

STAFF REPORT

DESIGN REVIEW BOARD

April 18, 2024

ITEM TITLE: HERITAGE INN 2 OF IMPERIAL BEACH LLC (APPLICANT); CONSTRUCTION OF A NEW FOUR-STORY MIXED-USE BUILDING CONSISTING OF AN 83-GUESTROOM HOTEL AND 3,100 SQUARE FOOT GROUND-FLOOR COMMERCIAL SPACE AT 701-707 PALM AVENUE (APN 626-250-02-00) USE-24-0001. MF 1590.

ORIGINATING DEPARTMENT:

COMMUNITY DEVELOPMENT

EXECUTIVE SUMMARY:

The owner of a property at 701-707 Palm Avenue (APN 626-250-02-00), which is in the C/MU-1 (General Commercial & Mixed-Use) Zone, has initiated the process to demolish an existing single-story commercial building and construct one new four-story mixed-use building consisting of an 83-guestroom Home 2 Suites Hilton hotel and 3,100 square foot ground-floor commercial space.

RECOMMENDATION:

That the Design Review Board consider the design of the proposed new four-story mixed-use building consisting of an 83-guestroom hotel and 3,100 square foot ground-floor commercial space at 701-707 Palm Avenue (APN 626-250-02-00) and recommend approval of the project's design to the City Council.

RATIONALE:

The project should contribute favorably to the Palm Avenue mixed-use corridor and would comply with the purpose of the C/MU-1 Zone, which is to provide areas for mixed-use development and for businesses to meet the local demand for commercial goods and services. It is intended that the dominant type of commercial activity in the C/MU-1 Zone will be community and neighborhood-serving retail and office uses. Residential and other similar uses such as hotels are permitted in the C/MU-1 Zone.

OPTIONS:

In addition to reviewing this report and adopting staff's recommendations, the Design Review Board can:

- Recommend approval of the project with additional conditions provided by the Design Review Board; or
- Recommend that the project not be approved; or
- Recommend revisions based on comments from the Design Review Board.

BACKGROUND/ANALYSIS:



An application (USE-24-0001) was submitted to the City on January 19, 2024 for Design Review Case (DRC-24-0001) proposing to demolish an existing single-story commercial building and construct a new four-story mixed-use building consisting of an 83-guestroom hotel and 3,100 square foot ground floor commercial space at 701-707 Palm Ave (APN 626-250-02-00) in the C/MU-1 (General Commercial and Mixed Use) Zone.

The project site is an existing 37,592-square-foot (approximately 0.9-acre) lot situated on the southeast corner of Palm Avenue and 7th Street. The project would demolish the existing single-story office building and construct a new four-story 83-guestroom Home 2 Suites Hilton Hotel with interior amenities and services totaling a floor area of 50,600 square feet. Additionally, the project includes an approximately 3,100 square foot ground floor commercial office space fronting Palm Avenue. Vehicular ingress and egress to the property would be provided from an existing alley located off 7th Street, south of Palm Avenue and north of Donax Avenue. A second access point to the property would be provided from an existing curb cut located off Palm Avenue, which is a right-in/right-out-drive aisle that also provides access to the adjacent existing hotel and shopping center. Three existing curb cuts, two located along Palm Avenue and one along 7th Street, would be removed as a part of the project. For the project's proposed internal circulation, a 20-foot-wide two-way drive aisle via the alley accessed off 7th Street would loop around the parking lot, which would be situated east of the proposed mixed-use building. Additional parking spaces for the project provided along 7th Street would also be accessed via the project site's drive aisle or along 7th Street.

The proposed hotel contains a breakfast bar for guests and offers seating within the hotel's lobby and two outdoor patio areas. The outdoor patios are approximately 630 square feet in total where both patios are located adjacent to the main hotel entrance. Each patio area is screened with landscaping where the patio located north of the hotel entrance provides additional screening with a 10' tall patio cover made of steel tube columns and 2 x 4 vertical mosaic battens.

The properties situated to the north, east, and west of the project site are in the C/MU-1, General Commercial and Mixed-Use, Zone and the property located south of the project site is zoned R-1-6000, Single-Family Residential, Zone. The land use of the properties located east, and west are commercial, whereas the property located south of the project site is residential. The property located directly north of the project site is a landscaped parcel known as Bicentennial Triangle Park.

