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Planning Commission Agenda Report

From: Katie Banister, Associate Planner

Subject: Planning Commission consideration of a Development Plan (PD 22-23) for the redevelopment of a downtown property facing the City Park with a new 3-story building that includes 3 commercial tenant spaces totaling 4,714 square feet on the first floor and 12

CEQA: Staff recommends the Planning Commission determine the project is exempt from environmental review as a class 32 categorical exemption for infill development projects pursuant to the State's Guidelines to Implement the California Environmental Quality Act (CEQA), Section 15332.

Location: 800 11th Street (APN 009-104-001)

Date: February 27, 2024

Facts

1. Gabriel Architects, representing the Mullins Family Trust, has applied for Development Plan 22-23, for redevelopment of a downtown lot with a new 3-story building that includes 3 commercial tenant spaces totaling 4,714 square feet on the first floor and 12 hotel suites on the second and third floors; and Conditional Use Permit 24-02 for establishment of a parking facility (P22-0131).
2. The 20,150 square-foot site is adjacent to City Park and located at 800 11th Street (see Vicinity Map, Attachment 1).
3. The site is currently developed with a single commercial building with two tenant spaces. Approximately 60% of the existing building is vacant offices that were formerly occupied by Berkshire Hathaway Real Estate. The real estate office portion of the building would be demolished to accommodate the project. The remainder of the building is occupied by Taste! restaurant, which would be separated from the rest of the building and remain intact.
4. San Luis Obispo County assessment records from the 1940s indicate the existing building was constructed as a pipe-framed building in 1941; the first use was as a skating rink. City building permit records indicate the building had been converted into a theater and offices by 1998. The theater (810 11th Street) was converted into a winetasting room in 2009 and restaurant in 2013.
5. The project would include an approximately 360 square-foot building addition and 370 square-foot outdoor patio for Taste! restaurant.
6. Section 21.23B.030 of the Municipal Code requires adoption of a development plan in conjunction with the construction of buildings with ten thousand or more gross square feet.
7. The site has a General Plan land use designation of Downtown Commercial (DC) and is in the Town Center (TC-1) zoning district where restaurants, winetasting rooms, retail sales, and hotels are allowed uses, and parking facilities are a conditionally allowed use.
8. The proposed building has been designed to the standards for the Flex Block building type of the Uptown/Town Centre Specific Plan with a Spanish Revival architectural style, which are both allowed for commercial uses in the TC-1 zoning district.

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9. The project is consistent with General Plan Land Use Policy 1A, which is to “Provide an appropriate mix and diversity of land uses”, supported by Action Item 2, “Allow projects in the Mixed Use land use category and/or Specific Plan areas to be developed with more than one land use.”
10. The project is consistent with General Plan Land Use Policy 2B, which is to “Promote architectural and design excellence by imposing stringent design and construction standards for commercial, industrial, mixed-use, and multi-family projects” supported by Action Item 4, “Continue to enhance the downtown as a priority.”
11. The project is consistent with General Plan Land Use Policy 2C, which is to “Preserve/enhance downtown and the historic Vine Street neighborhood through adherence to established guidelines” supported by Action Item “Review new development projects for consistency with the Downtown design guidelines and the Vine Street neighborhood guidelines.”
12. The project is consistent with General Plan Land Use Policy 2H, which is to “Continue to revitalize the historic Downtown. Focus efforts on developing Downtown Paso Robles as the specialty retail, government, office, cultural, conference, and entertainment center of the City and North County region.”
13. The project is consistent with General Plan Land Use Policy 2I, which is to “Encourage infill development as a means of accommodating growth, while preserving open space areas, reducing vehicle miles traveled, and enhancing livability/quality of life. Infill includes: 1. Mixed use development in the Downtown and/or in areas within walking distance to transit, employment centers, and commercial services where the environmental impacts of the development would be minimized”.
14. The project is consistent with General Plan Circulation Policy 1A, which is to “Revise/update the City’s Circulation Master Plan to address the mobility needs of all users of the streets, roads and highways including motorists, movers of commercial goods, seniors, children, pedestrians, disabled persons, users of public transportation, and bicyclists” supported by Action Item 16, “View all transportation improvements, new or retrofit, as opportunities to improve safety, access, and mobility for all travelers and recognize bicycle, pedestrian, and transit modes as integral elements of the transportation system.”
15. The project is consistent with General Plan Circulation Policy 1F, which is to “Provide safe and convenient pedestrian and bicycle access to all areas of the City” supported by Action Item 5, “Improve streetscapes and install curb extensions at intersections where appropriate to reduce driving speeds and shorten pedestrian crossing distances.”
16. The project was reviewed by the Development Review Committee on November 6, 2023. The Development Review Committee forwarded the project to the Planning Commission and recommended further discussion of the parking lot gate, exterior building colors, and the garbage enclosure setback modification.
17. The project is exempt from environmental review as a class 32 categorical exemption for infill development pursuant to the State’s Guidelines to Implement the California Environmental Quality Act (CEQA), Section 15332. A Notice of Exemption is included as Exhibit F to Attachment 3.

