



COMMUNITY DEVELOPMENT DEPARTMENT

CITY HALL
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CITY COUNCIL STAFF REPORT

Meeting: April 21, 2020

Subject

Second reading of a Development Agreement for a new 155-room seven-story hotel (24-hour operations) with underground parking, event meeting rooms, a ground floor restaurant with separate bar, and a rooftop lounge with separate bar by demolishing a commercial building with an area of 8,323 sq. ft. (Application No: DA-2018-01; Applicant(s): John Vidovich (De Anza Properties); Location: 10931 N De Anza Blvd.; APN #326-10-061

Recommended Actions

Conduct the second reading and enact Ordinance No. 20-2195 "An Ordinance of the City Council of the City of Cupertino Approving a Development Agreement for the Development of a New 7-Story, 155 Room Hotel and Associated Site and Landscaping Improvements Located at 10931 N. De Anza Blvd. (APN #326-10-061)" (Attachment A).

Discussion

On April 7, 2020 the City Council introduced and conducted the first reading of Ordinance No. 20-2195 on a 4-1 vote (Willey voting no).

Fiscal Impacts

The project will generate net positive fiscal impacts to the City's annual budget due to the collection of Transient Occupancy Taxes. This is estimated to be \$1 - 1.5 million a year. As previously mentioned, to ensure collection of the TOT, a condition of approval has been added that reservations may not be made that exceed 29 consecutive nights of stay.

Sustainability Impacts

The project will incorporate a green roof on the second floor and is designed to achieve LEED silver. Further, via the City's Zero Waste Policy will require that the project recover and divert at least 65 percent of the construction waste generated by the project.

Next Steps

The Ordinance will take effect 30 days after the second reading. The Development Agreement will not take effect until the Ordinance takes effect and is signed by all parties.

Prepared by: Gian Paolo Martire, Senior Planner

Reviewed by: Piu Ghosh, Planning Manager

Approved for Submission by: Dianne Thompson, Assistant City Manager

ATTACHMENTS:

A – Ordinance No. 20-2195 – Development Agreement between the City and Northwest Properties LP