Agenda Item #12.2 For Council Meeting of: October 11, 2016

CITY OF SANTA ROSA CITY COUNCIL

TO:MAYOR AND CITY COUNCILFROM:PATRICK STREETER, SENIOR PLANNERPLANNING & ECONOMIC DEVELOPMENTSUBJECT:HYATT VINEYARD CREEK EASEMENT VACATION - REQUESTTO SUMMARILY VACATE APPROXIMATELY 7,978 SQUAREFEET OF PUBLIC EASEMENT FOR THE PROPERTY LOCATEDAT 170 RAILROAD STREET – FILE NO. VAC16-003

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Council, by resolution, approve the summary vacation of a portion of public easement across the property located at 170 Railroad Street to accommodate the proposed expansion of the Hyatt Vineyard Creek hotel.

EXECUTIVE SUMMARY

The Hyatt Vineyard Creek hotel expansion project proposes to construct and operate a new building addition at north side of the existing hotel, which would add 90 new guest rooms. Although the Council approved vacation of the Second Street public right-of-way in 1997, a 60-foot utility easement remained in place to provide access to public, quasi-public, and private utility distribution facilities. In order to accommodate the proposed hotel expansion, the applicant has requested that the City vacate a portion of the utility easement that has never been utilized. Any potential conflict with affected non-City agencies, including Comcast, AT&T, and Pacific Gas and Electric Company (PG&E), should the vacation request be approved, have been resolved. Because the proposed expansion is consistent with the General Plan and the Downtown Station Area Specific Plan, and because the area being vacated currently contains no public facilities and is not necessary for existing or foreseeable utility infrastructure needs, staff is recommending approval.

BACKGROUND

1. <u>Project Description</u>

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The Hyatt Vineyard Creek hotel expansion project proposes construction of an addition to the existing 155-room hotel and conference center. The proposed project will expand the number of hotel rooms by renovating portions of the existing hotel and constructing approximately 40,200 square feet of new building on the north side of the hotel.

In October of 1997, the Council approved vacation of the right-of-way for Second Street, which extended east to west through the center of the project parcel. At that time, a 60-foot utility easement was left in place granting operation, construction, and maintenance access to the Sonoma County Water Agency, City of Santa Rosa Public Works (now Santa Rosa Water), Pacific Gas and Electric, Pacific Bell (now AT&T), and Total Television (now Comcast). A portion (approximately 22.5 feet wide and 370 feet long) of this utility easement must be vacated in order for the proposed hotel addition to be constructed. Neither Santa Rosa Water nor any other utility currently maintains any facilities within the area to be vacated.

2. <u>Surrounding Land Uses</u>

North:	Third Street and the Railroad Square commercial shopping district beyond
South:	Santa Rosa Creek and the Prince Memorial Greenway
East:	US Highway 101 right-of-way and onramp
West:	Railroad Street, hotel use beyond

The project parcel is located in central Santa Rosa, just north of Santa Rosa Creek and west of US Highway 101. The Railroad Square commercial shopping district is located north of the project site across Third Street. The centerline of Third Street also represents the southern boundary of the Railroad Square historic preservation district. The project parcel is adjacent to Santa Rosa Creek and the existing hotel campus ties in to the Prince Memorial Greenway along the creek. South, beyond Santa Rosa Creek, is the Olive Park neighborhood, a residential community of single- and multi-family homes that is also an historic preservation district. Another hotel with a restaurant is located across Railroad Street to the west. The Sonoma Marin Area Rail Transit (SMART) corridor is about 500 feet west of the project site and a new rail station is proposed between 4th Street and 5th Street.

3. Existing Land Use – Project Site

The subject parcel is an approximately 7.8-acre developed lot with relatively flat topography adjacent to Highway 101 and south of West 3rd Street. The property

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is currently developed with a 135,000-square foot, 155-room hotel and conference center. In addition to guest rooms, the existing structure includes a restaurant, a spa, and conference rooms. The site includes two outdoor courtyards, a pool, a formal lawn and patio area, and surface parking for 279 vehicles. Several utility easements traverse the parcel.

