

CITY OF MERCED
Planning & Permitting Division

STAFF REPORT: #16-19

AGENDA ITEM: 4.2

FROM: Kim Espinosa,
Planning Manager

PLANNING COMMISSION
MEETING DATE: Sept. 21, 2016

PREPARED BY: Francisco Mendoza-Gonzalez,
Planner

SUBJECT: **Design Review Application #16-02**, initiated by El Capitan Hotel Merced, LLC, property owner(s). This application involves a request to rehabilitate an existing 33-room hotel at 1715 M Street and to construct a new four-story hotel (for a total of 100 rooms) with a restaurant and retail space at 611 and 613-621 W. Main Street, generally located at the northwest corner of M Street and Main Street, within a Central Commercial (C-C) Zone.
PUBLIC HEARING

ACTION: Approve/Disapprove/Modify

- 1) Environmental Review #16-27 (Categorical Exemption)
- 2) Design Review Application #16-02

SUMMARY

El Capitan Hotel Merced, LLC, is requesting approval to rehabilitate the existing El Capitan Hotel Annex (33 rooms) at 1715 M Street and to construct a new four-story hotel at 611 and 613-621 W. Main Street. The new and existing buildings will be connected with common floors and operate as a single hotel with 100 rooms. The ground floor will include a restaurant, a coffee shop, and general retail space. Hotels, restaurants, and retail shops are considered principally permitted uses within a Central Commercial (C-C) Zone. This Project requires discretionary approval from the Planning Commission, because it is located within the City's Design Review Boundary. The Planning Commission's role is to review the aesthetic aspects of this Project, not the land use. However, the Planning Commission may consider other aspects of the Project such as lighting, access, parking, noise, etc. Staff is recommending approval of this application subject to the conditions contained in the staff report.

RECOMMENDATION

Planning staff recommends that the Planning Commission approve Environmental Review #16-27 (Categorical Exemption) and Design Review #16-02, subject to the following conditions, in accordance with the draft Resolution at Attachment L:

- *1) The proposed project shall be constructed/designed as shown on Exhibit 1 (site plan), Exhibit 2 (floor plans), Exhibit 3 (elevations) -- Attachments B, D, and F except as modified by the conditions.

- *2) The proposed project shall comply with all standard Municipal Code and Subdivision Map Act requirements as applied by the City Engineering Department.
- *3) All other applicable codes, ordinances, policies, etc., adopted by the City of Merced shall apply.
- *4) The developer/applicant shall indemnify, protect, defend (with counsel selected by the City), and hold harmless the City, and any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof, from any and all claims, actions, suits, proceedings, or judgments against the City, or any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof to attack, set aside, void, or annul, an approval of the City, or any agency or instrumentality thereof, advisory agency, appeal board, or legislative body, including actions approved by the voters of the City, concerning the project and the approvals granted herein. Furthermore, developer/applicant shall indemnify, protect, defend, and hold harmless the City, or any agency or instrumentality thereof, against any and all claims, actions, suits, proceedings, or judgments against any governmental entity in which developer/applicant's project is subject to that other governmental entity's approval and a condition of such approval is that the City indemnify and defend (with counsel selected by the City) such governmental entity. City shall promptly notify the developer/applicant of any claim, action, or proceeding. City shall further cooperate fully in the defense of the action. Should the City fail to either promptly notify or cooperate fully, the developer/applicant shall not thereafter be responsible to indemnify, defend, protect, or hold harmless the City, any agency or instrumentality thereof, or any of its officers, officials, employees, or agents.
- *5) The developer/applicant shall construct and operate the project in strict compliance with the approvals granted herein, City standards, laws, and ordinances, and in compliance with all State and Federal laws, regulations, and standards. In the event of a conflict between City laws and standards and a State or Federal law, regulation, or standard, the stricter or higher standard shall control.
- *6) All modifications shall meet or exceed the building codes in effect at the time of building permit application submittal. New codes are in effect January 1, 2017.
- *7) The development shall meet all applicable Fire Department requirements which include, but are not limited to, installing a fire control room, Fire Department connect, and a fire pump.
- *8) The applicant shall work with the City's Engineering and Fire Departments to determine if the exterior fire escapes on the El Capitan Hotel Annex are structurally safe. The exterior fire escapes may need to be removed if required by the City's Engineering and Fire Departments.
- *9) All structures extending over the public right-of-way shall require encroachment permits (including balconies, overhangs, and signs).
- *10) The applicant shall obtain approval from the City's Engineering Department to widen City streets to create customer loading zones on Main Street and M Street. Customer loading, especially of luggage, is also encouraged off the alley or Main Street, not M Street.

- *11) The applicant shall obtain approval from the Merced County Association of Governments (MCAG) Transit Joint Powers Authority to relocate the existing bus turn-out along M Street to accommodate a customer loading zone.
- *12) The project shall comply with the requirements of the California Urban Level of Flood (200-year Flood) and all FEMA flood zone requirements, where applicable.
- *13) The project shall comply with all the Post Construction Standards required to comply with state requirements for the City's Phase II MS-4 Permit (Municipal Separate Storm Sewer System).
- *14) The developer shall work with the City Engineer to determine the requirements for storm drainage on the site. The developer shall provide all necessary documentation for the City Engineer to evaluate the storm drain system. All storm drain systems shall be installed to meet City Standards and state regulations.
- *15) All landscaping in the public right-of-way and on-site shall comply with State Water Resources Control Board Resolution No. 2015-0032 "To Adopt an Emergency Regulation for Statewide Urban Water Conservation" and the City's Water Conservation Ordinance (Merced Municipal Code Section 15.42). Xeriscape or artificial turf shall be used in place of natural sod or other living ground cover. If turf is proposed to be installed in park-strips or on-site, high quality artificial turf (approved by the City Engineer and Development Services Director) shall be installed. All irrigation provided to street trees, or other landscaping shall be provided with a drip irrigation or micro-spray system.
- *16) The developer shall use proper dust control procedures during site development in accordance with San Joaquin Valley Air Pollution Control District rules.
- *17) The proposed restaurant shall meet all applicable Merced County Health Department requirements.
- *18) Building lighting shall be shielded or oriented in a way that does not allow "spill-over" onto adjacent lots in compliance with the California Energy Code requirements. Any lighting on the building shall be oriented to shine downward and not spill-over onto adjacent parcels.
- *19) The applicant shall work with the City's Refuse Department to determine the location and method for refuse service. In addition, the applicant shall work with the City's Refuse Department to determine if a recycling container will be required to comply with AB 341.
- *20) All signing shall comply with the City's Sign Ordinance. Building permits shall be obtained prior to installing any permanent signing. A Temporary Sign Permit shall be obtained prior to installing any temporary signs or banners. Freestanding or A-frame signs are not allowed.
- *21) Future exterior remodels or major site modifications shall require design review approval from the Planning Commission or their designated review board.
- 22) Exterior painting and minor exterior modifications shall require staff level design review.
- 23) The developer shall replace the proposed brown brick veneer with red brick veneer that matches the brick used throughout Downtown sidewalks and street corner ramps. The

bricks' color and texture shall be reviewed and approved by Planning staff during the building permit stage.

- 24) Approval of this request does not allow the hotel or restaurant to operate as a bar or night club per MMC 20.04.075 and 20.04.315 (code references subject to change under new Zoning Code). Bars and night clubs are considered conditional uses and shall require conditional use permit approval from the Planning Commission.
- 25) The applicant shall provide proof of a parking agreement during the building permit stage to meet the parking requirements for all uses above the ground floor (approximately 38 parking spaces). The parking agreement shall comply with MMC Section 20.58.370.C., unless the Zoning Ordinance is amended to allow other means of satisfying parking requirements. Payment of in-lieu fees per MMC 20.58.510 may also be acceptable.
- 26) Anti-graffiti coating shall be applied to the building's exterior to curb graffiti. The applicant shall maintain a clean and respectable appearance of the building at all times, and any graffiti or other vandalism done to any building or future accessory structure shall be rectified or repaired within a reasonable amount of time.
- *27) As required by Merced Municipal Code Section 17.04.050 and 17.04.060, full public improvements shall be installed/repared if the permit value of the project exceeds \$85,000.00. Public improvements may include, but not be limited to, repairing/replacing roads, sidewalk, curb, gutter, and street corner ramp(s), so that they comply with ADA standards and other relevant City of Merced/State/Federal standards and regulations.
- *28) Any missing or damaged improvements along the property frontage shall be installed/repared to meet City Standards. Any improvements that don't meet current City Standards shall be replaced to meet all applicable standards.

