



CITY OF NEWARK

Planning Commission

City Hall, City Council Chambers

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MINUTES

Tuesday, November 8, 2022

7:00 P.M.

A. ROLL CALL

Chair Becker called the meeting to order at 7:00 pm. Except for Commissioner Aguilar, all members of the Planning Commission were present: Vice-Chair Fitts, Chair Becker, Commissioner Bogisich, and Commissioner Pitpitan. Commissioner Pitpitan, the newest member of the Planning Commission, was welcomed by Chair Becker.

B. MINUTES

B.1 Approval of Minutes of the regular Planning Commission meeting of August 9, 2022.

MOTION APPROVED

Commissioner Bogisich moved, Vice-Chair Fitts seconded, to approve the Minutes of the regular Planning Commission meeting on August 9, 2022. The motion passed **3 AYES – 1 ABSTAIN (Commissioner Pitpitan abstained from voting) – 1 ABSENT (Commissioner Aguilar was absent)**

C. WRITTEN COMMUNICATIONS

None.

D. ORAL COMMUNICATIONS

Members of the public are invited to address the Planning Commission on any item not listed on the agenda. Public Comments are generally limited to 5 minutes per speaker. Please note that State law prohibits the Commission from acting on non-agenda items.

None.

E. PUBLIC HEARINGS

E.1 Public Hearing to consider a Resolution recommending approval of a Design Review, Conditional Use Permit, Minor Use Permit, and Master Sign Program (DR2020-002) for a hotel development located at 39888 Balentine Drive (APN 901-195-10)

(RESOLUTION)

Community Development Director (CDD) Steven Turner introduced Carmelisa Lopez, Senior Planner, who gave the staff report that evening.

Senior Planner (SP) Carmelisa Lopez welcomed the commissioners, introduced herself and announced that she would be speaking on the AC Marriott project, a proposed hotel development at 39888 Balentine Drive.

Senior Planner (SP) Carmelisa Lopez gave a presentation including the project's site information, the project proposal, the floor plan, the general plan, and zoning conformance, the Conditional Use Permit (CUP) required findings, the entitlements requested, which are a Design Review, a CUP, a Minor Use Permit (MUP), and a Master Sign Program.

As presented by SP Carmelisa Lopez, the project is a 1.66-acre site, which features the Nijo Castle Restaurant, bordered by Balentine Drive, Mowry School Road, and a paved access easement. It's also surrounded by restaurants, hotels, offices, and auto dealership uses. SP Lopez said that the project's applicant is Nimish Patel of Patel Real Estate, who is proposing an AC Hotel by Marriott. The project is approximately 75,000 square feet, five stories tall, almost 60 feet tall, 132 rooms, it contains two ballrooms, 96 parking spaces and some signage that is included in the proposal, and some amenities. SP Lopez noted that the owner of this project is the same applicant for the Hyatt Place that's currently under construction on 5600 John Muir Drive, located north of the project site.

The Site Plan and the Circulation Plan are displayed on a slide that SP Carmelisa Lopez provided. She clarified that parking is shown on the site plan to be all around the building, with the major

parking lot being along Mowry School Road. Two entrances are suggested for the hotel; one would be used for large events and visitors, while the other would be used for minor truck deliveries and for picking up and dropping off guests. SP Carmelisa Lopez clarified that the green arrows on the Circulation Plan scheme on the right side of the slide represented car access from the public right-of-way, while the red arrows represented pedestrian access. She continued by pointing out that there is a walkway that circles the structure, numerous points of entry from the easement to the hotel, and two additional driveways that now lead to the project site.

The Landscape Plan was the next slide in SP Carmelisa Lopez's presentation. She noted on this slide that the project incorporates a variety of landscaping elements around the site as well as various elevations of vertical panels covered in vegetation that help to screen the project site from the public rights-of-way.

The Ground Story Plan, which SP Lopez described in the next slides of her presentation, is where she emphasized a few key aspects, including guest facilities, the ballrooms, a guest-accessible fitness center, and the initial set of hotel rooms, which are on the second floor. She mentioned that the third story has a roof terrace for the guests' use and the fourth and fifth-floor plan are all hotel rooms.

SP Carmelisa Lopez then moved on to the slides for the South and East elevations, noting that while they appeared darker on the slides due to a printing problem, they used a white and gray color scheme. She emphasized that the proposed signage and awnings are visible on these elevations. She also noted that the vertical panels covered in vegetation on the ground level are visible on the slides for the North and West Elevations.

