

City of Garden Grove

INTER-DEPARTMENT MEMORANDUM

To: Matthew Fertal
Dept: City Manager
Subject: CONSIDERATION OF A DEVELOPMENT AGREEMENT WITH LANDMARK HOSPITALITY, LLC.

From: Susan Emery
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Dept: Community Development
Date: March 11, 2008

OBJECTIVE

The purpose of this report is to transmit a Planning Commission recommendation for approval of a Development Agreement for a proposal to expand the existing Embassy Suites Hotel and conference/banquet facilities by adding a new 17-story, 238-room hotel tower to the existing 374-room hotel, along with 56,000 square feet of new banquet and meeting rooms to the existing hotel.

BACKGROUND

The overall site is approximately 12.79 acres and includes the existing Embassy Suites Hotel site area and the entire golf driving range located to the west of the hotel complex. The project proposal, Site Plan No. SP-435-07, is to expand the existing hotel facility by adding a 17-story, 238-room hotel tower along with 56,000 square feet of new banquet and meeting room space on the north side of the existing facility. A portion of this new floor area will be added to the west side of the existing hotel in order to expand the loading area, expand storage space, modify internal circulation, and provide related operations space. The proposal also includes creating a resort type hotel by adding a new restaurant in place of the existing pool area (currently located on the hotel's south side), a new resort pool within an outdoor reception area next to the new pool area, a health spa, a new detached two-story administration building on the west side of the hotel, and renovation of the on-site circulation and parking arrangements. Although the hotel has been operating in compliance with the current CUP, due to the significant changes to the hotel facilities, a new CUP is required to reflect the changes being made under this application. The hotel will be subject to the new Conditional Use Permit No. CUP-219-07.

The site has two points of access, the primary access is from Harbor Boulevard and the secondary access is from the Hyatt Hotel parking area located south of the subject site. The proposal will create site improvements that will affect the existing on-site circulation primarily around the Embassy Suites Hotel. These modifications will include altering the entry drive to the hotel, adding a full valet service, and expanding the parking area over the existing golf driving range. The proposed modification to the entry drive aisle will allow for ease of access to the hotel's main guest entrance, which will better accommodate arriving and departing guests. This new entry will not affect the current circulation patterns serving the other hotels

and restaurant on this site. The new development will not affect the overall site reciprocity for access and parking for all three of the hotels and the restaurant under the originally approved site development plan that included reciprocal access and parking. The overall plan does include a new parking area that will replace the golf driving range. The added parking area will provide designated parking for guest parking, valet parking, and employee parking. Also, with the expanded parking area, the overall site will exceed the number of parking spaces required by providing a total of 1,401 parking spaces, which exceeds code by 219 parking spaces.

The new hotel tower, banquet rooms, and administration building will use the same architectural style and detail in order to match the existing architectural style of the hotel, which is considered a modern contemporary style of architecture.

The new building design has 238 guestrooms: 156 Double Suite guestrooms, 70 King Suite guestrooms, two Presidential Suite guestrooms, and ten Handicap guestrooms comprised of seven Double Suite guestrooms and three King Suite guestrooms. The prefunction areas serving the new/expanded banquet and meeting rooms will also serve as the connecting corridors from the existing hotel's main entry lobby and service area with the new meeting spaces and guestroom tower.

At their January 17, 2008 public hearing, the Planning Commission approved the Site Plan No. SP-435-07, and Conditional Use Permit No. CUP-219-07, and recommended the City Council approve the Development Agreement. During the public testimony portion of the hearing, only the applicant spoke in regards to the project.

DISCUSSION

Development Agreement:

The proposed development requires that the applicant enter into a Development Agreement with the City. The applicant will be guaranteed four years in which to construct the proposed project, and the City will receive a development impact payment not to exceed \$706,054.

FINANCIAL IMPACTS

None.

COMMUNITY VISION AND IMPLEMENTATION

The Community Vision Statement seeks to provide economic development opportunities in the community and address concerns about increasing the City's tax base through various revenue-generating sources. This proposed project

achieves these goals by providing more hotel units in the area and by renovating and expanding on-site amenities for those visiting in the resort area.

RECOMMENDATION

The Planning Commission recommends that the City Council:

- Introduce the attached ordinance regarding the Development Agreement for Site Plan No. SP-435-07 and Conditional Use Permit No. CUP-219-07.

SUSAN EMERY

Community Development Director

By: Karl Hill
Planning Services Manager

Attachment 1: Planning Commission Staff Report dated January 17, 2008

Attachment 2: Development Agreement

Attachment 3: Draft City Council Ordinance