<u>Building Orientation & Design:</u> The project proposes the construction of a new modern four-story hotel design that incorporates a ground-level commercial office space. The building form takes on a rectangular shape with a varying roof line and incorporates coastal-themed exterior hues and materials. The structure proposes a roof height of 40', architectural projections necessary for screening mechanical equipment and parapet walls extending beyond this limit to a maximum height of 50'. The portions of the architectural projections that extend beyond the 40' height limit, including the roof projections and the parapet walls, are allowed to extend beyond the height limit per Imperial Beach Municipal Code (IBMC) Section 19.40.020. The hotel will feature 83 guestrooms, along with interior amenities and services, totaling a floor area of 50,600 square feet. Additionally, the project includes an approximately 3,100-square-foot commercial office space at the ground level that is proposed to be occupied by a wellness clinic. Immediately adjacent to the main hotel entrance are two proposed outdoor patios, both of which would be screened with landscaping, where the northernmost patio would be covered by a 10' tall steel and vertical batten patio with decorative string lighting. Direct pedestrian access to the ground floor commercial space and hotel would be provided off Palm Avenue and as well as 7th Street.

The project's parking lot would be located on the eastern portion of the property east of the proposed hotel, which would provide 47 parking spaces. An additional 15 parking spaces would be provided for the project along 7th Street directly west of the proposed mixed-use building. The remaining 5 required parking stalls would be provided through a proposed shared-use parking agreement with the existing adjacent hotel. In total, 67 parking spaces would be provided for the new mixed-use building and 167 total spaces between both hotel properties, including 8 ADA-accessible, 3 EV-accessible spaces, and 5 motorcycle spaces. Landscaping would be installed around the parking lot perimeter and within both parking areas. A new bicycle parking area including four outdoor bicycle stalls and four indoor EV stalls for long-term bicycle storage is proposed adjacent to the outdoor seating area.

<u>Building Materials and Palette:</u> The applicant has proposed a modern coastal-inspired color palette which includes warm neutrals with touches of blue and green such as "retreat", "soft fawn", "portobello", and "eider white" (ref. materials board shown below). A variety of building materials would be utilized for the building's exterior finishes including EIFS, stucco, and vintage wood fiber cement panels which would be provided in bark and gray to emulate wood and cement materials. Stone veneer in a "coastal reef" pattern and and fiber cement in a blue hue named respite will be provided to accentuate the building façade and complement the calm coastal theme chosen for the project. Lastly, anodized aluminum windows will be provided on all elevations.





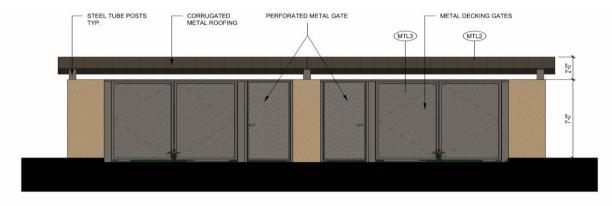






<u>Trash Enclosure:</u> An enclosed proposed trash, recycling, and organics enclosure would be situated in the southeastern corner of the lot away from both street frontages (7th Street and Palm Avenue) and the outdoor patios. The project proposes to screen the trash enclosure with landscaping, including a Strawberry Tree and Purple Hopseed Bush Coast Rosemary shrubs. The enclosure would measure 9' in height, inclusive of a 2' corrugated metal roof. The enclosure would feature two perforated metal gates, steel tub posts, and two sets of metal decking gates on the northern elevation. The applicant proposes to incorporate the design of the enclosure with the overall project by painting the exterior stucco finish in the same portobello hue that would be used on the mixed-use building. Waste, recycling, and organic pick-up would occur from the waste and recycling area accessed off 7th Street.

Staff finds that the proposed design would conform to the intent and purpose of the design standards outlined in IBMC Section 19.83.010 and contribute positively to the Palm Avenue mixed-use corridor, which is comprised of a mix of commercial and residential uses. The applicant's design provides varied building materials and architectural interests beyond what currently exists and would promote pedestrian activity with active commercial use.