The project's conformity with the General Plan and Zoning Code was further explained by SP Carmelisa Lopez. She stated that the hotel use, which is permitted in the land use designation area, is consistent with the General Plan, and that under the Zoning Code, hotels are allowed by right while the banquet hall use, which is a secondary use to the hotel, is allowed with the approval of a Conditional Use Permit (CUP). She stated that, overall, the project complies with all relevant zoning regulations, apart from the ground floor height, the on-site loading areas, and the on-site parking. She continued by saying that the ground floor height requirement, which exclusively applies to ground floor retail use, is not necessary for this project, and that on-site loading spaces are also not necessary because large delivery vehicles are not anticipated there. SP Carmelisa Lopez added that the entitlements requested for this project are a Design Review, a CUP, a Minor Use Permit (MUP), and a Master Sign Program.

SP Carmelisa Lopez then went into detail about the Design Review, CUP, and MUP regulations. She said that all new construction projects must undergo a design review. The applicant has collaborated with staff to improve the building and site design to enhance the site's appearance and surroundings. The project's contemporary design is well-articulated and makes use of a

variety of colors and materials. SP Carmelisa Lopez showed a slide of a night rendering on which rib panel siding and blue indigo accent lights are displayed; she explained that these elements serve as accents. She emphasized how the canopies and the signage on this slide showcase the ground floor. The 4,200-square-foot banquet hall, which will be used for a variety of events including weddings, meetings, and seminars, requires a Conditional Use Permit (CUP). The entrance to the banquet hall will be on the southeast side of the building, next to the main parking lot. Many event attendees are expected to stay at the hotel and/or use Lyft or Uber to travel to and from the events, according to the hotel's operator. SP Carmelisa Lopez underlined that staff has imposed a few conditions of approval for this proposed use, such as limiting the hours and requesting a Minor Use Permit (MUP) for events with live entertainment, to guarantee that it complies with all CUP standards. Staff will need more analysis if any complaints are made, she noted. The zoning code permits a parking reduction with this project's approval of a Minor Use Permit (MUP). The applicant provided a parking demand study to support their request, which concluded that the project meets the hotel's parking needs and that, with the implementation of a Transportation Demand Management (TDM) Plan, the parking demand would be reduced by 15%, resulting in the need for only 78 parking spaces rather than the 132 currently required by the zoning code.

SP Carmelisa Lopez kept going with her slide presentation as she discussed the Master Sign Program, the final entitlement. When five or more signs are suggested for a project, she said, a Master Sign Program is required, and the proposed signage sites for the structure were displayed on that slide. She also mentioned that monument signs, other building signage, and awning signs would be present.

Regarding the project's environmental review, SP Carmelisa Lopez stated that the staff had determined that it qualified for a Class 32 Categorical Exemption (CE). The staff had also hired Rincon Consultants to conduct an environmental analysis to determine whether the project was consistent with the Class 32 CE, and a representative from this firm was present in case there were any questions about the environmental review. Overall, the report determined that this project is consistent and eligible, she said.

SP Carmelisa Lopez concluded her presentation by stating that the required findings for each of the entitlements are included in the Staff Report, Attachment 3 and that the project complies with all the required findings. She also stated that the requested entitlements for this project include a Design Review for the proposed hotel, a CUP for banquet hall use, an MUP for proposed parking reduction, and a Master Sign Program for proposed signage.

Staff Recommendation: Staff recommends that the Planning Commission approve, by resolution, DR2020-002, as requested by the project applicant, based on the findings provided in Attachment 3, Draft Resolution.

Chair Becker thanked SP Carmelisa Lopez for her thorough presentation and asked if the Commissioners had any questions for staff. Nobody had any questions. Chair Becker commented that he had previously discussed the parking reductions with staff and that after talking with staff and learning about the required parking study, staff stated that it resulted in a 15% reduction in parking demand. He then inquired about some examples of offsets that the parking plan would involve.

SP Carmelisa Lopez responded that the hotel operator would be developing a Transportation Demand Management Plan, with examples including a shuttle service to the airport and rideshare opportunities for employees to provide transportation benefits. She also mentioned that there are some options for long and short-term bicycle parking, as well as bicycle lockers for employees. SP Carmelisa Lopez added that while staff does not know the specifics of what the hotel operator will implement at this time, they will monitor the TDM Plan every year to ensure that it is working effectively.

Chair Becker expressed concern about the 132 rooms and only 96 parking spaces, as well as the ballroom. He then inquired as to the ballroom's occupancy load.

SP Carmelisa Lopez responded that it would depend on the layout and that the applicant has informed staff that it will occupy up to 600 people, but that everyone will be standing for this occupancy. She stated that they anticipate a variety of events, including weddings, meetings, and seminars with tables and chairs, and that she is hopeful that the conditions of approval will address any issues with exceeding the amount of parking demand.