(*) Denotes non-discretionary conditions.

NOTE: References to specific Zoning Code Sections are subject to change with the adoption of the new Zoning Ordinance, but the provisions themselves remain mostly the same.

PROJECT DESCRIPTION

Building Design/Materials/Colors for El Capitan Hotel Annex Rehabilitation

This Project includes the rehabilitation of the El Capitan Hotel Annex and the construction a new four-story hotel at the northwest corner of Main Street and M Street. The existing hotel and new buildings will have common floors and operate as a single hotel. The El Capitan Hotel Annex will be rehabilitated for structural/safety purposes. The applicant is not requesting any major exterior modifications. The building will maintain its Art Deco architectural design (Attachment F). The hotel annex was constructed from reinforced concrete and has a painted stucco finish. The building has a flat roof with Art Deco trimming along the top of the parapet. The windows are fully glazed with square and rectangular metal frames. The east elevation has a blade sign that features Art Moderne styling and font. Exterior fire escapes are located on the north and east elevations. The applicant is currently working with the City's Fire and Engineering Departments to determine if the fire escapes will be permitted due to structural concerns (Condition #8).

Building Design/Materials/Colors for New Four-Story Hotel

The new four-story building will feature two architectural styles: a post-modern design and a hybrid of post-modern and art deco designs. The architect’s intent is to design a hotel that gradually transitions from a contemporary architectural style to a historic architectural style (art deco). The post-modern portions of the building are orthogonal and contain classic post-modern materials, such as steel, brick, and glass. This is evident on the western portion of the W. Main Street elevation through the usage of brick veneer, punched vertical door openings, and metal railings. The building design transitions from port-modern to art deco on the eastern portion of the W. Main Street elevation. This portion of the building has some classic post-modern elements such as steel, glass, and gridded windows, with some classic art deco elements, such as white stucco and curved balconies. The transition from a post-modern design to art deco design is completed as the building unfolds towards the El Capitan Hotel Annex.

Surrounding Zones and Land Uses (Attachment A):

Surrounding Land	Existing Use of Land	City Zoning Designation	City General Plan Land Use Designation
North	Shannon Arcade	Central Commercial (C-C)	Regional/Community Commercial (RC)
South	Binary Systems Computer Repair (across Main Street)	Central Commercial (C-C)	Regional/Community Commercial (RC)
East	Valley Cutz Barbershop (across M Street)	Central Commercial (C-C)	Regional/Community Commercial (RC)
West	Kuenterpirse Inc.	Central Commercial (C-C)	Regional/Community Commercial (RC)

BACKGROUND

The original El Capitan Hotel was built in 1872 and was located a few blocks away from the subject site, adjacent to the Central Pacific Railroad Tracks and Depot, near the intersection of 16th Street and N Street. In the following years, travel to Yosemite National Park increased and many travelers stayed in Merced before taking a stage coach or train to Yosemite National Park. It has been documented that this hotel hosted several celebrities and dignitaries, such as President Ulysses S. Grant. Around 1900, The Central Pacific Railroad ordered the demolition of the El Capitan Hotel to construct a new train depot.

The El Capitan Hotel was relocated to its current location in 1912. Due to increased demands in lodging, an annex wing was built at the northeast corner of the parcel in 1924. After a fire destroyed the original portion of the hotel in 1931, the annex was remodeled as a standalone hotel. The portion of the hotel that burned down was replaced by a single story structure along Main Street in 1936. This single-story building has been occupied by various tenants and has been remodeled

several times (both interior and exterior). The El Capitan Hotel Annex has not undergone any major exterior remodels since 1936.

FINDINGS/CONSIDERATIONS:

General Plan Compliance and Policies Related to This Application

- A) The proposed project complies with the General Plan designation of Regional/Community Commercial (RC) and the zoning designation of Central Commercial (C-C).

The Project would achieve the following General Plan Land Use Goals and Policies:

Land Use Policy L-2.8: “Encourage mixture of uses and activities that will maintain the vitality of the Downtown area.”

Implementing Actions:

- 2.8.c. Create a compact, walkable retail core with multi-cultural offerings and mixed-use development.

Land Use Policy L.1.a: “Promote balanced development which provides jobs, services, and housing.”

Implementing Actions:

- 1.1.a Promote mixed use development combining compatible employment, service and residential elements.

Land Use Policy L.1.4: “Conserve residential areas that are threatened by blighting influences.”

Implementing Actions:

- 1.1.a Support redevelopment efforts to preserve and enhance Downtown residential neighborhoods.

Land Use Policy L.2.8: “Encourage a mixture of uses and activities that will maintain the vitality of the Downtown area.”

Implementing Actions:

- 1.1.a Solidify Downtown’s role as the arts, entertainment, and dining destination.

Land Use Policy 3.2.b: “Encourage infill and development and compact urban form.”

Implementing Actions:

- 3.2.b Encourage infill and redevelopment projects within the urban area that could enhance the effectiveness of the transit system.

Land Use Compatibility

- B) The main purpose of the Central Commercial (C-C) zone is to provide a variety of commercial and residential land uses in the central business district and regional centers. These uses help support a vibrant retail destination, provide jobs for residents, and accommodate commercial and service uses to meet the needs of community and regional businesses. The proposed land uses for this Project (hotel, restaurants, and retail shops) comply with the City of Merced General Plan designation of Regional/Community Commercial (RC) and the zoning classification of Central Commercial (C-C).

Parking

- C) The subject site is located within the City's Downtown Parking District, which does not require off-street parking for uses on the first floor. Parking for the first floor can be served by five City-owned parking lots located within a 400-foot radius of the subject site. However, off-street parking shall be required for uses above the first floor (100 hotel rooms). The parking requirement for a hotel is one parking stall for each bedroom up to six bedrooms, and one parking stall for every three bedrooms after that. Based on the proposed 100 rooms, 38 parking stalls shall be required. Parking may be provided on a parking lot located within 400 feet of the subject site (through a parking agreement as outlined in MMC Section 20.58.370.C.) or as otherwise allowed within the Zoning Ordinance. The applicant is currently working with the City's Economic Development Department to determine if a parking agreement may be executed to use City-owned parking facilities. The applicant shall provide proof of parking during the building permit stage (Condition #25). Payment of in-lieu fees may be acceptable.

Signage

- D) The applicant is proposing to restore the existing El Capitan Hotel blade sign along M Street. In addition, the applicant is proposing to install a sign reading "El Capitan Hotel" above the restaurant awning, at the northwest corner of M Street and Main Street. All signage (and structures in general extending over the public right-of-way) shall require an encroachment permit (Condition #9). Signage will be reviewed by Planning staff with a sign permit (Condition #20).

Neighborhood Impact/Interface

- E) The subject site is located in Downtown Merced and is surrounded by a variety of commercial businesses and administrative buildings (Merced Civic Center, Merced County District Attorney's Office, UC Merced Downtown Center, etc.). The proposed land uses (hotel, restaurants, coffee shop, and retail spaces) are principally permitted within the Central Commercial (C-C) zone and are common throughout the Downtown area. There are no hotels within a 400 foot radius of the subject site, but there are several high-density residential uses, including the Tioga Hotel and the Merced Lofts. Based on the existing uses in the neighborhood, the proposed land uses would not create any unusual circumstances for the Downtown area.

The Economic Development Department believes that the hotel could encourage future development and provide substantial economic benefits for existing businesses. A Public Hearing Notice was circulated in the Merced County Times and mailed to property owners within 300 feet of the subject site three weeks prior to this meeting. Staff has received several calls from Downtown merchants who support this project and/or would like to collaborate with the hotel for business purposes. As of the date that this report was prepared, staff has not received any negative comments or concerns from the public about this Project.

Traffic

- F) M Street has four through lanes, two northbound and two southbound, and Main Street has two through lanes, one westbound and one eastbound. TJKM Transportation reviewed a recent traffic study by Fehr and Peers prepared for the new UC Merced Downtown Center (3-story building) on 18 Street, between N Street and M Street. The studies showed that the roadway near the El Captain Hotel may have an estimated traffic count of 1,800 vehicles per day (vpd) with projected volumes of about 2,800 vpd by 2030. According to TJKM Transportation, the projected vpd is considered modest for a four-lane street. The adjacent signalized intersections at M Street and 18 Street, and M Street and Main Street have a peak hour Level of Service (LOS) in the LOS B and LOS C range, both now and in 2030. It is common for the LOS to drop significantly in Downtown areas, as they tend to have mixed-use developments and entertainment businesses that attract high volumes of traffic. Staff is of the opinion that the existing streets can adequately serve this project.

