



Date: February 7, 2024

To: Marysville Planning and Historical Preservation Commission

From: Paul Richardson, Consultant, Management Advisory Services
Kathy Pease, Consultant, Management Advisory Services

Subject: Consideration of a Development Plan Review for a project over 75,000 sf, Design Review Application No. DR 23-82 for construction of a 113 room, 62,620 sf 4-story hotel with 2,500 sf event space, a 2,500sf quick service restaurant and a 16,000 sf retail/market space; and Use Permit Application No. UP 22-03 to allow a quick serve restaurant with dual drive-thru lane, in a split zone C-3 General Commercial District and M-1 Light Industrial District on the property bounded by 14th Street, B Street 12 Street and the railroad right of way.

Community Development Department File No. UP 22-03 DR 23-82

1. Project Title:	B-Street Hotel and Commercial Center
2. Applicant	Engstrom Properties, Inc and The Presidio Companies, LLC
3. Property Owner	City of Marysville
4. Project Architect:	Deborah Woodbury McCandless & Associates Architects, Inc.
5. Project Engineer	Rich Guevarra, PE NorthStar Engineering
6. Project Location:	East side of B Street between 14 th and 12 th Streets (State Route 70)
7. General Plan Designation:	Commercial/Industrial Historic Preservation Overlay District
8. Zoning District:	General Commercial (C-3) Light Industrial (M-1)
9. Abutting Zoning	General Commercial (C-3) Light Industrial (M-1)
10. Property size	4.96 Acres
11. Access	B Street, 14 th Street, Access easement to 12 th Street
12. Other public agencies whose approval is required:	City of Marysville Building Department, Fire Department & Public Works; Yuba County Environmental Health Department, Feather River Air Quality Management District;

PURPOSE

The applicant proposes to construct a 113-room, 62,620-square foot (sf), four-story hotel (up to 48-feet-6-inches) with 2,500 sf event space, a 2,500 sf quick service restaurant (Starbucks) with dual drive-thru lane and a 16,000 sf retail/market space. The project requires Design Review Approval because it is in the Historic Overlay District. Design review would consider the architecture of the three proposed buildings and related site improvements. A Use Permit is required only for the drive-thru lane associated with the quick serve restaurant. A Development Plan Review is unique to Marysville and requires the Council to also approve commercial projects over 75,000 sf.

RECOMMENDED ACTION

Staff recommends that the Planning Commission conduct a Public Hearing and recommend approval of the Development Plan, the Use Permit, and Design Review applications to the City Council subject to the conditions of approval outlined in the attached resolution.

BACKGROUND

In 2006, the City Council issued taxable Certificates of Participation (COP) to buy 3.7-acres of property on B Street between 12th and 14th Streets. This was combined with an existing, city owned property, to make available a development site of approximately five acres. In addition to the purchase of the property, the Certificates funded the removal/relocation of existing structures located on the parcel. At that time, the expectation was that a commercial developer would buy or lease the vacant property and develop a new commercial center to generate tax revenue to the city to help pay the annual COP installments. Soon after, the economy stalled and went into prolonged recession, and no buyer could be found for the property. Since 2014 the General Fund has been making payments toward the COP.

In 2019, the City fulfilled the process obligations under the Surplus Lands Act and actively began to sell the B Street properties as well as the Plumas Lakes Golf Course property. The City went through a joint request for proposals (RFP) and commercial brokerage process to sell the B-Street properties. Through the Request for Qualifications and Request for Proposal process, Engstrom Properties was selected to enter an Exclusive Right to Negotiate. Ultimately Engstrom and Presidio Properties entered into a Development Agreement for the purposes of purchasing and developing the site.



