



**PLANNING COMMISSION HEARING DATE: SEPTEMBER 21, 2017
AGENDA ITEM NO.: 3**

PROPOSED PROJECT

<i>Case Numbers</i>	P17-0624 (Amendment to Conditional Use Permit P15-0535), P17-0625 (Revision to Design Review P16-0048), P17-0626 (Variance)	
<i>Request</i>	To amend a previously-approved Conditional Use Permit (P15-0535) and Design Review (P16-0048) to permit an increase to the height of the Hampton Inn Hotel (Phase 1) from five to six stories and the number of guest rooms from 112 to 140, and the a decrease in the height of the Home 2 Suites Hotel (Phase 2) from six to five stories and the number of guest rooms from 147 to 119 This request also includes a Variance (P17-0626) to permit fewer parking spaces than required by Code for Phase 1.	
<i>Applicant</i>	Atman Kadakia, representing ASK Ventures, LLC	
<i>Project Location</i>	3505, through 3555 Market Street and 3510 through 3558 Fairmount Boulevard, located at the southwest corner of Fifth Street and Market Street	
<i>APN</i>	213-181-012, 213-181-011, 213-181-010, 213-181-009, 213-181-002, 213-181-003, 213-181-004 and 213-181-001	
<i>Project area</i>	1.59 acres	
<i>Ward</i>	1	
<i>Neighborhood</i>	Downtown	
<i>Specific Plan</i>	Downtown Specific Plan (DSP) – Raincross District	
<i>General Plan Designation</i>	DSP – Downtown Specific Plan	
<i>Zoning Designation</i>	DSP-RC-SP – Downtown Specific Plan – Raincross District	
<i>Staff Planner</i>	Brian Norton, Senior Planner; 951-826-2308; bnorton@riversideca.gov	

RECOMMENDATIONS

Staff recommends that the City Planning Commission:

1. **DETERMINE** that this proposed project is consistent with the provisions of the Streamline for Infill provisions, under Section 15183.3 of the California Environmental Quality Act (CEQA) review, as approved; and
2. **APPROVE** Planning Cases: P17-0624 (Amendment to Conditional Use Permit P15-0530), P17-0625 (Revision to Design Review P16-0048) and P17-0626 (Variance) based on the findings outlined in the staff report and summarized in the attached findings and subject to the recommended conditions.

SITE BACKGROUND

The 1.59-acre project site consists of eight vacant parcels, bisected by a public alley. The project site was part of the Fox Plaza mixed-use development that was entitled in 2008. The Fox Plaza development included 76,000 square feet of commercial space, 532 residential units and multiple parking structures with 1,693 parking stalls. The project included four blocks and was generally bounded by Fifth Street, Fairmount Boulevard, Mission Inn Avenue and the public alley half way between Market and Main Street. Although, the project was never constructed, it was certified under an Environmental Impact Report (EIR) that divided the project into multiple blocks and phases. The proposed hotel project is located within Block B of the Fox Plaza project. Block B was entitled for a 7-story building, with 327 residential units, 19,000 square feet of commercial space and a parking structure with up to 600 parking spaces.

On March 17, 2016, the Planning Commission approved the project site to be developed with a two phase hotel development consisting of:

Phase 1: A 5-story, 78 foot high, 112 room hotel (Hampton Inn) located on the eastern portion of the site, adjacent to Market Street. Hotel amenities include a dining area for guests, a lounge, fitness center, board room, media room, pool area and restaurant. A 119 stall surface parking lot will be constructed on the remaining portion of the property.

Phase 2: A 6-story, 88 foot high, 147 room hotel (Hilton Home 2 Suites) located west of the Hampton Inn hotel and adjacent to the public alley. Hotel amenities include a lobby, fitness room and board room. A 5-level, 325 stall parking structure serving both hotels will replace the surface parking lot.