Site Plan

- G) The 0.5-acre subject site is located at the northwest corner of Main Street and M Street. Vehicle access will be available from new loading zones along Main Street and M Street. The hotel will have a “C-shape” configuration, constructed to the edges of the property lines. Outdoor seating will be provided along M Street on a 2,000-square-foot courtyard. This courtyard will feature pavers, outdoor tables, shrubs, trees, canopies, and overhead lights. Pedestrian access will be available from the sidewalk along Main Street and M Street, and from the Arbor Lane walkway that connects directly with the Shannon Arcade. ADA improvements shall be required for the sidewalk along the perimeter of the subject site and for the street corner ramp at the northwest corner of M Street and Main Street (Conditions #27 and #28). Refuse will be serviced along the alley north of the subject site.

Loading Zones

To accommodate a 9-foot-wide loading zone along M Street, portions of the westernmost southbound lane would have to be widened. In general, the southbound lanes along M Street are 11 feet wide. However, the westernmost southbound lane next to the subject site is 17 feet wide (but narrows to 11 feet at the bulb by the street corner). By widening the road by three feet, from 17 feet to 20 feet, there will be adequate space to accommodate an 11-foot wide southbound lane (with a bike path of some sort) and a 9-foot-wide indentation for hotel loading. Widening this road requires approval from the Engineering Department (Condition #10). Customer loading, especially of luggage, should be encouraged off the alley or Main Street, not M Street, which is a busy arterial (Condition #10).

Moreover, there is currently an MCAG bus stop along M Street that must be removed to accommodate a hotel loading zone. Over the past few weeks, MCAG and the applicant have collaborated to relocate the existing bus stop to a different location on M Street (potentially between Main Street and 16 Street). MCAG staff has been receptive to this idea and is working with the applicant to relocate their bus stop (Condition #11).

Public Improvements

- H) As required by Merced Municipal Code Section 17.04.050 and 17.04.060, full public improvements shall be installed/repared if the permit value of the project exceeds \$85,000.00. Public improvements may include, but not be limited to, repairing/replacing the sidewalk, curb, gutter, and street corner ramp(s), so that they comply with ADA standards, repaving the westerly south bound lane on M Street (for the portion fronting the subject site), and other relevant City of Merced/State/Federal standards and regulations. (Condition #27).

Design Recommendation

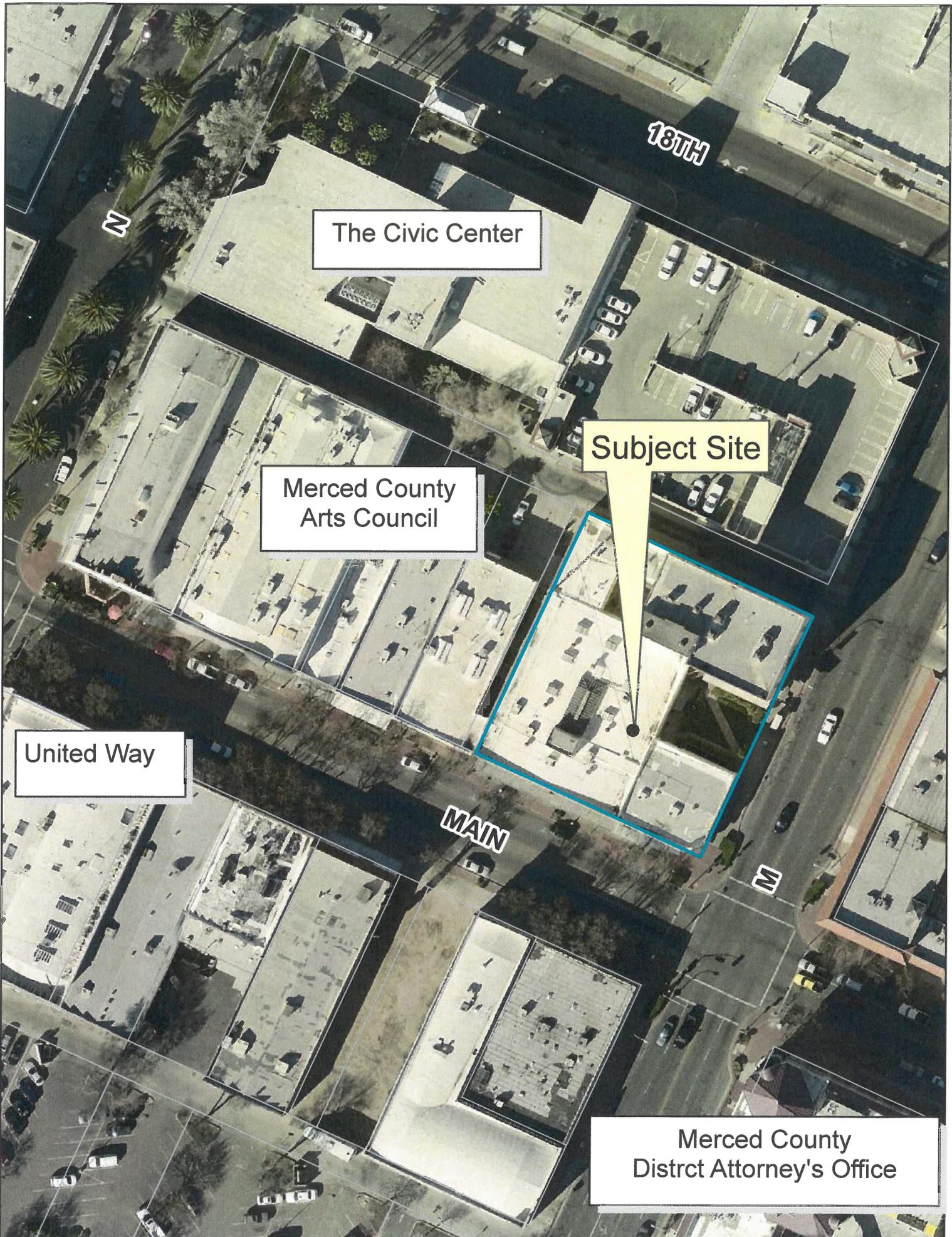
- I) Staff believes that the proposed design, concepts, and materials are of high quality. However, to better integrate the Project with the Downtown area, staff is recommending that the applicant replace the proposed brown brick veneer with red brick veneer (Condition #23). Red brick is common throughout the Downtown area and is used on sidewalks, street corner bulb-outs, garden beds, and buildings (Attachment H). By incorporating red brick on the exterior elevations, the building design would better integrate with the Downtown area and achieve a more localized architecture.

Environmental Clearance

- J) Planning staff conducted an environmental review of the project in accordance with the requirements of the California Environmental Quality Act (CEQA), and a Categorical Exemption is being recommended (Attachment K). Consideration was provided for the impacts that this Project could have on a potential historic resources (El Capitan Hotel Annex). At the time that the application was accepted, the El Capitan Hotel Annex was not part of the Federal, State, or local historic registry. Page & Turnbull prepared a Historic Resource Evaluation (HRE) where they examined the potential for historic designation based on the criteria outlined in the California Register of Historical Resources. These studies focused on the building's cultural, social, religious, and architectural value. In summary, Page & Turnbull's findings showed that the demolition of the adjacent single story structure (at 611, and 613-621 W. Main Street) should have no impacts on historical resources, because this building does not qualify for historic designation. The El Capitan Hotel Annex may qualify for historic designation based on the architectural value of the hotel (art deco design). However, because the applicant is proposing to not modify the exterior of the El Capitan Hotel Annex (besides structural and safety-related modifications), this Project should have no impacts on historical resources. Future requests to modify the exterior of the El Capitan Hotel Annex shall require Design Review approval and perhaps an Initial Study to examine the impacts on a potential historic resource (Condition #21).

