

Planning Commission Meeting

March 12, 2024

Presentations

Item 2

Amendment to a Development
Agreement for the Cupertino
Village Boutique Hotel Project
and associated environmental
review.

**Amendment to a Development Agreement for the
Cupertino Village Boutique Hotel Project and
associated environmental review.**

DA-2023-002

10801 and 10805 N. Wolfe Rd

March 12, 2024



**CITY OF
CUPERTINO**

Background



- Two Buildings.
- July 16, 2019, City Council Approved 185 Room Hotel.
- August 20, 2019, CC conducted the second reading to adopt a Development Agreement (DA-2017-01, Ordinance No. 19-2186)
 - Effective Date November 19, 2019.
 - Five-year term ends November 19, 2024.
- Vests development standards as of the effective date.
 - Updated Building Codes apply.



Development Agreement – Community Benefits

- Community Amenity Funding
- Transportation Demand Management (TDM) Program
- Transportation Management Association (TMA)
- Shuttle Service
- Meeting Rooms
- Reduced Rates
- Internships & Preferential Hiring
- Minimum Hotel Standard

Request

- Term of agreement extended to the (8th) anniversary of the Effective Date (November 19, 2027).
- In the event the Developer submits for a Building Permit for the core and shell of the hotel within three (3) years of the Effective Date of the 1st Amendment, the Term of the agreement is automatically extended for two additional years, for a total of five years, i.e., until November 19, 2029.
- If Certificate of Occupancy for the Project is issued within five (5) years of the Effective Date of the First Amendment (April 16, 2029) Developer shall be relieved of its obligations to make further Community Amenity Funding payments.
- Any proposed revisions to the amount of parking and/or parking layout, are treated as an Administrative Project Amendment and not subject to an amendment to this agreement.



Environmental Assessment

- In conformance with Mitigated Negative Declaration
- CEQA guidelines Section 15162

Recommended Action

Staff recommends that the Planning Commission adopt the draft resolution recommending that the City Council:

- Find the extension of the development agreement consistent with the project's Mitigated Negative Declaration (State Clearinghouse No. 2018112025) and
- Approve the Development Agreement as amended (DA-2023-002).



Next Steps

Planning Commission's recommendation will be forwarded to City Council (4/3/24) for a First Reading. Second Reading is tentatively scheduled for 4/16/24.



Findings

- Is consistent with the objectives, policies, general land uses and programs specified in the General plan and any applicable specific plan;
- Is compatible with the uses authorized in, and the regulations prescribed for, the land use district in which the real property is or will be located;
- Is in conformity with and will promote public convenience, general welfare and good land use practice;
- Will not be detrimental to the health, safety and general welfare;
- Will not adversely affect the orderly development of property or the preservation of property values; and
- Will promote and encourage the development of the proposed project by providing a greater degree of requisite certainty.





