



SAN RAFAEL
THE CITY WITH A MISSION

Community Development Department – Planning Division

Meeting Date: May 12, 2020
Agenda Item: 4
Case Numbers: ED19-038; ED19-098
UP19-016; UP19-046
TS19-003
Project Planner: Ali Giudice
415-485-3092

REPORT TO PLANNING COMMISSION

SUBJECT: 1075 Francisco Boulevard East (Home2 Suites and Hampton Inn & Suites Hotel) – Environmental and Design Review, Lot Merger and Use Permit for a project proposing to develop a 2.79-acre portion of a vacant property with a new 54-foot high, 106,000 sq. ft. hotel containing 185 rooms and development of a smaller 0.66-acre portion of the property with a vehicle storage lot; APNs: 009-191-02, -03, -04, -09, -10; General Commercial (GC) Zoning District; Marin Hospitality INC., owner; Stephan Allen, applicant; File No.: ED19-038/19-098; UP19-016/19046; TS19-003.

EXECUTIVE SUMMARY

The City has received an application for an Environmental and Design Review Permit, Use Permit, and Lot Merger to accommodate construction of a new hotel and the continued use of a portion of the lot for vehicle storage. The project site is currently used for storage of up to 400 vehicles associated with sales by Toyota, Jaguar, Land Rover, and Volvo through a Temporary Use Permit (UP19-045), which was approved on January 13, 2019 and will expire on January 14, 2022 unless an extension is granted. The project involves construction of a 185-room hotel operating as Home2 Suites and Hampton Inn & Suites Hotel. The hotel will be approximately 106,000 square feet and 61-feet 8-inches in height.

The project site has a General Plan Land Use and Zoning Designation of General Commercial (GC). The General Commercial Land Use Designation allows for a variety of general retail and service uses including hotels and motels. Furthermore, hotels are conditionally permitted subject to review and approval by the Planning Commission in the General Commercial Zoning District. The General Plan sites economic benefits of hotels and supports their development through General Plan Policies LU-20a, LU-12, and EV-3.

The General Plan identifies visitor accommodating uses as having community and economic benefits as they are characteristically low traffic and high tax generators. HVS Consulting and Evaluation prepared an economic impact analysis to evaluate the economic and community benefits of the proposed hotel. The report concludes that the hotel is anticipated to generate additional jobs, including full-time positions, significant increased annual revenues, and additional tax contributions including transient oriented tax (TOT) and property tax. The full report is included as Exhibit 3.

The project was reviewed by a subcommittee of the Design Review Board (DRB) on March 26, 2020. The subcommittee evaluated the design of the project and voted unanimously (2-0), recommending approval of the project design to the Planning Commission subject to conditions.

Staff has evaluated the proposed project and supporting documents to determine consistency with the California Environmental Quality Act (CEQA), City of San Rafael General Plan, Zoning Ordinance, and applicable design guidelines. Based on staff's review and recommendations provided by the Design Review Board, it is recommended that the Planning Commission approve the project, subject to conditions provided herein.

RECOMMENDATION

1. It is recommended that the Planning Commission take the following action:
 - a. Adopt the attached Draft Resolution (Exhibit 2) approving a Use Permit, Environmental and Design Review Permit, and Tentative Subdivision Map for a new 185-room hotel located on a 2.79 acre parcel (Parcel 1) operating as Home2 Suites and Hampton Inn and Suites within the GC zoning district and approving a Use Permit and Environmental and Design Review Permit for use of a 0.66 acre parcel (Parcel 2) as a car storage lot.

PROPERTY FACTS

Address:	1075 Francisco Blvd East	Parcel Number(s):	009-191-02, -03, -04, -09, -10
Property Size:	150,276 square feet	Neighborhood:	Canal

Site Characteristics

	General Plan Designation	Zoning Designation	Existing Land-Use
Project Site:	General Commercial	General Commercial	Vacant/Temporary overflow parking
North:	Light Industrial/Office	Light Industrial/Office	Auto repair uses, offices
South:	General Commercial; Light Industrial/Office	General Commercial; Light Industrial/Office	Retail, offices, auto repair uses
East:	Light Industrial/Office	Light Industrial/Office	Offices
West:	NA	NA	Interstate-580

Site Description/Setting:

The project site is located at 1075 Francisco Boulevard East in the Canal neighborhood which is characterized by both residential and non-residential uses. The neighborhood houses a greater number of people as compared with other defined neighborhoods within the City. Residential units include large apartment buildings, condominium complexes, townhomes, duplexes, and single-family homes along the Canalfront. Non-residential uses within the neighborhood include light industrial, commercial, office, and auto dealerships.

The site is relatively flat, with an average slope ranging from 0-5 percent and is comprised of five individual parcels totaling approximately 150,276 square feet (3.4 acres). Gravel surfaces, ruderal vegetation, and chain link fencing dominate the project site. A Temporary Use permit (UP19-045) has been approved for the site authorizing overflow parking associated with automobile sales for various car dealerships including Toyota, Jaguar, Land Rover, and Volvo. The property has frontage on Castro Avenue to the north, Kerner Boulevard to the east, and Francisco Boulevard to the west. Two driveways currently exist on Francisco Boulevard as well as one on Castro Avenue, providing vehicular access into and out of the site. Sidewalks exist along all project frontages, providing pedestrian access to the site. Additionally, an unsignalized crosswalk is located at the corner of Francisco Blvd E/Castro Ave.

BACKGROUND

As previously stated, the project site is void of physical improvements and is used as overflow parking for nearby auto dealerships. The site was previously developed with an auto dealership which was demolished in 2005. Following demolition, planning entitlements, including Environmental and Design Review, Conditional Use Permit, and a Sign Program were issued for the site to re-develop it as a new Dodge dealership. Though building permits were pulled, construction never commenced resulting in expiration of all entitlements. No further permits to develop the site as an auto dealership were applied for, however, the site is currently entitled as temporary vehicle storage through a temporary use permit approved January 14, 2019.

PROJECT DESCRIPTION

The applicant is seeking approval from the Planning Commission for an Environmental and Design Review Permit, Use Permit, and Major Subdivision for a Lot Merger to develop a new 185-room hotel project on a 2.79-acre portion of the vacant site. Additionally, the applicant is seeking approval of an Environmental and Design Review Permit and Use Permit to establish the remaining 0.66-acres of the vacant site as a vehicle storage lot.

Required Entitlements (Hotel)

Environmental and Design Review. Pursuant to Section 14.25.040, major physical improvements require approval by the Planning Commission. The proposed development is considered a major physical development as it proposes new construction on a vacant lot and will result in more than 2,000 cubic yards of fill.

Conditional Use Permit. As prescribed in Table 14.05.020, hotels/motels are permissible in the GC Zoning District, subject to approval of a Conditional Use Permit by the Planning Commission.

Major Subdivision. Chapter 15 of the San Rafael Municipal code provides regulations for the subdivision of lots within the City. Chapter 15.05 identifies regulations specific to the consolidation of lots, stating that requests to adjust lot lines between or among five or more adjacent lots shall require a tentative map application for a major subdivision. The proposed project will reconfigure the existing five lots to establish two lots, as shown on Sheet 3 of the Tentative Parcel Map submittal. As such, the proposed lot consolidation is subject to review and approval by the Planning Commission.

Required Entitlements (Vehicle Storage)

Environmental and Design Review. Pursuant to Section 14.25.040, landscaping, circulation, and parking as part of a development subject to major environmental and design review requires review and approval by the Planning Commission.

Conditional Use Permit. The SRMC defines outdoor storage as the keeping in an unroofed area of any goods, junk, material, merchandise or vehicles in the same place for more than twenty-four (24) hours. Table 14.05.020 of the SRMC states that outdoor storage requires a conditional use permit in the GC Zoning District.

Site and Use Description

Use. The project proposes to construct a 185-room, 5-story hotel operating as Home2 Suites and Hampton Inn & Suites. The hotel includes guest rooms and guest amenities including a breakfast dining area, meeting rooms, swimming pool, fitness room, guest laundry area, and market.

Site Plan (Parcel 1). The hotel will be situated on Parcel 1, a 2.79-acre parcel with frontage on Francisco Blvd E (see Tentative Parcel Map). The structure will be 61-feet 8-inches in height with a gross floor area of 106,000 square feet. A breakdown of the gross floor area is shown in the table below. The building will be located approximately 57 feet from Francisco Blvd E.

	Back of House (BOH)	Circulation	Common Space	Guest Space	Rooms	TOTAL GFA
Level 1	3,944 s.f.	1,726 s.f.	11,993 s.f.	9,143 s.f.	23	26,806 s.f.
Level 2	552 s.f.	2,874 s.f.	-	17,191 s.f.	42	20,617 s.f.
Level 3	372 s.f.	3,380 s.f.	-	18,520 s.f.	46	22,272 s.f.
Level 4	372 s.f.	3,380 s.f.	-	18,520 s.f.	46	22,272 s.f.
Level 5	526 s.f.	2,341 s.f.	-	11,166 s.f.	28	14,033 s.f.

Site Plan (Parcel 2). Parcel 2 is located adjacent to Castro Avenue and will be approximately 0.66 acres. Parcel 2 is proposed to be used for vehicle storage. Other improvements on this parcel include landscaping and grading.

Parking and Circulation. Off-street parking will be provided throughout the site consistent with Chapter 14.18 of the San Rafael Municipal Code. The total automobile parking obligation is 195 spaces. Of the total parking spaces provided, 132 will be standard, 57 will be compact, and 6 will be accessible. 16 of the 195 spaces will be reserved for electric vehicle charging. In addition to automobile parking spaces, bicycle parking will also be provided onsite.

Architecture. The structure is a contemporary architectural style comprised primarily of aluminum, wood panels, and white plaster. The building is articulated by using a combination of wall variations as well as changes in material with those variations.

Landscaping. Landscaping will be provided throughout the site including along all property lines and within paved parking areas. Landscaping is composed of 25,271 square feet (16.8%) on both the hotel (Parcel 1) and corner parking lot site (Parcel 2). The landscape palette is comprised of a variety of trees (Eastern Redbuds, Coast Live Oaks, Drake Elms, Autumn Blaze Maples), shrubs and grasses (Aloe, Dwarf Kangaroo Paw, Fortnight Lily, Coral Bells, Sea Lavender, Fringe Flower, Jellybean Red Monkeyflower, Deer Grass, Heavenly Bamboo, Flax, Shrubby Yew Pine, Sword Fern, Coffeeberry, Pink-Flowering Currant, Angelina Stonecrop), groundcovers (Yarrow, Manzanita, California Lilac, Creeping Lily Turf), and Stormwater plantings (Berkeley Sedge, Cape Rush, Douglas Iris, California Gray Rush, and Blue-eyed Grass). All plantings have low to moderate water usage needs. As noted on the landscape plan, all plantings within easements shall only be groundcovers, grasses, flowers, and low-growing plants that reach a maximum height of four feet at maturity.

Lighting. Lighting consists of a mix of wall sconces, LED up-lighting, LED accent lighting, bollard lighting and single and double pole parking lot lights. As discussed below, the Design Review Board has requested that the photometric study be recalculated to confirm that illuminated exterior wall sections are included.

Grading/Drainage. Approximately 23,000 cubic yards of fill are estimated to be imported to the site. Dill within the building footprint will be approximately 6,000 cubic yards and will be used to raise the finished floor of the proposed structure out of the base flood elevation. The remaining 17,000 cubic yards of fill will be used outside of the building footprint.

ANALYSIS

San Rafael General Plan 2020 Consistency:

The site has a General Plan designation of General Commercial (GC) which allows for the establishment of general retail and service uses, including hotels. The site is identified in the Housing Element of the General Plan as an opportunity site for approximately 63 units. Though the project does not propose any new residential development, the recent approval of the Northgate Walk Project located at 1005, 1010, 1025, and 1025 Northgate Drive compensates for the loss of the project site as a housing opportunity site. Northgate Walk is particularly applicable in compensating for the loss of this potential housing site as it includes the demolition of portions of an existing hotel, commercial building, and gas station and construction of 136 residential units, including 30 units affordable to seniors. The General Plan includes policies and programs that are relevant to the site and the project. As proposed, the project is consistent with the General Plan 2020, including policies and programs identified in the following elements: Land Use, Housing, Neighborhoods, Community Design, Economic Vitality, Circulation, Infrastructure, Safety, Noise, and Conservation. An analysis of key policies is discussed in further detail below. A complete analysis of all applicable policies and programs is included in the attached General Plan Consistency Table (Exhibit 4).

Land Use Policies

The proposed hotel use is consistent with the allowable land uses of the GC land use category.

Neighborhood Policies

As stated in the General Plan, the Canal Neighborhood has a major impact on the local economy, comprising approximately 15 percent of the City's jobs. General Plan policy NH-51 (Existing Business Areas) encourages redevelopment and upgrading of existing business areas and sites. The proposed project is located just south of Bellam Blvd/Francisco Blvd E, which is a prominent intersection within the neighborhood and consists of a newer light industrial/office area. The addition of a hotel to this area will enhance the existing business area and upgrade the overall site. Furthermore, Policy NH-52 (New Business Development) encourages development of businesses that will benefit the neighborhood, including uses that have low traffic impacts. Hotels are identified as a desired land use as they are low traffic-generators and high tax-generators.

