #21-0122 was approved by Planning Commission on July 21, 2022.
2. Prior to construction, a building permit shall be secured for any new construction or modifications to structures authorized by this conditional use permit. Final building plans shall be consistent with the plans approved by the Planning Commission. All construction and site improvements shall be completed according to the approved plans.
3. At time of submittal for building permit review, the Conditions of Approval must be printed in full on the cover sheet of the construction plans.

4. During construction, any construction activity shall be subject to a construction noise curfew, except when otherwise specified in the building permit issued by the City. Construction noise shall be prohibited between the hours of nine p.m. and seven-thirty a.m. on weekdays. Construction noise shall be prohibited on weekends with the exception of Saturday work between nine a.m. and four p.m. or emergency work approved by the building official. §9.12.010B.
5. Prior to issuance of a Certificate of Occupancy, compliance with all conditions of approval shall be demonstrated to the satisfaction of the Community Development Director. Upon evidence of non-compliance with conditions of approval or applicable municipal code provisions, the applicant shall remedy the non-compliance to the satisfaction of the Community Development Director or shall file an application for a permit amendment for Planning Commission consideration. Failure to remedy a non-compliance in a timely manner may result in permit revocation.
6. This permit shall expire 24 months from the date of issuance. The applicant shall have obtained an approved building permit commenced construction before this date to prevent permit expiration. Applications for extension may be submitted by the applicant prior to expiration.
7. The planning and infrastructure review and approval are transferable with the title to the underlying property so that an approved project may be conveyed or assigned by the applicant to others without losing the approval. The permit cannot be transferred off the site on which the approval was granted.
8. The project applicant shall designate a “disturbance coordinator” who will be responsible for responding to any local complaints regarding construction noise. The coordinator (who may be an employee of the general contractor) will determine the cause of the complaint and will require that reasonable measures warranted to correct the problem be implemented. A telephone number of the noise disturbance coordinator shall be conspicuously posted at the construction site fence and on the notification sent to neighbors adjacent to the site. The sign must also list an emergency after-hours contact number for emergency personnel.
9. Green Waste is the City’s exclusive hauler for recycling and disposal of construction and demolition debris. For all debris boxes, contact Green Waste. Using another hauler may violate City Code Section 8.04 and result in Code Enforcement action.

Conditional Use Permit Conditions

10. The application shall be reviewed by the Planning Commission upon evidence of non-compliance with conditions of approval or applicable municipal code provisions.
11. The rooftop patio shall be closed for all use between 10pm and 8am.
12. The applicant shall obtain a business license prior to operating the new hotel.
13. Hours for deliveries to the hotel shall be limited to 8:00 A.M. – 8:00 P.M. Monday through Friday, to minimize noise impacts to neighboring residents. Delivery vehicles shall not be permitted to remain at idle, shall utilize the loading zones, and shall not stop or park within 50 feet of the residential property boundaries.
14. Upon receipt of certificate of occupancy, garbage and recycling containers shall be placed out of public view and inside the trash enclosure on non-collection days.

15. Bicycle parking is required to be accommodated with 10 short term bike parking spaces and five long term bike parking spaces. The design and specifications of the bike parking spaces shall be included in the plans for Building Permit plan check.
16. The property shall maintain and make available to guests and employees, six property bikes. The applicant shall have the bikes onsite prior to certificate of occupancy.
17. Amplified sound is limited to interior areas only.
18. Alcohol service is not approved with this permit.

Planning Department Conditions

19. Prior to making any changes to approved plans, modifications must be specifically requested and submitted in writing to the Community Development Department. Any significant changes to the size or exterior appearance of the structure shall require Planning Commission approval.
20. Prior to issuance of building permit, all Planning fees associated with permit #21-0122 shall be paid in full.
21. Air-conditioning equipment or other roof top equipment shall be screened from view and fall within allowable city permitted decibel levels.
22. The trash enclosure shall be covered, gated, and maintained to provide a clean and sanitary area. The trash enclosure construction shall be completed, prior to final inspection.
23. Outdoor luminaires shall be energy-efficient fixtures controlled by motion sensors and incorporate cut-off controls and outdoor lighting controls. All building and parking lot lighting shall be shielded to prevent light from shining in the neighboring properties and be Dark Sky compliant. The applicant shall provide a lighting plan and photometric plan with the submittal of plans for building permit plan check.
24. No rooftop equipment is to be visible to the general public. Any necessary roof screening is to match the color of the building as closely as possible. Plans for any necessary screening shall be submitted to the Community Development Department prior to, or in conjunction with the building permit submittal.
25. Prior to issuance of a building permit, the applicant must provide documentation of plan approval by the following entities: Santa Cruz County Sanitation Department, Soquel Creek Water District and Central Fire Protection District.
26. Prior to the issuance of any building permits, the applicant shall agree, in writing, to defend, indemnify, and hold harmless the City and its officers, agents, and employees in any action brought by a third party to void this Conditional Use Permit, Design Permit, or Tree Removal. The agreement shall be in a form satisfactory to the City Attorney and Community Development Director and executed, prior to issuance of building permits. It shall run with the land and shall not be amended without prior City consent.
27. Prior to issuance of building permits, the building plans must show that the existing overhead utility lines will be underground to the nearest utility pole.