Chair Becker stated that he was unaware that the ballroom could hold 600 people in addition to the hotel rooms. He went on to say that 96 parking spaces seemed insufficient for the project, but that the applicant could clarify that when he speaks.

Since there were no more questions, Chair Becker opened the public hearing and asked if anyone in the audience wanted to speak on the item, starting with the applicant as is traditional.

The project's architect, Sharad Lal, approached the podium.

Chair Becker inquired whether he had read the resolution and agreed to all the conditions. Mr. Lal said, yes, they did. Then, Mr. Lal explained that he was there to give a brief talk and answer any questions. He thanked the Planning Commission for giving him the opportunity to be there and to represent Mr. Patel. He also stated that Mr. Patel is grateful to the City of Newark for selecting this as his second project and that both parties hope that this will be a much better project. Mr. Lal stated that he has been working on this project for about three years, with previous iterations, and that he has worked with valuable input from staff up to this point. Mr. Patel wanted to add another amenity that would distinguish this project from other hotels, so he decided to add a ballroom, which would not only help fill hotel rooms but would also be great for long-term business proposals; it would make the hotel more successful and workable. Both parties agreed to go with a more upscale brand in the form of AC Hotel, and the ballroom would supplement the business plan in relation to the hotel.

Mr. Lal went on to discuss the reservation Chair Becker had about parking. According to him, hotel rooms are empty during events that take place during the day, making parking spaces available for attendees. However, when weddings or other similar events take place on the weekends, guests and attendees will share parking spaces. Additionally, he added, ridesharing and/or shuttle services may be able to assist with the parking situation, and if there were any problems, they would be able to offer valet parking for the visitors.

Chair Becker asked Mr. Lal whether they had considered making reciprocal arrangements with the nearby businesses. Mr. Lal responded that the adjacent parking lot is empty, but they have no formal agreements with them, it is an option if they need to implement anything beyond what the hotel can handle. Mr. Lal also thanked staff for putting together a good presentation and guiding them through the process. He also indicated that he would remain in case there were any questions, and Mr. Rajin Patel and his civil engineer were present as well to address any additional questions or concerns.

Chair Becker thanked Mr. Lal and asked if anyone else would like to speak on the item while the public hearing was still open. Nobody said anything.

Chair Becker asked Community Development Director (CDD) Steven Turner if there was anyone via Zoom who would like to speak on the item. CDD Steven Turner responded that no one wanted to speak via Zoom.

Chair Becker thanked CDD Steven Turner, closed the public hearing, and brought it back to the Commission. He asked the Commissioners if there were any questions or comments regarding the project.

Commissioner Fitts reiterated Chair Becker's concern regarding the parking lot, and he understood that if there were any issues with the parking space and the neighboring businesses, the hotel would be able to resolve the parking problems. Commissioner Fitts also inquired about the third-floor terrace and whether the restaurant and bar would be open to people who would not be staying at the hotel. Mr. Lal responded that the restaurant and bar would primarily serve hotel guests, offering breakfast, lunch, and dinner. Mr. Lal also explained that the hotel rooms on the third floor face the inside of the courtyard, which is an open area where guests can sit and relax. He added that they do not have many details because the interior designers focused on the exterior, but that the interior designers will take care of that part of the building in the next phase of the project. Commissioner Fitts assumed that part of the building would be for guests rather than a public area. Mr. Lal confirmed that it would be for hotel guests only and assured him that it would be a place for socializing.

Commissioner Fitts stated that he researched the AC Marriott property and discovered it to be a nice, upper-scale property that would be a good addition. Mr. Lal stated that AC Marriott began in Spain and that the entire food menu is inspired by Spain. Commissioner Fitts inquired of Mr. Lal about his involvement in the Hyatt Place project. Mr. Lal replied that he was involved in it and that it would open in a month to a month and a half. Commissioner Fitts inquired if Hyatt Place would have a grand opening. Mr. Lal responded that this was their intention. Mr. Lal also mentioned that he worked with CDD Steven Turner in Redwood City, so he is likely familiar with his work.

Chair Becker inquired of Mr. Lal about the state of the hotel business in the aftermath of the pandemic, given the proximity of the two hotels. Mr. Lal responded that it is improving and that in the long run, when the projects are completed, he hopes it will be better than it is now. He also stated that the hotel industry suffered greatly during the Covid period. Chair Becker stated that if the owner does not believe that the hotel business will recover, he will not invest. Mr. Lal confirmed that the owner is moving forward and is pleased with the City of Newark. Commissioner Fitts inquired about the anticipated opening date. Mr. Lal responded that it would be in two and a half years.