Attachments:

- A. Location Map
- B. Site Plan
- C. Existing Floor Plan
- D. Proposed Floor Plan
- E. Existing Elevations
- F. Proposed Elevations
- G. Renderings
- H. Downtown Materials (Bricks)
- I. Loading Zones: TJKM Transportation Recommendation
- J. Page & Turnbull Historic Resource Evaluation Executive Summary
- K. Categorical Exemption
- L. Draft Planning Commission Resolution



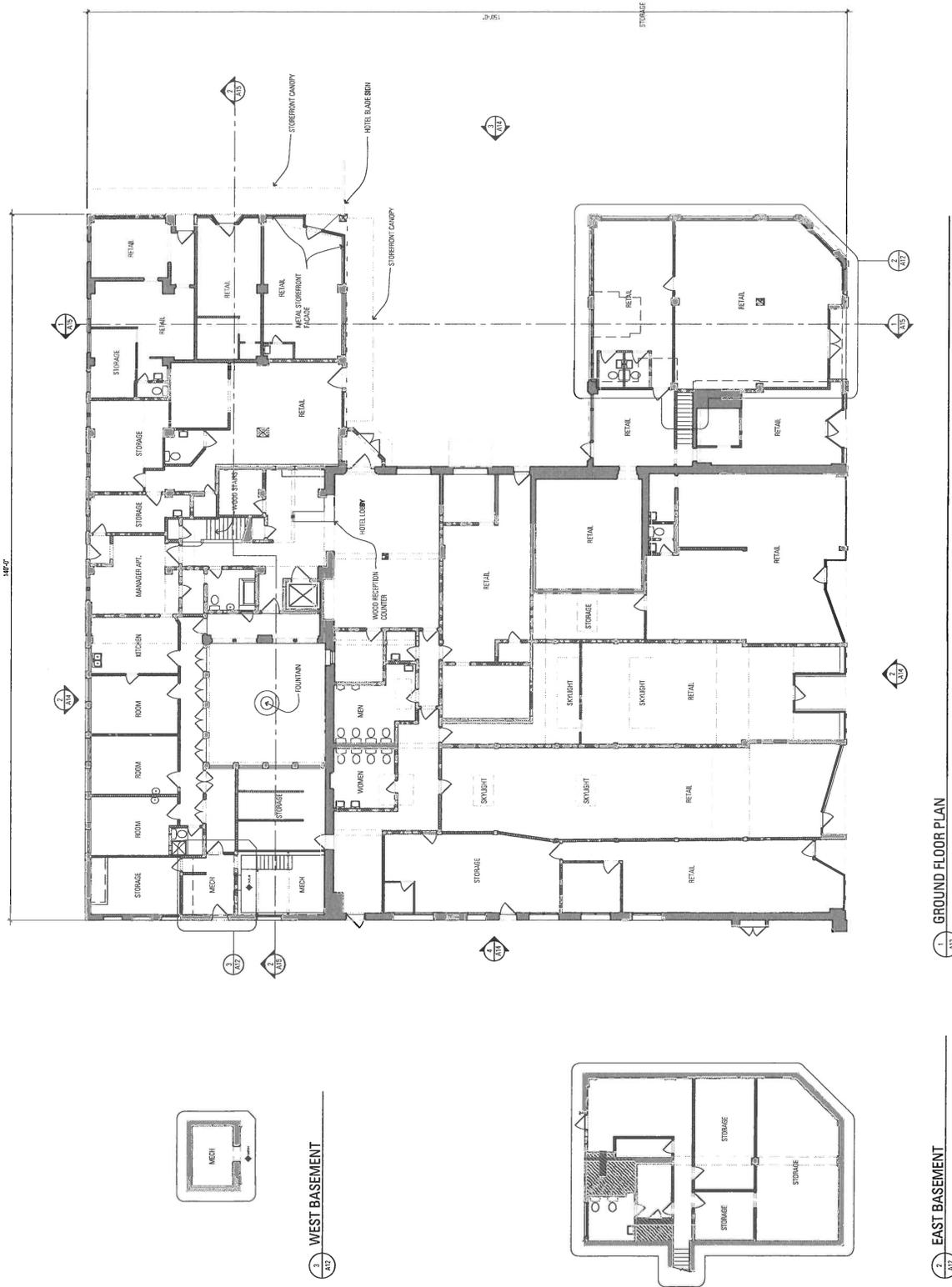
The Civic Center

Merced County
Arts Council

United Way

Subject Site

Merced County
District Attorney's Office



ATTACHMENT C

EXISTING GROUND FLOOR & BASEMENT PLANS

EL CAPITAN HOTEL | MERCED, CA

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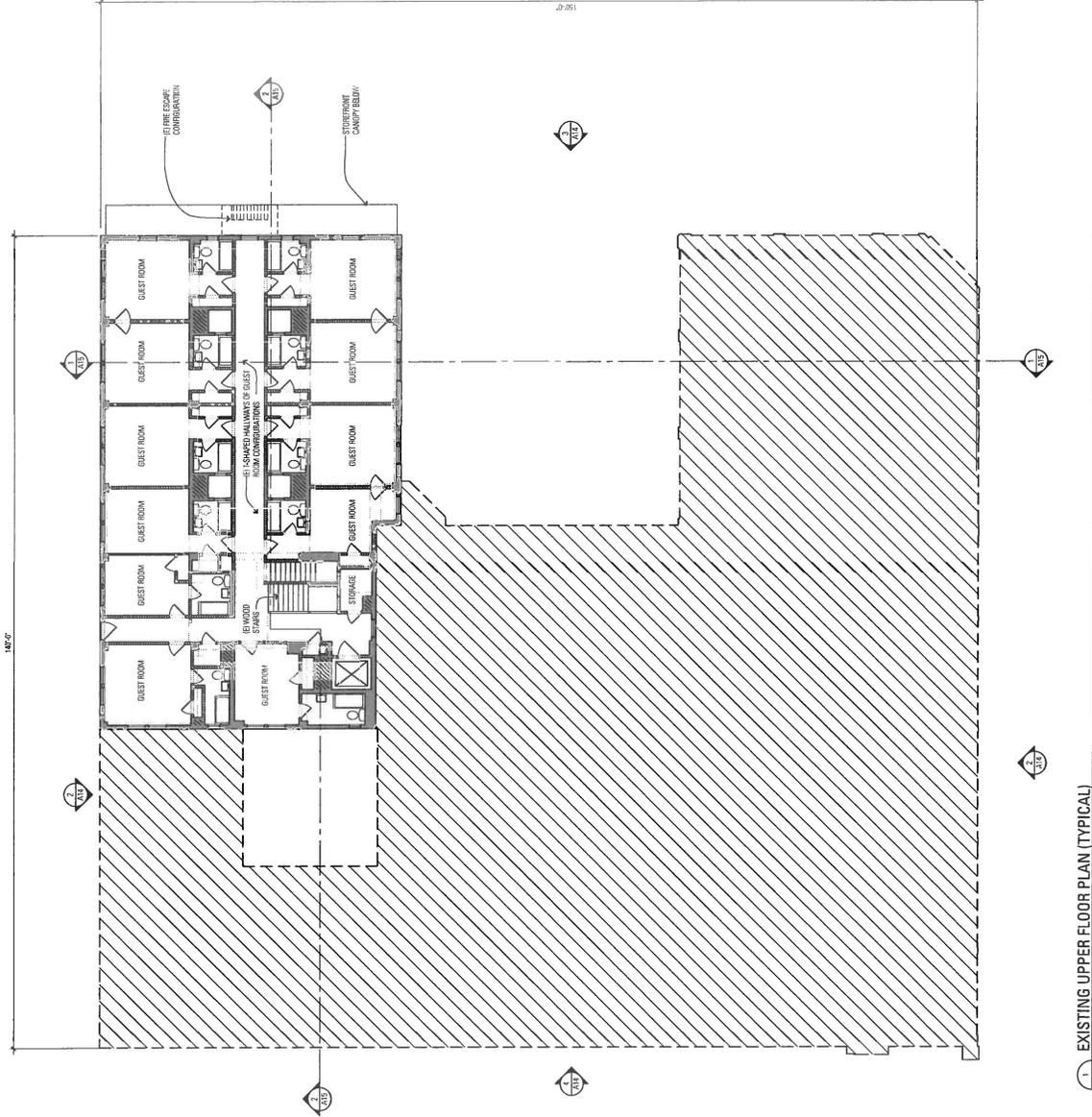
BAR architecture
 301 Battery Street, Suite 300 | San Francisco, CA 94111 | 415.293.5700 | www.bararch.com

15064

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EXISTING UPPER FLOOR PLAN (TYPICAL)