PROPOSAL

The applicant is requesting approval of an amendment to the Conditional Use Permit to reallocate 28 guest rooms from the Hilton Home 2 Suites Hotel (phase 2) to the Hampton Inn Hotel (phase 1). The Hampton Inn will increase in height from five to six stories, increasing the number of guest rooms from 112 to 140; and the Hilton Home 2 Suites will decrease in height from six to five stories, decreasing the number of guest rooms from 147 to 119. The 259 total number of guest rooms for the overall project will remain unchanged. A revised Design Review has been requested for site design and building elevations. The site plan will remain the same, with the Hampton Inn fronting Market Street, the Hilton Home 2 Suites, located directly behind the Hampton Inn and the parking structure located adjacent to Fairmount Boulevard. Building elevations will continue to reflect a contemporary architectural style to complement iconic historical buildings around Downtown Riverside. No changes are proposed to the phasing of parking lot improvements: Phase 1 includes a 119 stall surface parking lot, and Phase 2 includes a 325 stall parking structure. Although the 325-space parking structure will provide more parking than required by the Zoning Code at ultimate build-out, a Variance is requested to allow for fewer parking spaces than required by

Code for Phase 1, where X spaces are required and 119 spaces will be provided due to the change in the number of hotels rooms in Phase 1. .

PROJECT ANALYSIS

<i>Authorization and Compliance Summary</i>			
	Consistent	Inconsistent	N/A
<i>General Plan 2025</i> The modified project is consistent with the underlying General Plan 2025 land use designation of DSP – Downtown Specific Plan.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Specific Plan</i> The project is located within the Raincross District of the Downtown Specific Plan and is consistent with the underlying General Plan land use Designation. Within the Raincross District, hotels are permitted subject to the approval of a Conditional Use Permit. Staff supports the amendment to the Conditional Use Permit as the modified project is consistent with the Goals and Policies of the Downtown Specific Plan.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Compliance with development standards in the Downtown Specific Plan – Raincross District</i> The modified project is consistent with applicable development standards of the Downtown Specific Plan, except for the minimum number of required parking spaces in Phase 1.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Compliance with Downtown Specific Plan General Design Standards and Guidelines and the Citywide Design & Sign Guidelines</i> The revised project will continue to meet the objectives and guidelines of the Downtown Specific Plan, General Design Standards and Guidelines (Chapter 15), Guidelines for the Raincross District (Chapter 16, Section 16.6), and the Citywide Design & Sign Guidelines for new development.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

COMPLIANCE WITH APPLICABLE DEVELOPMENT STANDARDS AND APPROVED PROJECT

Downtown Specific Plan – Raincross District – Mixed-Use Standards					
Standard		Original	Proposed	Consistent	Inconsistent
<i>FAR</i>	4.5*	<u>Phase 1</u> : 0.95 <u>Phase 2</u> : 2.70 Project Total: 3.65	<u>Phase 1</u> : 1.13 <u>Phase 2</u> : 0.95 Project Total: 2.08	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<i>Height</i>	100-feet	<u>Phase 1</u> : 75 feet (hotel) <u>Phase 2</u> : 88 feet (hotel), 51 feet (Parking Structure)	<u>Phase 1</u> : 84 feet-11 inches (hotel) <u>Phase 2</u> : 78 feet- 8 inches (hotel), 51 feet (Parking Structure)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

<i>Downtown Specific Plan – Raincross District – Mixed-Use Standards</i>					
Standard		Original	Proposed	Consistent	Inconsistent
<i>Parking (Phase 1)</i>	Restaurant 1 space/300 square feet**	2,018 square feet – 7 spaces	2,018 square feet – 7 spaces		
	Hampton Inn Hotel 1 space/1 guest room	112 guest rooms – 112 spaces	140 guest rooms – 140 spaces		
	Phase 1 – Required Parking	119 spaces	147 spaces		
	Phase 1 – Surface Parking Lot Total	119 spaces	119 spaces	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Parking (Phase 2)</i>	Extended Stay Hotel	147 guest rooms – 147 spaces	119 guest rooms – 119 spaces	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Phase 2 – Parking Structure Total	325 spaces	325 spaces		
<i>Parking (Total)</i>	Project Total – Required Parking	266 spaces	266 spaces	<input checked="" type="checkbox"/>	<input type="checkbox"/>

* As of May 2017, the Downtown Specific Plan does not require parking structures to be calculated as part of a projects FAR. The original proposal included calculation of the parking structure.

**Ancillary uses to a hotel, parked at 50% of Specific Plan Requirements. Restaurants park 1/150 in the Raincross District of the Downtown Specific Plan.