4. Project History

On October 7, 1997, the City Council, via Resolution No. 23319 approved a vacation of public right-of-way at 170 Railroad Avenue and created a 60-foot utility easement over the vacated right-of-way.

On April 8, 1998, the Council, via Resolution No. 23493 approved redevelopment of the project parcel, formally known as the Grace Bros. Site.

On July 27, 1998, the Santa Rosa Redevelopment Agency granted approval of a 155 room hotel with approximately 18,000 square feet of conference area.

On December 8, 2015, a pre-application meeting was held between the applicant team and City staff to review the proposed hotel expansion project.

On February 17, 2016, a neighborhood meeting was held to introduce the project to neighbors and gather feedback from the community.

On July 28, 2016, the project went before the Waterways Advisory Committee as a referral item.

On August 4, 2016, and September 1, 2016, the project went before the Design Review Board for Preliminary Design Review approval. Preliminary Design Review was approved.

PRIOR CITY COUNCIL REVIEW

The Vineyard Creek Hotel and Conference Center was the result of a redevelopment of City-owned property known as the Grace Bros. site. Review and approval of the redevelopment project involved actions by the Council and the Santa Rosa Redevelopment Agency as well as referral to the Planning Commission, Cultural Heritage Board, and the Design Review Board.

ANALYSIS

Vacation procedures are established by the California Public Streets, Highways, and Service Easements Vacation Law, which is implemented through the California Streets and Highways Code (Code). Pursuant to Section 8333 of the Code, the City may summarily vacate a public easement if: HYATT VINEYARD CREEK EASEMENT VACATION - REQUEST TO SUMMARILY VACATE APPROXIMATELY 7,978 SQUARE FEET OF PUBLIC EASEMENT FOR THE PROPERTY LOCATED AT 170 RAILROAD STREET – FILE NO. VAC16-003 PAGE 4 OF 5

- (a) The easement has not been used for the purpose for which it was dedicated or acquired for five consecutive years immediately preceding the proposed vacation;
- (b) The date of dedication or acquisition is less than five years, and more than one year, immediately preceding the proposed vacation, and the easement was not used continuously since that date; or
- (c) The easement has been superseded by relocation, or determined to be excess by the easement holder, and there are no other public facilities located within the easement.

Because there are no public utilities proposed or existing within the extent of the requested vacation, and area proposed for vacation is not necessary for existing or foreseeable utility infrastructure needs, staff has determined that a summary vacation procedure is appropriate pursuant to subsection (c) of Section 8333.

Pursuant to Section 8351 of the Code, vacation of the public utility easement will immediately release the property from the encumbrance, with no further action or compensation needed. Title to the underlying property will thereafter remain with the underlying property owner free of the burden of the easement.

FISCAL IMPACT

Approval or denial of this easement vacation request will not have a direct fiscal impact on the General Fund. However, the original construction of the hotel and convention center was the result of a Council-sponsored redevelopment action. Additionally, the easement vacation would accommodate an additional 90 hotel rooms, which would in turn, have a positive effect on the General Fund through increased collection of the Transient Occupancy Tax.

ENVIRONMENTAL IMPACT

This action is categorically exempt from the California Environmental Quality Act (CEQA) because it involves a minor alteration in land use limitations, pursuant to CEQA Guidelines section 15305.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

The hotel expansion project is subject to Final Design Review approval by the Santa Rosa Design Review Board. One of the project conditions of approval is that the requested easement vacation must be approved prior to building permit issuance.

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NOTIFICATION

Notice of the proposed hotel expansion project was posted prior to the July 25, 2016, and August 22, 2016, Design Review Board meetings.

ATTACHMENTS

- Attachment 1 Disclosure Form
- Attachment 2 Location Map
- Attachment 3 Vacation documents from non-City utilities
- Attachment 4 Design Review Plan Set, dated received August 16, 2016
- Resolution Summary Vacation/Exhibit A

CONTACT

Patrick Streeter, Senior Planner Planning and Economic Development 100 Santa Rosa Avenue, Room 3 (707) 543-4323 PStreeter@SRCity.org