EXISTING TYPICAL FLOOR PLAN

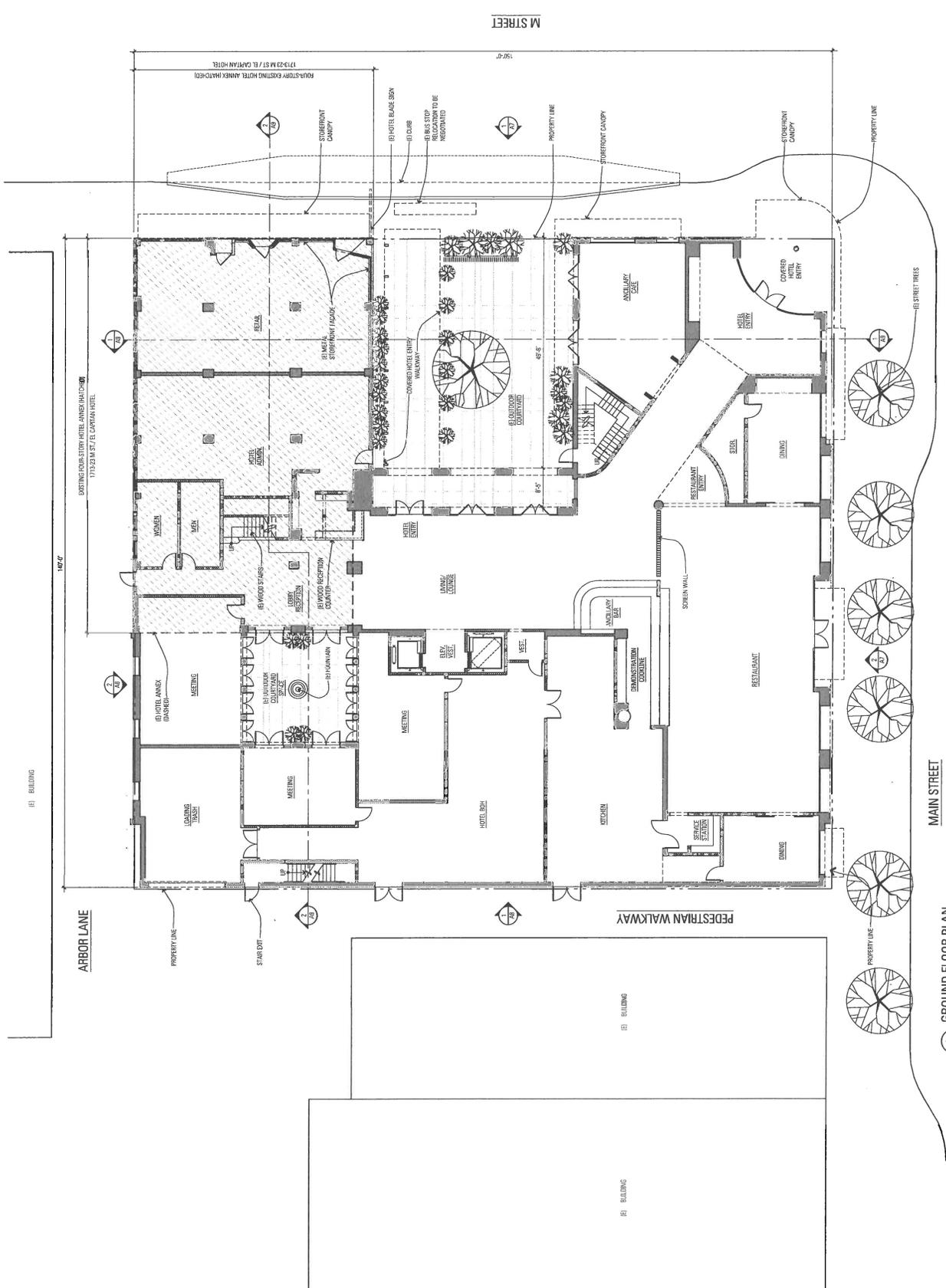
EL CAPITAN HOTEL | MERCED, CA

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ATTACHMENT D

GROUND FLOOR PLAN

MERCED, CA

EL CAPITAN HOTEL

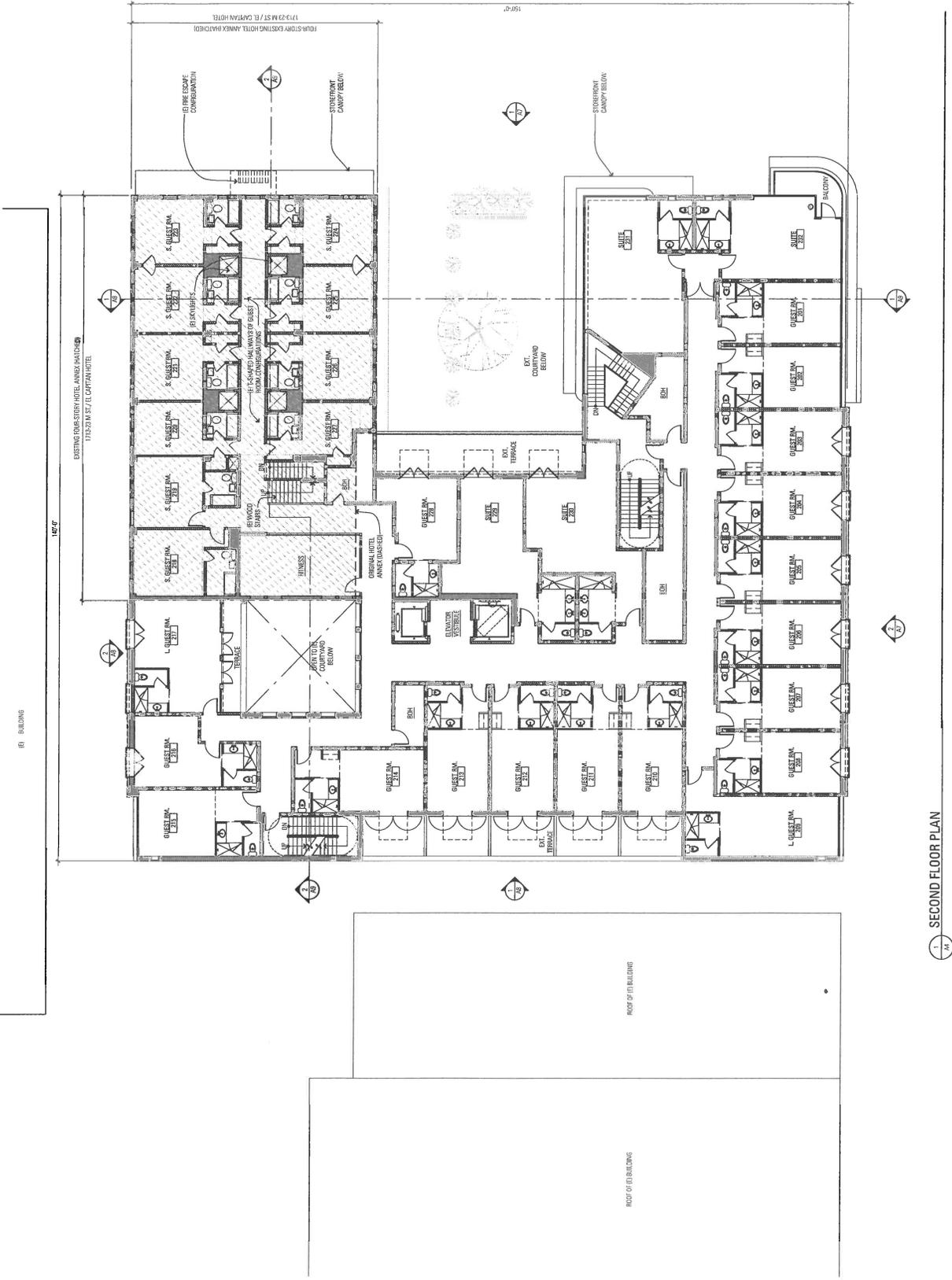
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SECOND FLOOR PLAN