28. The owner shall consult the members and/or managers of the Road and Utility Maintenance Agreement to obtain any necessary approvals regarding the design and location of road, sidewalk, and utility improvements associated with this project, prior to start of work. The owner shall further coordinate with the managers of the Road and Utility Maintenance Agreement and adjacent property owners to ensure that appropriate access is maintained throughout the duration of the project. Permit approval does not supersede any obligations of the owner to comply with private agreements.
29. Prior to occupancy, the Landscape Architect shall certify in writing the landscaping and irrigation has been installed in accordance with all aspects of the approved landscape plans, subject to final approval by the Community Development Director.
30. If prehistoric or historic-period cultural materials are unearthed during ground-disturbing activities, it is recommended that all work within 100' of the find be halted until a qualified archaeologist and Native American representative can assess the significance of the find. Prehistoric materials might include obsidian and chert-flaked stone tools (e.g., projectile points, knives, scrapers) or tool-making debris; culturally darkened soil ("midden") containing heat-affected rocks and artifacts; stone milling equipment (e.g., mortars, pestles, handstones, or milling slabs); and battered-stone tools, such as hammerstones and pitted stones. Historic-period materials might include stone, concrete, or adobe footings and walls; filled wells or privies; and deposits of metal, glass, and/or ceramic refuse. If the find is determined to be potentially significant, the archaeologist, in consultation with the Native American representative, will develop a treatment plan that could include site avoidance, capping, or data recovery.
31. In the event of the discovery of human remains during construction or demolition, there shall be no further excavation or disturbance of the site within a 50' radius of the location of such discovery, or any nearby area reasonably suspected to overlie adjacent remains. The Santa Clara County Coroner shall be notified and shall make a determination as to whether the remains are Native American. If the Coroner determines that the remains are not subject to his/her authority, he/she shall notify the Native American Heritage Commission, which shall attempt to identify descendants of the deceased Native American. If no satisfactory agreement can be reached as to the disposition of the remains pursuant to this State law, then the landowner shall reinter the human remains, and items associated with Native American burials on the property in a location not subject to further subsurface disturbance. A final report shall be submitted to the City's Community Development Director prior to release of a Certificate of Occupancy. This report shall contain a description of the mitigation programs and its results, including a description of the monitoring and testing resources analysis methodology and conclusions, and a description of the disposition/curation of the resources. The report shall verify completion of the mitigation program to the satisfaction of the City's Community Development Director.
32. In the event that a fossil is discovered during construction of the project, excavations within 50' of the find shall be temporarily halted or delayed until the discovery is examined by a qualified paleontologist, in accordance with Society of Vertebrate Paleontology standards. The City shall include a standard inadvertent discovery clause in every construction contract to inform contractors of this requirement. If the find is determined to be significant and if avoidance is not feasible, the paleontologist shall design and carry out a data recovery plan consistent with the Society of Vertebrate Paleontology standards.
33. To the extent practicable, tree removal shall be performed from September 1 through January 31 to avoid the general nesting period for birds. If tree removal cannot be performed during this period, precutting surveys will be performed no more than two days prior to beginning work

activities to locate any active nests as follows: The owner/applicant shall be responsible for the retention of a qualified biologist to conduct a survey of the project site and surrounding 300' for active nests—with particular emphasis on nests of migratory birds—if tree cutting will begin during the bird nesting season, from February 1 through August 31. If active nests are observed on either the project site or the surrounding area, the project owner/applicant, in coordination with the appropriate city staff, shall establish no-disturbance buffer zones around the nests, with the size to be determined in consultation with the California Department of Fish and Wildlife (usually 100' for perching birds and 300' for raptors). The no-disturbance buffer will remain in place until the biologist determines the nest is no longer active or the nesting season ends. If construction ceases for three days or more and then resumes during the nesting season, an additional survey will be necessary to avoid impacts on active bird nests that may be present.