Community Design Policies

General Plan policies CD-1c (Landscape Improvement), CD-18 (Landscaping), and CD-21 (Parking Lot Landscaping) recognize the importance of landscaping in site design siting multiple benefits including creating visual interest that fosters a sense of the natural environment in new development, as well as the ability of landscaping to control heat build-up from pavement, reduce air pollution, provide shade, and soften the appearance of large parking lots. Landscaping is proposed throughout the project site and has been designed to enhance the overall design of the site and reduce the visual impact of the proposed parking areas. The project has been reviewed by the Design Review Board for consistency with all design related policies including CD-3 (Neighborhoods), CD-10 (Nonresidential Design Guidelines), and CD-19 (Lighting). Furthermore, consistent with policy CD-15 (Participation in Project Review) multiple opportunities for public involvement in the review of the development of the project have been provided, and public comments and concerns have been addressed to the extent feasible.

Economic Vitality Policies

General Plan policy EV-3 (Tourism) identifies tourism as a significant contributor to the City's economy. Policy EV-8 (Diversity of our Economic Base) seeks to keep San Rafael as a full-service City by retaining and supporting a broad and healthy range of businesses. As a hotel use, the project will contribute to the economy by generating taxes, and also expands upon the tourist economy within the City, consistent with policies contained in the Economic Vitality Element of the General Plan

Zoning Ordinance Consistency:

The project has been reviewed for consistency with the San Rafael Zoning Ordinance including site development standards, parking, and applicable use permit and design review findings. An analysis of the project's consistency with applicable regulations is included below.

Development Standards

The project meets all applicable development standards for the GC Zoning District as provided in Section 14.05.030 of the SRMC including minimum lot area, lot width, floor area ratio, setbacks, building height, lot coverage, minimum landscaping, and parking. Specific development standards are discussed further below.

Lot Requirements

The minimum lot area required by the district is 6,000 square feet. The proposed major subdivision includes consolidating the existing five individual lots into two. The size of Parcel 1, which will contain the proposed hotel and associated improvements will be 2.79 acres (121,710 square feet). Parcel 2, which is proposed to be used for parking will be 0.66 acres (28,566 square feet). Both proposed parcels exceed the minimum width requirement of 60 feet.

Floor Area Ratio

Exhibit 4 of the General Plan 2020 identifies floor area ratios in Central San Rafael. However, as prescribed by General Plan Land Use Policy LU-20 and Section 14.16.150(A)(1), hotels are excluded from the FAR requirements.

Setbacks

The General Commercial Zoning District does not have a requirement for setbacks. However, the project proposes an approximately 30-foot setback from Francisco Blvd E, 57-foot setback from the southern property line, 50-foot setback from the eastern property line, and 50-foot setback from the northern property line. The smaller of the two parcels proposed as part of the major subdivision does not propose the construction of any structures.

Building height

Section 14.05.030 of the SRMC establish a 54-foot height limit for hotels. In addition to the base height of 54-feet, Section 14.16.120 provides features that are excluded from the maximum building height including mechanical equipment. The proposed building is 54-feet to the height of the roof with an additional 7-feet 8-inches to accommodate rooftop mechanical equipment, for an overall height of of 61' 8". This additional height is permissible through approval of an Environmental and Design Review Permit.

Parking

As described above, the project proposes to provide parking consistent with Chapter 14.18 of the SRMC. Parking requirements for the project are shown in the table below. Furthermore, the project has been reviewed by the Department of Public Works to determine compliance with parking facility dimensions, and adequacy of access to the public right-of-way.

Vehicle Parking Ratio	Number of Vehicle Spaces Provided	Clean Air Vehicle Parking Required/Provided	Bicycle Parking Ratio	Number of Bicycle Spaces Provided
1 space per sleeping room <i>(185 rooms proposed)</i>	185	16	Percentage of required automobile space: 5% short-term 5% long-term	10 short-term 10 long-term
1 space for manager <i>(1 manager)</i>	1			
1 space per 2 employees <i>(18 employees)</i>	9			
<p><i>Note:</i></p> <ul style="list-style-type: none"> <i>If a fractional number is obtained, one (1) parking space shall be required for a fraction of one-half (½) or more, and no space shall be required for a fraction of less than one-half (½)</i> <i>In accordance with Section 14.18.110, 57 of the required parking spaces will be compact.</i> 				

Landscaping

The SRMC requires a minimum of 15 percent landscaping for sites zoned GC. The project proposes to meet the minimum requirement providing 25,271 square feet of landscaping (16.8%) on both the hotel (Parcel 1) and corner parking lot site (Parcel 2). Additionally, Section 14.18.160 of the SRMC requires a minimum of one canopy tree for every four parking spaces. The project site includes 195 parking spaces, and therefore requires a minimum of 49 canopy trees. The landscaping plan indicates that 57 trees will be planted in accordance with this requirement.

Site and Use Regulations

The project meets all applicable site and use regulations as provided in Chapter 14.16 of the SRMC as discussed in detail below.

Refuse Enclosure

The refuse enclosure will be located in the southeast corner of the project site and will be adequately screened from view. The enclosure has been reviewed by the local refuse collection agency to ensure minimum dimensional standards are met.

Affordable Housing Requirement

Section 14.16.030(l)(2) states that hotel development projects shall provide housing for project employees in very low, low, and moderate income households at a ratio of 0.0075 per 1,000 square feet of gross floor area. Required affordable units may be provided on the same site as the project, at an off-site location within the City, through the dedication of suitable real property, or through payment on an in-lieu fee subject to approval by the Planning Commission. Based on the gross floor area, the project is required to provide one affordable housing unit or pay the applicable in-lieu fee.

Light and Glare

As specified in Section 14.16.227 colors, materials, and lighting shall be designed to avoid light and glare impacts on surrounding development. Changes in lighting intensity on non-residential properties is subject to review under the criteria of the Environmental and Design Review Permit. As such, the project has been reviewed for consistency with the applicable design criteria, as further discussed below.

Lot Consolidation when Development Occurs

Section 14.16.230 states that new development proposing construction on more than one adjoining lot where the building is proposed to cross the shared property lines requires consolidation of those lots. The project proposes consolidation of the five existing lots into two new lots. The project is consistent with this requirement and is consistent with the requirements of the City's Subdivision Ordinance, as further analyzed below.

Mechanical Equipment Screening

All mechanical equipment is adequately screened from public view as required.

Noise Standards

An acoustical study was prepared by Coffman Engineers on September 5, 2019 to determine the consistency of the project with standards identified in the General Plan. The acoustical analysis concluded that construction noise levels for the project would meet applicable regulations of the SRMC. The analysis determined that at operation the project's interior noise levels are expected to comply with the City's land use compatibility standards for hotels. Furthermore, additional traffic expected to be generated by the project will not result in noise impacts at off-site noise sensitive land uses. As such, the project is consistent with the City's noise standards.

Sight Distance

The SRMC requires that fencing, vegetation and improvements be established and maintained in a manner that does not reduce visibility for the safe ingress and egress of vehicles or pedestrians within a required vision triangle, which is 15 feet from the curb return at any intersection or driveway. Any improvements or vegetation located within the established vision triangle must not exceed a height of three feet. As conditioned, the project will meet the sight distance requirements.

Water Efficient Landscaping

The landscape plan submitted by the applicant indicates proposed species including trees, shrubs, and groundcover will require low and moderate water usage. As specified in Section 14.16.370(C)(1) of the SRMC, project approval is subject to conditions which require the applicant to provide written verification of plan approval from the Marin Municipal Water District (MMWD) prior to the issuance of a building permit or grading permit.

Use Permit and Environmental Design Review Permit

The project has been reviewed for consistency with findings applicable to the requested entitlements including Use Permit findings as prescribed in Section 14.22.080 as well as Environmental and Design Review Permit review criteria identified and findings as prescribed in Section 14.25.090. Consistency with these findings are detailed in the draft resolutions included as Exhibit 2.

Subdivision Ordinance

The project has been reviewed for consistency with the San Rafael Subdivision Ordinance. As previously discussed, all requests to adjust lot lines between or among five or more adjacent parcels

requires a tentative map application for a major subdivision and is subject to provisions of Chapter 15.02 (Major Subdivisions) of the Subdivision Ordinance. The project is consistent with all required findings for approval, as further detailed in the draft resolution included as Exhibit 2.

DESIGN REVIEW BOARD RECOMMENDATION

The project received Conceptual Design Review on January 8, 2019 and Formal Design Review on March 25, 2020. It should be noted that due to shelter in place orders issued by the State of California and Marin County, the City adopted a policy statement delegating Design Review Board recommendations to a sub-committee comprised of two members. The policy statement is intended to avoid the need for physical in-person hearings while still allowing entitlement applications to move forward with the review process. The Design Review Board Subcommittee approved the design as submitted with the following comments. These comments have been incorporated as conditions of approval, contained in Exhibit 2.

- Photometric study shall be recalculated to confirm illuminated exterior wall sections are included;
- Illuminated exterior wall sections shall be dimmable and shall be limited to a single shade of white (i.e., non-changeable to other colors);
- Exterior colors may be too bright. The applicant shall create mock-ups of both the exterior colors and illuminated exterior walls for field inspection and confirmation by the DRB prior to installation

ENVIRONMENTAL DETERMINATION

Staff conducted a “preliminary review” of the project application, plans and supportive studies and reports and determined that the application is defined as a “project” under CEQA, pursuant to CEQA Guidelines Section 15060. A project is exempt from CEQA if it qualifies for a Categorical Exemption under Article 19, Section 15300. Given the project location, scope and use, staff recommends that the project qualifies for an exemption under CEQA Guidelines Section 15332. Section 15332 exempts “infill development projects” that meet the following conditions:

- a. The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.
- b. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
- c. The project site has no value, as habitat for endangered, rare or threatened species.
- d. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
- e. The site can be adequately served by all required utilities and public services.

NEIGHBORHOOD MEETING / CORRESPONDENCE

Notice of hearing for the project was conducted in accordance with noticing requirements contained in Chapter 29 of the Zoning Ordinance. A Notice of Public Hearing was mailed to all property owners and occupants within a 300-foot radius of the subject site and all other interested parties, 15 calendar days prior to the date of all meetings, including this hearing. Public notice was also posted on the subject site 15 calendar days prior to the date of all meetings, including this hearing.

Copies of all written public correspondence on the proposed project received to date are attached to this report as Exhibit 5.

OPTIONS














The Planning Commission has the following options:

1. Approve the applications as presented, subject to conditions of approval (*staff recommendation*)
2. Approve the application with certain modifications, changes or additional conditions of approval
3. Continue the applications to allow the applicant to address any of the Commission's comments or concerns
4. Deny the project and direct staff to return with a revised Resolution of denial

EXHIBITS

1. Vicinity/Location Map
2. Draft Resolution recommending approval of the Use Permit, Environmental and Design Review Permit, and Tentative Subdivision Map for a new hotel
3. Economic Impact Study prepared December 2019
4. General Plan 2020 Consistency Table

Plans – 11x17 sets have been distributed to the Planning Commission only but can be viewed on the City's Major Projects website: <https://www.cityofsanrafael.org/hamptoninnandsuites/>

Legend	
Marin Cities	
 Marin Cities	
Bay Waters	
 Bay Waters	
Parcels	
 Parcels	
ROW	
 ROW	
Other Easements	
 EASEMENTS	
MMWD Easements	
 EASEMENTS	
Boat Docks	
 Boat Docks	
OneWayArrows	
 One Way Arrows	
Street Centerline	
 Street Centerline	
Street Names	
Street Names	
Label	
SITUS	
San Rafael Sphere of Influence	
 San Rafael Sphere of Influence	
San Rafael City Limit	
 City Limit Line	
	
Query Results	
 Results	



RESOLUTION NO. 20-XX

RESOLUTION OF THE SAN RAFAEL PLANNING COMMISSION APPROVING USE PERMIT(S), ENVIRONMENTAL AND DESIGN REVIEW PERMIT(S), AND TENTATIVE SUBDIVISION MAP FOR A NEW 54-FOOT HIGH, 106,000 SQUARE FOOT HOTEL CONTAINING 185 ROOMS ON 2.79 ACRES AND A VEHICLE STORAGE USE ON 0.66 ACRES LOCATED AT 1075 FRANCISCO BLVD EAST
APN'S: 009-191-02, 009-191-03, 009-191-04, 009-191-09, 009-191-10

WHEREAS, the City of San Rafael has received an application for a Use Permit, Environmental and Design Review Permit, and Tentative Subdivision map for a 54-foot high, 185-room hotel at 1075 Francisco Blvd E in the General Commercial (GC) Zoning District; and

WHEREAS, The City of San Rafael has received an application for a Use Permit, and Environmental and Design Review Permit, for a vehicle storage lot at 1075 Francisco Blvd E in the General Commercial (GC) Zoning District; and

WHEREAS, on January 8, 2019 the project received Conceptual Design Review by the City of San Rafael Design Review Board pursuant to Section 14.25.030(B) of the San Rafael Municipal Code; and

WHEREAS, in response to Shelter in Place Orders issued by the State of California and Marin County associated with COVID-19, the City Manager authorized an interim review process for projects subject to review by the City of San Rafael Design Review Board through issuance of a Policy Statement, signed on April 1, 2020; and

WHEREAS, on March 25, 2020 the project received Formal Design Review by a subcommittee of the City of San Rafael Design Review Board consistent with the Policy Statement described above and the subcommittee recommended approval of the design to the Planning Commission; and

WHEREAS, on May 12, 2020, the San Rafael Planning Commission held a duly noticed public hearing on the proposed Use Permits (UP19-016; UP19-046), Environmental and Design Review Permits (ED19-038; ED19-098), and Tentative Subdivision Map (TS19-003), accepting all oral and written public testimony and the written report of the Community Development Department staff; and

WHEREAS, upon review of the application, the Planning Commission finds that the project is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15332 of the CEQA Guidelines because it involves an infill development project that meets the following criteria:

- a. The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designations and regulations.
- b. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
- c. The project site has no value as habitat for endangered, rare or threatened species.
- d. Approval of the project would not result in any significant effects related to traffic, noise, air quality, or water quality.
- e. The site can be adequately served by all required utilities and public services.

