



**Electronic Submittal**

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**Re: Transmittal of Formal Application for a Conditional Use Permit and Development Review Permit for a new Genesis-Hyundai Service Center at 2150 Old Middlefield Road, Mountain View, CA. (PL-2024-112)**

Dear Mr. Kwan:

On behalf of the Cardinale Auto Group (“**Cardinale**” or “**Applicant**”), Cardinale is pleased to submit this Formal Application for a Conditional Use Permit (“**CUP**”) and Development Review Permit (“**DRP**”) for a new Genesis-Hyundai Service Center (“**Service Center**”) located at 2150 Old Middlefield Way in Mountain View, CA.

### **The Modern Dealership**

The planned Genesis-Hyundai Showroom at the Village at San Antonio Center North will be one of the first of its’ kind in the country. The Genesis brand is Hyundai America’s “luxury” brand. Together, the Showroom and Service Center constitute a modern dealership using a new model that enables customers to enjoy the brand experience in a boutique showroom environment, in a non-traditional, non “auto row” type setting. Shopping center operators like the Village at San Antonio Center North are increasingly looking to incorporate these boutique showrooms as a way of driving more traffic to the center with a highly complementary and dynamic use. In such models, the service center part of the dealership is in a separate off-site location, though typically the business is still operated as one dealership, as will be the case with Cardinale’s new Service Center.

### **LAND USE DESIGNATIONS**

**Mountain View 2030 General Plan** - The site is designated **General Commercial** under the Mountain View General Plan, which supports a broad range of commercial and light industrial serving businesses and residents (such as automotive repair).

**Zoning** – The site is located within the **(CS) Commercial-Service** zoning district, which allows service commercial and industrial uses that serve local residents and businesses. These uses include automotive repair, retail and wholesale businesses, carpentry shops, veterinary clinics and similar and related compatible uses.

## PROJECT DESCRIPTION

Cardinale has leased an approximately 10,293 sq. ft. space within the Village at San Antonio Center North (“**Center**”), located at 2575 California Street, Suites 90 & 92 in Mountain View, for the purpose of operating two separate but contiguous showrooms for its Genesis and Hyundai brands (the “**Showroom**”). The studios will be located at the corner of California Street and Pacchetti Way in Building 6 at the Center. Cardinale has secured 100 parking spaces for its exclusive use for vehicle inventory storage in the adjacent Building 5 parking garage on the 8<sup>th</sup> floor (rooftop) of the building. The Showroom is not a part of this application.

Additionally, Cardinale has acquired a .81-acre site located at 2150 Old Middlefield Way, approximately 1.5 miles from the Showroom, with plans to operate a Service Center to support Showroom operations in an existing, 11,130 SF warehouse style building. The existing building, built in 1965, has 3 grade level roll up doors, 5 double doors, with 13’ – 15’ interior clear height and is surrounded by a surface level parking lot. The existing building has been operated continuously over the years, often serving multiple tenants at one time.

### Tenant Improvements and Façade Enhancements

The scope of work for the Service Center includes interior tenant improvements (“**TI’s**”) and façade enhancements to match Genesis-Hyundai corporate branding. The building will be divided into separate offices and service bays for Genesis and Hyundai vehicles. The interior space for each brand will include offices for service writer’s personnel, lounge areas, restrooms, 7 service bays for each brand (total of 14 service bays) for gasoline and electric powered vehicles. The building includes separate interior spaces for parts storage, trash storage, and EV storage. Additionally, the Project will add one open-air canopy, or porte-cochere, to each side of the building for customer drop off and vehicles to pass through. The remainder of the building exterior will be freshly painted. Minimal site improvements are proposed.

The project would maintain the two existing driveways along Old Middlefield Way. The eastern driveway would be full access and would provide direct access to the Hyundai side of the Service Center. The western driveway would be in-bound only and would provide direct access to the Genesis side of the Service Center. Vehicles that enter via the eastern driveway would require a three-point turn to turn around and exit the site. Vehicles that enter via the western driveway would navigate through the site in a clockwise direction.

### Service Center Operations

The Service Center will employ a Concierge Service model to provide a “white glove”, high touch experience for its customers. All Genesis car owners throughout the country receive “Concierge Services” for the on-going maintenance of their vehicles. Genesis car owners make an appointment to have their vehicles serviced, and then service personnel will pick up the car at their homes, office or other preferred location, and return it back to the customer when the service is completed, usually the same day. At the Service Center, Cardinale intends to provide Concierge Services to approximately 50% or more of its Hyundai model customers as well. Therefore, the majority of Cardinale customers will not have the need to visit the Service Center.

