

**City of Scotts Valley
PLANNING COMMISSION
MEETING MINUTES**

MEETING DATE/TIME: Thursday, April 23, 2009 @ 6:00 p.m.

DATE APPEAL PERIOD ENDS: May 7, 2009 at 5:00 p.m.

LOCATION:
City Hall
One Civic Center Drive, Scotts Valley

POSTING: The agenda for
this meeting was posted at City
Hall on 4/14/09 by Planning staff.

CALL TO ORDER: Chair Muth called the meeting to order at 6:03 p.m.

ROLL CALL Present: Commissioners Muth, Bowen and Patterson,
and Mr. Eric Taylor of the Cultural Preservation
Society
Staff: ICDD Westman, SP Bateman, SP Fodge,
AS Schwartz

ORAL COMMUNICATIONS: None.

ALTERATIONS TO CONSENT AGENDA: None.
(Commission may remove or add items on the Consent Agenda)

CONSENT AGENDA:

1) Planning Commission Minutes: April 9, 2009, Regular Meeting.

M/S Bowen/Patterson

To approve the Consent Agenda Minutes as presented.

3/0 Carried

ALTERATIONS TO PUBLIC HEARING , REGULAR OR DISCUSSION AGENDA:

None.

(Commission may remove, add or re-arrange items on the Public Hearing or Regular agenda)

REGULAR CRPC AGENDA:

2) **5030 Scotts Valley Drive / APN: 022-091-61**

Applicant: Merced Hospitality, Inc.

CRAA09-001, HLA09-001

Consideration for recommendation of approval to the City Council of a Cultural Resource Alteration Application and Historical Landmark Alteration Permit to allow the construction of a 112-119 room hotel and related property improvements, which

will require grading the site and relocating and storing the historic Octagon Building off site.

**City of Scotts Valley, Planning Department
Staff Planner: SP Michelle Fodge, (831)440-5632**

SP Fodge gave the project presentation. Recommended a minor change to Mitigation Measure #6 to require the applicant shall submit a copy of the required photo documentation and measured drawings of the historic Octagon Building to the Planning Department for the Historic Landmark Alteration file. Also to delete page 15.

Discussion:

Mr. Taylor stated that he had received scaled drawings of the Octagon Building and will forward copy to Planning staff. Photo-documentation has begun, and he will provide copies when completed.

Chair Muth asked about Mitigation Measure #7, and if anything was “coming down the road”. SP Fodge replied she was not sure. We are just making sure everything is covered with an update letter, to comply with State law. The next entitlement staff report will discuss where the Octagon Building will be stored.

Mr. Taylor stated that the owner has designated a safe, secure location.

Chair Muth commented that she had visited the Octagon Building about a year ago with the historical society.

Mr. Taylor stated that the building is in pretty dire straights right now. We'll secure what we can.

**M/S Mr. Taylor/Commissioner Patterson
To concur with staff recommendations.
4/0 motion passes.**

Adjournment of CRPC at 6:16 p.m.

PUBLIC HEARING AGENDA:

- 3) **5030 Scotts Valley Drive / APN: 022-091-61
Applicant: Merced Hospitality, Inc.
MND09-001, PD009-001, U09-003, DR09-001, DR-09-002**
Consideration for recommendation of approval to the City Council of a Planned Development District Overlay and Permit, Use Permit, and Design Review to build a 112-119 room hotel, with underground parking, a swimming pool, and related property improvements in the C-S zoning district.
**City of Scotts Valley, Planning Department
Staff Planner: SP Michelle Fodge, (831)440-5632**

SP Fodge gave the project presentation.

Chair Muth opened the public hearing at 6:33 p.m.