NOW THEREFORE BE IT RESOLVED, the Planning Commission makes the following findings relating to the Use Permit (UP19-016), Environmental and Design Review (ED19-038), and Major Subdivision (TS19-003) for the proposed 185-room hotel.

**USE PERMIT FINDINGS
(HOTEL - UP19-016)**

A. That the proposed use is in accord with the general plan, the objectives of the zoning ordinance, and the purposes of the district in which the site is located:

The site is designated as General Commercial (GC) on the General Plan 2020 Land Use Map which allows which allows for the establishment of general retail and service uses, including hotels. In addition, the project is consistent with the General Plan and specifically with the following key General Plan Policies:

Land Use Policies LU-9a (Nonresidential Zoning), LU-12 (Building Heights), LU-13 (Height Bonuses), LU-20a (Hotel Zoning), and LU-23 (Land Use Map) establish FAR, height, and other development standards for hotel uses. The proposed use is within a non-residential zoning district. As a development that proposes a new hotel, no FAR limits apply for the development, and therefore the project is consistent with General Plan policies LU-9a, LU-20a, and LU-23. Hotels are permitted a maximum height of 54 feet. Section 14.16.120 of the SRMC excludes mechanical equipment from the maximum height limits through approval of an Environmental and Design Review Permit. The project proposes a 54-foot height to the rooftop with a maximum overall height of 61-feet 8-inches. The additional height includes rooftop mechanical equipment and is therefore excluded from the maximum height limits. Furthermore, the design has been recommended for approval by the Design Review Board, subject to conditions contained herein. As such, the project is consistent with General Plan policies LU-12, LU-13, and LU-20a. The project meets all applicable development standards of the General Commercial Zoning District, consistent with General Plan policy LU-23.

Housing Policy H-6a (In-Lieu Fees) requires compliance with Zoning Code Section 14.16.030 which establishes affordable housing requirements for non-residential projects. The project's share of affordable housing is 0.0075 affordable units per 1,000 square feet of gross floor area. The gross floor area is 106,000 square feet. Therefore, the project is required to provide 1 affordable unit or pay the applicable in-lieu fee. Additionally, though the project does not propose any new residential development, the recent approval of the Northgate Walk Project located at 1005, 1010, 1025, and 1025 Northgate Drive compensates for the loss of the project site as a housing opportunity site. Northgate Walk is particularly applicable in compensating for the loss of this potential housing site as it includes the demolition of an existing hotel, commercial building, and gas station and construction of 136 residential units, including 30 units affordable to seniors. As conditioned, the project is required to meet affordable housing requirements and is therefore consistent with General Plan policy H-6a.

Neighborhood Policy NH-52 (New Business Development) encourages new development that benefits the neighborhood through low traffic impacts. Hotels are identified as a desired land use as they are low traffic-generators and high tax-generators. As such, the proposed project will benefit the neighborhood and is therefore consistent with this policy

Economic Vitality Policy EV-2 (Businesses that Enhance San Rafael) seeks to recruit and retain businesses that contribute to the economic vitality of the City and enhance the City's physical environment. The project will contribute to the economic vitality of the City through increased revenues. Additionally, the project will provide new employment opportunities and enhance the

physical environment by improving an existing vacant lot located near a highly visible intersection. As such, the proposed project is consistent with this General Plan policy.

Economic Vitality Policy EV-3 (Tourism) recognizes and supports tourism as a significant contributor to the City's economy. As a visitor service use that supports tourism in the City, the proposed hotel is consistent with this General Plan policy.

Economic Vitality Policy EV-8 (Diversity of our Economic Base) and EV-14 (Support for Business Areas) seek to expand the range of businesses within the City and support upgrading existing underdeveloped commercial properties. The proposed project will introduce a new hotel within the City, and the Canal Neighborhood specifically, expanding upon the range of visitor accommodating uses currently available within the City. Further, the proposed project will upgrade the existing underdeveloped lot in an established light industrial/office area of the neighborhood. As such, the proposed use is consistent with General Plan policies EV-8 and EV-14.

B. That the proposed use, together with the conditions applicable thereto, will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity, or to the general welfare of the city:

The project has been reviewed by appropriate city departments, including the Building Division, Fire Department, Department of Public Works, and Marin Sanitary Service. As conditioned, the project will require application of a building permit that complies with all applicable Building and Fire Code requirements prior to construction. In addition, the applicant will be required to comply with conditions of approval imposed by the Department of Public Works and Marin Sanitary Service as contained herein.

C. That the proposed use complies with each of the applicable provisions of the zoning ordinance:

The project, as proposed and conditioned, complies with the Chapter 14 (Zoning) of the San Rafael Municipal Code (SRMC).

14.05.030 - Property development standards. The project is consistent with applicable development standards for the GC Zoning District including the following:

- **Lot Requirements:** The minimum lot area required by the district is 6,000 square feet. The proposed major subdivision includes consolidating the existing five individual lots into two. The size of Parcel 1, which will contain the proposed hotel and associated improvements will be 2.79 acres (121,710 square feet). Parcel 2, which is proposed to be used for parking will be 0.66 acres (28,566 square feet). Both proposed parcels exceed the minimum width requirement of 60 feet.
- **Floor Area Ratio:** Exhibit 4 of the General Plan 2020 identifies floor area ratios in Central San Rafael. However, as prescribed by General Plan Land Use Policy LU-20 and Section 14.16.150(A)(1), hotels are excluded from the FAR requirements.
- **Setbacks:** The General Commercial Zoning District does not have a requirement for setbacks. However, the project proposes an approximately 30-foot setback from Francisco Blvd E, 57-foot setback from the southern property line, 50-foot setback from the eastern property line, and 50-foot setback from the northern property line. The smaller of the two parcels proposed as part of the major subdivision does not propose the construction of any structures.
- **Building height:** Section 14.05.030 of the SRMC establish a 54-foot height limit for hotels. In addition to the base height of 54-feet, Section 14.16.120 provides features that are excluded from the maximum building height including mechanical equipment. The proposed building is

54-feet to the height of the roof with an additional 7-feet 8-inches to accommodate rooftop mechanical equipment, for an overall height of 61' 8". This additional height is permissible through approval of an Environmental and Design Review Permit.

Chapter 14.16 (Site and Use Regulations). The project is consistent with the following applicable site and use regulations.

- 14.16.025 - Refuse enclosure requirement. The refuse enclosure will be located in the southeast corner of the project site and will be adequately screened from view. The enclosure has been reviewed by the local refuse collection agency to ensure minimum dimensional standards are met.
- 14.16.030 - Affordable housing requirement. Section 14.16.030(I)(2) states that hotel development projects shall provide housing for project employees in very low, low, and moderate income households at a ratio of 0.0075 per 1,000 square feet of gross floor area. Required affordable units may be provided on the same site as the project, at an off-site location within the City, through the dedication of suitable real property, or through payment on an in-lieu fee subject to approval by the Planning Commission. Based on the gross floor area, the project is required to provide one affordable housing unit or pay the applicable in-lieu fee.
- 14.16.227 - Light and glare. As specified in Section 14.16.227 colors, materials, and lighting shall be designed to avoid light and glare impacts on surrounding development. Changes in lighting intensity on non-residential properties is subject to review under the criteria of the Environmental and Design Review Permit. As such, the project has been reviewed for consistency with the applicable design criteria, as further discussed below.
- 14.16.230 - Lot consolidation when development occurs. Section 14.16.230 states that new development proposing construction on more than one adjoining lot where the building is proposed to cross the shared property lines requires consolidation of those lots. The project proposes consolidation of the five existing lots into two new lots. The project is consistent with this requirement and is consistent with the requirements of the City's Subdivision Ordinance, as further analyzed below.
- 14.16.243 - Mechanical equipment screening. All mechanical equipment is adequately screened from public view as required.
- 14.16.260 - Noise standards. An acoustical study was prepared by Coffman Engineers on September 5, 2019 to determine the consistency of the project with standards identified in the General Plan. The acoustical analysis concluded that construction noise levels for the project would meet applicable regulations of the SRMC. The analysis determined that at operation the project's interior noise levels are expected to comply with the City's land use compatibility standards for hotels. Furthermore, additional traffic expected to be generated by the project will not result in noise impacts at off-site noise sensitive land uses. As such, the project is consistent with the City's noise standards. The exemption memo, included as Exhibit X, includes a thorough analysis of the project's noise impacts as it relates to applicable City standards and the California Environmental Quality Act.
- 14.16.295 - Sight distance. The SRMC requires that fencing, vegetation and improvements be established and maintained in a manner that does not reduce visibility for the safe ingress and egress of vehicles or pedestrians within a required vision triangle, which is 15 feet from the curb return at any intersection or driveway. Any improvements or vegetation located within the established vision triangle must not exceed a height of three feet. With conditions of approval the project will comply with this requirement.
- 14.16.370 - Water-efficient landscape. The landscape plan submitted by the applicant indicates proposed species including trees, shrubs, and groundcover will require low and moderate water usage. As specified in Section 14.16.370(C)(1) of the SRMC, project approval is subject to

conditions which require the applicant to provide written verification of plan approval from the Marin Municipal Water District (MMWD) prior to the issuance of a building permit or grading permit.

Chapter 14.18 (Parking Standards). The project proposes to provide parking consistent with Chapter 14.18 of the SRMC including 195 automobile spaces, 16 of which will be designated for clean air vehicles and 57 will be compact, and 20 bicycle parking spaces including 10 short-term and 10 long-term. Furthermore, the project has been reviewed by the Department of Public Works to determine compliance with parking facility dimensions, and adequacy of access to the public right-of-way.

ENVIRONMENTAL AND DESIGN REVIEW FINDINGS (HOTEL - ED19-038)

A. That the project design is in accord with the general plan, the objectives of the zoning ordinance and the purposes of this chapter:

The project site is designated as General Commercial (GC) on the General Plan 2020 Land Use Map and is within the General Commercial (GC) Zoning District. Hotels are an allowable use within the GC Zoning District with prior Conditional Use Permit approval by the Planning Commission. The project is consistent with the following design-related General Plan polices:

Neighborhood Policy NH-51 (Existing Business Areas) encourages the redevelopment and upgrading of existing business areas and sites. The proposed project is located just south of Bellam Blvd/Francisco Blvd E, which is a prominent intersection within the neighborhood and consists of a newer light industrial/office area. The addition of a hotel to this area will enhance the existing business area and upgrade the overall site consistent with this policy.

Community Design Policies CD-1c (Landscape Improvement) and CD-18 (Landscaping) recognize that landscaping in a critical design component that should contribute to the overall site design and provide visual interest. Landscaping is proposed throughout the project site and has been designed to enhance the overall design of the site and reduce the visual impact of the proposed parking areas. The project has been reviewed by the Design Review Board and meets all applicable landscaping requirements including minimum requirements, species type, and water usage. As such, the project is consistent with General Plan policies CD-1c, and CD-18.

Community Design Policy CD-10 (Nonresidential Design Guidelines) seeks to preserve and enhance the design elements that contribute to the economic vitality of commercial areas. The project incorporates design criteria included in the City's Design Guidelines for Nonresidential Development including parking lot design that provides logical entry and exits, landscaping that is designed as an integral part of the development, pedestrian circulation that clearly defines movement through parking lots, and building form that provides a continuity of design, colors, materials, and architectural elements. Further, the project design has been reviewed by the Design Review Board and was found to be consistent with these applicable design criteria. As such, the project is consistent with this General Plan policy.

Community Design Policy CD-19 (Lighting) provides for adequate site lighting for safety purposes while also controlling for light spillover and glare onto surrounding development. The project proposes various types of lighting including wall sconces, LED up-lighting, LED accent lighting, bollard lighting and single and double pole parking lot lights. As a condition of project approval, the photometric study shall be recalculated to confirm illuminated exterior wall sections are included. Additionally,

illuminated exterior wall sections are required to be dimmable and limited to a single shade of white. As conditioned, the project is consistent with this policy.

Community Design Policy CD-21 (Parking Lot Landscaping) seeks to provide landscaping within parking lots to control heat build-up from pavement, reduce air pollution, provide shade cover for vehicles and soften the appearance of the parking lot. Landscaping is provided throughout the site including in parking areas. Zoning Ordinance regulations require parking lots with more than five spaces provide one canopy tree for every four parking spaces. The project will provide 195 parking spaces, which requires a minimum of 49 canopy trees. As proposed, 57 canopy trees will be provided, meeting both the intent of this policy and the regulations of the Zoning Ordinance.