34. This project requires the approval of the Santa Cruz County Environmental Health Department prior to issuance of Building Permits.
35. No signs are approved as part of this application. A Sign Permit application shall be submitted in compliance with Chapter 17.80 of the zoning ordinance and shall include all signage proposed for the project site.
36. The Water Feature shall not be directly connected to water utility source and shall be equipped with a recirculation pump.
37. Inspections by the Planning Department are required for the foundation, final framing, prefinal after application of exterior materials, and final inspection.
38. Separate containers for recyclables, organics, and waste shall be placed in all common areas, including all gathering areas, such as eating areas and break rooms.
39. A separate water service and water meter for irrigation will be required.
40. The applicant shall submit an application to meet the public art requirement prior to building permit issuance. The proposed conceptual mural at the northwest corner of the building shall be incorporated into the project in any case; even if it does not qualify or is otherwise not accepted to satisfy the public art requirement. A cash deposit for the value of the public art shall be paid prior to issuance of building permits.
41. The applicant shall provide four electric vehicle charging stations with the plans for building permit plan check.
42. The landscape plans for Building Permit plan check shall replace the six, 15-gallon pittosporum shrubs at the south end of the new parking lot with three, 24 inch box evergreen trees.

Public Works Department Conditions

43. Prior to issuance of building permits, any improvements that interface with the public right of way, e.g., sidewalks, crosswalks, curb, gutter and sidewalks, shall submit plans for review and approval by the Public Works Department.
44. Prior to any work in the City Road right of way, an encroachment permit shall be acquired by the contractor performing the work. No material or equipment storage may be placed in the road right-of-way.

45. Prior to a project final, all cracked or broken driveway approaches, curb, gutter, or sidewalk in the City Road right of way shall be replaced per the Public Works Standard Details and to the satisfaction of the Public Works Department. All replaced driveway approaches, curb, gutter or sidewalk shall meet current Accessibility Standards.
46. At time of submittal for building permit review, Public Works Standard Detail SMP STRM shall be printed in full and incorporated as a sheet into the construction plans. All construction shall be done in accordance with the Public Works Standard Detail BMP STRM.
47. Prior to issuance of building permits, a drainage plan, grading, sediment and erosion control plan, shall be submitted to the City and approved by Public Works. The plans shall be in compliance with the requirements specified in Capitola Municipal Code Chapter 13.16 Storm Water Pollution Prevention and Protection.
48. Applicant shall notify the Public Works Department 24 hours in advance of the commencement of work. A pre-construction inspection must be conducted to verify compliance with the approved temporary erosion and sediment control plan
49. Prior to issuance of building permits, a drainage plan, grading, sediment and erosion control plan (Temporary Construction BMPs) shall be submitted to the City and approved by the Public Works Director. The plans shall be in compliance with the requirements specified in Capitola Municipal Code Chapter 13.16.100 Construction Site Storm Water Runoff Control. All improvements shall be installed prior to the start of construction and shall be maintained throughout project duration.
50. Prior to issuance of building permits, the applicant shall submit a Stormwater Control Plan, Bioretention Construction checklist, and detailed draft Stormwater Operation and Maintenance Plan prepared and certified by a Registered Civil Engineer in accordance with the current Post construction Requirements (PCRs) for a Tier 2 project for review and approval by the Public Works Director. The revisions specified in the HydroScience Preliminary Stormwater Control Plan Review dated July 11, 2022, including subsequent updates, shall be completed to the satisfaction of the Public Works Director.
51. Prior to final occupancy approval the applicant shall submit a final Operation and Maintenance Plan including any revisions resulting from changes made during construction for review, approval and recorded in the Office of the County Recorder by the Public Works Director.
52. Prior to final occupancy approval the applicant shall enter into and record in the Office of the county Recorder, any agreements identified in the Stormwater Control Plan which pertain to the transfer of ownership, right-of-entry for inspection or abatement, and/or long-term maintenance of the stormwater treatment BMPs.
53. Prior to final occupancy approval the Engineer of Record shall inspect construction of stormwater management improvements and certify to the City that the construction meets the intent of the approved design drawings, Stormwater Control Plan, and the City Post Construction Requirements.
54. Prior to final occupancy approval the Engineer of Record shall provide final record drawings of the constructed stormwater management improvements.