## Employees

Cardinale's two locations will operate as one dealership. There will be approximately 15 – 20 employees at the Service Center. This includes technicians servicing cars in the 14 on-site service bays. A single technician may service more than one bay. The remaining personnel will be Staff members supporting Service Center operations such as service writers and concierge pick up/delivery personnel.

## Hours of Operation

It is anticipated that the Service Center will be open 6 days per week: Monday – Friday 7:30 am – 6:00 pm, and Saturdays 8:00 am – 3:00 pm. Hours are subject to change.

## Services Provided

The Service Center will handle mostly routine maintenance, and small warranty repairs covered under the first three years of vehicle purchase. Services include minor maintenance such as oil changes, tire rotation, changing transmission fluid, replacement of air and oil filters, safety inspections, etc. The Service Center will not perform any collision or body shop repair services provided by a typical repair garage. The Service Center will also sell parts to local repair shops.

Each service bay handles about 1 – 2.5 vehicles per day, so the total number of vehicles being serviced over the course of the day is anticipated to range from approximately 14 to 35 vehicles. As vehicles are completed, they are immediately delivered back to the customer. If a car needs to be held overnight, the vehicle will typically be stored inside the shop in one of the service bays, or it may be parked in one of the exterior surface parking spaces.

## PROPOSED PARKING REDUCTION

Staff has determined that under Zoning Code Section 36.32.50, *Required Parking by Land Use table*, the Project will be evaluated based on the category entitled "Repair and Maintenance – Vehicle, Repair Garage" which requires 5 spaces, plus 1 space for each 200 sq. ft. of floor area. Based on the existing gross building floor area of 11,130 square feet, this results in a total required parking of 61 spaces ( $11,130 \text{ sq. ft.} / 200 = 56 + 5$ ). Due to site constraints, the Project is unable to provide the 61 required spaces and instead proposes to provide a total of 38 spaces. However, we believe this formula overstates the amount of parking needed to meet the demand generated by the Service Center, especially given the Concierge Service model to be employed and other operational characteristics, as described further below.

Per the City's *Informal Review Letter* dated August 1, 2024:

"If a parking reduction is requested, a Conditional Use Permit (CUP) is required in conformance with Section 36.48 and the applicant shall provide evidence to demonstrate, to the satisfaction of the Zoning Administrator, that the changes in conditions or issues justify the reduction and will not result in a parking deficiency and on-street parking impacts."

Cardinale requests a parking reduction, as described further below, for which the City has determined a CUP is required. Cardinale owns and operates 26 dealerships in the western United States, including several in the Bay Area, and therefore has considerable experience with managing service centers that offer Concierge Services. Vehicle movement on and off the site will be tightly managed by Cardinale personnel using a sophisticated logistics platform accessible by computer and mobile phones.

On-site parking will be primarily used to park vehicles waiting to be serviced during daytime work hours, and those vehicles that have been serviced and are waiting to be delivered to customers. The revised site plan now shows a total of 24 parking spaces, including 13 diagonal spaces and one ADA stall, and 10 exterior, temporary parking spaces for “staging” of vehicles by Cardinale personnel during daily service operations. Additionally, the site includes 14 service bays which can house cars, if needed, overnight. In total, the site has capacity for 38 cars at one time without stacking or tandem parking.

Cardinale is an experienced dealership operator and will ensure that daily servicing runs smoothly through organized and efficient use of the on-site facilities. As detailed below, based on the operational characteristics of the Service Center, the proposed supply of on-site parking is sufficient to accommodate the expected demand. Please see the attached *Parking Analysis for the Proposed Genesis-Hyundai Service Center at 2150 Old Middlefield Way in Mountain View, CA*, dated Oct. 11, 2024, by Hexagon Transportation Consultants (**Exhibit B**).

### **Parking Demand Estimate**

Employees will park off-site, either at the Showroom in the 100 spaces provided for Cardinale’s exclusive use in the Building 5 garage at the Village at San Antonio Shopping Center North, or other Cardinale Way Automotive locations. Employees will be shuttled to the site as needed by Applicant’s Showroom or Service Center personnel (a short 1.5 miles, or a 3-minute drive).

According to Hexagon, since employees would park off-site and the majority of the customers are expected to use the concierge services, on-site parking demand would only be generated by the following:

1. Hyundai customers that don’t use the concierge service, drive to the site and park their vehicle,
2. Vehicles that Cardinale personnel picked up and are parked waiting to be serviced, and
3. Vehicles that Cardinale personnel serviced and are parked waiting to be returned.