Applicant Steve Mills commented as follows: The design team is available for questions. It has been a three-year process to get to the point of application. There have been many factors to address, and they have all been looked at in detail. The proposed plan addresses these issues, and is still attractive and viable and contributes to the City. The development adheres to flood control requirements. The restoration plan removes invasive species. Groundwater recharge is addressed. The on-site soil is difficult for percolation. The plan will capture as much runoff as possible and percolate it into the soils. The building will be plumbed for recycled water in irrigation, toilets and laundry. The traffic study is comprehensive and the consultant is very familiar with the City. Significant public benefits from the project include property tax assessments, transient occupancy tax. revenues which will be around \$450,000 per year, and the project will provide mid-range room rates, and not compete with the other two hotels in the City.

Commissioner Bowen asked how runoff is filtered and discharged. Mr. Mills described how the water will be infiltrated into the soils as much as possible, and then will flow into the creek.

Chair Muth closed the Public Hearing at 6:46 p.m.

Discussion:

Chair Muth asked if staff had taken driveway entrances into consideration a recently approved project that was located nearby. SP Fodge replied that this project is located a considerable distance further south than the other approved project. There are no vehicle access conflicts presented by the two project proposals.

Chair Muth asked why the building height has to increase. SP Fodge stated that the construction requirements are due to additional plumbing required for the potential future recycled water distribution system for toilets.

Chair Muth asked if the Fire Department is okay with the height of the building. Commissioner Patterson asked if we could work with the Fire Department and have a "Stair-Chair" installed and kept on site. SP Fodge replied that staff will discuss this with the Fire Department. Also, possibly a generator will be required and located on site.

Chair Muth stated a concern regarding employee parking and circulation related to tandem spaces. SP Fodge commented that the hotel will use a valet parking system which would come into play when the hotel is nearing full capacity. Chair Muth noted that there is no other place to park off site. SP Fodge confirmed this.

Chair Muth asked about site area drainage and a possible issue about the Water District's request for separating the front parking area surface runoff from the storm drainage system. SP Fodge replied that the District's comments concern permeable paving where cars are parked, and petroleum contaminants possibly getting into the

groundwater. Staff believes that conditions of approval satisfactorily address this issue.

Chair Muth commented on the room and tower layout. What is the use of the tower? SP Fodge stated that it is an architectural feature and also a stairway. The City's adopted Commercial and Industrial Design Guidelines call for unique architectural features. Chair Muth asked if the applicant is considering renting out the facility for weddings and other events. SP Fodge noted that there are no restaurant or cooking facilities, and so it is not very conducive to large events. Holding events was not part of the project description. If events become an issue in the future, it can be handled then.

Chair Muth questioned trucks accessing the rear patio. SP Fodge replied that they can use walkways and elevators, or go straight through the front entrance.

Chair Muth commented on other traffic report issues. How will the applicant pay for mitigations? SP Fodge replied that pages 24, 25 and 26 of the staff report include project impacts and how they will be addressed right away (four items). Other mitigation measures address cumulative and future impacts, such as improving off-site intersections and freeway off and on ramps. This project will pay its fair-share towards those improvements.

Project traffic engineer Jeff Waller spoke at the podium and addressed traffic issues.

SP Fodge noted that this situation is similar to Bill Brooks' 46-unit townhouse project called "Town Center Homes" on Blue Bonnet lane in that the project will contribute its fair-share toward traffic improvements. DPW Anderson stated that developers will pay into a fund until intersections fall below an acceptable level, which will then require the improvements to be built. A discussion followed regarding a letter received about the areas included in the traffic study, and the applicant's traffic consultant's response. Mt. Hermon Road is not included because anticipated traffic volumes are less than 1% of total traffic on Mt. Hermon Road.

Chair Muth commented on the hotel sign in the rear. Is this considered a freeway sign? SP Fodge replied that it is not a pole sign along the freeway. Staff's thinking was that the sign will help customers to identify the sign at night, given that the City has only two highway exits. Commissioner Bowen stated that he likes it, and thinks it will attract customers heading for Santa Cruz. Chair Muth asked if anyone had looked into the possibility of Caltrans erecting a sign stating "hotels next exit". Chair Muth noted that she was not thrilled with the proposed sign colors regarding blending in with the building design. Commissioner Bowen stated that he likes sign the colors of blue and green.

