

***Statement of Justification – General Plan Text Amendment  
Santa Clara Hilton Project – SC Hotel Development LLC***

***Project Highlights***

- Address: 4949 Great America Parkway, Santa Clara, CA
- APN: Portion of 104-43-039
- Size: 3.862 acres
- General Plan Designation: Regional Commercial (RC)
- Existing Zoning District: Commercial Park (CP)
- Current Use: Surface parking for the existing Santa Clara Hilton
- Entitlements Requested: General Plan Text Amendment, Zoning Change to Planned Development (PD), and associated Development Plan
- Proposed Project: Replace the existing surface parking in the southeastern portion of the site with a 22 story, 237'-2'' (239'-6'' max) mixed-use hotel building, including a ground floor lobby, 7 levels of parking, 1 level of mechanical, 12 stories containing 319 hotel rooms, and a rooftop restaurant and observation desk (the "Project").
- Construction Type: IA
- Project Applicant: SC Hotel Development LLC

***Introduction and Purpose***

This document provides justification in support of the Applicant's proposed General Plan Text Amendment to Policy 5.5.1-P13, to allow the Project's proposed Floor Area Ratio ("FAR") of 2.74, rather than the maximum of 2.0.

This amendment would facilitate the development of needed hotel facilities in the City of Santa Clara (the "City"), including the Project, which provides significant benefits to the community. The Project and the text amendment meet the City's General Plan goals and policies and the Project will be compatible with uses on neighboring properties, as is discussed in more detail below.

***Project Location***

The site is located at 4949 Great America Parkway, and is bordered by Tasman Drive to the north, Great America Parkway to the West, and surface parking lots for Levi Stadium to the east and south. The portion of the site being redeveloped is the southeastern corner and the new proposed driveway at the southwest corner. See Figure 1 below. Great America Parkway and Tasman Drive are both arterial roadways with robust transit options, including Great America Station North and Old Ironsides Station in close proximity to the site. The site is also in close proximity to Routes 101 and 239 for ease of regional access.

***Proposed Project***

The Project would replace the existing surface parking in the southeastern portion of the site with a 22 story, 237'-2'' (239'-6'' max) mixed-use hotel building, including a ground floor lobby, 7 levels of parking, 12 stories containing 319 hotel rooms, and a rooftop restaurant and observation desk. It would also add a new driveway at the southwest corner. See Figure 2 below, and the Site Plan dated February 25, 2020 for further details.

Figure 1 – Project Site

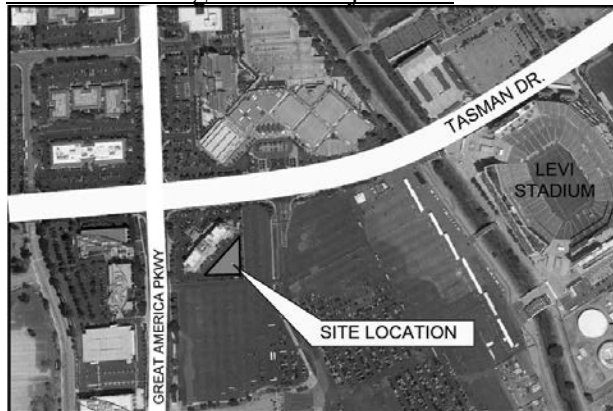


Figure 2 – Proposed Project



As proposed, the combined buildings yield an FAR of 2.74 (see Site Plan dated February 25, 2020 for further details), which exceeds the maximum of 2.0 as expressed in General Plan Policy 5.5.1-P13, and therefore requires a General Plan Text Amendment. As proposed, the 237'-2'' (239'-6'' max) building also exceeds the 150 foot maximum in the CP zoning district, and the Project therefore proposes a zoning change to Planned Development.