Planning Commission Conditions

55. Prior to acceptance of plans for building permit plan check, the applicant shall adjust existing parking lot lighting to avoid light trespass onto neighboring properties.
56. The applicant shall add a three foot tall solid wood cap to the existing five foot tall masonry wall, prior to certificate of occupancy.

Conditional Use Permit Findings

A. The proposed use is allowed in the applicable zoning district.

Hotels are a conditional use in the Community Commercial zone. The design and use incorporate mitigations and conditions to result in a hotel that has an appropriate transition and limited impact on surrounding residential uses. The property has an Affordable Housing Overlay that is assigned 61 units under the current Housing Element. The City has identified new sites and progress toward RHNA goals that result in No Net Loss.

B. The proposed use is consistent with the general plan, local coastal program, zoning code, and any applicable specific plan or area plan adopted by the city council.

The proposed use, as conditioned, is consistent with local long range and implementation planning documents.

C. The location, size, design, and operating characteristics of the proposed use will be compatible with the existing and planned land uses in the vicinity of the property.

The project will have a beneficial effect on traffic and provide a support service to local business. The design incorporates appropriate residential transition measures and involves only a 40% buildout of the site. The rooftop patio is regulated by appropriate hours.

D. The proposed use will not be detrimental to the public health, safety, and welfare.

The proposed hotel will not have an impact to public, health, safety, and welfare. The building provides for required parking, will be fire sprinkled, and will be served by all necessary public utilities.

E. The proposed use is properly located within the city and adequately served by existing or planned services and infrastructure.

The proposed use is appropriately located and well mitigated from impacts to adjacent residential uses. The project is with a quarter mile to SR1 and a bus route. The property will be served by all utilities.

Design Permit Findings

A. The proposed project is consistent with the general plan, local coastal program, and any applicable specific plan, area plan, or other design policies and regulations adopted by the city council.

Community Development staff, the Development and Design Review Committee, consultant RRM and the Planning Commission have all reviewed the project. The proposed project, as conditioned, is consistent with local long range and implementation planning documents. The project meets the Design Review Criteria.

B. The proposed project complies with all applicable provisions of the zoning code and municipal code.

Community Development Staff, the Design and Development Review Committee, and the Planning Commission have all reviewed the project. The proposed 18,261 square foot hotel complies with all development standards of the C-C (Community Commercial) zoning district.

C. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA).

Section 15332 of the CEQA Guidelines exempts infill development projects that meet certain criteria.

The city contracted with environmental consultant Dudek to prepare a detailed environmental analysis under CEQA for the proposed project (attachment #5). The project is consistent with both the general plan and zoning ordinance. The site is within city limits and is surrounded by developed sites and urban uses. No known habitat or rare or threatened species have been identified on the subject site. Potential for traffic, noise, air quality and water quality were all evaluated and will be effectively mitigated by following current City codes and the recommended project conditions of approval. The site is well served by available public utilities and services.

D. The proposed development will not be detrimental to the public health, safety, or welfare or materially injurious to the properties or improvements in the vicinity.

The proposed hotel will not have an impact to public, health, safety, and welfare. The building provides for required parking, will be fire sprinkled, and will be served by all necessary public utilities. Condition #22 requires the applicant to work with the Road and Utility Maintenance Agreement members to ensure compliance with the property's underlying private contracts.

E. The proposed project complies with all applicable design review criteria in Section 17.120.070 (Design review criteria).

Community Development Staff, the Architectural and Site Review Committee, design consultant RRM and the Planning Commission have all reviewed the project. The proposed 18,261 square foot hotel and supporting improvements comply with the applicable design review criteria as described in the staff report.

F. For projects in residential neighborhoods, the proposed project maintains the character, scale, and development pattern of the neighborhood.

The project site is not in a residential neighborhood but adjacent to single family and multi family zoning. The design incorporated all required transitional standards and conditions of approval further mitigate impacts of operating hours, privacy, and noise.

This permit is issued to the owner of the property. In executing this permit, owner agrees to comply with all terms of permit, including conditions of approval, if any. Permit must be exercised within 24 months of date of issuance (August 2, 2024) unless otherwise indicated in conditions of approval. Should you have any questions on this matter, do not hesitate to call.

Respectfully,



Brian Froelich, AICP
Senior Planner