Conservation Policy CON-16 (Landscape with Native Plant Species) encourages landscaping with native and compatible non-native plant species that are drought resistant. The proposed landscape palette includes species that require low to moderate water usage. Proposed parking lot trees, groundcover, shrubs, and grasses have been selected from the City's parking lot tree list and consistent with guidance provided by the Marin Municipal Water District water-wise plants website. As such, the project is consistent with this policy.

B. That the project design is consistent with all applicable site, architecture and landscaping design criteria and guidelines for the district in which the site is located:

The Design Review Board (Board) evaluated the design of the hotel project on January 8, 2019, as part of conceptual design review and on March 25, 2020 as part of a formal design review. The Design Review Board Subcommittee found that the project was appropriate in design unanimously (2-0) recommended approval of the project design to the Planning Commission, subject to conditions of approval.

C. That the project design minimizes adverse environmental impacts:

Staff conducted a "preliminary review" of the project application, plans and supportive studies and reports and determined that the application is defined as a "project" under CEQA, pursuant to CEQA Guidelines Section 15060. A project is exempt from CEQA if it qualifies for a Categorical Exemption under Article 19, Section 15300. Given the project location, scope and use, staff recommends that the project qualifies for an exemption under CEQA Guidelines Section 15332. Section 15332 exempts "infill development projects" that meet the following conditions:

- a. The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.
- b. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
- c. The project site has no value, as habitat for endangered, rare or threatened species.
- d. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
- e. The site can be adequately served by all required utilities and public services.

D. That the project design will not be detrimental to the public health, safety or welfare, nor materially injurious to properties or improvements in the vicinity.

The project has been reviewed by the appropriate agencies and appropriate conditions of approval have been incorporated to ensure the project will not be detrimental to the public health, safety, or welfare, nor materially injurious to properties or improvements in the project vicinity.

**TENTATIVE SUBDIVISION MAP FINDINGS
(TS19-003)**

- 1. The proposed map is consistent with the San Rafael general plan and any applicable, adopted specific plan or neighborhood plan;**

The proposed map will consolidate five existing lots into two lots, shown on the Tentative Map as Parcel 1 and Parcel 2. The two lots will be established as a 185-room hotel and vehicle storage lot, respectively. The General Plan supports such uses, and the applicant seeks Use Permit approval as required by the SRMC. As such, the proposed map is consistent with the San Rafael General Plan.

- 2. The design or improvement of the proposed subdivision is consistent with the San Rafael general plan and any pertinent, adopted specific plan or neighborhood plan;**

The proposed project has been reviewed for consistency with applicable General Plan policies. As discussed in the required Use Permit and Environmental and Design Review findings, the design and improvement of the proposed project and associated map is consistent with the General Plan. As such, the proposed map is consistent with this finding.

- 3. The property subject to subdivision is physically suitable for the type or density of development that is proposed;**

The proposed map has been reviewed concurrent with the proposed physical development. The subdivision will adequately accommodate the type and density of the proposed uses consistent with this finding.

- 4. The design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat;**

The project has been reviewed in accordance with the California Environmental Quality Act and has been found to be categorically exempt pursuant to CEQA Guidelines Section 15332. As such, the design of the subdivision and associated improvements will not cause a substantial adverse impact on the environment.

- 5. The design of the subdivision or the type of proposed improvements is not likely to cause serious health problems; and**

The project has been reviewed by appropriate city departments, including the Building Division, Fire Department, Department of Public Works, and Marin Sanitary Service. As conditioned, the project will require application of a building permit that complies with all applicable Building and Fire Code requirements prior to construction. In addition, the applicant will be required to comply with conditions of approval imposed by the Department of Public Works and Marin Sanitary Service as contained herein. As such, the design of the subdivision and associated improvements will not cause serious health problems and is therefore consistent with this finding.

- 6. The design of the subdivision or the type of proposed improvements will not conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision. In this connection, the city may approve the map if it is determined that alternative easements, for access or for use, will be provided, and that these will be substantially equivalent to ones previously acquired or secured for public use.**

There are no existing public access easements onsite. As such, the proposed map is consistent with this finding.

NOW THEREFORE BE IT RESOLVED, the Planning Commission makes the following findings relating to the Use Permit (UP19-046), and Environmental and Design Review Permit (ED19-098) for the proposed vehicle storage use.

**USE PERMIT FINDINGS
(VEHICLE STORAGE - UP19-046)**

A. That the proposed use is in accord with the general plan, the objectives of the zoning ordinance, and the purposes of the district in which the site is located:

The site is designated as General Commercial (GC) on the General Plan 2020 Land Use Map which allows for the establishment of general retail and service uses, including automobile sales and service uses. In addition, the project is consistent with the General Plan and specifically with the following key General Plan Policies:

Land Use LU-4a. (Reasonable Interim Uses) provides for the establishment of land uses that allow reasonable interim uses for properties that are in areas with limited traffic capacity for development. Including uses such as contractor's yards, new car storage, modular office and storage, and outdoor recreation. The continued use of Parcel 2 as a car storage lot allows for the reasonable interim use of the property consistent with this policy.

B. That the proposed use, together with the conditions applicable thereto, will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity, or to the general welfare of the city:

The project has been reviewed by appropriate city departments, including the Building Division, Fire Department, Department of Public Works, and Marin Sanitary Service. As conditioned, the project will require application of a building permit that complies with all applicable Building and Fire Code requirements prior to construction. In addition, the applicant will be required to comply with conditions of approval imposed by the Department of Public Works and Marin Sanitary Service as contained herein.

C. That the proposed use complies with each of the applicable provisions of the zoning ordinance:

The proposed use complies with all applicable provisions of the Zoning Ordinance. Outdoor storage uses, which include vehicle storage are conditionally permitted in the GC Zoning District. The vehicle storage lot does not propose construction of any new buildings. Landscaping will be provided consistent with the requirements of the GC Zoning designation.

**ENVIRONMENTAL AND DESIGN REVIEW FINDINGS
(VEHICLE STORAGE - ED19-098)**

A. That the project design is in accord with the general plan, the objectives of the zoning ordinance and the purposes of this chapter:

The project site is designated as General Commercial (GC) on the General Plan 2020 Land Use Map and is within the General Commercial (GC) Zoning District. Outdoor storage, including vehicle storage, is an allowable use within the GC Zoning District with prior Conditional Use Permit approval by the Planning Commission. The project does not propose construction of any new buildings. However, landscaping has been designed consistent with the following General Plan Policies:

Community Design Policies CD-1c (Landscape Improvement) and CD-18 (Landscaping) recognize that landscaping is a critical design component that should contribute to the overall site design and provide visual interest. Landscaping is proposed around the perimeter of the project site and has been designed to enhance the overall design of the site and reduce the visual impact of the proposed vehicle storage area. The project has been reviewed by the Design Review Board and meets all applicable landscaping requirements including minimum requirements, species type, and water usage. As such, the project is consistent with General Plan policies CD-1c, and CD-18.

Community Design Policy CD-21 (Parking Lot Landscaping) seeks to provide landscaping within parking lots to control heat build-up from pavement, reduce air pollution, provide shade cover for vehicles and soften the appearance of the parking lot. Landscaping is provided around the perimeter of the site, consistent with this General Plan policy.

Conservation Policy CON-16 (Landscape with Native Plant Species) encourages landscaping with native and compatible non-native plant species that are drought resistant. The proposed landscape palette includes species that require low to moderate water usage. Proposed parking lot trees, groundcover, shrubs, and grasses have been selected from the City's parking lot tree list and consistent with guidance provided by the Marin Municipal Water District water-wise plants website. As such, the project is consistent with this policy.

B. That the project design is consistent with all applicable site, architecture and landscaping design criteria and guidelines for the district in which the site is located:

The Design Review Board (Board) evaluated the design of the hotel project on January 8, 2019, as part of conceptual design review and on March 25, 2020 as part of a formal design review. The Design Review Board Subcommittee found that the project was appropriate in design unanimously (2-0) recommended approval of the project design to the Planning Commission, subject to conditions of approval.

C. That the project design minimizes adverse environmental impacts:

Staff conducted a "preliminary review" of the project application, plans and supportive studies and reports and determined that the application is defined as a "project" under CEQA, pursuant to CEQA Guidelines Section 15060. A project is exempt from CEQA if it qualifies for a Categorical Exemption under Article 19, Section 15300. Given the project location, scope and use, staff recommends that the project qualifies for an exemption under CEQA Guidelines Section 15332. Section 15332 exempts "infill development projects" that meet the following conditions:

- a. The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.
- b. The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.
- c. The project site has no value, as habitat for endangered, rare or threatened species.
- d. Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.

e. The site can be adequately served by all required utilities and public services.

D. That the project design will not be detrimental to the public health, safety or welfare, nor materially injurious to properties or improvements in the vicinity.

The project has been reviewed by the appropriate agencies and appropriate conditions of approval have been incorporated to ensure the project will not be detrimental to the public health, safety, or welfare, nor materially injurious to properties or improvements in the project vicinity.

BE IT FURTHER RESOLVED, that the Planning Commission of the City of San Rafael approves the Use Permit, Environmental and Design Review Permit, and Tentative Subdivision Map subject to the following conditions:

**USE PERMIT
CONDITIONS OF APPROVAL (HOTEL - UP19-016)**

1. This Use Permit approves a 54-foot tall, 185-room hotel project with associated parking, access and landscape improvements at 1075 Francisco Blvd E and within the General Commercial (GC) Zoning District. Plans submitted for building permit shall be in substantial conformance to the plans approved May 12, 2020 with regard to building techniques, materials, elevations, and overall project appearance except as modified by these conditions of approval.
2. This Use Permit shall run with the land. This Use Permit shall become null and void if not vested within two (2) years from the date of approval, or no later than May 12, 2022 unless a time extension is granted before such time. Vesting shall include issuance of necessary building permits or commencement of business operations.
3. Building Permit plans shall demonstrate compliance with conditions required by Building Official Memorandum, dated May 17, 2019.
4. Building Permit plans shall demonstrate compliance with conditions required by Fire Department Memorandum, dated May 16, 2019.
5. Building Permit plans shall demonstrate compliance with standard conditions required by Department of Public Works Memorandum, dated June 3, 2019.
6. Plans submitted for building permit shall demonstrate building construction that incorporates recommendations to reduce interior noise levels included in the noise study prepared by Coffman Engineers on September 5, 2019.
7. Where feasible, project activities including site preparation, grading, and building construction should occur between September 1 and January 31 to avoid the bird nesting season. Project activities occurring between February 1 and August 31 shall require a nesting bird survey conducted by a qualified wildlife biologist no more than 14 days prior to the start of major construction activities.
8. Upon submittal of the building permit the applicant shall provide a final version of the Transportation Demand Management (TDM) Program. All measures identified in the draft TDM Program prepared by W-Trans shall be included in the final version and shall be implemented upon commencement of operation of the project.
9. Building permit plans shall include rooftop solar panels. Roof top solar panels shall be installed Prior to Final Inspection.

10. Prior to Issuance of Building Permits, the applicant shall pay all outstanding Planning Division application processing fees.
11. Prior to Issuance of Building Permits, the applicant shall pay all development impact fees required for this project, including those fees mentioned herein and other fees required by ordinance (ie affordable housing in-lieu fee, etc.).
12. Prior to Issuance of Building Permits, the applicant shall submit plans that show the required 10 long-term spaces in addition to the existing proposed 10 short-term spaces.
13. Minor modifications or revisions to the project shall be subject to review and approval of the Community Development Department, Planning Division. Modifications deemed greater than minor by the Community Development Director shall require review and approval by the Planning Commission.
14. The project shall comply with the City construction operation limits as follows:
 - a. Construction hours shall be limited to
 - i. Weekdays between 7:00am and 6:00pm
 - ii. Saturdays between 9:00am and 6:00pm
 - iii. Sundays and holidays NO construction permitted.
 - b. Prohibit all unnecessary idling of internal combustion engines.
 - c. Equip all internal combustion engine-driven equipment with intake and exhaust mufflers that are in good condition and appropriate for the equipment. Air compressors and pneumatic equipment should be equipped with mufflers, and impact tools should be equipped with shrouds or shields.
 - d. Locate stationary noise-generating equipment, such as air compressors or portable power generators, as far as possible from sensitive receptors as feasible. If they must be located near receptors, adequate muffling (with enclosures where feasible and appropriate) shall be used reduce noise levels at the adjacent sensitive receptors. Any enclosure openings or venting shall face away from sensitive receptors.
 - e. Control noise from construction workers' radios to a point where they are not audible at existing residences bordering the project site.
 - f. Notify all adjacent noise sensitive land uses of the construction schedule in writing.
 - g. Designate a "disturbance coordinator" who would be responsible for responding to any complaints about construction noise. The disturbance coordinator will determine the cause of the noise complaint (e.g., bad muffler, etc.) and will require that reasonable measures be implemented to correct the problem. Conspicuously post a telephone number for the disturbance coordinator at the construction site and include in it the notice sent to neighbors regarding the construction schedule.
15. Due to the extent and scope of the project, third party inspection may be required on behalf of the City and funded by the developer on a deposit basis.