As noted above, Cardinale estimates that 50% or more of Hyundai customers would use the concierge service. Assuming 50% of the Hyundai customers do not use the concierge service and would drive to the site and park their vehicle, it is estimated that up to 9 customer parking spaces would be needed per day (average of 35 serviced vehicles per day x 50% of customers are Hyundai customers x 50% of Hyundai customers that don’t use the concierge service and need to park on site =  $35 \times 0.50 \times 0.50 = 8.75 \approx 9$ ). (**Exhibit B**)

As noted above, an estimated total of approximately 35 vehicles would be serviced per day. Since there are 14 bays, if no vehicles are returned until the end of the day, up to 21 vehicles (35 – 14) may need to be parked onsite and not in one of the service bays. Note that this includes the vehicles from

the Hyundai customers that don't use the concierge service and need to park on site. Therefore, the parking demand per day would range from 9 vehicles to 21 vehicles. (Per Hexagon, **Exhibit B**)

### ***No Inventory Vehicles***

Due to the limited parking available on-site, the operations plan for the Project has been modified so that new inventory parking will be stored and serviced at other nearby Cardinale locations and secure parking areas in the Bay Area and brought directly to the Showroom. Therefore, generally, the Project will not require parking for new inventory purposes at the Service Center.

### ***No Queuing Anticipated***

On-site management of vehicles is tightly coordinated. Logistics personnel control the scheduling of pickups and returns. Unlike traditional service centers, the Service Center will employ a Concierge Service model, so customers will generally not have a need to visit the Service Center. Therefore, there will be no am/pm queuing by customers, as servicing will be by appointment only, spread throughout the day, and centrally managed/coordinated by service personnel. See queuing analysis provided by Hexagon Transportation Consultants (**Exhibit B**).

### **Parking Supply**

As stated above, the proposed site plan shows a total of 24 parking spaces, including 13 diagonal spaces and 1 ADA space, and 10 exterior parking spaces for temporary "staging" of vehicles by Cardinale personnel during daily service operations. Additionally, the site includes 14 service bays which can house cars, if needed, overnight. In total, the site has capacity for 38 cars at one time without stacking or tandem parking. Per Hexagon, since the parking supply (not including the service bays) of 24 spaces is greater than the estimated maximum parking demand of 21 vehicles, on-site parking should be adequate." (**Exhibit B**) Therefore, we request a parking reduction from 61 required spaces down to 38 spaces.

## **DELIVERIES AND LOADING/UNLOADING**

Parts are delivered to the site about 3 times per week. They are typically delivered in the early morning or at night in a small box van. Delivery vans will drop off the parts at the Service Center and retrieve any discarded parts boxes for reuse purposes. All deliveries will occur off Old Middlefield Way. No large trucks will be on site. For any larger scale truck deliveries, trucks would park temporarily in the median on Old Middlefield Way as do operators at other properties in the area.

## **RESPONSE TO CITY'S INFORMAL REVIEW LETTER, AUGUST 1, 2024**

In response to comments received in Staff's *Informal Review Letter dated August 1, 2024*, this formal submittal includes an updated design package ("Design Package") entitled: *Conditional Use Permit and Development Review Permit Design Package for the Genesis-Hyundai Studio Service Center*, October 11, 2024 by DARCO, Inc. (See **Exhibit A-1**) In addition, this submittal includes a point-by-point response from Cardinale's design team to each of Staff's comments, including the *June 27, 2024 Memorandum from Public Works* (See **Exhibit A-2**).

## Circulation

As Staff requested, the site plan now includes a minimum driveway throat length of 20 feet measured from the back of sidewalk. No parking will be permitted within this space. The updated site plan shows the commercial sight triangles at the driveway on Old Middlefield Way and includes a STOP sign with markings to control conflict points with pedestrians, bicyclists, and vehicles as they enter the public roadway. The public ROW will not include any pavers. Please see Sheet A1.5 entitled “**Site Parking, Circulation and Trash Management Plan**” in the design package.

The plan has been updated to show dimensions with parking stall angles and backup clearance. Additionally, the plan includes turn templates showing back up distance in and out of the service bays. The required back up clearance is provided for all diagonal spaces located along the property boundary on the Hyundai side. For the temporary parking spaces along the property boundary on the Genesis side, we are unable to achieve the required back up clearance. We therefore request an exception to allow the Project to provide backup clearance of 20’ 7” for the temporary parking/staging areas, since these spaces will be used only by experienced Cardinale personnel, and not open to the public.

## Elimination of Fence and Proposed Rear Driveway

The updated site plan no longer shows a rear access driveway on Reinert Street, which will minimize any disturbance to neighboring residential uses. The Project will retain the existing condition, which includes a solid curb running the entire rear frontage of the site and a 3’ – 4’ wide landscape strip located in the public ROW. Additionally, the Project is no longer proposing a chain link fence around the perimeter of the property, and the previously proposed rear access gate has been removed, so there is no need for a Knox box. Currently, there is a low level, approximately 16” to 24” tall, wooden fence/barrier with concrete pylons along the rear property line. This barrier will remain.