VARIANCE

Parking

Phase 1 of the project includes adding 28 guest rooms to the previously-approved 112 room Hampton Inn. No changes are proposed to the size or location of the 2,018 square foot, ground floor restaurant. Based on the parking ratios of the Downtown Specific Plan, hotels require one parking space per hotel room, and ancillary uses such as the proposed restaurant, are parked at 50 percent of the Specific Plan requirements. In this case, the restaurant has a parking ratio of one parking space for every 300 square feet of floor area. Thus, Phase 1 is required to supply a total of 147 parking spaces where 119 are proposed. Therefore, the applicant has requested a variance to allow for a reduction in the amount of parking for Phase 1.

The applicant has prepared justification findings for the variance request. In addition, staff has prepared supplemental justification findings in support of the variance. Staff concurs with the applicants' findings, in that the project is uniquely situated in the core of downtown and is within walking distance to the Riverside Convention Center, public and private offices, shops and entertainment. In addition, the hotel is located within proximity to mass transit and is easily accessed from Ontario International Airport, via bus, taxi or ride-share for business travelers.

Staff finds that the reduction of parking spaces is consistent with similarly approved projects within the Raincross District and is appropriate for a hotel in an urban setting that caters to business travelers and convention attendees.

ENVIRONMENTAL REVIEW

The proposed project remains consistent with the provisions of the Streamline for Infill provisions, under Section 15183.3 of the California Environmental Quality Act (CEQA), as approved.

NEIGHBORHOOD COMPATIBILITY

The modified project involves infill development and will continue to be compatible with surrounding commercial, office and residential land uses. The project, as proposed for modification, continues to demonstrate consistency with the goals and policies of the Downtown Specific Plan by providing development that supports existing retail, office, entertainment and convention center uses. The proposed number of rooms and building height of the hotels is consistent with similar developments in the Raincross District of the Downtown Specific Plan. Further, the modified project results in the taller of the two hotels being located immediately adjacent to Market Street and further away from residential uses in the vicinity.

PUBLIC NOTICE AND COMMENTS

Public hearing notices were mailed to property owners within 300 feet of the site. As of the writing of this report, no responses regarding this project have been received by staff.

APPEAL INFORMATION

Actions by the City Planning Commission, including any environmental finding, may be appealed to the City Council within ten calendar days after the decision. Appeal filing and processing information may be obtained from the Planning Department Public Information Section, 3rd Floor, City Hall.

EXHIBITS LIST

1. Findings, Variance Justification
2. Recommended Conditions of Approval
3. Aerial Photo/Location
4. Specific Plan/Zoning Map
5. Revised Project Plans (Site Plan, Floor Plans, Building Elevations and Renderings)
6. Original Project Plans (For Reference)
7. Applicant Variance Justification
8. City of Riverside 2016 Strategic Parking Plan – Executive Summary

Prepared by: Brian Norton, Senior Planner

Reviewed by: Ted White, Deputy Economic and Community Development Director

Approved by: Rafael Guzman, Community & Economic Development Director



CITY OF RIVERSIDE

COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

PLANNING DIVISION

EXHIBIT 1 – FINDINGS

PLANNING CASES: **P17-0624** (Amendment to Conditional Use Permit P15-0535)
 P17-0625 (Revision to Design Review P16-0048)
 P17-0626 (Variance)

STAFF RECOMMENDED FINDINGS

Conditional Use Permit

- a. The modified project is substantially compatible with other existing and proposed uses in the area, including factors relating to the nature of its location, operation, building design, site design, traffic characteristics and environmental impacts;
- b. The modified project will not be materially detrimental to the health, safety and general welfare of the public or otherwise injurious to the environment or to the property or improvements within the area; and
- c. With the exception of a parking variance for phase 1, the modified project will be consistent with the purposes of the Zoning Code, the Downtown Specific Plan – Raincross District and the application of any required development standards is in the furtherance of a compelling governmental interest and is the least restrictive means of furthering that compelling governmental interest.

Variance Findings Pursuant to Section 19.720.040:

Requested Variance: To allow 119 parking spaces to serve a 140 room hotel with a 2,018 square foot restaurant where 147 parking spaces would be required.

1. The strict application of the provisions of the Zoning Regulations would result in practical difficulties or unnecessary hardships in the development of this property.