NORTH ELEVATION

1/4" = 1'-0"









<u>Building frontage and Floor to Ceiling Height:</u> New buildings with frontage along Palm Avenue would be required to provide an active commercial use and a building depth of 25' per IBMC Section 19.26.020(A)(1). The applicant is proposing a main entrance to the ground-floor commercial space off Palm Avenue as well as direct pedestrian access to the hotel's main entrance from Palm Avenue. The main entrance to the hotel would be marked by a prominently projected entrance. The entrance to the commercial space would feature large, floor-to-ceiling windows allowing maximum visibility into the commercial component of the project. Signage for the commercial business would be mounted on top of a steel trellis frame that would be located above the main entrance. The entrance to the commercial space would be further articulated using landscaping, which would frame the path of travel off Palm Avenue.

Per IBMC Section 19.26.070, all commercial spaces on the ground floor are required to have a floor-to-ceiling height of 15-feet. The applicant proposes to meet this requirement by providing 15-foot floor-to-ceiling height throughout the hotel lobby and a two-story lobby space for the wellness clinic that would occupy the commercial space fronting Palm Avenue. Additionally, the ground-floor commercial space provides a building depth of approximately 59' meeting the minimum 25' depth requirement for the zone.

Parking: Per Imperial Beach Municipal Code Section 19.48.035, hotels without cooking facilities are required to provide one parking space per guestroom. Additionally, commercial spaces in the C/MU-1 Zone are required to provide 1 space per 500 gross square feet of commercial space. As such, the new proposed mixed-use building would be required to provide 83 spaces for 83 guestrooms and 6 spaces for the 3,100 commercial space. IBMC 19.48.035 allows applicants of vertical mixed-use projects to apply for a 25% reduction of the parking requirement. Accordingly, the proposed mixed-use building is required to provide 1 x 83 spaces – 25% = 62.5 spaces for the hotel and 3,100/500 – 25% = 4.65 spaces for the ground-floor commercial space for a total of 67 spaces. Additionally, developments in the C/MU-1 Zone may apply for additional parking reductions for shared parking. The latter allows for shared parking or off-site parking within one thousand feet of the project site to be used to satisfy the parking requirements with the approval of a Conditional Use Permit, which has been requested by the applicant. Projects in these zones shall be reviewed to determine the suitability and feasibility of implementing one or more transportation demand management strategies that may be approved through a development agreement.

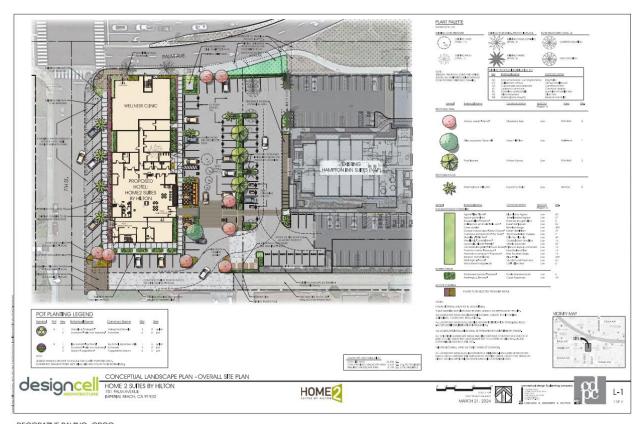
Along with a 25% reduction in parking, the applicant has proposed a shared-use parking agreement between the newly proposed mixed-use building and the adjacent existing hotel property. With this agreement in place, the applicant would provide a total of 167 parking spaces, which includes 67 required spaces for the new mixed-use building and 100 required spaces for the existing adjacent hotel. The 167 parking spaces include 8 accessible spaces, 3 EV accessible spaces, and 5 motorcycle spaces in conjunction with implementing indoor and outdoor bicycle parking stalls as a transportation demand management (TDM) strategy to offset the employee and customer parking needs.

A parking lot for the project would be located on the eastern portion of the property east of the proposed hotel, which would provide 47 parking spaces. An additional 15 parking spaces would be provided for the project along 7th Street directly west of the proposed mixed-use building. The remaining 5 required parking stalls for the new mixed-use building would be provided through the proposed shared-use parking agreement with the existing adjacent hotel. Landscaping would be installed around the parking lot perimeter and within both parking areas.