**ENVIRONMENTAL AND DESIGN REVIEW
CONDITIONS OF APPROVAL (HOTEL - ED19-038)**

1. This Environmental and Design Review Permit approves a 61-foot 8-inch tall, 185-room hotel project with associated parking, access and landscape improvements at 1075 Francisco Blvd E and within the General Commercial (GC) Zoning District. Plans submitted for building permit shall be in substantial conformance to the plans approved May 12, 2020 with regard to building techniques, materials, elevations, and overall project appearance except as modified by these conditions of approval.
2. This Design Review Permit (ED19-038) shall be valid for three years from approval or until May 12, 2023, and shall be null and void if a building permit is not issued or a time extension granted prior to the expiration date.
3. The project is subject to a 90-post installation lighting inspection to evaluate the need for adjustment and assure compliance with SRMC Section 14.16.227.
4. Prior to issuance of a building permit, the applicant demonstrate compliance with Marin Municipal Water District water conservation measures.
5. Prior to Installation of signs for this project, the applicant shall apply for sign review of the proposed signage.
6. The Environmental and Design Review permit is subject to all applicable conditions of approval outlined in DPW memo, date June 3, 2019, Building Division memo dated
7. Prior to Issuance of Building Permit, the applicant shall submit the stormwater control plan, which includes a written document, in addition to the erosion control plan shown on the plan set. A stormwater facility maintenance agreement shall be required. More specific information is available from MCSTOPPP, hosted on the Marin County Website. See tools and guidance, and post construction requirements at the following address:
<http://www.marincounty.org/depts/pw/divisions/mcstoppp/development/new-and-redevelopment-projects>
8. A grading permit shall be required from the Department of Public Works, located at 111 Morphew St.
9. Prior to Issuance of a Building Permit the applicant shall provide improvement plans for proposed frontage improvements.
10. Prior to commencing work within the right-of-way, the applicant shall obtain an encroachment from the Department of Public Works located at 111 Morphew St.
11. Prior to Issuance of Building Permit, the applicant shall provide a finalized traffic study.
12. In the event that any archaeological features, such as concentrations of artifacts or culturally modified soil deposits including trash pits older than fifty years of age, are discovered at any time during grading, scraping, or excavation within the property, all work shall be halted in the vicinity of the find, the Planning Division shall be notified, and a qualified archaeologist shall be contacted immediately to make an evaluation. If warranted by the concentration of artifacts or soils deposits, an archaeologist shall monitor further work in the discovery area.
13. If human remains are encountered during grading and construction, all work shall stop in the immediate vicinity of the discovered remains and the County Coroner and a qualified archaeologist shall be notified immediately so that an evaluation can be performed. The Coroner shall contact the Native American Heritage Commission, if the remains are deemed to be Native American and prehistoric, so the “most likely descendant” can be designated.

**TENTATIVE SUBDIVISION MAP
CONDITIONS OF APPROVAL (TS19-003)**

1. This Tentative Subdivision Map approves the consolidation/reconfiguration of APNs 009-191-02, 009-191-03, 009-191-04, 009-191-09, 009-191-10 as shown on plans approved May 12, 2020.
2. Prior to issuance of a building permit, the applicant shall submit an application for a Final Subdivision Map, which shall be in substantial conformance to the Tentative Map.
3. The Tentative map is subject to all applicable conditions of approval outlined in DPW memo, date June 3, 2019 and fire safety access improvements described in Fire Department memo dated May 16, 2019.
4. Prior to issuance of a building permit for the hotel project, the applicant shall provide plans that show the following intersection and frontage improvements:
 - a. Frontage improvements shall include sidewalk, curb and gutter, an accessible crosswalk for Castro Ave, repaving of ½ the width of adjacent roadways and where necessary, street lighting, conduit for City facilities, drainage facilities. This shall be reviewed at the time of permit issuance.
 - b. Intersection improvements for Castro at Francisco shall be provided, to square the intersection which will reduce the crosswalk distance, improve the alignment for visibility and bedesigned for the current one-way traffic flow.
 - c. Francisco Blvd East is a one-way street. Vehicles exiting the southeast driveway when looking for parking will not be able to re-enter the site easily. We recommendthat this be addressed with internal site circulation. Otherwise, striping/signage and/or a turnaround shallbe provided.
5. This Tentative Subdivision Map (TS19-003) shall be valid for three years from approval or until May 12, 2023, and shall become null and void if a Final Subdivision Map or a time extension granted prior to the expiration date.

**USE PERMIT
CONDITIONS OF APPROVAL (VEHICLE STORAGE - UP19-046)**

1. This Use Permit approves a vehicle storage lot and associated access and landscape improvements at 1075 Francisco Blvd E and within the General Commercial (GC) Zoning District. Plans submitted for building permit shall be in substantial conformance to the plans approved May 12, 2020 with regard to building techniques, materials, elevations, and overall project appearance except as modified by these conditions of approval.
2. This Use Permit (UP19-046) shall run with the land. This Use Permit shall become null and void if not vested within two (2) years from the date of approval, or no later than May 12, 2022 unless a time extension is granted before such time. Vesting shall include issuance of necessary building permits or commencement of business operations.
3. The Use Permit is subject to all applicable conditions of approval outlined in DPW memo, date June 3, 2019, Building Division memo dated May 17, 2019 and Fire Department memo dated May 16, 2019.

4. Establishment of the vehicle storage lot shall be contingent upon the concurrent development of the 185-room hotel project (UP19-016; ED19-038; TS19-003).
5. Upon commencement of the vehicle storage lot, temporary use permit (UP19-045) shall become null and void.
6. All landscaping shall be installed and maintain in good growing condition.

**ENVIRONMENTAL AND DESIGN REVIEW
CONDITIONS OF APPROVAL (VEHICLE STORAGE - ED19-098)**

1. This Environmental and Design Review Permit approves a vehicle storage lot and associated landscape improvements at 1075 Francisco Blvd E and within the General Commercial (GC) Zoning District. Plans submitted for building permit shall be in substantial conformance to the plans approved May 12, 2020 with regard to building techniques, materials, elevations, and overall project appearance except as modified by these conditions of approval.
2. This Design Review Permit (ED19-098) shall be valid for two years from approval or until May 12, 2022, and shall be null and void if a building permit is not issued or a time extension granted prior to the expiration date.
3. The Design Review is subject to all applicable conditions of approval outlined in DPW memo, date June 3, 2019, Building Division memo dated May 17, 2019 and Fire Department memo dated May 16, 2019.
4. Plans submitted for building permit for the 185-room hotel project (UP19-016; ED19-038; TS19-003) shall include a full landscape plan which includes landscaping for the vehicle storage lot.

The foregoing Resolution was adopted at the regular City of San Rafael Planning Commission meeting held on the 12th day of May, 2020. The Planning Commission's Action is final unless it is appealed to the City Council within five (5) working days pursuant to San Rafael Municipal Code Section 14.28.030 - *Filing and time limit of appeals*.

Moved by _____ and seconded by _____. The vote is as follows:

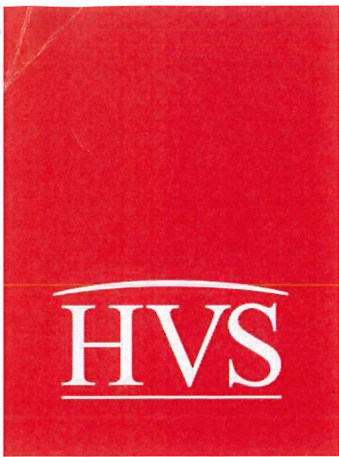
AYES:
NOES:
ABSENT:

SAN RAFAEL PLANNING COMMISSION

ATTEST: _____
Paul A Jensen, Secretary

BY: _____
Aldo Mercado, Chair

ATTACHMENT:



RECEIVED

DEC 05 2019

PLANNING

HVS STUDY

Economic Impact Study

Proposed Dual-Branded Home2 Suites and Hampton Inn and Suites by Hilton

1075 EAST FRANCISCO BOULEVARD
SAN RAFAEL, CALIFORNIA



SUBMITTED TO:

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Glossary



1. Executive Summary

HVS was retained by Marin Hospitality Inc. to evaluate the economic impact of adding a fifth floor to the 185-room proposed dual-branded Home2 Suites and Hampton Inn & Suites by Hilton to be built on an approximately 3.4-acre site located at 1075 East Francisco Boulevard in the city of San Rafael, California. To accomplish this, we have analyzed the economic impact of the total property and allocated the economic impact of the fifth floor based on its pro-rata share of the hotel's guestrooms. The potential economic impact to the city of constructing and operating this hotel has been based on financial projections prepared by HVS, and the IMPLAN model, which projects employment, business revenues, and taxes based on the specifics of the project.

The proposed dual-branded subject hotel is planned to feature the following facilities and amenities:



PROPOSED FACILITIES SUMMARY

Guestroom Configuration (All Floors)		Number of Units
Hampton Inn & Suites		
Queen/Queen		42
King		34
King Studio		24
<i>Subtotal</i>		99
Home2 Suites		
King		68
King Studio		10
Queen/Queen		8
<i>Subtotal</i>		86
Total		185
<i>*Fifth Floor features a total of 28 rooms.</i>		
Food & Beverage Facilities		Seating Capacity
Breakfast Dining Area		TBD
Indoor Meeting & Banquet Facilities		Square Footage
Meeting Room		2,276
Amenities & Services		
Pool	Guest Laundry Area	
Fitness Room	Market Pantry	
Infrastructure		
Parking Spaces		185
Elevators		2 Guest
Life-Safety Systems		Sprinklers, Smoke Detectors
Construction Details		Wood Frame, Poured Concrete

The construction of this hotel and the hotel's future operation is anticipated to create positive economic impacts on the city of San Rafael and environs, such as an increase in employment, an improvement in business revenues, and a contribution to various types of taxes. Below are summaries of the various economic impacts anticipated to be generated by the construction and operation of the proposed hotel. We note that all economic impacts are represented in 2019 dollars.

Construction Impacts:

- According to the developer, the hard construction cost of the proposed subject hotel, including the fifth floor, is anticipated to be \$30 million, in addition to one-time city fee of approximately \$1.1 million.



- *Employment:* the construction is projected to support nearly 243 jobs, including approximately 181 full-time equivalent jobs associated with the hotel construction alone.
- *Business Revenues:* the construction cost and fees are estimated to generate \$40.6 million in local business revenues during the construction period.
- *Tax Contribution:* the construction itself is projected to generate approximately \$1.77 million.

Operational Impacts

The operational impact set forth below is based on financial projections prepared by HVS and the IMPLAN output based on the specifics of the project.

- Rooms Revenue (in 2019 dollars)
 - First Year's Room Revenue: \$9,029,000
 - Rooms Revenue in the Stabilized Year: \$9,926,000
 - Rooms Revenue for the Five Projection Years: \$49,860,000
- *Employment:* By the stabilized year of operation, the proposed hotel is anticipated to generate 94 jobs, including 81 full-time equivalent jobs.
- *Business Revenue:*
 - First Year of Operation: Additional \$3.8 million in local business revenues in addition to the approximately \$9 million in revenue generated by the hotel.
 - First Five Years of Operation: Approximately \$21 million (in 2019 dollars) in additional business revenue over the five years of hotel operation.
- *Tax Contribution:*
 - First Year of Operation: \$2.3 million including \$1 million of Transient Occupancy Tax (TOT) and \$347,000 of property tax.
 - First Five Years of Operation: \$18.5 million including nearly \$6 million in TOT and \$1.7 million in property tax.

The following charts depict the above cited economic impact of the total 185-room hotel in graphic format.