Options

After consideration of any public testimony, the Planning Commission should consider the following options:

1. Approve the project by adopting Draft Resolution PC 24-XXX based on required findings for approval, and subject to specified conditions of approval.
2. Approve the project with modifications by amending and adopting Draft Resolution PC 24-XXX and conditions of approval.
3. Refer the project back to the Development Review Committee or Staff for additional analysis.

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4. Deny the project by adopting findings of denial.

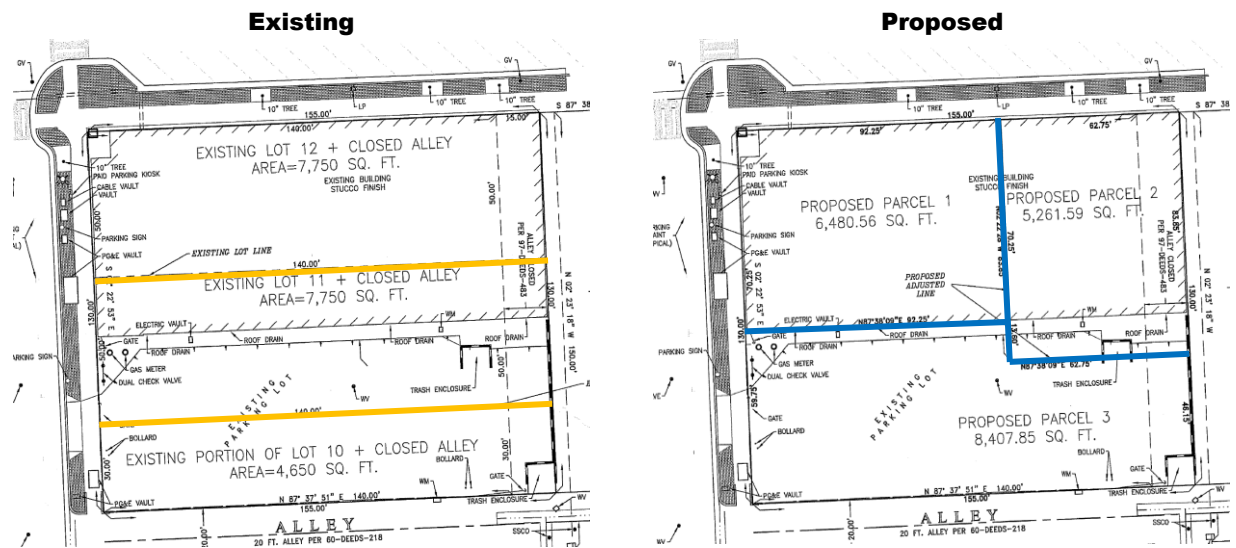
Analysis and Conclusions

The project is the redevelopment of a site located on a prominent corner in the center of the City facing the downtown City Park in the TC-1 zoning district. The TC-1 district “applies to the area occupied by Paso Robles’ historic Downtown. In general, buildings are 1-, 2-, and 3-story, zero-setback flex block buildings occupied by commercial and mixed-uses. Many of the buildings within the TC-1 zone are historically significant. The intent of the TC-1 zone is to preserve and augment Downtown’s unique historical value while enhancing its economic vitality.”

The project would replace a one-story office building with a three-story building with commercial tenant spaces on the ground floor and hotel suites on the second and third floors. Ground-floor, street-facing offices are not allowed in the TC-1 zoning district. Restaurants, retail sales, and hotels are allowed uses in the district. Parking facilities are a conditionally allowed use.

Lot Line Adjustment. The site is 3 legal lots that bisect the existing building as shown at left below. A lot line adjustment is proposed to put the proposed project on one lot (Parcel 1), the existing restaurant on a second lot (Parcel 2), and the parking lot on a third lot (Parcel 3) as shown at right below. Conditions of approval include timing of improvements that must be constructed before a lot line adjustment can be approved by City Staff, including:

- Providing separate utilities for proposed Parcels 1 and 2, and
- Providing appropriate fire separation between buildings on proposed Parcels 1 and 2.