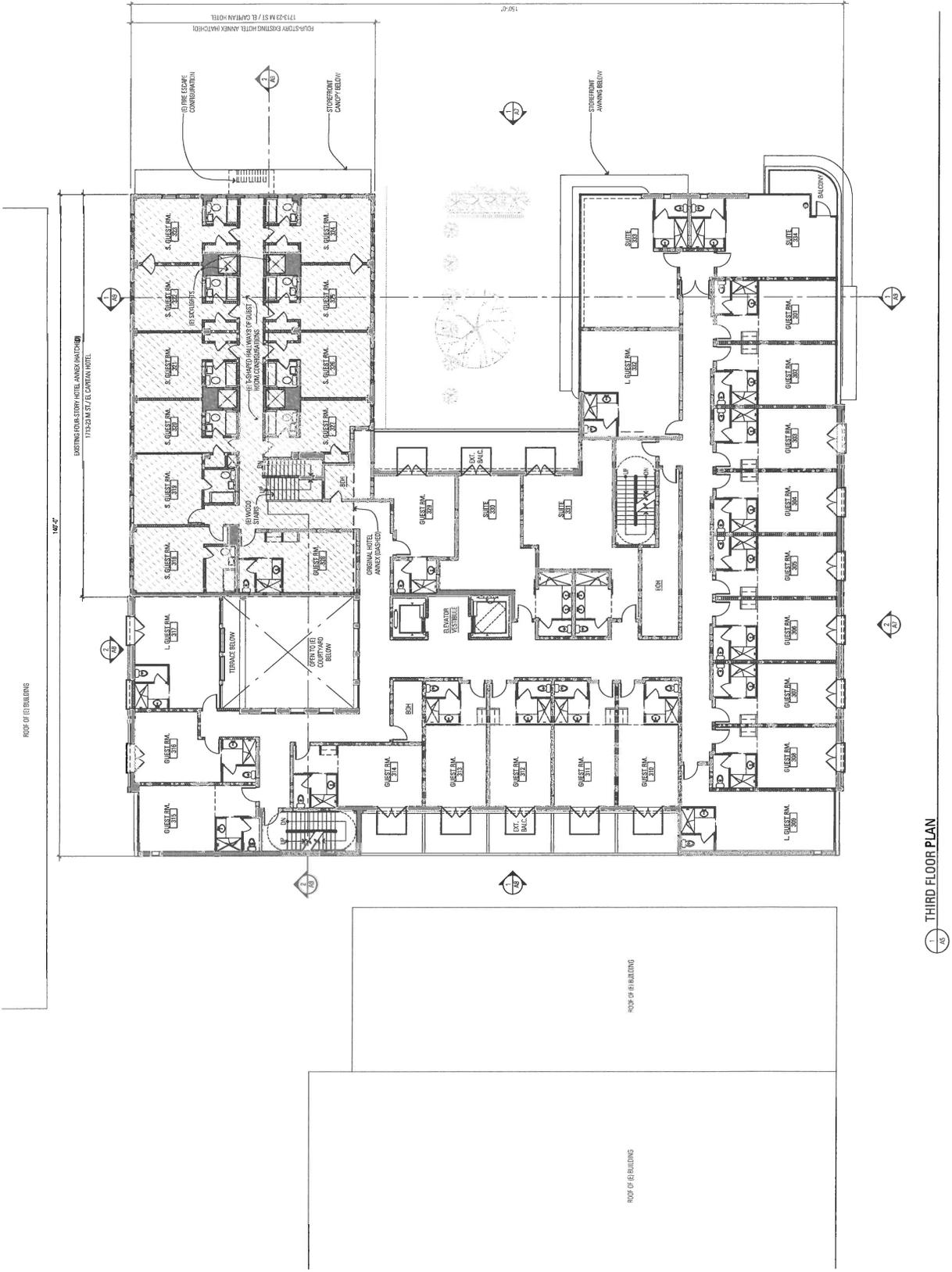
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1 SECOND FLOOR PLAN



THIRD FLOOR PLAN

EL CAPITAN HOTEL | MERCED, CA

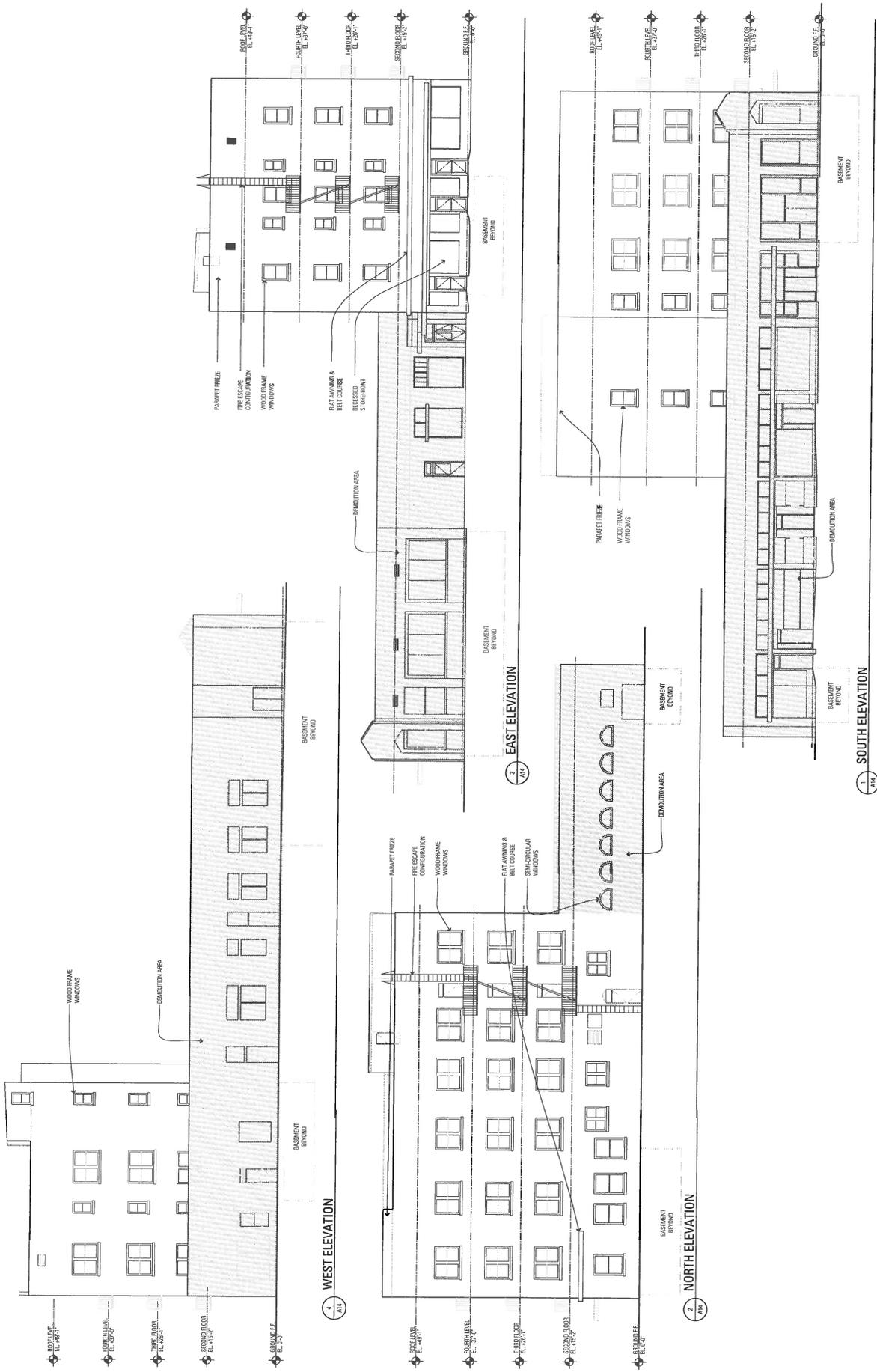


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1 THIRD FLOOR PLAN



ATTACHMENT E

EXISTING EXTERIOR ELEVATIONS

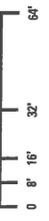
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PERSPECTIVE FROM THE CORNER OF M & MAIN STREET

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ATTACHMENT G

THIS DOCUMENT IS THE PROPERTY OF BAR ARCHITECTS AND IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF BAR ARCHITECTS.