CHART 1 EMPLOYMENT IMPACT

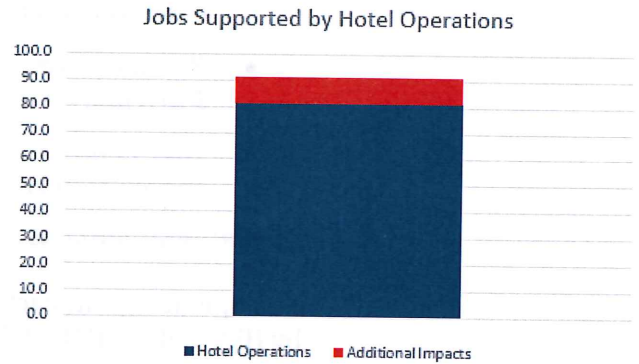
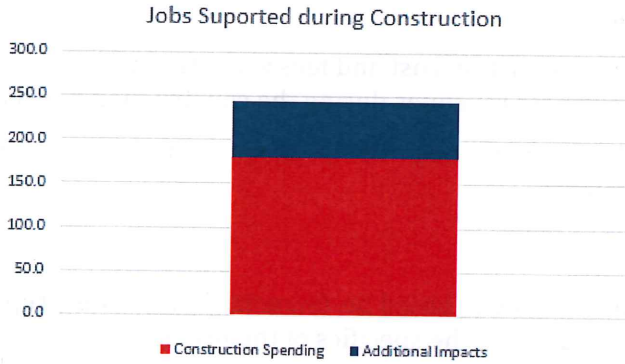


CHART 2 BUSINESS REVENUES

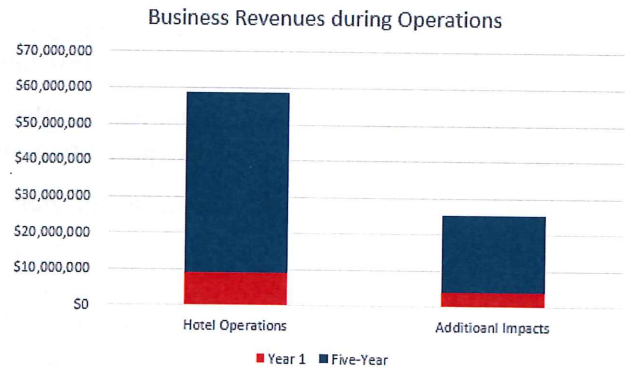
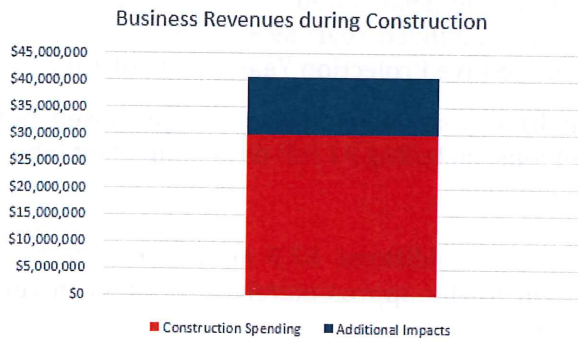
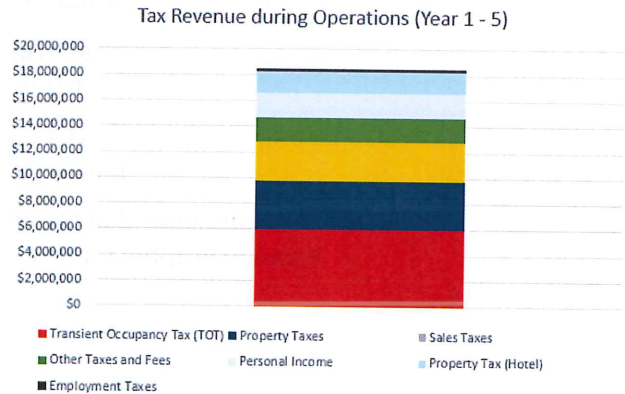
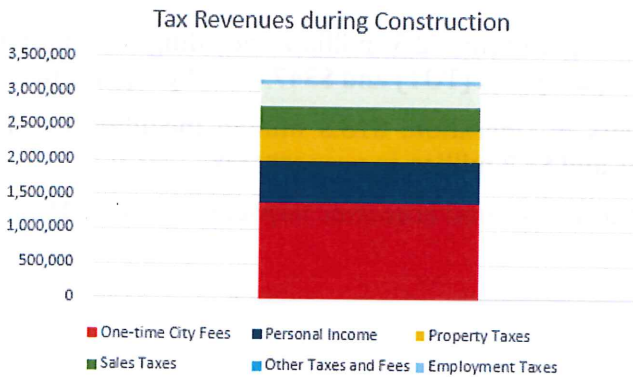


CHART 3 TAX CONTRIBUTION





2. Introduction

This study investigates the economic impact of the proposed dual-branded Home2 Suites and Hampton Inn & Suites by Hilton hotel. The construction and operation of the proposed hotel is anticipated to generate significant positive economic impacts for the city of San Rafael and environs.

The economic impacts of the construction and the operation of the hotel have been evaluated under the various conditions summarized below. The economic impact resulting from these conditions will be presented later in the conclusion section of this report.

- Stage 1: The 185-room hotel's hard cost of construction has been estimated by the developer to be \$30 million; in addition, \$1.4 million in city fees are expected to be generated.
- Stage 2:
 - Employment impacts of the hotel operation were evaluated based on the room revenue anticipated by the stabilized year of operation in 2019 dollars, which is projected to be approximately \$9,926,000.
 - Business and tax revenues were analyzed based on the revenue generated during the first year of operation. There are two components to business revenues. One is the revenue generated by the hotel, and the others resulting from the impact of the hotel's operation in the community based on spending by employees and visitors.
 - We project the rooms revenue in the first year of the proposed subject hotel to be \$9,029,000 in 2019 dollars.
 - IMPLAN projects additional business revenues of approximately \$3.9 million and tax revenues of \$2.3 million.
 - We have also evaluated additional business and tax revenues for the first five projection years.

- We project the rooms revenue in the first five projection years to be \$49,860,000 in 2019 dollars.
- IMPLAN projects that the proposed subject hotel will generate approximately \$21.4 million in additional business revenues and \$18.5 million in tax revenues.
- Economic impact of the fifth floor:
 - We have allocated the fifth floor's fair share of the previously set forth total economic impact of the property based on the fifth floor's pro-rata share of the hotel's total guestrooms; this analysis will be presented in the last section of this report.
 - The fifth floor is planned to feature 28 guestrooms. We have divided this number of guestrooms (28) by the total number of rooms (185). This results in a 15.1% of pro-rata share for the fifth floor, in nature.

To quantify the economic impacts of the business revenues as previously discussed, our analysis estimates direct, indirect, and induced impacts, which are further described below:

- *Direct Impact:* Production changes or expenditures made by producers/consumers as a result of the construction and operation of the subject hotel.
- *Indirect Impact:* The impact of local industries buying goods and services from other local industries.
 - *Ex.:* purchases by the developer and construction workers during the construction; purchases of inventory such as linens and bed sheets etc.
- *Induced Impacts:* The response by an economy to an initial change (direct effect) that occurs through re-spending of income.
 - *Ex.:* hotel employees' spending on groceries, leisure spending, medical visits, etc.

For our analysis, we have relied on the economic input output modeling application provided by IMPLAN, which has been a leading provider of economic impact data



3. Economic Impact – Hotel Construction

The construction of the subject hotel is anticipated to have a positive economic impact on the city of San Rafael and environs before the subject hotel is completed and opened. We have used the construction cost of \$30,000,000 for the 185-room hotel, which was provided the developer. This construction cost is subject to change as the construction progresses. We note that this cost only includes the hard/building cost and excludes other costs related to land, fixture, furniture, and equipment (FF&E) and pre-opening, as well as soft costs.

Based on the construction cost indicated above, IMPLAN estimates the full-time equivalent employment level, as well as business and tax revenues.

FIGURE 1 – EMPLOYMENT IMPACT DURING CONSTRUCTION

Description	Direct	Indirect	Induced	Total
Construction of new commercial structures, including farm structures	180.5	0.0	0.0	180.5
Wholesale trade	0.0	3.5	1.0	4.4
Real estate	0.0	1.1	2.6	3.7
Full-service restaurants	0.0	0.5	3.2	3.7
Architectural, engineering, and related services	0.0	3.1	0.2	3.3
Limited-service restaurants	0.0	0.1	2.1	2.2
Individual and family services	0.0	0.0	1.7	1.7
Retail - Food and beverage stores	0.0	0.0	1.5	1.5
All other food and drinking places	0.0	0.1	1.3	1.4
Offices of physicians	0.0	0.0	1.2	1.2
All Other	0.0	9.3	30.2	39.6
Total	180.5	17.8	45.0	243.2

Source: IMPLAN



FIGURE 2 – BUSINESS REVENUE EFFECTS (IN 2019 DOLLARS) DURING CONSTRUCTION

Description	Direct	Indirect	Induced	Total
Construction of new commercial structures, including farm structures	\$30,000,000	\$0	\$0	\$30,000,000
Owner-occupied dwellings	0	0	1,533,145	1,533,145
Wholesale trade	0	864,112	239,554	1,103,667
Real estate	0	256,502	605,512	862,014
Architectural, engineering, and related services	0	525,943	32,874	558,816
Limited-service restaurants	0	13,917	240,261	254,178
Full-service restaurants	0	33,888	206,788	240,676
Offices of physicians	0	0	204,398	204,398
Other financial investment activities	0	21,891	179,480	201,370
Truck transportation	0	150,738	34,359	185,097
All Other	0	1,475,703	3,951,562	5,427,265
Total	\$30,000,000	\$3,342,693	\$7,227,933	\$40,570,625

Source: HVS and IMPLAN

FIGURE 3 – STATE AND LOCAL TAX RECEIPTS (IN 2019 DOLLARS) DURING CONSTRUCTION

Tax	Amount
Employment Taxes	\$52,282
Sales Taxes	349,562
Property Taxes	441,156
Personal Income	608,385
Other Taxes and Fees	315,560
One-time City Fees	1,400,000
Total State and Local Taxes	\$1,766,945

Source: HVS and IMPLAN

The impact of the construction would continue until the completion of the proposed subject hotel.



4. Economic Impact – Hotel Operations

Upon its opening, the proposed subject hotel is expected to generate annual ongoing economic impacts in the city of San Rafael and environs. Based on our research, market interviews, and lodging statistics in the greater San Rafael region, we have forecasted the subject property’s occupancy, average daily rate, and RevPAR (revenue per available room) for the first five years of operation.

FIGURE 4 – FIVE-YEAR FORECAST

	Year 1 2021/22	Year 2 2022/23	Year 3 (Stabilized) 2023/24	Year 4 2024/25	Year 5 2025/26
Number of Rooms	185	185	185	185	185
Year Open	365	365	365	365	365
Occupancy	72%	78%	80%	80%	80%
ADR	\$195.30	\$203.06	\$210.74	\$217.07	\$223.57
RevPAR	\$140.48	\$159.19	\$168.29	\$173.39	\$178.59
Total Revenue	\$9,486,000	\$10,749,000	\$11,364,000	\$11,708,000	\$12,059,000

**The proposed subject hotel is assumed to open in October 2021*

Source: HVS

In our analysis, we have projected the hotel’s operation to stabilize by the third year of operation. To understand the employment impacts of the proposed hotel upon its stabilization, we have deflated the projected third year revenue to 2019 dollars assuming an underlying inflation rate of 2.5%, 2.5%, and 3.0% in the first, second, and third projection years, respectively. The deflated revenue equates to \$9,926,000. The following figure illustrates the projected employment based on this amount of rooms revenue.

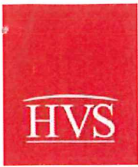


FIGURE 5 – EMPLOYMENT IMPACT – OPERATING HOTEL

Description	Direct	Indirect	Induced	Total
Hotels and motels, including casino hotels	81.3	0.0	0.0	81.3
All other food and drinking places	0.0	1.5	0.4	1.9
Real estate	0.0	1.0	0.8	1.8
Services to buildings	0.0	1.1	0.3	1.4
Full-service restaurants	0.0	0.3	0.9	1.2
Advertising, public relations, and related services	0.0	0.8	0.1	0.9
Limited-service restaurants	0.0	0.1	0.6	0.7
Maintenance and repair construction of nonresidential structures	0.0	0.6	0.1	0.7
Management consulting services	0.0	0.6	0.1	0.7
Postal service	0.0	0.6	0.0	0.7
All Other	0.0	0.0	0.0	0.0
Total	81.3	6.7	3.1	91.2

Source: IMPLAN

The following figures exhibit the projected impacts of the dual-branded hotel in its first year of operation (in 2019 dollars).

FIGURE 6 – BUSINESS REVENUE EFFECTS (YEAR 1)

Description	Direct	Indirect	Induced	Total
Hotels and motels, including casino hotels	\$9,028,911	\$556	\$451	\$9,029,919
Owner-occupied dwellings	0	0	403,706	403,706
Real estate	0	218,262	160,919	379,181
Advertising, public relations, and related services	0	167,534	10,623	178,157
Maintenance and repair construction of nonresidential structures	0	118,705	11,389	130,093
Wholesale trade	0	60,507	63,334	123,841
Management of companies and enterprises	0	97,885	9,912	107,797
All other food and drinking places	0	77,668	19,854	97,523
Cable and other subscription programming	0	73,425	6,015	79,439
Limited-service restaurants	0	15,813	63,517	79,330
All Other	0	1,126,716	1,160,812	2,287,528
Total	\$9,028,911	\$1,957,073	\$1,910,530	\$12,896,515

Source: HVS and IMPLAN

In addition to the approximately \$9 million of revenues directly generated by the subject property, additional business revenue close to \$3.9 million is expected to be created.



The current property tax rate for the subject site is 1.1156%; a newly constructed building is typically assessed based on the construction cost submitted by the developer. Therefore, we have applied the current tax rate of the subject site to the first year's revenue for the "Property Taxes (Hotel)" line item. Additionally, the proposed subject hotel will be subject to TOT equal to 12% of rooms revenue. We note that the city of San Rafael should benefit from a portion of this TOT.

FIGURE 7 – STATE AND LOCAL TAX RECEIPTS (YEAR 1)

Tax	Amount
Employment Taxes	\$14,828
Sales Taxes	252,804
Property Taxes	319,046
Property Taxes (Hotel)	346,800
Personal Income	159,094
Transient Occupancy Tax (TOT)	1,083,480
Other Taxes and Fees	161,135
Total State and Local Taxes	\$2,337,187

Source: HVS and IMPLAN

The proposed subject hotel will have an annual ongoing impact to the city of San Rafael and environs. To illustrate the impact over a longer term, we have run the analysis with the revenues for the first five projection years (approximately \$49.9 million), as illustrated below.