The stated goals and policies of the Raincross District of the Downtown Specific Plan include an emphasis on an intense mixture of residential, entertainment, restaurant, cultural and other uses in a compact, walkable, high-activity pedestrian environment with a strong sense of place. Compliance with the Downtown Specific Plan requirements for the number of on-site parking spaces would apply parking standards to an urban infill project in direct contravention of the purpose and intent of the Raincross District of the Downtown Specific Plan. Further, strict compliance with the parking provisions of the Downtown Specific Plan would necessitate adding additional parking spaces to the site plan, resulting in a reduction: of the number of hotel rooms; the size of the restaurant; or the acquisition of additional property, each of which would constitute a practical

difficulty due to the uniquely constrained nature of the site. Finally, the addition of parking spaces for the project would be duplicative of the over 1,000 public parking spaces within a block of the project site, which would both impose an unnecessary hardship on the project and contradict the intent of the Downtown Specific Plan to create a sense of place, foster a more compact pedestrian environment within the Raincross District and provide much needed guest rooms for convention center events.

Chapter 16 of the Downtown Specific Plan recognizes that “Off-street parking demand in the downtown area is generally below capacity....” and “The current parking code requires parking supply for buildings to be located on-site. This is an impediment to new land uses in downtown.” The Zoning Code recognizes the site constraints and the impediment that strict application of the Zoning Code would cause.

Based on the above findings, the Downtown Specific Plan, and the information prepared for this Project, staff finds that the strict application of the provisions of the Downtown Specific Plan would result in practical difficulties or unnecessary hardships inconsistent with the general purpose and intent of the Specific Plan.

2. There are exceptional circumstances or conditions applicable to this property or to the intended use or development of this property which do not apply generally to other property in the same zone or neighborhood.

The intended use of the property as a hotel development project will complement the existing pattern of development and surrounding land uses by fostering a 24-hour Downtown environment with a high degree of pedestrian activity, provide additional amenities for convention center events and enhance the public and private business culture in downtown. This type of hotel development, which is geared towards business and convention center use has demonstrated lower rates of single vehicle usage and a stronger desire to carpool, or utilize a shared-ride concept from the airport or local mass-transit station. Further, the project site is uniquely positioned in close proximity to large public and private parking facilities that are available to employees, patrons and visitors as part of the overall pool of available public parking, which is consistent with the “park once” concept; whereby visitors can make use of available centralized parking facilities and conduct the majority of their business on foot. Finally, the project is located within proximity to Garage 7, a 397 space public garage, Garage 3, a 292 space public garage and Lot 33, a 498 surface parking lot, both open to the public during daytime, evening and weekend hours and available to park up to 72 hour periods at a time. The City of Riverside Strategic Parking Plan, conducted by Dixon Resources Unlimited was undertaken in 2016 to help the city plan for future parking needs through progressive parking strategies to maximize the use of existing parking. The study included a utilization study of the existing downtown garages, including those in proximity to the proposed project. Garage 3 has a higher rate of use during standard work hours, but is underutilized during evening hours and on weekends. Garage 7 demonstrated a very low rate of use during all weekday hours, but a higher rate of use on the weekends. Both Garage 3 and 7 provide ample available parking to visitors of Downtown in centrally located areas. These combined circumstances are unique to this specific site, and the

project has been designed to consider these conditions which may not apply generally to other properties in the Downtown area.

Based on the above findings, the Downtown Specific Plan, and the information prepared for this Project, staff finds that there are special circumstances or conditions applicable to the property involved or to the intended use or development of the property that do not apply generally to other property in the vicinity and under the identical zoning classification.

3. The granting of this request will not prove materially detrimental to the public welfare or injurious to the property or improvements in the neighborhood in which the property is located.

The project's location within the Downtown core creates efficiencies in terms of access to services, employment, amenities and transit within walking and biking distance of the project. The ground floor commercial space has been designed for an intended use that is compatible with the permitted uses within the Raincross District, encouraging a "park once" concept for visitors and patrons. Additional parking needs for the hotel development can be comfortably accommodated by existing public and privately controlled parking in the immediate project area. Finally, the project will improve and activate an underused corner within the core of Downtown, providing new pedestrian activity at the street level as well as increasing a transient population (hotel guests) to the Raincross District, benefitting the convention center, surrounding businesses, strengthening professional business relations and increasing the safety and welfare of the public.

4. The granting of this request will not be contrary to the objectives of the General Plan and Magnolia Avenue Specific Plan.