The proposed new bicycle parking areas include two secure bicycle storage areas, one indoor area for long-term bicycle parking with four permanently anchored EV racks for bicycles, and one outdoor short-term bicycle parking area with four racks. Both bicycle parking areas would be adjacent to the main entrance to the hotel and outdoor patio areas.

<u>Lighting:</u> Exterior lighting has been incorporated on all building facades to enhance the architecture of the building and landscaped areas of the site. Eight pole lights are proposed to be placed throughout the site facing the interior of the lot to ensure that the lighting throughout the parking lot would enhance safety and circulation as well as not impact the surrounding neighbors and uses. Additionally, pedestrian scale lighting is proposed along the walkway leading to the main entrance to the hotel and outdoor patio areas. Per the photometric plan for the project, the project lighting would be restrained in color and brightness. All of the lighting and lighting fixtures are architecturally compatible and scaled to the buildings with consideration for energy efficiency.

<u>Landscaping:</u> Imperial Beach Municipal Code Section 19.50.030 requires that new commercial development landscape and permanently maintain a minimum of 15% of the total site. The project proposes to install a total of 5,431 square feet of planted landscaping consisting of various tree species, groundcovers, screen shrubs, and accent planting. In total, the project would landscape 15.7% of the project site and proposes to install 20 new trees including 8 palms.









TREES



Arbutus Marina (Standard) Marina Strawberry Tree



Olea europaea 'Swan Hill' Fruntess Olive Tree



Rhus lancea African Sumac

PALMS



Washingtonia x f∎busta Hybrid Fan Palm

SHRUBS AND GROUND COVERS



Agave Blue Flame' Blue Flame Agave



Agave geminiflora Twn-Flowered Agave



Bouganvillea 'Rosenka' Rosenka Bouganvillea



Callisternon v. 'Little John' Dwarf Bottlebrush



Carex divulsa Berkley Sedge



Carissa m. Green Carpe Dwarf Natal Plum





Cupressus s, Tiny Tower Tiny Tower Cypress



Dianella revoluta Little Little Rev Flax Lity



Grevillea I, Coastal Ger Coastal Gem Grevillea



Lavandula allardı Meerlo Lavender



Lomandra Platinum Beauty Platinum Beauty Lomandra



Phormium tenax Purp New Zealand Flax



Pennisetum s. 'Cupreum' Red Fountain Grass



Senecio mandraliscos Blue Chalksticks



BIOSWALE

SCREENING



Dodonaea viscosa, 'Purpurea' Westringia f. Smokey Purple Hopseed Bush Westringia f. Smokey Coast Rosemary





Macfadyena unguis-Cat's Claw Vine



Carex pansa California Meadow Sedge





Muhlenbergia capillaris Pink Muhly Grass

PLANTER POT PLANTING



Dianella t. Variegata Variegated Dianella





Echeveria Perle Von Nurnberg llex crenata 'Sky Pencil Echeveria Sky Pencil Japanese Holly



NOTE: FUTURE BIOSWALE AREAS TO BE DETERMINED.

Sedum Coppertone Coppertone Sedum



Sedum Reflexum 'Angelina' Angelina Sedum

GENERAL PLAN/ ZONING CONSISTENCY: The proposed development is subject to C/MU-1 (General Commercial & Mixed-Use) zoning requirements. The purpose of the C/MU-1 zone is to provide areas for businesses to meet the demand for commercial goods and services required primarily by the local population. It is intended that the dominant type of commercial activity in the C/MU-1 Zone will be community and neighborhood-serving retail and office uses. Mixed-use development, hotels, and multiple-family residences are also permitted in the C/MU-1 Zone. The proposed project would provide commercial uses and hotel services, meeting the intent of the land use designation.