Because the parking lot will be the primary use on proposed Parcel 3, a conditional use permit is required by the Uptown/Town Centre Specific Plan Conditional Use Permit 24-02 is included in the entitlements considered in the draft resolution. Draft conditions of approval would:

- Tie the parking lot to the proposed uses on Parcels 1 and 2, and
- Require recordation of a deed notification that access and utility easements be recorded on applicable parcels when they are sold to separate owners.

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Development Standards. The building is designed to the Flex Block building type of the Uptown/Town Centre Specific Plan, which is “designed for occupancy by retail, service, and/or office uses on the ground floor, with upper floors also configured for those uses or for residences.” Flex Block buildings in the TC-1 zoning district are subject to the following development standards:

Development Standard	Requirement	Proposed
Maximum Height	4 stories, 50 feet	3 stories, 46ft 3in
Setbacks	<ul style="list-style-type: none"> • Front and Side = 0 feet • Rear = 15 feet (no alley) = 5 feet (with alley) 	<ul style="list-style-type: none"> • 0 feet • ~ 55 to alley 0 feet to proposed property line
Building Massing/Height Ratio	3 stories: 100% 3 stories height	3 stories 100% floor area
Maximum Building Length	150 feet	92 feet
Main Pedestrian Access	<ul style="list-style-type: none"> • Ground floor storefronts accessed from the street • Residential uses accessed from a street-level lobby • Interior circulation through a corridor 	<ul style="list-style-type: none"> • Ground floor storefronts accessed from the street • Hotel suites accessed from a street-level lobby • Interior circulation through a corridor
Frontage Type	Forecourt, Shopfront, Gallery, or Arcade	Shopfront
Parking Placement	<ul style="list-style-type: none"> • 40 feet from primary street • 10 ft side street • 5 ft side yard • 5 ft rear yard 	<ul style="list-style-type: none"> • 70 ft 7in • ~ 3 feet • 3 feet • Variable ~2-8 feet
Garbage enclosure rear setback	5 ft rear yard	0 feet

The project as proposed meets all listed development standards except for the rear setbacks for the building and for the garbage enclosure. The draft resolution includes a condition of approval to require a 5-foot rear setback be included in the lot line adjustment, which is the rear setback for a lot with an alley. Staff is recommending approval of a development standard modification for the rear setback of the garbage enclosure to allow no setback. The City’s Solid Waste Manager and waste hauler, Paso Robles Waste and Recycle, report the reduced setback is desirable for solid waste collection. The Planning Commission can approve modification to development standards “in the event that compliance with the provisions of this Code can be demonstrated to be physically infeasible for any reasonable type of development within any of the zones” of the Uptown/Town Centre Specific Plan based on findings that “the modified standards will not create a physical hazard or negative visual impact when viewed from a street or neighboring property”.

Architectural Guidelines. The project is built to the “Spanish Revival (Commercial Character)” architectural style allowed by the Architectural Guidelines of the specific plan. The building includes:

- clay barrel tile roof materials,
- steel-trowel smooth stucco plaster siding,
- vertically oriented windows,
- windows recessed 5.75 inches from the face of the building,
- black wrought iron detailing,
- colorful tile base material, and

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- symmetrical openings and massing elements.

Staff is concerned the proposed white walls may be too stark, which may reflect light to the park too intensely. When presented to the Development Review Committee only a minority of members agreed with staff's recommendation to provide a white color with yellow/tan or pink undertones. The draft resolution includes a condition to alter the color of the wall paint to the satisfaction of the Director of Community Development.

Parking

Uptown/Town Centre Specific Plan Section 5.7.2.H.2 states, "Downtown buildings not meeting current parking requirements that are replaced or reconstructed, shall not be required to provide more on-site parking than existed at the time of demolition or remodel. Expanded floor area beyond what previously existed shall be subject to downtown parking requirements."

The parking requirements for the TC-1 zoning district include:

- 1 parking space for each 400 square feet of non-residential space, and
- 1 parking space for each guest room in a hotel.

The existing site has a 10,855 square-foot non-residential building and 21 parking spaces, which is 1 space / 517 square feet, and is therefore nonconforming for parking.