FIGURE 8 – BUSINESS REVENUE EFFECTS (YEAR 1 – 5)

Description	Direct	Indirect	Induced	Total
Hotels and motels, including casino hotels	\$49,859,613	\$3,073	\$2,490	\$49,865,176
Owner-occupied dwellings	0	0	2,229,353	2,229,353
Real estate	0	1,205,291	888,627	2,093,918
Advertising, public relations, and related services	0	925,161	58,662	983,823
Maintenance and repair construction of nonresidential structures	0	655,513	62,892	718,404
Wholesale trade	0	334,134	349,744	683,878
Management of companies and enterprises	0	540,544	54,735	595,278
All other food and drinking places	0	428,902	109,640	538,541
Cable and other subscription programming	0	405,466	33,214	438,680
Limited-service restaurants	0	87,324	350,753	438,078
All Other	0	6,221,973	6,410,254	12,632,228
Total	\$49,859,613	\$10,807,382	\$10,550,365	\$71,217,360

Source: HVS and IMPLAN



In the first five projection years, the city of San Rafael is projected to benefit from the additional business revenues of \$21.4 million, which is the total business revenues of \$71,217,360 less the operational revenues (\$49,859,613) for the five projection years.

FIGURE 9 – STATE AND LOCAL TAX RECEIPTS (YEAR 1 – 5)

Tax	Amount
Employment Taxes	\$173,877
Sales Taxes	3,012,480
Property Taxes	3,801,831
Property Tax (Hotel)	1,734,000
Personal Income	1,883,662
Transient Occupancy Tax (TOT)	5,983,200
Other Taxes and Fees	1,916,493
Total State and Local Taxes	\$18,505,543

Source: HVS and IMPLAN



5. Economic Impact of Total – 185-Room Hotel

The construction and operation of the proposed hotel are projected to have the following economic impacts as summarized below:

Construction Impacts:

- *Assumption:* The hard construction cost is anticipated to be \$30 million, in addition to the \$1.4 million, one-time city fees.
- *Economic Impact*
 - Approximately 243 jobs should be supported, including the 181 full-time equivalent jobs related to the hotel construction.
 - The construction should generate additional business revenue of \$10,571,000, in addition to the \$30 million in construction cost and \$1.4 in one-time city fees.

Operational Impacts:

- *Assumptions:*
 - The 185-room hotel should stabilize in the third projection year at an occupancy of 80% at an average rate of \$211
 - First Year's Room Revenue: \$9,029,000
 - Rooms Revenue in the Stabilized Year: \$9,926,000
 - Rooms Revenue for the Five Projection Years: \$49,860,000

**All the rooms revenues are expressed in 2019 dollars.*
- *Economic Impact:*
 - *Employment:* By the stabilized year of the hotel operation, the proposed hotel is anticipated to generate 94 jobs, including 81 full-time equivalent jobs.
 - *Business Revenue:*
 - First Year of Operation: Total business revenue of approximately \$12.9 million, comprised of \$9.0 million in



hotel rooms revenue and \$3.9 million in local business revenues.

- First Five Years of Operation: Approximately \$21 million in additional business revenue over the five years of hotel operation. (\$71.2 million in total business revenues less the operational revenues of \$49.9 million)

- *Tax Contribution:*

- First Year of Operation: \$2.3 million, including \$1 million in TOT and \$347,000 in property tax.
- First Five Years of Operation: \$18.5 million including nearly \$6 million in TOT and \$1.7 million in property tax.

Item	Year 1	Total
Construction	21,000,000	21,000,000
Project Cost	10,000,000	10,000,000
Additional Business Revenue	1,100,000	1,100,000
Operational Profit	1,100,000	1,100,000
First Year Local Business Revenue	1,100,000	1,100,000
Additional Business Revenue	1,100,000	1,100,000
First Five Years Local Business Revenue	5,500,000	5,500,000
Employment	25	25
Local Business Revenue - Year 1	1,100,000	1,100,000
Total Business Revenue - Years 1-5	5,500,000	5,500,000
State and Local Tax Revenue - Year 1	347,000	347,000
State and Local Tax Revenue - Years 1-5	1,700,000	1,700,000



6. Economic Impact of the Fifth Floor (28 Rooms)

As previously discussed, the proposed subject hotel will feature 28 guestrooms on the fifth floor. To quantify the economic impact of this floor alone, we have allocated the previously developed impacts based on the fifth floor's pro-rata share of the hotel's total guestrooms. The number of guestrooms on the fifth floor (28) was divided by the total number of rooms (185), which results in the pro-rata share of 15.1% for the fifth floor. This pro-rata share is applied to the economic impacts of the total property to evaluate the impact of the fifth floor.

Below is the summary of the economic impacts of the fifth floor of the proposed subject hotel:

FIGURE 10 – SUMMARY

	Total Hotel	Fifth Floor
Construction Impact		
Project Cost	\$30,000,000	\$4,530,000
No. of Jobs	180	27
Additional Business Revenue	10,571,000	1,596,000
Operational Impact		
First Year Rooms Revenue	9,029,000	1,363,000
Stabilized Rooms Revenue	9,926,000	1,499,000
First Five Years Rooms Revenue	49,860,000	7,529,000
Employment	91	14
Total Business Revenue - Year 1	12,897,000	1,947,000
Total Business Revenue - Years 1 - 5	71,217,000	10,754,000
State and Local Tax Receipts - Year 1	\$2,337,000	353,000
State and Local Tax Receipts - Years 1 - 5	18,506,000	2,794,000

Construction Impacts:

- *Assumption:* The construction cost for the fifth floor alone has not been determined yet. In the absence of that information we have applied the pro-



rata share (15.1%) to the total project cost to derive the allocated cost of the fifth floor.

- Construction Cost for the Fifth Floor: \$4.53M ($\$30\text{M} * 15.1\%$)

- *Economic Impact*

- Approximately 37 jobs should be supported, including the 27 full-time equivalent jobs related to the construction of the fifth floor.
- The construction should generate additional business revenue of \$1.60 million in addition to the \$4.53 million in construction cost and \$211,400 in one-time city fee.

Operational Impacts:

- *Assumptions for the Fifth Floor (28 rooms):*

- First Year's Room Revenue: \$1,363,000
- Rooms Revenue in the Stabilized Year: \$1,499,000
- Rooms Revenue for the Five Projection Years: \$7,529,000

**All the rooms revenues are expressed in 2019 dollars.*

- *Economic Impact:*

- *Employment:* By the stabilized year of the hotel operation, the fifth floor of the proposed hotel is anticipated to generate 14 jobs, including 12 full-time equivalent jobs.

- *Business Revenue:*

- First Year of Operation: Additional \$573,800 in local business revenues (in addition to the over \$1.36 million in revenue generated by the 28 guestrooms on the fifth floor).
- First Five Years of Operation: Approximately \$3.17 million (in 2019 dollars) in additional business revenue over the five years of hotel operation.

- *Tax Contribution:*

- First Year of Operation: \$347,300 including \$151,000 in TOT and \$52,000 in property tax.
- First Five Years of Operation: \$2.79 million including nearly \$906,000 in TOT and \$256,700 in property tax.



Glossary

All other food and drinking places: All additional restaurants not captured in limited- or full-service restaurants, including food trucks.

Cable and other subscription programming: These sectors comprises establishments in operating studios and facilities for the broadcasting of programs on a subscription or fee basis. These establishments produce programming in their own facilities or acquire programming from external sources.

Full-service restaurants: Establishments engaged in providing food service to patrons who order and are served while seated and make payments after eating. These establishments may sell alcoholic beverages, provide take-out services, operate a bar, or present live entertainment.

Limited-service restaurants: Establishments whose consumers order or select items and pay before eating.

Management of companies and enterprises: This sector comprises establishments primarily engaged in managing companies and enterprises and/or holding the securities or financial assets of companies and enterprises, for the purpose of owning a controlling interest in them and/or influencing their management decisions.

Owner-occupied dwellings: Housing unit permanently or seasonally occupied by the owner of units prior to or after renovation or demolition.

Wholesale trade: A form of trade that goods are purchased and stored in large quantities and sold, in batches of a designated quantity to resellers, professional users or groups, but not to final consumers.

Exhibit 4

REVIEW OF GENERAL PLAN 2020 GOALS AND POLICIES 1075 Francisco Blvd E Project Consistency with San Rafael General Plan 2020 Policies

LAND USE ELEMENT	
<p>LU-2. Development Timing. For health, safety and general welfare reasons, new development should only occur when adequate infrastructure is available</p>	<p><i>Consistent</i></p> <p>The project site is surrounded by adequate infrastructure including public rights-of-ways, and utilities. Additionally, the project will provide frontage improvements at the corner of Francisco Blvd E and Castro Ave in the form of new sidewalks to provide safe pedestrian access to the site. As such, the project is consistent with this policy.</p>
<p>LU-4a. Reasonable Interim Uses. In the zoning ordinance establish land uses that allow reasonable interim uses for properties that are in areas with limited traffic capacity for development. Examples include contractor’s yards, new car storage, modular office and storage, and outdoor recreation.</p>	<p><i>Consistent</i></p> <p>The continued use of Parcel 2 as a car storage lot allows for the reasonable interim use of the property consistent with this policy.</p>
<p>LU-9a. Nonresidential Zoning. Implement nonresidential levels of development and FAR transfer policies through allowed floor area ratios in zoning districts.</p>	<p><i>Consistent</i></p> <p>The proposed use is within a non-residential zoning district. As a development that proposes a new hotel, no FAR limits apply for the development, and therefore the project is consistent with General Plan policies LU-9a, LU-20a, and LU-23.</p>
<p>LU-12. Building Heights. Hotels have a 54-foot height limit</p>	<p>Hotels are permitted a maximum height of 54 feet. Section 14.16.120 of the SRMC excludes mechanical equipment from the maximum height limits through approval of an Environmental and Design Review Permit. The project proposes a height of 54-feet to the rooftop with a maximum height of 61-feet 8-inches. The additional height includes rooftop mechanical equipment and is therefore excluded from the maximum height limits. Furthermore, the design has been recommended for approval by the Design Review Board, subject to conditions as further described in the Staff Report. As such, the project is consistent with General Plan policies LU-12, LU-13, and LU-20a.</p> <p>The project meets all applicable development standards of the General Commercial Zoning District, consistent with General Plan policy LU-23.</p>
<p>LU-13. Height Bonuses. A height bonus may be granted with a use permit for a development that provides one or more of the amenities listed in Exhibit 10, including hotels</p>	
<p>LU-20a. Hotel Zoning. Maintain zoning ordinance regulations allowing height bonus and exemption from FARs for hotels</p>	
<p>Policy LU-23. Land Use Map and Categories. Land use categories are generalized groupings of land uses and titles that define a predominant land use type. All proposed projects must meet density and FAR standards for that type of use, and other applicable development standards. Some listed uses are conditional uses in the zoning ordinance and may be allowed only in limited areas or under limited circumstances.</p>	
HOUSING ELEMENT	
<p>H-6a. In-Lieu Fees for Affordable Housing. Affordable Housing In-Lieu Fees generated from non-residential development and fees generated from residential developments pursuant to San Rafael Zoning Code Section 14.16.030 are placed in a citywide housing in-lieu fee fund to be used to increase the supply of housing affordable to very low, low, and</p>	<p><i>Consistent</i></p> <p>The project’s share of affordable housing is 0.0075 affordable units per 1,000 square feet of gross floor area. The gross floor area is 106,000 square feet. Therefore, the project is required to provide 1 affordable unit or pay the applicable in-lieu fee. As conditioned, the project is required to</p>

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moderate income households.	meet this requirement and is therefore consistent with General Plan policy H-6a.
NEIGHBORHOOD ELEMENT	
NH-51. Existing Business Areas. Support and encourage the upgrading of existing business areas, consistent with infrastructure needs. Encourage redevelopment and upgrading of existing sites.	<i>Consistent</i> The proposed project is located just south of Bellam Blvd/Francisco Blvd E, which is a prominent intersection within the neighborhood and consists of a newer light industrial/office area. The addition of a hotel to this area will enhance the existing business area and upgrade the overall site consistent with this policy.
NH-52. New Business Development. Encourage and give priority to new business development that benefits the neighborhood through provision of needed services, low traffic impacts, or employment of a high percentage of neighborhood residents. Encourage opportunities for local residents to own and operate businesses.	<i>Consistent</i> Hotels are identified as a desired land use as they are low traffic-generators and high tax-generators. As such, the proposed project will benefit the neighborhood and is therefore consistent with this policy.
COMMUNITY DESIGN ELEMENT	
CD-1c. Landscape Improvement. Recognize that landscaping is a critical design component. Encourage maximum use of available landscape area to create visual interest and foster sense of the natural environment in new and existing developments. Encourage the use of a variety of site appropriate plant materials.	<i>Consistent</i> Landscaping is proposed throughout the project site and has been designed to enhance the overall design of the site and reduce the visual impact of the proposed parking areas. The project has been reviewed by the Design Review Board and meets all applicable landscaping requirements including minimum requirements, species type, and water usage. As such, the project is consistent with General Plan policies CD-1c, and CD-18.
CD-18. Landscaping. Recognize the unique contribution provided by landscaping, and make it a significant component of all site design.	
CD-10. Nonresidential Design Guidelines. Recognize, preserve and enhance the design elements that contribute to the economic vitality of commercial areas.	<i>Consistent</i> The project incorporates design criteria included in the City's Design Guidelines for Nonresidential Development including parking lot design that provides logical entry and exits, landscaping that is designed as an integral part of the development, pedestrian circulation that clearly defines movement through parking lots, and building form that provides a continuity of design, colors, materials, and architectural elements. Further, the project design has been reviewed by the Design Review Board and was found to be consistent with these applicable design criteria. As such, the project is consistent with this General Plan policy.
CD-15. Participation in Project Review. Provide for public involvement in the review of new development	<i>Consistent</i> The project has been subject to multiple public meetings/hearings. All meetings and hearings, as required, have been publicly noticed allowing opportunities for public involvement. Public comments and concerns have been addressed to the extent feasible. Therefore, the project is