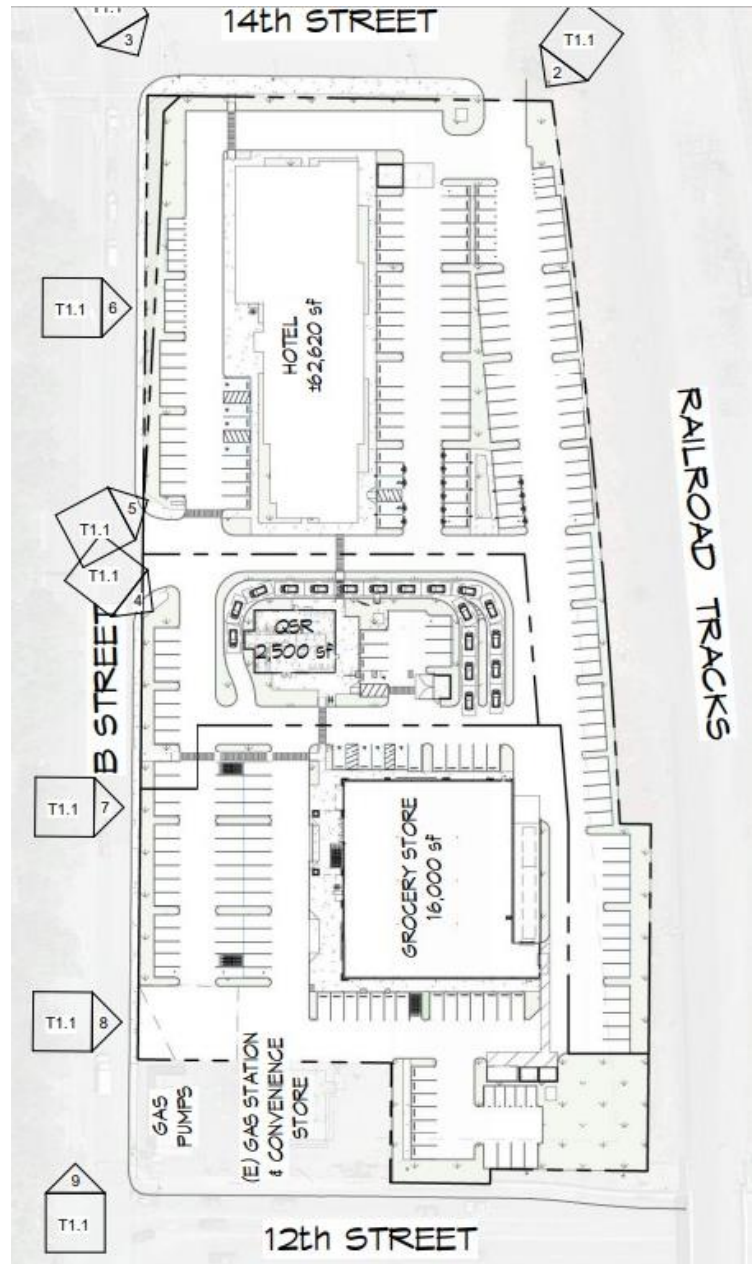
A key requirement in the Development Agreement is to complete the entitlement process prior to the transfer of the property.

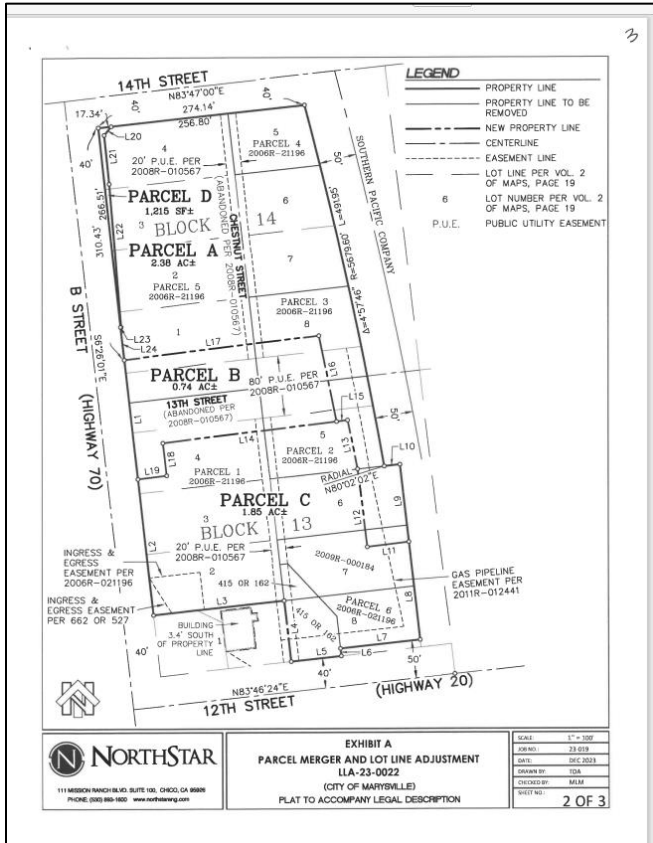
In December 2023, the City processed a Lot Line Adjustment and Parcel Merger for the subject site. This resulted in three developable parcels totaling 4.96 acres and one remnant for the purposes of sale to Caltrans for future road widening along B Street.

