

Agenda Report

TO: CITY COUNCIL **DATE:** September 10, 2001
FROM: CITY MANAGER
SUBJECT: CALL FOR REVIEW OF CONDITIONAL USE PERMIT #3655, 727 SOUTH
ARROYO PARKWAY

CITY'S MANAGER'S RECOMMENDATION: It is recommended that the City Council:

1. Acknowledge the Initial Environmental Study recommending a Negative Declaration that was adopted by the Zoning Hearing Officer on April 18, 2001;
2. Approve the Conditional Use Permit for off-site sale of alcohol with conditions;
3. Approve the Sign Exception for three wall signs for the Arroyo Parkway frontage; and
4. Deny the Conditional Use Permit for a drive-thru pharmacy.

BACKGROUND:

The applicant, Realty Bancorp Equities, is requesting a conditional use permit to allow for a drive-thru service window for a pharmacy in conjunction with a new retail drugstore (Sav-on Drugs), and a conditional use permit for the off-site sale of alcohol. In addition, a sign exception is also requested to exceed the maximum number of wall signs permitted per building frontage.

The project proposal involves the construction of a new one-story, 14,884-square foot building at the northwest corner of Arroyo Parkway and Fillmore Street. The project would be constructed on two parcels totaling 40,834 square feet.

Prior to the construction of this new development, four buildings totaling 12,700 square feet will be demolished. There are two buildings currently used as an automotive repair garage at 733 South Arroyo Parkway, a former food store at 707 South Arroyo Parkway, and a drive-thru coffee service at 725 South Arroyo Parkway.

The applicant is proposing a drive-thru pharmacy to provide customer service for prescription medication when the retail drugstore is closed. Currently, there is an existing structure operating as a drive-thru espresso bar located on the site. This use has a ground lease for a period of sixty-five months and has been in operation since September 1996. A variance was approved for queuing aisle with less than five automobile parking spaces for reduced parking and to allow establishment of the use within 500 feet of another take-out use.

The site had previously been occupied by a food sales use (Natural Stuff, Inc.) that offered off-site sale of alcoholic beverages (beer and wine). This use was established in 1997. Currently, the site is vacant. Although, other uses in the area provide the sale of alcohol beverages, the sale of beverages for the proposed retail drugstore is intended to be secondary purchases to other items offered at the drugstore.

The applicant is also requesting a sign exception to exceed the maximum number of signs allowed per building frontage. The Zoning Code allows two wall signs in the IG (General Industrial) zoning district per building frontage. A sign exception is required because the proposal exceeds the maximum number of signs permitted on the building frontage on Arroyo Parkway. The plan submitted indicates that the project site has a 250-foot street frontage along Arroyo Parkway. The applicant is requesting four signs on the building frontage along Arroyo Parkway; 170-square feet of wall sign along the Arroyo Parkway building frontage. The proposed sign area is well below the permitted maximum (250-square feet) square footage allowed in the IG zoning district.

ZONING HEARING OFFICER:

Staff recommended approval of the off-site sale of alcohol based on the determination that there was not an over-concentration of establishments that sell alcohol for off-site consumption. Staff also recommended hours of operation, 9:00 a.m. to 9:00 p.m., to be similar to the previous food sale use (Natural Stuff, Inc.). On April 18, 2001, the Zoning Hearing Officer reviewed the application for off-site sale of alcohol, a drive-thru pharmacy and a Sign Exception. At that hearing the Zoning Hearing Officer adopted findings and conditions and approved the conditional use permit for the off-site sale of alcohol and the drive-thru pharmacy. It was the Zoning Hearing Officer's decision that the off-site sale of alcohol is incidental to the primary use of the building and property, which is a retail drugstore. It was also the Hearing Officer's decision that the commercial nature of the site and the surrounding area, the lack of sensitive uses in the immediate area, the lack of an over-concentration not requiring a need for a finding of public convenience were justifiable reasons for approving the conditional use permit for off-site sale of alcohol.