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	consistent with this General Plan policy.
CD-19. Lighting. Allow adequate site lighting for safety purposes while controlling excessive light spillover and glare.	<i>Consistent</i> The project proposes various types of lighting including wall sconces, LED up-lighting, LED accent lighting, bollard lighting and single and double pole parking lot lights. As a condition of project approval, the photometric study shall be recalculated to confirm illuminated exterior wall sections are included. Additionally, illuminated exterior wall sections are required to be dimmable and limited to a single shade of white. As conditioned, the project is consistent with this policy.
CD-21. Parking Lot Landscaping. Provide parking lot landscaping to control heat build-up from pavement, reduce air pollution, provide shade cover for vehicles and soften the appearance of the parking lot. Emphasize the use of trees and limit the height of shrub plantings so as to avoid creating security problems.	<i>Consistent</i> As previously stated, landscaping is provided throughout the site including in parking areas. Zoning Ordinance regulations require parking lots with more than five spaces provide one canopy tree for every four parking spaces. The project will provide 195 parking spaces, which requires a minimum of 49 canopy trees. As proposed, 57 canopy trees will be provided, meeting both the intent of this policy and the regulations of the Zoning Ordinance.
ECONOMIC VITALITY	
EV-2. Seek, Retain, and Promote Businesses that Enhance San Rafael. Recruit and retain businesses that contribute to our economic vitality, thus helping to provide needed local goods, services and employment, and enhance the City's physical environment.	<i>Consistent</i> The project will contribute to the economic vitality of the City through increased revenues. Additionally, the project will provide new employment opportunities and enhance the physical environment by improving an existing vacant lot located near a highly visible intersection. As such, the proposed project is consistent with this General Plan policy.
EV-3. Tourism. Recognize and support tourism as a significant contributor to San Rafael's economy.	<i>Consistent</i> The proposed use is a use that supports tourism and is therefore consistent with this policy.
EV-7. Environmentally-Friendly Business Practices. Promote environmentally friendly business practices that reduce the need for nonrenewable resources.	<i>Consistent</i> The project will be required to comply with mandatory City measures including implementation of on-site water management, energy conservation, and the use of recycled content. As such, the project is consistent with this policy.
EV-8. Diversity of our Economic Base. Keep San Rafael a full-service city by retaining and supporting a broad and healthy range of businesses.	<i>Consistent</i> The proposed project will introduce a new hotel within the City, and the Canal Neighborhood specifically, expanding upon the range of visitor accommodating uses currently available within the City.
EV-14. Support for Business Areas. Support and encourage public and private redevelopment and upgrading of both existing and underdeveloped commercial and industrial properties, while retaining economic and architectural diversity	Further, the proposed project will upgrade the existing underdeveloped lot in an established light industrial/office area of the neighborhood. As

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	such, the proposed use is consistent with General Plan policies EV-8 and EV-14.
CIRCULATION ELEMENT	
C-7a. Traffic Mitigation Fees. Continue to implement and periodically update the City's Traffic Mitigation Program	<i>Consistent</i> The project, as conditioned, is required to pay a fair share of traffic mitigation fees consistent with this policy.
C-26c. Bicycle Parking. Update Zoning Ordinance requirements for bicycle parking	<i>Consistent</i> The project, as conditioned, will provide bicycle parking in compliance with applicable regulations. As such, the project is consistent with this General Plan policy.
INFRASTRUCTURE ELEMENT	
Policy I-7. Landscape Maintenance. Provide for low maintenance entryway landscaping. Give priority to maintenance of landscaping along the City's most heavily traveled roadways and gateways as shown on Exhibits 17 (San Rafael Community Design) and Exhibit 18 (Central San Rafael Community Design).	<i>Consistent</i> As shown in General Plan Exhibit 18, Francisco Blvd E, Bellam Blvd, and Kerner Blvd are identified as some of the City's most heavily traveled roadways. The project will provide landscaping along all project frontages and is designed consistent with applicable City of San Rafael and Marin Municipal Water District (MMWD) standards. Maintenance of landscaping will be the responsibility of the property owner/operator, as specified in conditions of approval. Therefore, the project is consistent with this General Plan policy.
SAFETY ELEMENT	
S-6. Seismic Safety of New Buildings. Design and construct all new buildings to resist stresses produced by earthquakes. The minimum level of seismic design shall be in accordance with the most recently adopted building code as required by State law.	<i>Consistent</i> The proposed project will be required to comply with California and San Rafael building code standards, which include design standards that resist stresses produced by earthquakes. As such, the project is consistent with this General Plan policy.
S-12. Use of Environmental Databases in Development Review. When development is proposed, determine whether the site has been recorded as contaminated. Undertake appropriate studies to assure identification and implementation of mitigation measures for sites on or near identified hazards.	<i>Consistent</i> The site was formerly listed as a LUST cleanup site on the State of California's Water Resources Control Board GeoTraker website. Cleanup actions were associated with the former San Rafael Chrysler Dodge. However, the cleanup activities were completed, and the case was closed in 2006. Further, a Phase II Environmental Site Assessment (ESA) was conducted for the site and concluded that chemicals present in the soil and soil gas were below screening thresholds and would not pose a threat to the public health or environment associated with the proposed use. As such, the project is consistent with this General Plan policy.

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<p>S-17. Flood Protection of New Development. Design new development within the bay mud areas to minimum floor elevation that provides protection from potential impacts of flooding during the “100-year” flood.</p>	<p><i>Consistent</i> The site is located within the 100-year floodplain. In order to protect the new development from flood impacts, the finished floor will be elevated two feet above the base flood elevation. As such, the project is consistent with this General Plan policy.</p>
<p>Policy S-18 Storm Drainage Improvements. Require new development to improve local storm drainage facilities to accommodate site runoff anticipated from a “100-year” storm.</p>	<p><i>Consistent</i> As conditioned the project will be required to comply with standard storm drain requirements. Additionally, the applicant has provided a stormwater plan for the site which includes four drainage management areas with low impact development treatment areas sized consistent with the requirements set forth by the RWQCB. These areas are intended to offset the increase in impervious surfaces and to accommodate stormwater onsite. As such, the project is consistent with this policies S-18 and S-25.</p>
<p>Policy S-25. Regional Water Quality Control Board (RWQCB) Requirements. Continue to work through the Marin County Stormwater Pollution Prevention Program to implement appropriate Watershed Management plans as dictated in the RWQCB general National Pollutant Discharge Elimination System permit for Marin County and the local stormwater plan.</p>	
NOISE	
<p>N-1. Noise Impacts on New Development. Protect people in new development from excessive noise by applying noise standards in land use decisions.</p>	<p><i>Consistent</i> General Plan Exhibit 31 identifies land use compatibility standards for new development in the City. For hotel uses, exterior noise levels are acceptable up to 60 dBA and interior noise levels up to 45 dBA. The noise study prepared for the project provides minimum Outdoor to Indoor Transmission Class (OITC) ratings for exterior windows to ensure interior noise levels are consistent with the General Plan. As conditioned, the project meets this requirement and is therefore consistent with this policy.</p>
<p>N-3. Planning and Design of New Development. Encourage new development to be planned and designed to minimize noise impacts from outside noise sources.</p>	
<p>N-4. Noise from New Nonresidential Development. Design nonresidential development to minimize noise impacts on neighboring uses</p>	<p><i>Consistent</i> As discussed in the noise study, primary sources of noise associated with operation of the hotel includes mechanical and HVAC equipment. Typical noise levels generated by this type of equipment ranges from 50 - 60 dBA at a distance of 50 feet from the source. Mechanical equipment enclosures provide at least 5 dBA attenuation. Noise levels are assumed to be 55 dBA at the nearest commercial property and 58 dBA at the nearest industrial property. Noise criteria for commercial and industrial uses are 55 and 60 dBA, respectively. Therefore, the project will not impact neighboring properties with regard to operational noise and is consistent with this General Plan policy.</p>
<p>N-5. Traffic Noise from New Development. Minimize noise impacts of increased off-site traffic caused by new development. Where the exterior Ldn is 65 dB or greater at a residential building or outdoor use area and a plan, program, or project increases traffic noise levels by more than Ldn 3 dB, reasonable noise mitigation measures shall be included in the plan,</p>	<p><i>Consistent</i> As discussed in the noise study, traffic generated by the project will result in a minimal overall increase as compared to existing traffic. Noise modeling for the project determined that the increase in traffic would result in less than 1 dB increase to ambient noise levels over existing</p>

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program or project.	volumes. As such, the project is consistent with this General Plan policy.
CONSERVATION	
Policy CON-16. Landscape with Native Plant Species. Encourage landscaping with native and compatible non-native plant species, especially drought-resistant species.	<i>Consistent</i> The proposed landscape palette includes species that require low to moderate water usage. Proposed parking lot trees, groundcover, shrubs, and grasses have been selected from the City's parking lot tree list and consistent with guidance provided by the Marin Municipal Water District water-wise plants website. As such, the project is consistent with policy CON-16

March 13, 2020

San Rafael Design Review Board
Community Development Department City Hall
1400 5th Avenue
San Rafael, CA 94901

Reference: Proposed Use Permit Hilton Dual Brand Hotel: Hampton Inn and Suites & Home 2 Suites
1075 Francisco Boulevard East
San Rafael, CA 94901

Design Review Board Members:

It's my pleasure to express support for the proposed hotel project. The economic and social benefits to San Rafael are compelling and well understood. The focus of this correspondence is on site and architectural design as these are the purview of the DRB.

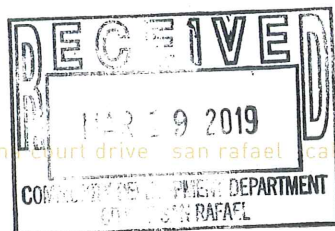
Site design

Finish floor Elevation:

It appears the finish floor elevation of the hotel is based on the 2016 FEMA Flood Insurance Rate Map (FIRM) and required freeboard. While this meets current flood risk mitigation requirements, the owner may find it prudent to provide additional freeboard to allow for the future impacts of sea level rise and FIRM revisions. A City of San Rafael 2040 General Plan policy and program will likely include an Adaptation Plan to address rising tides and floods. This project may proceed over the next few years. The project owners are encouraged to participate in the planning process as it moves forward.

Service Area:

The service entrance and rubbish enclosure are well sited and the rubbish enclosure is durably designed. The gates need to be tough enough to take a beating from rubbish bins and rough handling by staff and the recycle and waste hauler. The owners may wish to verify adequate space is provided for staging and storage for separate recycle and rubbish bins.



Building Siting, Parking and Pedestrian Access

Siting:

The location of the building on the property is appropriate considering the automobile oriented context, lot configuration and the need to transition from the existing street grade at Francisco Boulevard East to the ground floor of the hotel. The Porte Cochere is easy to see and access for approaching traffic.

Parking:

The parking field location and design are appropriate in their context. The project has addressed landscape screening of the Francisco Boulevard East and Castro Street frontages including the undeveloped portion of the site. It may be prudent for the project to secure a license agreement with the city for landscaping and maintenance of the portion of the public right of way left bare adjacent to the site as a result of the reconfiguration of the intersection at Castro.

Pedestrian Access:

Bellam Boulevard, southeast San Rafael's main street, identified in the 2040 General Plan as a "complete street", is approximately a block away from the property. Direct pedestrian pathways are provided to Bellam via sidewalks along Francisco Boulevard East and Castro Street. It may be desirable to match the width of the wider Francisco Boulevard East sidewalk on both sides of the reconfigured Castro intersection and along the Castro frontage. Providing a pedestrian connection to Kerner Boulevard, if possible, may also be desirable.

EV Charging:

Provision of EV charging stations is noted and appropriate.

Building Architecture

Architectural Design:

The contemporary architecture of the project is appropriate considering the project's context in an area where automobile oriented land uses predominate, most existing buildings are nearing the end of their functional life and lack both design quality and any historic or cultural significance. A contemporary building is consistent with San Rafael's architectural history: Building design that is consistent with the period and social context when they were built VS an imposed architectural theme.

The building scale is appropriate for the context. Building massing, articulation and integration of the room HVAC units into the building elevations are well handled.

Exterior Finish Materials:

The materials selected are appropriate for the architecture and context. As a matter of personal preference, we offer the following observation: the material shown for the stone veneer treatment appears to look like concrete rubble. Perhaps a different stone and color may be selected.

Screening of Mechanical Equipment

The roof top mechanical equipment appears to be screened based on the elevations and sections provided. A word of caution however: At this stage on the design, and prior to procurement, the actual dimensions roof top HVAC equipment may not be known and all equipment may not yet be shown.

We look forward to successful completion of this project.

Sincerely

A handwritten signature in blue ink, appearing to read 'J. Rhoads', with a long horizontal flourish extending to the right.

Jeffrey D. Rhoads, RA LEED AP
President