Existing Site - The project site is currently vacant with remnants of former building foundations and the former Chestnut Street alley way. Impervious surfaces (pavement) cover a majority of the site. The site was previously developed with a bar, a car sales lot, Dairy Queen, single family residences, a motel, and mobile home park before City acquisition and demolition in 2005/06. The project site has no habitat value. An Art display along B Street will be removed by Yuba Sutter Arts and Culture.

Project Details

Utilities and Access – The project will utilize an existing curb cut near the Quick Stop station and the former 13th Street entrance as the only access points from B Street. As a result, a Caltrans encroachment permit would not be required. A driveway will be provided from 14th Street the project maintains access to the service station over an existing easement at the SW corner of the Grocery Market parcel. Existing utilities that serve the site are located in the former Chestnut right-of-way. The overhead PG&E utilities will be relocated, and a portion of the existing utility easements will have to be relocated largely to accommodate the retail/market building. A condition of the attached resolution requires utility relocation plans and recorded easements prior to the issuance of any building permits.





Site Improvements: Three developable sites were created from the former properties through a Lot Line Adjustment and Parcel Merger. Each site will be a developable property for the Hotel, Quick Serve Restaurant, and Retail/Market. Each site independently meets the respective parking requirement, but cross parking and access easements will allow the site to function as a commercial center.

The proposed site improvements will provide 259 parking spaces, of which 231 are required. All three properties will exceed the respective parking requirements. The project is substantially under the number of allowable compact stalls. 83 Electrical Vehicle (EV) stalls are proposed that are either ready or capable of EV equipment. This exceeds the CalGreen standard by two stalls.

General Plan and Zoning Consistency.

The site has a General Plan designation of Commercial and Industrial and is Zoned C-3 Commercial and M-1 Industrial. The uses are

allowed by right in the respective zoning districts. The proposed project is consistent with the General Plan and Zoning District land use designations and supports the economic development policies of the City.

Below are the C-3 Development standards. The project adheres to all zoning development standards including setbacks, height, and landscaping requirements. The rear half of the property is M-1 and the only development standard that is different is the height requirement which is limited to 35.'

Table 18.24.050: Development Standards Applicable to the C-3 Zone District

Minimum lot size	None.
Minimum lot width	None.
Minimum yards	<p>Front yard: 5 feet, except 15 feet for a distance of 25 feet from an R district boundary. Yard must be landscaped and not used for parking or loading. Upper story may overhang if there is a vertical clearance of 12 feet.</p> <p>Street side yard: Same as front yard, except no side yard adjacent to an alley.</p> <p>Interior side yard: None, except when abutting a residential zone district it is 5 feet.</p> <p>Rear yard: None, except (1) when abutting a residential zone district it is 5 feet and a 6-foot masonry wall shall be constructed along the property line or (2) it is 12 feet if accessible by a street, alley or parking lot. Upper floor may overhang if there is 14 feet of vertical clearance if not located abutting a residential zone district.</p> <p>Buildings over 35 feet in height: For rear and interior side yards, an additional 3 feet of setback is required for every 10 feet over 35 feet in height, up to a maximum of 15 feet.</p> <p>Levee setback: 10 feet.</p> <p>Other criteria and exceptions are provided in Section 18.84.070, Yards and fences.</p>

Maximum building height	8 stories, not to exceed 85 feet. Other criteria and exceptions are provided in Sec. 18.84.080 .
Building coverage	None.
Off-street parking and loading	See Chap. 18.60 .
Landscaping	A 5-foot-wide landscape strip shall be provided along all street rights-of-way. Landscaping shall be provided in all other areas between sidewalk and edge of rights-of-way. Other landscaping standards are provided in Chap. 18.86 .
Signs	See Chap. 18.64 .
Trash enclosures	See Chap. 18.61 .
Outside storage	All outside storage shall be screened by a solid fence between 6 and 8 feet in height, except for vehicle sales.