Staff has reviewed the Project and the General Plan, and determined that the variances will not be contrary to the objectives of any part of the General Plan. The project is consistent with a number of Goals and Policies for the Raincross District set forth by the Downtown Specific Plan, as well as the General Plan 2025, including, but not limited to:

- To strengthen the interaction between residential, commercial and employment uses so as to facilitate a more efficient use of transportation systems, to encourage the conservation of land resources and create a vital urban area that is a place of daytime, evening and weekend activity (DSP 6.8.2);
- To maintain the integrity of the Raincross District as the pedestrian-oriented center of Downtown, with an emphasis on an intense mixture of residential, specialty commercial, tourist, restaurant, cultural, arts, and civic uses. (DSP 3.4.1, Policy LU-1.1);
- Promote the expansion of the convention center and related hotel uses to support increased convention and tourist activity (Policy LU-11); and

- The Project is consistent with Policies CCM-13.1 - 13.5, which address the objective of ensuring that adequate on- and off- street parking is provided throughout Riverside.



CITY OF RIVERSIDE

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PLANNING DIVISION

EXHIBIT 2 – STAFF RECOMMENDED CONDITIONS OF APPROVAL

Meeting Date: September 21, 2017

Case Number: **P17-0624** (Amendment to Conditional Use Permit P15-0535)

P17-0625 (Revision to Design Review P16-0048)

P17-0626 (Variance)

CONDITIONS

The applicant is advised that the business or use for which this conditional use permit is granted cannot be legally conducted on the subject property until all conditions of approval have been met to the approval of the Community Development Department, Planning Division.

Case Specific

• Planning

1. All applicable conditions of Planning Cases P15-0535 (Conditional Use Permit) and P16-0048 (Design Review) shall apply.
2. Plans shall conform to the exhibits attached to this report. Proposed modifications to the approved design shall be submitted to the Planning Division and shall include revised exhibits and a narrative description of the proposed modifications. The applicant is advised that an additional application and fee may be required.

Standard Conditions

Planning

1. There shall be a two-year time limit in which to commence construction of the project beginning the day following approval by the Planning Commission unless a public hearing is held by City Council; in that event the time limit begins the day following City Council approval.
2. Within 30 days of approval of this case by the City, the developer shall execute an agreement approved by the City Attorney's Office to defend, indemnify, including reimbursement, and hold harmless the City of Riverside, its agents, officers and employees from any claim, action, or proceeding against the City of Riverside, its agents, officers, or employees to attack, set aside, void, or annul, an approval by the City's advisory agency, appeal board, or legislative body concerning this approval, which action is brought within the time period provided for in Section 66499.37 of the Government Code. The City will promptly notify the developer of any such claim; action or proceeding and the City will cooperate in the defense of the proceeding.

3. This project shall fully and continually comply with all applicable conditions of approval, State, Federal and local laws in effect at the time the permit is approved and exercised and which may become effective and applicable thereafter, and in accordance with the terms contained within the staff report and all testimony regarding this case. Failure to do so will be grounds for Code Enforcement action, revocation or further legal action.
4. This use permit may be modified or revoked by the City Planning Commission or the City Council should they determine that the proposed uses or conditions under which it is being operated or maintained is detrimental to the public health, welfare or materially injurious to public safety, property or improvements in the vicinity or if the property is operated or maintained so as to constitute a public nuisance.
5. The applicant shall cooperate with the Riverside Police Department (RPD) in the enforcement of all laws relating to this permit. Material violation, as determined by the City Planning Commission, of any laws in connection with this use or failure to cooperate with RPD will be cause for revocation of this permit.
6. This permit is issued based upon the plans and information submitted by the applicant, which has been used as the basis for evaluation of the proposed use in this staff report and for the conditions of approval herein. Permittee shall notify Community Development Department, Planning Division, of any change in operations and such change may require a revision to this permit. Failure to notify the city of any change in operations is material grounds for revocation of this conditional use permit.
7. The applicant herein of the project subject to this conditional use permit acknowledges all of the conditions imposed and accepts this permit subject to those conditions and with the full awareness of the provisions of Title 19 of the Riverside Municipal Code. The applicant shall inform all its employees and future operators of the business subject to this permit of the restrictions and conditions of this permit as they apply to the business operations.
8. Failure to abide by all conditions of this permit shall be cause for revocation.
9. The subject property shall be developed and operated substantially as described in the text of this report and as shown on the plot plan on file with this case except for any specific modifications that may be required by these conditions of approval.
10. Enumeration of the conditions herein shall not exclude or excuse compliance with all applicable rules and regulations in effect at the time this permit is exercised.