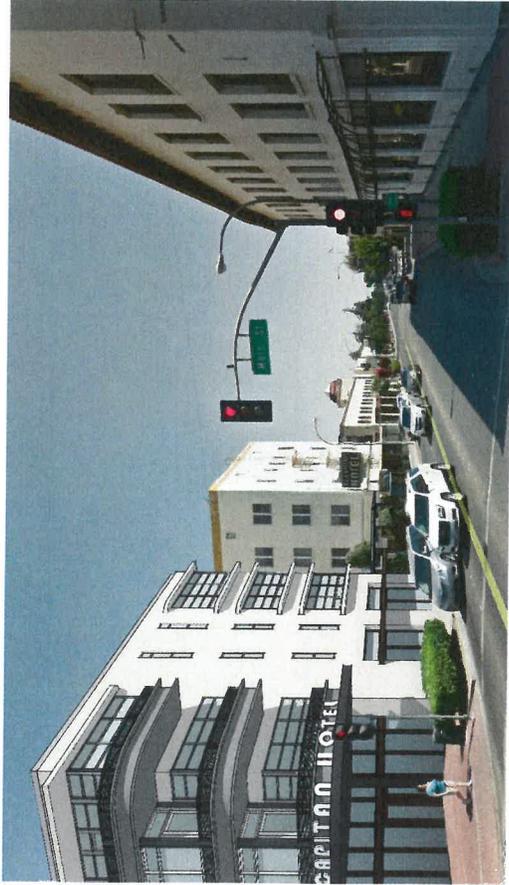
GROUP 0 2 3 3A 3AA 3AB



4. VIEW WEST ON MAIN STREET



3. VIEW EAST ON MAIN STREET



2. VIEW NORTH ON M STREET



1. VIEW SOUTH ON M STREET

EL CAPITAN HOTEL | MERCED, CA

STREET PERSPECTIVES

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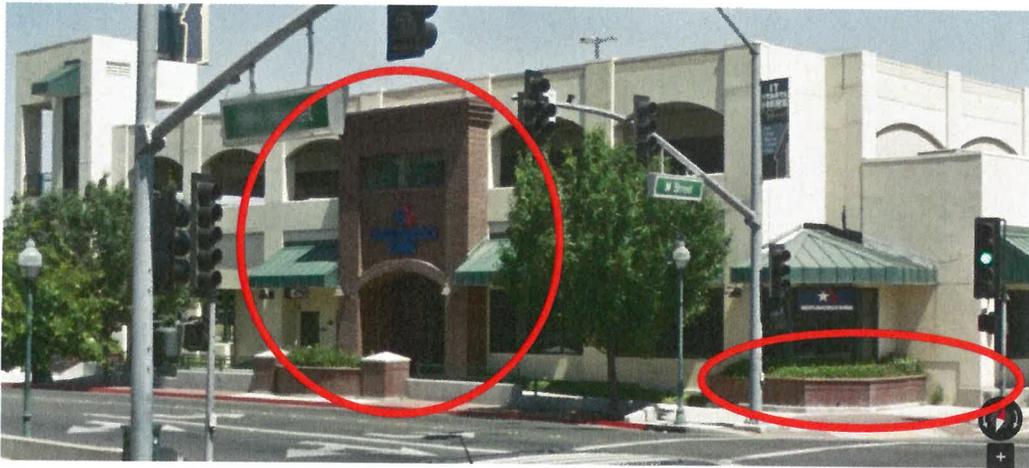
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ATTACHMENT H



VISION THAT MOVES YOUR COMMUNITY

Technical Memorandum

Date: June 30, 2016

To: John Martin

Project No.: 086-018

From: Chris D. Kinzel

Jurisdiction: City of Merced

Subject: **Review of El Capitan Hotel M Street Loading Zone**

TJKM has provided technical input for the proposed recessed passenger loading zone on the west side of M Street in front of the El Capitan Hotel just north of Main Street in downtown Merced. This will be used for ancillary loading and unloading for hotel guests.

The conceptual design of the proposed loading zone is shown on the attached figure. In this area, M Street has four through lanes, two northbound and two southbound. TJKM reviewed the recent traffic study conducted by Fehr and Peers for the proposed UC Merced office building between 18th Street and 19th Street and determined that the roadway near the El Capitan Hotel has an estimated daily traffic count of about 1,800 vehicles per day (vpd) with projected daily volumes of about 2,800 vpd in 2030. These are generally considered to be modest volumes for a four-lane street. The adjacent signalized intersections – M Street at 18th Street and M Street at Main Street -- have peak hour levels of service in the LOS B or C range, both now and in 2030.

In most areas, the southbound lanes of M Street average about 11 feet in width for several blocks near the El Capitan, with no parking permitted. However, in the block nearest the hotel, the curb lane has an existing width of 17 feet. This narrows to 11 feet at the bulb out at Main Street. TJKM proposes to widen the street in front of the hotel by three feet to 20 feet, which will accommodate the prevailing 11 foot lane width plus a nine foot indentation for the loading zone. Pavement markings would guide through traffic in the proper lanes. The recessed lane is about 75 feet in length, accommodating three cars. There is also a transition on each end of the loading zone.

In our opinion, the proposal would provide for safe operations of a loading zone for the El Capitan Hotel, taking into account the existing and future traffic volumes along M Street. We would welcome any comments on this information.

I. INTRODUCTION

This Historic Resource Evaluation (HRE) has been prepared at the request of NuovaRE for 1713-23 M Street in Merced, known as the El Capitan Hotel, as well as adjacent commercial buildings on the parcel that are addressed 611 Main Street and 613-621 Main Street (APN 003-05-027). This report uses the most recent name, the El Capitan Hotel, to discuss the hotel building (**Figure 1**).

EXECUTIVE SUMMARY

Originally constructed in 1924, the El Capitan Hotel at 1713-23 M Street was remodeled in 1936 following the demolition of the main portion of the original hotel after a fire. The remodel included a new lobby, part of 613-21 West Main Street, a new brick banquet hall, and a small interior courtyard. The hotel is significant under California Register Criterion 1 for its association with the series of El Capitan Hotels that represent the growing popularity of tourism through Merced as the 'Gateway to Yosemite' and mark the development of the city's downtown. The period of significance for the building is 1924 to 1936, marking the annex's original construction through its rehabilitation into a fully functioning hotel. Based on this finding of significance, only the portions directly associated with the hotel function contribute, while the retail spaces facing West Main Street do not contribute. 611 West Main Street was not found to be eligible for listing in the California Register. According to CEQA guidelines, 1713-23 M Street and 613-21 West Main Street should be considered a historical resource for the purposes of CEQA.

The proposed project includes rehabilitating the El Capitan Hotel annex and replacing the other existing buildings with a new four-story hotel with ground floor commercial spaces that would be attached to the annex. As the analysis in this report demonstrates, the proposed project does not comply with all of the *Secretary of the Interior's Standards for Rehabilitation* since some of the character-defining features and materials will be demolished. However, the project will reintroduce the historic hotel use, and ultimately the annex will continue to convey its significance as part of a long history of historic hotels. Project-specific impacts will be **less than significant with mitigation**, which has been suggested in this report. No cumulative impacts were identified.

METHODOLOGY

This Historic Resource Evaluation provides a summary of previous historical surveys and ratings, a site description, historic context, and an evaluation of the property's individual eligibility for listing in the National Register of Historic Places and the California Register of Historical Resources.

Page & Turnbull prepared this report using research collected by previous historic evaluation reports and various local repositories, including the City of Merced Planning Department, Merced County Assessor's Office, Merced County Library, and Merced County Courthouse Museum Archives in Merced; the San Francisco Public Library; the Online Archive of California; and various other online sources. A number of historical materials such as newspaper articles and photographs were provided by NuovaRE from historical consultants ELS and Heritage Consulting Group, who conducted historic research and prepared preliminary reports in 2015. Page & Turnbull conducted a site visit in May 2016 to review the existing conditions of the property and formulate the descriptions and assessments included in this report.

NOTICE OF EXEMPTION

To: _____ Office of Planning and Research
P.O. Box 3044
Sacramento, CA 95812-3044

From: (Public Agency)
City of Merced
678 West 18th St.
Merced, CA 95340

X County Clerk
County of Merced
2222 M Street
Merced, CA 95340

Project Title: Design Review #16-02 (Environmental Review #16-27)

Project Applicant: El Capitan Hotel Merced, LLC

Project Location (Specific): 611, 613-621 W. Main Street and 1715 M Street
APN: 031-133-008

Project Location - City: Merced **Project Location - County:** Merced

Description of Nature, Purpose, and Beneficiaries of Project:

Name of Public Agency Approving Project: City of Merced

Name of Person or Agency Carrying Out Project: El Capitan Hotel Merced, LLC

Exempt Status: (check one)

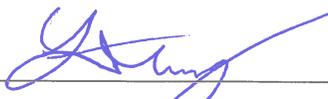
- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State Type and Section Number: 15332
- Statutory Exemptions. State Code Number: _____.
- General Rule (Sec. 15061 (b)(3))

Reasons why Project is Exempt:

As defined under the above referenced Section, the proposed project is considered an in-fill project. The project location is within the City limits on a parcel less than two acres, surrounded by urban uses. The site can be served by all required utilities and public services, and the project site has no value as habitat for endangered, rare or threatened species. No significant effects resulting from traffic, noise, air quality, or water quality will result from the construction of the building. The project is consistent with the City of Merced General Plan and Zoning regulations.