Circulation - The project will take primary access from B Street with secondary access via 14th Street and by way of an access easement across the Quick Stop Station to 12th Street. A Vehicle Miles Traveled (VMT) analysis was prepared which shows the project will have no effects on traffic. Roadway improvements will be required along 14th Street, but no other off-site circulation improvements are necessary. A Caltrans encroachment permit is not necessary along B Street as the project will utilize the existing frontage improvements and driveway access. There is a little under two acres of project frontage that Caltrans will acquire from the City for future Highway 70 road widening purposes.

The on-site circulation arrangement clearly differentiates between the three uses with adequate parking fields and access for both the hotel and retail/market. The dual drive-thru entry for the Quick Serve restaurant is at the rear of the site and by design will limit on-site vehicle conflicts. The exit from the drive-thru encourages a left turn onto the site channeling traffic away from on-site conflict points. A condition of approval requires additional screening for headlights in the Drive-thru queue. The truck loading route will be accessed from the south driveway along B Street next to the Quick Stop. The loading dock is concealed at the rear of the market. Trucks will exit via the 14th Street driveway to the controlled intersection at 14th and B Street.

SUBJECT CRITERIA

The project is subject to three discretionary entitlements:

- 1) Use Permit for drive-thru facilities associated with the quick serve restaurant.
- 2) Design review or major architectural review for the three buildings and related site improvements because the project is in the Historic Overlay District.
- 3) Development Plan Review by the City Council due to the project size. The Planning Commission in this instance is advisory to the City Council.

Per section 18.96.030 of the Municipal Code regarding Drive-through facility performance standards, the project complies with all the following standards:

- a) Entries and/or exits to drive-through facilities are a minimum of one hundred feet from both the B /14th Street and B /12 Street intersections, and there are no other drive-thru lanes within one hundred feet of the proposed quick serve restaurant.

- b) Drive-through stacking lanes are well beyond one hundred feet from any residential zoned lot. The nearest residentially zoned property is on the other side of the Railroad Right of Way east of the project.
- c) Sound attenuation walls, landscaping or other mitigation measures are not required to screen or mitigate drive-through speaker and traffic noise on nearby residential uses.
- d) The Drive-through aisles are a minimum twelve-foot width on curves and a minimum eleven-foot width on straight sections.
- e) The Drive-through aisle is a dual entry system with sufficient stacking area behind the menu board to accommodate a minimum of six cars.
- f) The Drive-through aisles do not exit directly onto a public right-of-way, and aisles integrate with the on-site circulation and merge with the on-site driveways.
- g) The Drive-through aisle is separated from landscaping areas by a six-inch high, poured in place, concrete curb.
- h) Landscaping screens drive-through aisles from the public right-of-way, an additional condition of approval avoids headlight glare from oncoming traffic, and landscaping minimizes the visual impacts of readerboard signs and directional signs.

18.87.070 Design Review Criteria.

In reviewing designs for new construction or renovation or repairs of existing buildings and signs within the historic overlay area, the following criteria shall be utilized:

- (1) Whether the proposed construction, sign, renovation, or repair complies with all pertinent laws and regulations including, without limitation, the Marysville Plaza Urban Design Development Plan, any applicable target area plan or other plans or policies adopted by the agency.
- (2) The compatibility of the proposed design with other buildings in the vicinity.
- (3) In reviewing the design of the proposed project, architectural consideration shall be based upon the following:
 - a) The height, bulk, and area of the subject building and other buildings in the same vicinity.
 - b) The color and materials to be used and their compatibility with adjacent buildings and with any other regulations applicable thereto.
 - c) The site, layout, orientation and location of the building and its relationship with open areas.
 - d) The appropriateness of sign designs, exterior lighting, and graphics.
- (4) Whether the site improvements, landscaping and other features of the proposed project are compatible with those on other parcels in the vicinity.

In all cases the buildings are primarily cement plaster exterior. All three are compatible and each reflects a distinct corporate identity. The dominant structure is the hotel by virtue of its height of 48' 6". The other buildings are subordinate with the retail market considerably setback from B Street. The hotel will function as a landmark by virtue of its height and is immediately opposite Bryant Field. Together with Ellis Lake these three features will announce entry into Marysville when traveling south on Highway 70. Roof equipment on all buildings will be concealed behind the parapet walls and should not be visible off-site from the pedestrian view.