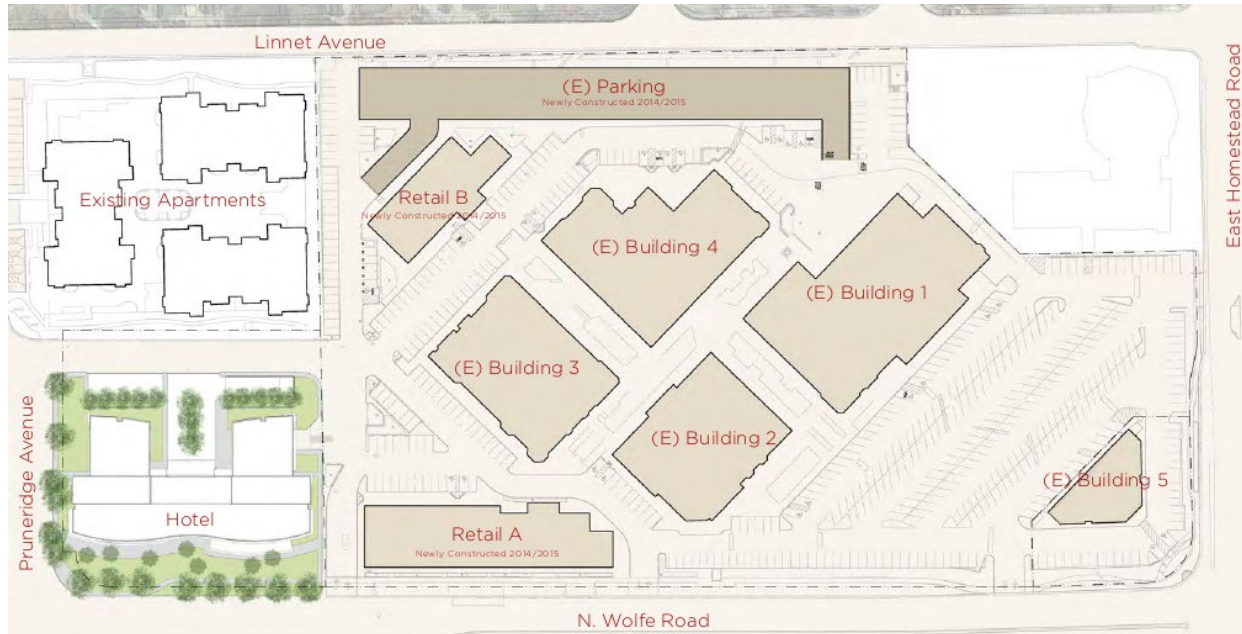


CUPERTINO VILLAGE BOUTIQUE HOTEL

Cupertino Village LP, an affiliate of Kimco Realty Corporation
Michael Strahs, Vice President of Development



HOTEL FOR SOUTH LOT OF CUPERTINO VILLAGE



- 5-0 YES for Hotel project at GPA 8/1/2017, 4-0 YES 6/11/2019 from Planning Commission, 5-0 YES from City Council 7/16/2019 and 5-0 YES 8/20/2019
- Development Agreement signed 11/19/2019, Good for 5 years 2019-2024
- Kimco purchased Cupertino Village at N.Wolfe & Homestead in 2005
- Added parking garage + 2 retail bldgs 2014-2016, then courtyards and signage

CITY NEEDS ROOMS; HOTEL PROJECT NEEDS TIME

- Market still lacks higher-end higher-level-of-service rooms in Cupertino and between Palo Alto/Menlo Park and San Jose
- Ideal location across from Apple Park, between retail and 2 limited-service hotels
- By March 2020 selected hotel operator/flag and architect to prepare DD/permit drawings
- Business travel to Cupertino and across Silicon Valley not yet recovered from COVID
- 3-5 years should allow for rates and occupancy to climb and cost increases to calm