## Tree Protection

The new driveway at Reinert Road has been eliminated from the Project, and therefore the Project will not remove the two trees along Reinert Road. See updated *Arborist Memorandum*, **Exhibit C**.

## Fire Access

Based on our discussions with Brian Sackett, Fire Protection Engineer, the site can be adequately serviced with a 150’ hose pull from both the Old Middlefield Way and Reinert Street frontages, so it will not be necessary to bring emergency vehicles on the site.

## Trash Management

To accommodate additional parking on the site, the trash enclosure has been eliminated from the proposed plans. Alternatively, the Project now includes a 12-foot x 3-foot trash storage area interior to the building, at the rear, and therefore bins will not be visible. The plan provides for 4, 96-gallon trash bins, including 2 for garbage, one for recycling, and one for paper recycling. (Sheet A1.5)

Very little waste is generated through the Service Center operations. As stated above, the Service Center does not perform any collision or other major repair of vehicles. Parts deliveries come in

reusable plastic bags (no cardboard) and then are taken back at the next pick-up. Therefore, Cardinale anticipates that the 4, 96-gallon bins will be sufficient to meet its operational needs.

Cardinale personnel will move bins out to the curb on Reinert Street on pick-up days and return them to the storage room when empty. The Project provides a minimum 3-foot-wide pathway for Cardinal personnel to maneuver the bins to the curb and back. Additionally, the Project will construct a 7-foot-wide concrete pad across the existing landscape strip to facilitate movement of bins. The Project also will remove a portion of the existing 16" – 24" +/- wooden fence/barrier with concrete pylons to create unobstructed access for Cardinale personnel. (Sheet A1.5) Recology trucks will not need to provide on-site service.

### **Design Enhancements**

Thank you for the opportunity to meet with Vinson Kwan and Deputy Zoning Administrator Rebecca Shapiro on September 20, 2024 to discuss Planning Staff's design comments. As requested, we have modified the front exterior façade to break up the continuous plane of the front elevation. The ACM facias above each of the drop-off canopies are now 1-foot higher at the top and extend out 1-foot further from the building to provide some relief. The exterior paint color on the Hyundai side has been changed from beige to brown, which adds some contrast. The columns of the canopies are now brown as well. These changes are in line with the brand's materials, color palate, and design objectives. (See Sheets A2.1 – A2.2, and A4.2 – A4.3)

### **Rooftop Equipment**

The Project is proposing the addition of rooftop equipment as shown on Sheets A3.4, A4.2 and A4.3 of the Design Package. The equipment will be set back approximately 14' -11" from the rear of the building, and approximately 8' or more from the sides. The maximum height of the equipment is estimated to be approximately 53". All equipment will be fully screened, per code. The height of the proposed screen is approximately 56". Per Hyundai-Genesis Guidelines, the screen will be a grey mechanical screen, as shown in the finish schedule on Sheet A4.3.

### **CONCURRENT PROCESSING OF CUP, DRP AND BUILDING PERMIT**

To enable Cardinale to meet its critical deadline for opening the dealership by June 2025, which includes both a new Showroom at the Village at San Antonio Center North and the Service Center, we request that the City allow us to process the CUP, Development Review Permit, and the Project building permit concurrently. Cardinale understands that it would be processing the building permit application "at risk" until the CUP and DRP are formally approved by the Zoning Administrator.

## FORMAL SUBMITTAL

Enclosed please find our Formal Planning Application for a Conditional Use Permit and Development Review Permit. As required, our submittal includes the following forms, materials, and documents:

### FORMS

- Formal Planning Application Form
- Transportation Information Worksheet (updated)
- Completed Storm and Sanitary Plan Check Form

### EXHIBITS

**Exhibit A-1:** *Conditional Use Permit and Development Review Permit Design Package for the Genesis-Hyundai Studio Service Center, October 11, 2024, by DARCO, Inc.*

**Exhibit A-2:** *Response to City's Informal Review Letter dated Aug. 1, 2024, and Memorandum from Public Works dated June 27, 2024.*

**Exhibit B:** *Parking Analysis for the Proposed Genesis-Hyundai Service Center at 2150 Old Middlefield Way in Mountain View, CA, dated Oct. 11, 2024, by Hexagon Transportation Consultants*

**Exhibit C:** *Arborist Memorandum, dated Sept. 16, 2024, prepared by Tree Management Experts, Consulting Arborists*

Thank you for the opportunity to provide the enclosed submittal. We are delighted to bring the unique Genesis-Hyundai Studio Showroom and Service Center experience to Mountain View.

Very Truly Yours,

*Mike Ward*

Michael Ward  
Director of Construction & Development  
Cardinale Automotive Group

*Kerry Williams*

Kerry M. Williams  
Entitlements and Public Affairs  
Consultant