Hotel: The proposed hotel is a Hyatt Studio Brand. The building is setback 50' to the event center from B Street with the balance of the hotel about 80' from B Street. The building has a distinct, modern hotel appearance. The exterior is a combination of smooth cement plaster and cement board siding that simulates a wood accent. The base will have a thin brick veneer at the entry and the event center. The colors will be light grey, off-white, dark grey and light brown with a dark brick veneer. All colors are consistent with approved Historic District color palate.



HOTEL



GROCERY MARKET



QUICK SERVICE RESTAURANT

Quick Serve/Starbucks: The Starbucks building is a modern, low scale structure consistent with recent national designs. The building is setback about 70' from B Street. The building is very similar to the recently constructed stand alone Starbucks on 10th Street. The building is 20' tall and has 3 colors and two materials. The plaster is a dark off grey, mid-tone grey and the brick is Eldorado Stone complementing the color of the building. Windows are dark brown anodized. While substantially smaller in scale than the hotel, the modern design and materials are compatible with the hotel and retail/market building. The colors are generally consistent with other colors on the Historic Color Palate.

Retail/Market Building: The Market building also uses cement plaster and split-face concrete block as a base accent. The entry canopy is 32' at the parapet but the building is setback almost 120' from B Street allowing for a substantial parking field in front of the store. The colors are light grey, dark grey and a grey/sage base. All colors are consistent with the Historic Color Palate with the exception of the red accent. However this is a small portion of the building and provides variety and contrast.

Landscaping: Landscaping is provided in all required setbacks and the tree canopy meets the standards in the zoning code to provide adequate shade. A landscape entry feature is not possible at the southern B Street driveway due to the shared access easement with Quick Stop. The project shows no fence at the eastern rear property line abutting the railroad. A condition of approval requires a black, vinyl clad

chain link fence in this location for two reasons. First, to provide security and differentiate this site and the railroad property. And second, to contain litter and debris generated from the food service use and market loading area on this site.

Lighting: A photometric site plan was included in the submittal. There will be adequate on-site light for security. All light stanchions will cast lighting in a downward direction so off-site glare will be limited. There will be adequate spillover to illuminate the adjacent street sidewalks.

Signs: While signs are indicated on the plans, no signs are approved with this request. Depending on when building permits are issued, each building will have an individual sign application.

Design Review Overview: While the project is within the boundaries of the Historic District, no historic structures are located on the site or adjacent to the property. Therefore, the project will not be incompatible with the Historic District. Redevelopment of the project will incorporate modern style architecture consistent with newer development in the community. The project incorporates brick or split face block wainscoting, cornice treatments and colors consistent with the Historic District. Roof equipment will be concealed behind the parapet walls and should not be visible off-site from the pedestrian view. Lighting will provide security and limit off-site glare. The circulation distinguishes on-site uses and organizes traffic in an understandable manner. The landscaping enhances the site, and the addition of the security fence will protect the site and limit debris from blowing off-site.

NOTICE

Notice of public hearing before the Planning Commission was sent to local districts, agencies, and property owners and within 300 feet of the subject site, as well as those agencies that commented on the project. During the routing period comments were received from various agencies. Where appropriate the plans were changed, or conditions imposed to address those comments.

ENVIRONMENTAL DETERMINATION

California Environmental Quality Act (CEQA) Guideline Section 15332 identifies the Class 32 categorical exemption for projects characterized as in-fill development. This exemption is intended to promote infill development within urbanized areas. The class consists of in-fill projects which are consistent with local general plan and zoning requirements that are less than five-acres in size, adequately served by utilities, and meet the other criteria specified in the CEQA attachment. The Project revitalizes a previously developed site in the City of Marysville and qualifies for the Exemption.

CONCLUSION

Staff recommends that the Planning Commission conduct a Public Hearing and adopt the attached resolution recommending the City Council approve the Development Plan Review, the Use Permit, and Design Review applications subject to the conditions of approval. This resolution includes the requisite findings outlined in the report for the Use Permit, Design Review, and Development Plan Review

Attachments:

- 1) Resolution of approval including project conditions
- 2) CEQA Infill Environmental Analysis including VMT report.
- 3) Project Plans
- 4) Applicant's Project Statement