Staff recommended denial of the drive-thru pharmacy based on the determination that the drive-thru pharmacy would not advance the goals of the Mobility Element in promoting a pedestrian and transit-oriented for the Blue Line light rail station. It was the Zoning Hearing Officer's determination that the drive-thru pharmacy is for limited purpose of dropping-off and picking-up prescriptions, which is only a small part of the drugstore operation. The Hearing Officer also determined that the drive-thru pharmacy offers a convenient service for local residents as well as a necessity for customers who are handicapped, disabled or not well enough to go inside the building. Based on the limited nature of the drive-thru pharmacy, the Zoning Hearing Officer determined that the drive-thru pharmacy would not have a detrimental effect on public health safety or welfare of the neighborhood and would not discourage pedestrian traffic.

Staff recommended approval of the sign exception based on the determination that the total square-footage of the four wall signs along the building frontage on Arroyo parkway is below the maximum allowed by the Zoning Code and is compatible with other signs in the area. The Zoning Hearing Officer also approved the Sign Exception application for three wall signs on the Arroyo Parkway building frontage. The Hearing Officer's based his decision on the proposed large building frontage, architectural compatibility, and the combined size of all signs for the project. It was the Zoning Hearing Officer's decision that the signs on the Arroyo Parkway frontage, is consistent with the total area of signs allowed by the Zoning Code.

BOARD OF ZONING APPEALS:

On July 18, 2001, the Board of Zoning Appeals reviewed the application for a Conditional Use Permit for a drive-thru pharmacy and off-site sale of alcohol and a Sign Exception for three wall signs for the Arroyo Parkway frontage. At the public hearing, there were five people who spoke in opposition of the off-site sale of alcohol and the drive-thru pharmacy, and four people who spoke in favor of the application. Subsequent to testimony and the number of people in favor and opposition of the conditional use permit, the Board of Zoning Appeals decided to sustain the Zoning Administrator's decision for off-site sale of alcohol and sustain the Zoning Administrator's decision for a drive-thru pharmacy on a 3-2 vote. It was the Board of Zoning Appeals' decision to deny the sign exception, to reduced the amount of large wall signs and the number of signs on building frontages that makes it unappealing and unattractive.

STAFF DETERMINATION FOR DISCRETIONARY PERMITS:

Conditional Use Permit for Off-sale of Alcohol:

It is staff's determination that the subject site, 727 South Arroyo Parkway is located where it has been determined that there is not an over-concentration of establishments that sell alcohol for off-site consumption. The site had previously been occupied by a food sale (Natural Stuff, Inc.) that offered off-site sales of alcohol beverages (beer and wine) and that the use was established in 1997. Although, other uses in the area provide the sale of alcohol beverages, the sale of beverages for the proposed retail drugstore is intended to be secondary purchases to other items offered at the drugstore. Staff is also recommending hours for off-site sale of alcohol (9:00 a.m. to 9:00 p.m.) similar to the previous food sale use that is on the site of the proposed retail drugstore.

Conditional Use Permit for Drive-thru Pharmacy:

The current zoning regulations permit general industrial, commercial, and retail uses. According to the General Plan, "Arroyo Parkway, extending from the Central District to the southern City boundary, the area is envisioned as a gateway corridor, and the existing industrial zoning designation is no longer appropriate. The Central District Specific Plan will determine the appropriate designation for this area." The proposed retail drugstore is consistent with the General Plan land use designation for this area; staff determined that a component of the project, the drive-thru, is in conflict with the goals and objectives of the Mobility Element of the General Plan.

According to the Mobility Element, development near the light rail station is to be transit-oriented. Criteria that represent General Plan policies shall be used in determining where projects near the station are transit-oriented. Such criteria may include whether the site plan enhances access to transit; encourages pedestrian activity, and reduces dependence on automobiles.