Parking

While the Project involves the removal of existing surface parking spaces, the proposed parking will continue to meet the hotels' needs, as follows and as demonstrated in the Santa Clara Hilton Parking Study by Walker Consultants dated February 4, 2020 (the "Parking Study"), which determined there is an overall demand for approximately 470 spaces for the two hotels<sup>1</sup>:

FLOOR / LEVEL	STD.	COMPACT	VALET AISLE SPACES	CHARGE	CLEAN AIR/ CARPOOL/ EV	ACCESS. VAN	ACCESS. STD.	TOTAL
SITE EXIST	160 SP	112 SP	-	-	-	2 SP	6 SP	280 SP
SITE ADDED	15 SP	-	-	-	-	-	-	15 SP
SITE REMOVED	(72 SP)	(37 SP)	-	-	-	-	-	(109 SP)
SITE TOTAL:	103 SP	75 SP	-	-	-	2 SP	6 SP	186 SP
LEVEL 1	7 SP	-	-	5 SP*	3 SP	2 SP	-	17 SP
LEVEL 2	27 SP	1 SP	10 SP	2 SP	4 SP	-	1 SP	45 SP
LEVEL 3	27 SP	1 SP	10 SP	2 SP	4 SP	-	1 SP	45 SP
LEVEL 4	28 SP	1 SP	10 SP	2 SP	3 SP	-	1 SP	45 SP
LEVEL 5	28 SP	1 SP	9 SP	2 SP	3 SP	-	1 SP	44 SP
LEVEL 6	28 SP	1 SP	9 SP	2 SP	3 SP	-	1 SP	44 SP
LEVEL 7	28 SP	1 SP	9 SP	2 SP	3 SP	-	1 SP	44 SP
PROPOSED HOTEL TOTAL:	173 SP	6 SP	57 SP	17 SP	23 SP	2 SP	6 SP	284 SP
OVERALL TOTAL:								470 SP

<sup>1</sup> Parking Study, pages 2, 7.

With the use of valet services operated as recommended in the Parking Study, the parking facilities provided can accommodate the demand for 470 parking spaces.<sup>2</sup>

### ***Community Benefits and General Plan Policy Consistency***

The Applicant proposes to replace surface parking, which, while meeting the needs of the existing Santa Clara Hilton, provides little visual interest and no community activation. Likewise, the existing surface parking provides comparatively little financial benefit to the City.

The replacement Project will provide sufficient parking, where the new parking will be visually screened, and is an attractive, contemporary hotel that will activate an underutilized site, serving the local community, visitors to Levi Stadium and the Great America theme park, and regional visitors. Its rooftop restaurant and observation deck will serve hotel guests and their visitors, and will be open to the public to provide a beautiful gathering place for Santa Clara. The new hotel of 319 rooms will also provide significant tax revenues to the City, further serving the community. As the City's General Plan Land Use Element notes, General Fund revenue is supplemented through transient occupancy taxes, and new development such as the Project assists the City to address infrastructure needs and other important items.

The Project is consistent with major applicable General Plan policies, including:

- Section 5.2.2. Regional Commercial Designation: This classification is intended for retail and commercial uses that provide local and regional services. It is intended for commercial developments that serve both Santa Clara residents and the surrounding region. A broad range of retail uses is allowed, including regional shopping centers, local-serving offices, medical facilities, home improvement/durable goods sales and services, warehouse membership clubs, new and used auto sales and services, and travel-related services such as hotels, gas stations, restaurants, convention centers, amusement parks and sports venues. The maximum FAR is 0.60.
  - *The Project's hotel and restaurant/observation deck uses are permitted in the designation, and will meet the intention for uses to provide both local and regional services. The Project exceeds the maximum FAR of 0.60, pursuant to Discretionary Use Policy 5.5.1-P13 (as amended) - see below for further discussion of the Project's consistency with that policy.*
- 5.3.1-P6: Allow planned development only if it is consistent with General Plan land use density and intensity requirements and provides a means to address unique situations to achieve high community design standards that would otherwise not be feasible.
  - *The Project proposes a rezone to Planned Development, to allow the redevelopment of surface parking with an attractive tax-generating hotel, at a higher intensity than would otherwise be permitted in the CP zone, consistent with Discretionary Use Policy 5.5.1-P13 (as amended) - see below for further discussion of the Project's consistency with that policy.*

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<sup>2</sup> Parking Study, pages 2-3, 9-15.