Existing Parking Lot



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Existing parking has been proportionally allocated to the existing uses in the following table:

Existing Parking Allocation

Use	Area	Parking Spaces
Real Estate Office	6,480sf (60%)	13
Restaurant	4,375sf (40%)	8
Total	10,855sf (100%)	21

The project would retain or reconstruct the same 10,855 square-foot building footprint and add 12 hotel units, 360 square feet of non-residential space for the restaurant, and 370 square feet of outdoor seating for the restaurant resulting in the following parking requirement:

Parking Required for Proposed Project

Use	Quantity	Parking Standard	Spaces Required
Ground Floor Commercial Tenant Spaces	6,480sf	13 (existing)	13
Hotel Units	12 Suites	12	12
Total for 800 11th Street			25
Existing Restaurant	4,375sf	8 (existing)	8
Restaurant Addition	360sf	1/400sf	1
Restaurant Outdoor Seating	370sf	1/400sf	1
Total for Restaurant			10
Grand Total			35

A total of 35 parking spaces are required for the entire project. Seventeen (17) physical parking spaces are proposed on the site (a loss of 4 existing spaces). The applicant has the option of providing the balance of 18 required spaces by one or a combination of three methods defined in Uptown/Town Centre Specific Plan Section 5.7.2:

1. Provide on-site parking spaces,
2. Pay in lieu fee and/or
3. Off-site parking.

The current in lieu fee for parking spaces is \$18,989. Alternatively, the applicant could provide off-site parking in a lot within a 1,250-foot walking distance of the site. Draft conditions of approval include the following requirements:

- 10 parking spaces (or in lieu fee) be provided for the restaurant space at 810 11th Street in conformance with Uptown/Town Centre Specific Plan Section 5.7.2.H, and
- Any off-site parking proposed must be in conformance with the standards of Uptown/Town Centre Specific Plan Section 5.7.2.B and approved by the Development Review Committee.

The existing parking lot is enclosed by a fence and gate. Parking requirements are based on the need for parking for owners, staff, and customers of the businesses on the site. Operationally, customers of the onsite businesses are not able to use the parking lot unless proactively given access. There is a clear mechanism for hotel guests to gain access to a fenced lot through the reservation process. It is less clear how customers of restaurants and retail businesses will gain access to the parking lot. As an example, customers of Taste! restaurant are not currently given access to the lot despite the regular presence of empty spaces. Staff raised this concern with gated parking when the project was reviewed at the

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Development Review Committee. Members were not persuaded the gate is an operational problem, but did express dislike of the appearance of the fence and gate, which gives a fortress-like appearance not desirable in the downtown.

Draft conditions of approval include the following requirements:

- Lower the height of the fence surrounding the lot to 3 feet in height,
- The design of the new fence and gate shall be reviewed by the Development Review Committee.

Landscaping. The Uptown/Town Centre Specific Plan requires all yards to be landscaped and for parking lots to include at least 10% landscape including 1 shade tree for every 5 parking spaces or trees sufficient to accomplish 50% canopy coverage at maturity. The project does not include a setback on 3 sides, so only street trees will be provided to the north and west of the building. South of the building the applicant has provided landscaping in all the margins of the parking lot including 5 shade trees where there currently are none.

Equipment Screening. The Uptown/Town Centre Specific Plan requires rooftop equipment such as HVAC to “be screened by a parapet that is architecturally integral to the building.” The building includes a generous 6-foot 4-inch deep mechanical well on the roof in an integrated parapet wall. The fire water service riser is proposed within a closet in the side of the new building.

Restaurant Building Addition.

A part of the existing restaurant kitchen is within the portion of the building to be demolished, so a 360 square foot addition to the Taste! building is proposed to replace it. Elevations provided show a simple stucco box with trim cap at the top of the walls. It is unclear whether roof mounted equipment will be needed on the kitchen addition. Conditions of approval in the draft resolution include a requirement that final elevations, colors, materials, and mechanical screening for the addition as well as the outdoor seating area be reviewed by the Development Review Committee.

CEQA

Staff recommends the Planning Commission determine the project is exempt from environmental review as a class 32 categorical exemption for infill development pursuant to the State’s Guidelines to Implement the California Environmental Quality Act (CEQA), Section 15332.

Recommendation (Option 1)

Approve the project by adopting Draft Resolution PC 24-XXX based on findings and subject to conditions of approval.

Attachments

1. Attachment 1. Vicinity Map
2. Attachment 2. Preliminary Lot Line Adjustment Exhibit
3. Attachment 3. Draft Resolution 24-XXX
 - a. Exhibit A. Site-Specific Conditions of Approval
 - b. Exhibit B. Standard Conditions of Approval
 - c. Exhibit C. Architectural Plans
 - d. Exhibit D. Landscape Plan
 - e. Exhibit E. Civil Plans
 - f. Exhibit F. CEQA Notice of Exemption

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4. Legal Affidavit
5. Mail Notice Affidavit