The Mobility Element of the General Plan prescribes the promotion of non-motorized modes of travel, such as bicycling and walking, and the enhancement of the pedestrian environment, particularly around the Blue Line light rail stations. The proposed drive-thru defines a site plan which is not conducive to a desirable pedestrian environment in this area. Consideration should be given to the pedestrian environment by locating buildings close to the street to provide for convenient pedestrian access. This design can be accomplished by locating parking in the rear of the building rather than in front of structures where it creates a barrier for pedestrians to access from the street. The proposed drive-thru does not enhance the pedestrian environment. Although, the drive-thru pharmacy window would not offer products other than prescription medication, the proposed drive-thru does not reduce the dependence on automobiles.

The proposed project is also immediately adjacent to the South Fair Oaks Specific Plan boundary. The South Fair Oaks Specific Plan, which implements the General Plan in the adjacent area, encourages pedestrian-oriented development to compliment the Blue Line light rail station, which will be located directly west of the proposed project site. Fillmore Street between Arroyo Parkway and Raymond Avenue will be closed to through traffic to create a public pedestrian plaza.

Based on the finding, staff determined that the component of the retail drugstore, drive-thru pharmacy, would not advance the goals of the Mobility Element in promoting a pedestrian and transit-oriented environment for the Blue Line light rail station and that the project would not encourage a supportive urban design of the Mobility, by locating parking in front of the building rather than the rear.

Sign Exception:

The plans submitted indicate that the project site has a 250-foot street frontage along Arroyo Parkway. Two wall signs are permitted per building frontage under the current zoning regulations. The sign regulations also set a maximum sign area per site of two square feet of sign area for every one linear foot of building frontage. The sign plan submitted for this project indicates the site has a 170-square foot of wall sign along the Arroyo Parkway building frontage. The sign plan indicates a 33-square foot wall sign proposed for the drive-thru pharmacy. However, based on the recommended denial of the drive-thru pharmacy (sign: 33-square feet), the total sign area for the Arroyo Parkway frontage is 137-square feet. The total area of sign for the Arroyo Parkway frontage, 137-square feet, is below the permitted maximum square footage allowed in the IG (General Industrial) zoning district. It is staff's determination that the total square-footage of the four wall signs along the building frontage of Arroyo Parkway (137-square feet) is below the maximum (250-square feet per building frontage) allowed by the Zoning Code and is compatible with other signs in the surrounding area and won't clutter the building.

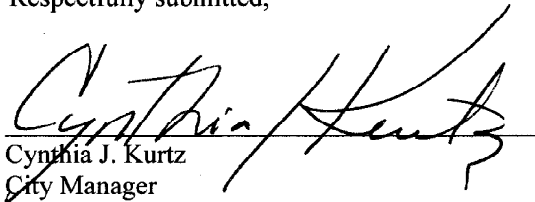
ENVIRONMENTAL DETERMINATION:

An Initial Environmental Study was prepared for Conditional Use Permit #3655 in conformance with the requirements of the California Environmental Quality Act (CEQA) (Attachment A). The Initial Environmental Study did not identify any potentially significant environmental impacts upon traffic, water usage, or population. However, the initial environmental study determined that the proposed drive-thru is inconsistent with the Mobility Element of the General Plan, in that the drive-thru will not accomplish the goal of enhancing the pedestrian environment and the transit-oriented development in this area. The staff recommends that the City Council reaffirm the previous adopted Negative Declaration.

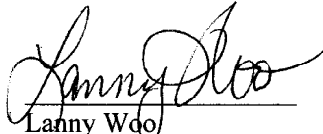
FISCAL IMPACT:

If the project is approved, there may be a minor fiscal impact associated with the monitoring of conditions by the City Code Compliance Department. The building permit fees collected for this project are intended to cover the additional workload that results from this project.


Respectfully submitted,


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City Manager

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Approved by:


Richard J. Bruckner
Director Planning and Development

LIST OF ATTACHMENTS

- Attachment A – Zoning Administrator Recommended Findings of Fact
- Attachment B – Zoning Administrator Recommended Conditions of Approval
- Attachment C – Decision Letter, Board of Zoning Appeals
- Attachment D – Negative Declaration and Initial Environmental Study