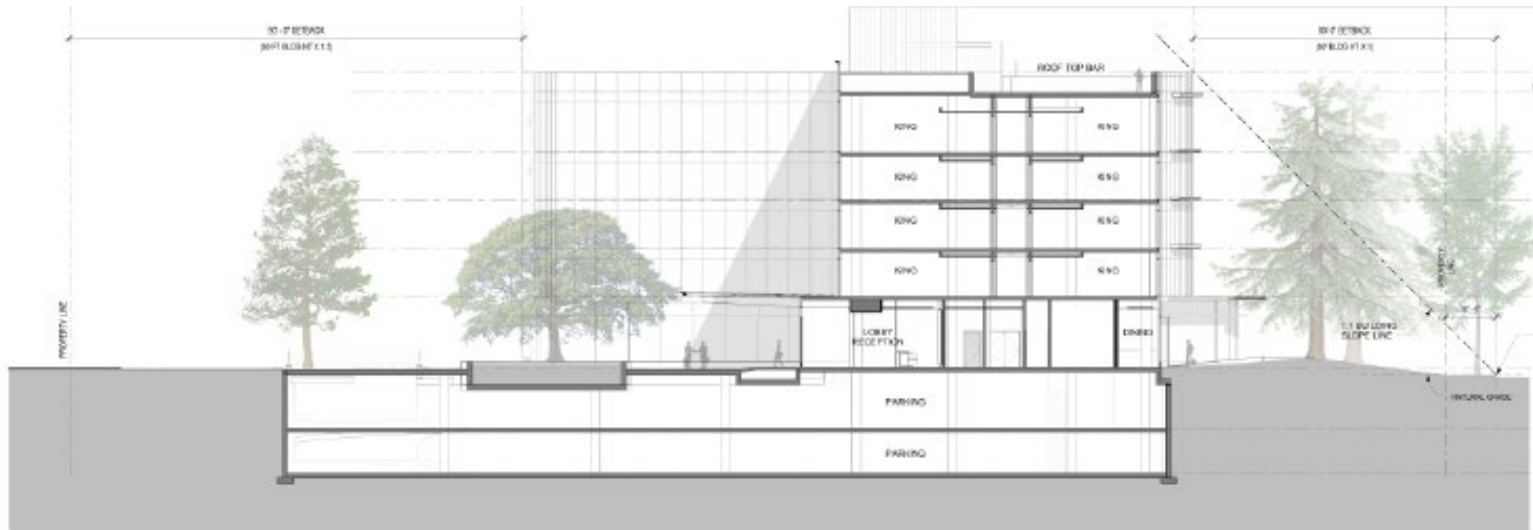


HOTEL FACTS

- 185 hotel rooms
- Hotel guest parking underground
- 3-meal restaurant open to public + patio
- 5500 sf meeting space
- Rooftop lounge
- Gated, screened loading area with trash on north side facing shopping center
- 100% of N.Wolfe frontage activated by conference spaces and breakout patios, coffee/market area spilling out into urban plaza and restaurant with outdoor seating



ONLY ASK WAS GP HOTEL ROOM ALLOCATION



- 2017 GPA required only because Citywide Development Allocation in General Plan exhausted for hotel rooms
- Kimco project CONFORMS to zoning ordinance and General Plan
- REQUIRED NO EXCEPTIONS for height, setbacks, density or any other development standards
- Hotel to be 5 stories, 60' tall, set back 60' from N.Wolfe, access via Pruneridge

FEW IF ANY COMMUNITY IMPACTS



- No school impact
- Minimal traffic impact per City's study
- Accessibility to Apple Park and TDM measures further reduce traffic impacts
- Significant Transient Occupancy Tax (at least \$1.2M to \$1.8M, likely more)
- Duke of Edinburgh only tenant impacted. Previously had signed lease to relocate The Duke within shopping center

DEV AG STILL INCLUDES VOLUNTARY BENEFITS



- Complimentary meeting space and room rates for qualified non-profits and community groups
- Shuttle service to/from airport, other destinations
- Internships & local hiring
- Community Amenity Funding

MORE PRETTY PICTURES



THANK YOU



Planning Commission Meeting

March 12, 2024

Presentations

Item 3

Amendment to a Development
Agreement for the De Anza
Hotel Project and associated
environmental review.

**Amendment to a Development Agreement for the
De Anza Hotel Project and associated
environmental review.**

DA-2023-003

10931 N De Anza Blvd

March 12, 2024



**CITY OF
CUPERTINO**

Background



- Goodyear Tires.
- March 3, 2020 City Council Approved 155 Room Hotel.
- April 21, 2020, CC conducted the second reading to adopt a Development Agreement (DA-2018-01, Ordinance No. 20-2195)
 - Effective Date April 21, 2020.
 - Five-year term ends April 21, 2025.
- Vests development standards as of the effective date.
 - Updated Building Codes apply.



Development Agreement – Community Benefits

- Community Amenity Funding
- Shuttle Service
- Meeting Rooms
- Rooftop Amenity
- Minimum Hotel Standard

Request

- Term of agreement extended to the (8th) anniversary of the Effective Date (April 21, 2028).
- In the event the Developer submits for a Building Permit for the core and shell of the hotel within three (3) years of the Effective Date of the 1st Amendment, the Term of the agreement is automatically extended for two additional years, for a total of five years, i.e., until April 21, 2030.
- If Certificate of Occupancy for the Project is issued within five (5) years of the Effective Date of the First Amendment (April 16, 2029) Developer shall be relieved of its obligations to make further Community Amenity Funding payments.
- Any proposed revisions to the amount of parking and/or parking layout, are treated as an Administrative Project Amendment and not subject to an amendment to this agreement.



Environmental Assessment

- In conformance with Mitigated Negative Declaration
- CEQA guidelines Section 15162

Recommended Action

Staff recommends that the Planning Commission adopt the draft resolution recommending that the City Council:

- Find the extension of the development agreement consistent with the project's Mitigated Negative Declaration (State Clearinghouse No. 2018112025) and
- Approve the Development Agreement as amended (DA-2023-003).



Next Steps

Planning Commission's recommendation will be forwarded to City Council (4/3/24) for a First Reading. Second Reading is tentatively scheduled for 4/16/24.



Findings

- Is consistent with the objectives, policies, general land uses and programs specified in the General plan and any applicable specific plan;
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