Zoning:

STANDARDS		Provided/Proposed	
Yard req follows:	uirements for the C/MU-1 zone are as	A. The project fronts Palm Avenue. The front yard measured from the building	
A.	Front Yard. Zero feet; up to forty percent of the project frontage may be set back up to an additional five feet. Front yards facing Donax Avenue or Calla Avenue shall be a minimum of fifteen feet.	measures 0' to 5', allowing for a landscape buffer between portions of the building and right-of-way. The landscape screening element is located	
B.	Side Yard. There shall be a minimum side yard of five feet.	directly adjacent to Palm Avenue and frames the entrance to the commercial	
		space. B. The side yards of the project are adjacent to 7 th Street and an eastern interior lot. The side yard for the portion of the building from the eastern property line measures 71' from the lot line to the hotel entrance and 49' from the patio to the eastern property line. The side yard for the portion of the patio off 7 th Street measures 4'6", which is permissible with the granting of a 10% administrative adjustment for the 5' setback requirement. C. The rear yard abuts the	
C.	Rear Yard. There shall be a minimum rear yard of ten feet.	parking area and an adjacent residential lot located to the south and measures 44'6" from the property line to the proposed building.	

The open space and landscaping requirements as 15% of the site must be landscaped, stated in Chapter 19.50 of this code shall be met. and 15.7% of the site provides planted landscaping. "Active Commercial Uses" as defined in Chapter proposed mixed-use The newly building that would consist of a four-19.05 are required for all buildings with frontage along Palm Avenue at a minimum of 60% of each building's story Home 2 Suites Hilton Hotel and ground floor lineal footage, have direct pedestrian 3,100 ground-floor commercial space access from the Palm Avenue sidewalk or a plaza, would be located along Palm Avenue. and have a minimum building depth of twenty-five The main entrance to the ground-floor feet. The remaining forty percent must either be commercial space would be located off primarily related to the commercial use, such as Palm Avenue and direct pedestrian parking, access, or other non-active commercial access to the hotel's main entrance purpose or, if related to non-commercial use, must be would be provided from Palm Avenue designed either to encourage and promote pedestrian via a walkway. The main entrance to activity or to visually screen required on-site parking the hotel would be marked by a porte-(Section 19.26.020.A.1). cochere entrance. The entrance to the commercial space would feature large, floor-to-ceiling windows allowing maximum visibility into the commercial component of the project. Prominent signage in the form of a roof integral sign would be provided above a cantilevered architectural feature. The entrance to the commercial space would be further articulated through the use of landscaping, which would frame the path of travel The building depth for the commercial space is 59-feet. For property with a side or rear yard abutting a The property abuts a residential zone residential zone, the second floor shall be set back a to the south and provides a 44' 6" minimum of five feet from the abutting residential setback from the second-story property line and the third floor shall be set back a overhang to the southern property line. minimum of ten feet from the abutting residential property line. (Section 19.26.041) Minimum lot size of 3,000 square-feet (Section The lot size is 37,592 square feet. The 19.26.050). creation of a new lot is not proposed as part of the project. Minimum street frontage of 30 feet (Section The Palm Avenue frontage 19.26.060). approximately 150.07 feet, and the 7th Street frontage is 250.72 feet. The creation of a new lot is not proposed as part of the project.

Maximum building height of four stories or 40 feet (Section 19.26.070).	The overall height of the building is 40' to the top of the roof and 50' to the top of the structure, including the structure's parapets and architectural projections to screen mechanical equipment and the hotel's elevator.	
	The applicant will be required to show conformance with the height requirement as required by IBMC 19.04.400.	
All commercial spaces on the ground floor shall have a minimum fifteen-foot floor-to-ceiling height; and single-story commercial buildings shall have a minimum building height of twenty feet. (Section 19.27.070).	The applicant proposes a 15-foot floor-to-ceiling height throughout the hotel lobby and a two-story lobby space for the wellness clinic that would occupy the commercial space fronting Palm Avenue.	
No buildings shall be located less than five feet from any other building on the same lot. (Section 19.26.080)	No other buildings are proposed on the same lot.	
Landscaping requirements are as follows (Section 19.50.030, Commercial Landscaping):	A. The project proposes to install a total of 5,431 square feet of planted landscaping consisting of various tree species, groundcovers, screen shrubs, vines, and accent planting. In	
A. Not less than fifteen percent of the total site shall be landscaped and permanently maintained.	total, the project would landscape 15.7% of the project site and proposes to install 20 new trees including 8 palms.	
B. There shall be a five-foot-wide landscape area between any parking area and any public street right-of-way.	B. The project provides a minimum 5' landscape area between the parking lot and Palm Avenue.	
C. A portion of a property not used for buildings, parking, walkways, loading or storage areas shall be landscaped.	C. Portions of the property not used for buildings, parking, walkways, loading, or storage are landscaped.	