Chair Becker questioned staff if there were any issues in the future concerning the parking and if staff would be able to circle back to address the issue. Deputy Community Development Director (DCDD) Art Interiano, responded that, in addition to the requirement of the Transportation Demand Management (TDM) Plan, which will reduce parking to 15%, there is a condition of approval, which is part of Exhibit B, which requires the property owner to address and alleviate any parking issues or complaints the City may receive, at the owner's expense. Chair Becker was happy to hear this.

Chair Becker motioned to approve by resolution the Design Review, the Conditional Use Permit, the Minor Use Permit, and the Master Sign Program as recommended by staff. Commissioner Fitts moved to approve the motion recommended by staff, and Commissioner Bogisich seconded the motion.

Chair Becker requested to vote.

Chair Becker announced the motion passed; 4 AYES, 1 ABSENT. Commissioner Jeff Aguilar was absent.

F. STAFF REPORTS

None

G. COMMISSION MATTERS

G.1 Report on City Council actions.

Chair Becker directed the attention to Community Development Director (CDD) Steven Turner.

(CDD) Steven Turner stated that it was a pleasure to see all the commissioners that night because it had been a while since the last meeting, and he hopes to have Commissioner Aguilar join future meetings so that all five commissioners are present. He went on to report a couple of Council items. He stated that on September 22nd, Council acted on two items, which he described as a great day for the Community Development Department. One of the actions was the City Council's approval of the FMC Willow, a project presented to the Planning Commission in July by the Deputy Community Development Director (DCDD) Art Interiano.

Community Development Director (CDD) Steven Turner directed attention to DCDD Art Interiano, for a refresher on the FMC Willow Project. DCDD Art Interiano stated that the FMC Willow project is moving forward, that Lennar is a part of the agreement, and that the project parameters are a 22-acre site, a 90-unit affordable housing project, a five-acre grand park, which was originally approved with the Harbor Point Project a few years ago, 292 market-rate housing units, and the transit station, which will be the future station once the railroad arrives.

Community Development Director (CDD) Steven Turner went on to say that it was a significant step forward for the Bayside Newark TOD area because it completed many of the development phases there. The second item on which Council acted was the consolidation of the Town Suites Hotel and Cedar Community Apartments affordable housing. The City Council reviewed and approved the agreements to be established between the City and the developer, Allied Housing, which is a division of Abode Services, a well-known and respected affordable housing and service provider in the community. As a result, The Marriott Corporation, the hotel's owner, was able to transfer ownership to Allied Housing, and Allied Housing now controls the site and the buildings. They are currently preparing to transition the hotel into affordable housing marketing activities involving tenant recruitment. As part of those activities, the City is sending a postcard to every address in Newark informing residents of the availability of this opportunity, and those eligible households interested in the Cedar Community Apartments can visit a website to learn how to apply and get more information. This opportunity is intended for extremely low-income families, but there is a reminder that there will be 124 units available, which should be filled within the next four to five months.

Community Development Director (CDD) Steven Turner stated that Council will hold a meeting on Thursday, and in terms of hotels, Council will review the state of Transit Occupancy Taxes (TOT) in Newark. During that meeting, the Community Development Department, Finance Department, and hotel consultants would present their joint effort to give the Council and the community a sense of how Newark is doing in terms of TOT as it emerges from the recession. This presentation will also provide useful information on how Newark is relatively well-positioned in the region to capitalize on the hotel market as it emerges from the pandemic. Community Development Director (CDD) Steven Turner stated that on December 8th, Council will hold its final meeting of the year, which will be mostly a ceremonial meeting to seat a new mayor and possibly one or two council members, as well as to bid Mayor Nagi farewell as he completes his term as Mayor and City Council member. He invited the Planning Commissioners to the meeting. He concluded by announcing that the City's holiday tree lighting ceremony,

which was cancelled during Covid, will be held on December 5th, at 5:30 p.m., an annual event that was popular last year. He also invited the Planning Commission to attend.

Community Development Director (CDD) Steven Turner stated that he has invited Sofia Castillo, the Administrative Support Specialist, to attend the Planning Commission meetings to assist with the technology portion of the meeting, allowing DCDD Art Interiano and him to focus more on the meetings.

H. PLANNING COMMISSIONER COMMENTS

Commissioner Fitts congratulated Chair Becker on receiving the Viola Blythe Award, which is the City of Newark's Volunteer of the Year. He stated that Chair Becker was previously the City Manager, putting in a lot of time and effort, and has continued to serve in the community as a volunteer. Chair Becker received a significant and well-deserved award. He also stated that Mayor Nagi and Councilman Bucci were the recipients of the Viola Blythe award as well.

Chair Becker thanked Commissioner Fitts.

I. ADJOURNMENT

Chair Becker adjourned the regular Planning Commission meeting at 7:35 p.m.

Respectfully submitted,



STEVEN TURNER
Secretary