Chair Muth asked about the timing of paying for traffic mitigations. SP Fodge replied that fees will be collected prior to permit issuance for any vertical construction.

SP Fodge noted three minor changes. First on page 19, the header referencing Holiday Inn Express is deleted and replaced with a generic hotel description for 112-119 rooms. Second is on page 16, finding W - the Holiday Inn Express reference is deleted. Third is on page 20, Mitigation Measure #4, insert language requiring irrigation if no rainfall occurs within ten days of erosion control seed mix planting.

Chair Muth asked for a motion to approve Resolution #1586, with the proposed changes. Commissioner Bowen made the motion to approve.

**M/S Commissioner Bowen/Commissioner Patterson
To approve Resolution #1586.
3/0 motion passed.**

4) Scotts Valley Drive/ APN: 022-732-14

Applicant: Michael Tansy

GPA03-001, ZC03-001, PD03-001, LD03-001, DR09-003, EA03-001

Consideration for recommendation to the City Council of a Mitigated Negative Declaration, General Plan Amendment, Zone Change, Planned Development District Overlay and Permit, and Design Review for six detached townhouse style single-family dwellings and related property improvements in the C-S zoning district.

City of Scotts Valley, Planning Department

Staff Planner: SP Taylor Bateman, (831)440-5630

SP Bateman gave the project presentation.

Chair Muth asked about the easement issue. SP Bateman replied that there is an outstanding legal issue, and also an issue of circulation patterns - what does the City think is in the best interest of the development pattern for this neighborhood.

Chair Muth asked about the photo simulation, and how accurate it is and how long before trees would grow to look like that.

Chair Muth asked about grade changes along driveways as you go up from Scotts Valley Drive. SP Bateman discussed various changes in driveway grades.

Commissioner Patterson discussed the driveway cut into retaining wall and limited visibility. He questioned possible issues with cars versus pedestrians and cyclists.

Chair Muth opened the Public Hearing at 8:01 p.m.

Applicant Michael Tansey addressed the project issues. He addressed issues that were raised in the staff report including lighting, mass and bulk of the buildings, tree issues and arborist report, hydrology, noise, traffic, parking, easement.

A neighbor, Mr. Chen, addressed the project regarding the easement issue, and access in general.

SP Bateman and DPW Anderson further addressed access and easement issues.

Commissioner Bowen and staff discussed issues pertaining to the sewer easement. DPW Anderson stated sewer easement is a non-issue. No pipe in there and City can abandon it.

Chair Muth closed the public hearing at 8:30 p.m.

Discussion:

Further discussion of access easement/right-of-way issues ensued.

Herb Ichikawa, the project architect, addressed additional traffic concerns and issues.

Commissioner Bowen discussed traffic flow pertaining to proposed Unit 1, with cars having to back out, and grading/retaining walls for parking spaces between units.

Commissioner Patterson said that he is not comfortable with all that is proposed on such a small lot. There are too many issues and concerns that are problematic. The applicant is trying to do too much on this lot.

Chair Muth said that she agreed with the other two Commissioners. In addition, she feels that the project needs more parking, she is concerned with Scotts Valley drive noise, it needs a Home Owners Association, concerns about lack of study of a water recharge system and traffic issues and the need for a comprehensive lighting plan. Ultimately, the plan is still too much for the lot constraints. Chair Muth stated that she cannot recommend this to the City Council.

Commissioner Bowen discussed hydrology and the need for a study to be completed prior to the project going to City Council. He reiterated that he is not happy with Unit 1.

Chair Muth asked for a motion to direct staff to prepare a Resolution recommending project denial.

**M/S Commissioner Bowen/Commissioner Patterson
To direct staff to prepare a Resolution recommending project denial to the City Council.**

3/0 Motion passed.

ICDD Westman commented that it is looking like the May 28th meeting will be cancelled.

The hearing adjourned at 8:47 p.m.

Approved:

Deborah A. Muth, Chair

Attest:

Susan Westman, Interim Community Dev. Director