- 5.3.1-P8: Work with property owners to improve or redevelop underutilized and vacant properties.
  - *The Project proposes the redevelopment of an underutilized site. It is currently surface parking that serves the Santa Clara Hilton, but provides little visual interest and no community activation. It will be replaced with an attractive, contemporary hotel that serves local and regional visitors and provides tax revenue for City use.*
- 5.3.1-P9: Require that new development provide adequate public services and facilities, infrastructure, and amenities to serve the new employment or residential growth.
  - *The Project will meet all requirements to provide adequate services, facilities, infrastructure, and amenities, including a beautiful rooftop restaurant and observation deck.*
- 5.3.1-P10: Provide opportunities for increased landscaping and trees in the community, including requirements for new development to provide street trees and a minimum 2:1 on- or off-site replacement for trees removed as part of the proposal to help increase the urban forest and minimize the heat island effect.
  - *The Project will replace surface parking with a more efficient high-rise hotel use, leaving space for attractive landscaping and programming new rooftop areas with active uses, to help increase the urban forest and minimize the heat island effect.*
- 5.3.1-P12: Encourage convenient pedestrian connections within new and existing developments.
  - *The Project proposes pedestrian activation via a walkway connecting the two hotels.*
- 5.3.1-P29: Encourage design of new development to be compatible with, and sensitive to, nearby existing and planned development, consistent with other applicable General Plan policies.
  - *The Project is compatible with and will not interfere with the neighboring surface parking lots serving Levi Stadium. The Project is not in close proximity to a single-family residential neighborhood and so will have no impact on such a neighborhood's character or view. The Project is in an area being developed and redeveloped with uses similar in size and character to its proposal, including the approved Related Santa Clara village with approximately 9 million square feet of restaurants, retail, office, and an entertainment venue; the approved Lake Park office development; the approved Tasman East Related project at 2300 Calle De Luna with approximately 509 dwelling units and 35,000 square feet of retail; and the proposed Kylli Mixed Use Project for high-intensity mix of office, commercial, and residential use.<sup>3</sup>*

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<sup>3</sup> City of Santa Clara: Development Projects Story Map, last accessed April 14, 2020.

- 5.3.3-P1: Provide a mix of retail and commercial uses to meet the needs of local customers and draw patrons from the greater region.
  - *The Project will bring 319 needed hotel rooms to the area, serving visitors to Levi Stadium, the Great America theme park, and regional visitors. Its rooftop restaurant and observation deck will serve hotel guests and their visitors, and will be open to the public to provide a beautiful gathering place for Santa Clara.*
- 5.3.3-P3: Encourage all commercial development to include neighborhood-oriented stores and amenities.
  - *The Project's rooftop restaurant and observation deck will serve hotel guests and their visitors, and will be open to the public to provide a beautiful gathering place for Santa Clara.*
- 5.3.3-P8: Require quality design for new and redeveloped commercial uses to support the City's economic development objectives.
  - *The Project complements and is consistent with the design of the existing Santa Clara Hilton, and meets all 2019 California Green Building Code requirements for non-residential uses, to provide both attractive and sustainable development.*
- 5.5.1-P13: Allow hotel development north of the Caltrain corridor in any land use designation, except Light and Heavy Industrial, at a maximum FAR of 2.0, provided that the property is annexed to the City's Community Facilities Assessment District, or similar district, and that the use is compatible with planned uses on neighboring properties and consistent with other applicable General Plan policies.
  - *The site's Regional Commercial designation currently permits hotel uses as part of its stated intention to encourage commercial uses that provide local and regional services. The Project provides needed hotel rooms and the site will be annexed to the City's Community Facilities Assessment District pursuant to this policy. The Project's proposed FAR of 2.74 will be consistent with this policy, as amended as part of this application to continue to encourage hotel development in the City in compatible locations.*

### **Summary**

The Project and its requested General Plan Text Amendment will bring much-needed hotel rooms to the City and the region, facilitating economic growth by increasing the City's capacity to house visitors. The amendment to allow greater FAR provides a more attractive and wider range of development opportunities for hotel operators. The Project will also directly serve the community by replacing inactive surface parking with an attractive, tax-generating use in an appropriate location at the intersection of two arterial streets and in close proximity to public transit and Routes 101 and 237.