- D. There shall be a minimum three-foot by fifteen-foot, or forty-five square foot, landscaped area within the parking area (not including perimeter area landscaping) for every three parking spaces or the equivalent. A minimum width of three feet is required. A four-foot by fifteen-foot area may be permitted for every four spaces, five-foot-wide for five spaces, etc.
- D. The project provides adequate landscaping in the surface parking spaces.

- E. Prior to issuance of any building permits, a complete landscaping plan shall be submitted to the Community Development Department for approval. Such approval shall be subject to appeal in the manner set forth in Sections 19.84.070 through 19.84.090.
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- F. Landscaping and required watering system shall be installed prior to the use of the premises. All landscaping material in required landscaping areas shall be permanently maintained in a growing and healthy condition, including trimming, as appropriate to the landscaping material.
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A permanent irrigation system shall be installed to serve all landscaped areas.

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Required parking spaces for hotels with no cooking facilities: one space for each guestroom.

Required parking spaces for commercial uses in the C/MU-1 Zone: one space for each 500 gross square feet of commercial space.

Per Imperial Beach Municipal Code Section 19.48.035, hotels without cooking facilities are required to provide one parking space per guestroom. Additionally, commercial spaces in the C/MU-1 Zone are required to provide 1 space per 500 gross square feet of commercial space. As such, the new proposed mixed-use building would be required provide 83 spaces for 83 guestrooms and 6 spaces for the 3,100 commercial space. IBMC 19.48.035 allows applicants of vertical mixed-use projects to apply for a 25% reduction of the parking requirement. Accordingly,

the proposed mixed-use building is required to provide 1 x 83 spaces -25% = 62.5 spaces for the hotel and 3,100/500 - 25% = 4.65 spaces for the ground-floor commercial space for a total of 67 spaces. Additionally, developments in the C/MU-1 Zone may apply for additional parking reductions for shared parking. The latter allows for shared parking or offsite parking within one thousand feet of the project site to be used to satisfy the parking requirements with the approval of a conditional use permit, which has been requested by the applicant. Projects in these zones shall be reviewed to determine the suitability and feasibility of implementing one or more transportation demand management strategies that may be approved through a development agreement.

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Surrounding Land Use and Zoning:

Surrounding Properties	Surrounding Zoning	Surrounding Land Use
North	C/MU-1 (General Commercial & Mixed-Use)	Commercial
South	R-1-6000 (Single-Family Residential)	Residential
East	C/MU-1 (General Commercial & Mixed-Use)	Commercial
West	C/MU-1 (General Commercial & Mixed-Use)	Commercial

ENVIRONMENTAL IMPACT:

This project may be categorically exempted from the requirements of the California Environmental Quality Act (CEQA) as a Class 32 project pursuant to CEQA Guidelines Section 15332 (In-Fill Development Projects).

COASTAL JURISDICTION:

This project is located in the coastal zone as defined by the California Coastal Act of 1976. The City Council public hearing will serve as the required coastal permit hearing and the City Council will consider the findings under the California Coastal Act. Pursuant to the City of Imperial Beach Zoning Ordinance Section 19.87.050, review of the proposal will consider whether the proposed development satisfies the required findings prior to the approval and issuance of a Coastal Development Permit. The project is not located in the Appeal Jurisdiction of the California Coastal Commission as indicated on the Local Coastal Program Post Certification and Appeal Jurisdiction Map and, as such, would not be appealable to the California Coastal Commission under Section 30603(a) of the California Public Resources Code.

FISCAL IMPACT:

The applicant has deposited \$8,700 to fund the processing of their application.

ATTACHMENTS:

Attachment 1: Architectural Plan Set Attachment 2: Landscape Plan Set Attachment 3: Hotel Signage Plan

Attachment 4: Wellness Center Signage Plan

Attachment 5: Design Review Compliance Checklist

Attachment 6: Site Lighting