Lead Agency: City of Merced

Contact Person: Francisco Mendoza-Gonzalez **Area Code/Telephone:** (209) 385-6858

Signature:  **Date:** 08-24-2016 **Title:** Planner

X Signed by Lead Agency Date Received for Filing at OPR: _____
(If applicable)

Authority Cited: Sections 21083 and 21110. Public Resources Code
Reference: Sections 21108, 21152, and 21152.1. Public Resources Code

CITY OF MERCED
Planning Commission

Resolution # _____

WHEREAS, the Merced City Planning Commission at its regular meeting of September 21, 2016, held a public hearing and considered **Design Review #16-02**, initiated by El Capitan Hotel Merced, LLC, property owner(s). This application involves a request to rehabilitate an existing 33-room hotel at 1715 M Street and to construct a new four-story hotel (for a total of 100 rooms) with a restaurant and retail space at 611 and 613-621 W. Main Street, generally located at the northwest corner of M Street and Main Street, within a Central Commercial (C-C) Zone; also known as Assessor's Parcel No. 031-133-008; and,

WHEREAS, the Merced City Planning Commission concurs with Findings A through I of Staff Report #16-19; and,

NOW THEREFORE, after reviewing the City's Draft Environmental Determination, and discussing all the issues, the Merced City Planning Commission does resolve to hereby adopt a Categorical Exemption regarding Environmental Review #16-27, and approve Design Review #16-02, subject to the Conditions set forth in Exhibit A attached hereto and incorporated herein by this reference.

Upon motion by Commissioner _____, seconded by Commissioner _____, and carried by the following vote:

AYES: Commissioner(s)

NOES: Commissioner(s)

ABSENT: Commissioner(s)

ABSTAIN: Commissioner(s)

ATTACHMENT L

PLANNING COMMISSION RESOLUTION # _____

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September 21, 2016

Adopted this 21st day of September 2016

Chairperson, Planning Commission of
the City of Merced, California

ATTEST:

Secretary

Attachment:

Exhibit A – Conditions of Approval

n:shared:planning:PC Resolutions:DR#16-02 El Capitan Hotel (611 & 613-621 W. Main St.)

Conditions of Approval
Planning Commission Resolution # _____
Design Review #16-02

1. The proposed project shall be constructed/designed as shown on Exhibit 1 (site plan), Exhibit 2 (floor plans), Exhibit 3 (elevations) -- Attachments B, D, and F of Staff Report #16-19, except as modified by the conditions.
2. The proposed project shall comply with all standard Municipal Code and Subdivision Map Act requirements as applied by the City Engineering Department.
3. All other applicable codes, ordinances, policies, etc., adopted by the City of Merced shall apply.
4. The developer/applicant shall indemnify, protect, defend (with counsel selected by the City), and hold harmless the City, and any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof, from any and all claims, actions, suits, proceedings, or judgments against the City, or any agency or instrumentality thereof, and any officers, officials, employees, or agents thereof to attack, set aside, void, or annul, an approval of the City, or any agency or instrumentality thereof, advisory agency, appeal board, or legislative body, including actions approved by the voters of the City, concerning the project and the approvals granted herein. Furthermore, developer/applicant shall indemnify, protect, defend, and hold harmless the City, or any agency or instrumentality thereof, against any and all claims, actions, suits, proceedings, or judgments against any governmental entity in which developer/applicant's project is subject to that other governmental entity's approval and a condition of such approval is that the City indemnify and defend (with counsel selected by the City) such governmental entity. City shall promptly notify the developer/applicant of any claim, action, or proceeding. City shall further cooperate fully in the defense of the action. Should the City fail to either promptly notify or cooperate fully, the developer/applicant shall not thereafter be responsible to indemnify, defend, protect, or hold harmless the City, any agency or instrumentality thereof, or any of its officers, officials, employees, or agents.
5. The developer/applicant shall construct and operate the project in strict

compliance with the approvals granted herein, City standards, laws, and ordinances, and in compliance with all State and Federal laws, regulations, and standards. In the event of a conflict between City laws and standards and a State or Federal law, regulation, or standard, the stricter or higher standard shall control.

6. All modifications shall meet or exceed the building codes in effect at the time of building permit application submittal. New codes are in effect January 1, 2017.
7. The development shall meet all applicable Fire Department requirements which include, but are not limited to, installing a fire control room, Fire Department connect, and a fire pump.
8. The applicant shall work with the City's Engineering and Fire Departments to determine if the exterior fire escapes on the El Capitan Hotel Annex are structurally safe. The exterior fire escapes may need to be removed if required by the City's Engineering and Fire Departments.
9. All structures extending over the public right-of-way shall require encroachment permits (including balconies, overhangs, and signs).
10. The applicant shall obtain approval from the City's Engineering Department to widen City streets to create customer loading zones on Main Street and M Street. Customer loading, especially of luggage, is also encouraged off the alley or Main Street, not M Street.
11. The applicant shall obtain approval from the Merced County Association of Governments (MCAG) Transit Joint Powers Authority to relocate the existing bus turn-out along M Street to accommodate a customer loading zone.
12. The project shall comply with the requirements of the California Urban Level of Flood (200-year Flood) and all FEMA flood zone requirements, where applicable.
13. The project shall comply with all the Post Construction Standards required to comply with state requirements for the City's Phase II MS-4 Permit (Municipal Separate Storm Sewer System).
14. The developer shall work with the City Engineer to determine the requirements for storm drainage on the site. The developer shall provide all necessary documentation for the City Engineer to evaluate the storm drain system. All storm drain systems shall be installed to meet City Standards and state regulations.

15. All landscaping in the public right-of-way and on-site shall comply with State Water Resources Control Board Resolution No. 2015-0032 “To Adopt an Emergency Regulation for Statewide Urban Water Conservation” and the City’s Water Conservation Ordinance (Merced Municipal Code Section 15.42). Xeriscape or artificial turf shall be used in place of natural sod or other living ground cover. If turf is proposed to be installed in park-strips or on-site, high quality artificial turf (approved by the City Engineer and Development Services Director) shall be installed. All irrigation provided to street trees, or other landscaping shall be provided with a drip irrigation or micro-spray system.
16. The developer shall use proper dust control procedures during site development in accordance with San Joaquin Valley Air Pollution Control District rules.
17. The proposed restaurant shall meet all applicable Merced County Health Department requirements.
18. Building lighting shall be shielded or oriented in a way that does not allow “spill-over” onto adjacent lots in compliance with the California Energy Code requirements. Any lighting on the building shall be oriented to shine downward and not spill-over onto adjacent parcels.
19. The applicant shall work with the City’s Refuse Department to determine the location and method for refuse service. In addition, the applicant shall work with the City’s Refuse Department to determine if a recycling container will be required to comply with AB 341.
20. All signing shall comply with the City’s Sign Ordinance. Building permits shall be obtained prior to installing any permanent signing. A Temporary Sign Permit shall be obtained prior to installing any temporary signs or banners. Freestanding or A-frame signs are not allowed.
21. Future exterior remodels or major site modifications shall require design review approval from the Planning Commission or their designated review board.
22. Exterior painting and minor exterior modifications shall require staff level design review.
23. The developer shall replace the proposed brown brick veneer with red brick veneer that matches the brick used throughout Downtown

sidewalks and street corner ramps. The bricks' color and texture shall be reviewed and approved by Planning staff during the building permit stage.

24. Approval of this request does not allow the hotel or restaurant to operate as a bar or night club per MMC 20.04.075 and 20.04.315 (code references subject to change under new Zoning Code). Bars and night clubs are considered conditional uses and shall require conditional use permit approval from the Planning Commission.
25. The applicant shall provide proof of a parking agreement during the building permit stage to meet the parking requirements for all uses above the ground floor (approximately 38 parking spaces). The parking agreement shall comply with MMC Section 20.58.370.C., unless the Zoning Ordinance is amended to allow other means of satisfying parking requirements. Payment of in-lieu fees per MMC 20.58.510 may also be acceptable.
26. Anti-graffiti coating shall be applied to the building's exterior to curb graffiti. The applicant shall maintain a clean and respectable appearance of the building at all times, and any graffiti or other vandalism done to any building or future accessory structure shall be rectified or repaired within a reasonable amount of time.
27. As required by Merced Municipal Code Section 17.04.050 and 17.04.060, full public improvements shall be installed/repared if the permit value of the project exceeds \$85,000.00. Public improvements may include, but not be limited to, repairing/replacing roads, sidewalk, curb, gutter, and street corner ramp(s), so that they comply with ADA standards and other relevant City of Merced/State/Federal standards and regulations.
28. Any missing or damaged improvements along the property frontage shall be installed/repared to meet City Standards. Any improvements that don't meet current City Standards shall be replaced to meet all applicable standards.