

Attachment 3

DRAFT RESOLUTION PC 24-XXX (B)

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF PASO ROBLES RECOMMENDING THE CITY COUNCIL ADOPT AN ORDINANCE EXTENDING THE RESORT/LODGING OVERLAY DISTRICT TO INCLUDE 1745 SPRING STREET / APN: 008-283-012

APPLICANT – TOBIN JAMES

WHEREAS, Tobin James, represented by George Garcia, has applied for Development Plan 22-11, Conditional Use Permit 23-07, and Rezone 23-01, a request for approval to construct a mixed-use building with 3,346 square feet of commercial space including a winetasting room, 16 hotels rooms, and 8 residential units (P22-0076) (collectively, the “project”); and

WHEREAS, the project is located at 1745 Spring Street; and

WHEREAS, the site has a General Plan land use designation of Mixed Use (MU-8) and is in the T3-F (Flex) zoning district where residential units are an allowed use, winetasting rooms are a conditionally allowed use when located on Spring Street, and hotels are a prohibited use; and

WHEREAS, the applicant has requested the City Council rezone the property to include the Resort/Lodging Overlay District; and

WHEREAS, the maximum density allowed in the T3-F zoning district is 12 density units/acre, or 6 density units for the 0.48-acre site; and

WHEREAS, the project includes 1 residential unit restricted to a very-low-income household (17% of the total allowed density units), which qualifies the project to a 50% density bonus and up to 3 concessions consistent with California Government Code Section 65915; and

WHEREAS, the applicant has requested a 33% density bonus and an exception from the City’s height standards and an exception to its parking requirements both as concessions; and

WHEREAS, the site was originally developed as a Chevron gas station in 1963. The station was demolished in 2003. Four leaking underground tanks were remediated on the property between 2003 and 2020; and

WHEREAS, the project was first reviewed by the Development Review Committee on January 30, 2023. At that time, staff described the architecture of the project as in the International Style. The Development Review Committee determined the design of the project was not compatible with the vision of the downtown and requested the applicant work with staff to prepare a more compatible project; and

WHEREAS, the project was redesigned and presented to the Development Review Committee for the second time on September 18, 2023. The majority of Development Review Committee members preferred the redesigned project, which is more similar to the Downtown Commercial architectural style included in the Architectural Guidelines of the Uptown/Town Centre Specific Plan. The Development Review Committee requested staff provide more information about the State’s requirements for affordable housing density bonuses especially as it relates to parking concessions and whether additional angled parking can be placed on 18th Street adjacent to the project; and

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WHEREAS, pursuant to the Statutes and Guidelines of the California Environmental Quality Act (CEQA), Public Resources Code, Section 21000, et seq., and the City’s Procedures for Implementing CEQA, an initial study and mitigated negative declaration (SCH 2024070401) were prepared for the project and were circulated between July 11, 2024 and August 9, 2024; and

WHEREAS, the project was scheduled for a public hearing on August 13, 2024 but was continued to August 27, 2024. At the August 27, 2024 meeting, the hearing was continued to September 10, 2024; and

WHEREAS, the Planning Commission held a public hearing on September 10, 2024, and considered the facts as presented in the initial study and mitigated negative declaration and staff report prepared for this project, and accepted public testimony regarding the project.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission of the City of Paso Robles, as follows:

Section 1: Recitals. All of the above recitals are true and correct and incorporated herein by reference.

Section 2: Findings. Based on the facts and analysis presented to it, including all written and oral testimony, the Planning Commission hereby makes following findings:

- a. The rezone is consistent with the following General Plan policies:
 - (1) Land Use Policy 1A, Action Item 2, which is to “allow projects in the Mixed Use land use category and/or in Specific Plan areas to be developed with more than one land use” because the rezone facilitates mixed-use development that combines hotel accommodations, residential units, and commercial space within a single project.
 - (2) Land Use Policy 2B, Action Item 4, which is to “Continue to enhance the downtown as a priority.” The rezone directly contributes to this policy by enabling a development that adds new hospitality and commercial services to the Downtown area, thus further enhancing its appeal as a destination for visitors and residents alike.
 - (3) Land Use Policy 2C, which is to “Preserve/enhance downtown and the historic Vine Street neighborhood through adherence to established guidelines.” This project aligns with this policy by integrating the new development within the established character of the Downtown area.
 - (4) Land Use Policy 2H, which is “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.” The rezone supports this policy by facilitating a mixed-use development that includes hospitality components, which in turn contributes to the vibrancy and economic vitality of the Downtown area.
 - (5) Land Use Policy 2H, Action Item 2, which is “Promote a vibrant Downtown using the following methods: Implement the City’s Economic Development Strategy . . . “ This rezone promotes Downtown vibrancy by enabling the development of a mixed-use project that aligns with the City’s Economic Development Strategy and encouraging economic growth through new business opportunities and enhanced tourist accommodations.
 - (6) Land Use Policy 2I, which is “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: 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 . . .” The proposed rezone furthers this policy by facilitating a mixed-use development within the Downtown area.

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- b. The rezone is consistent with the intent of the Resort/Lodging Overlay district, which is “to provide a means through which the city can consider and selectively provide appropriate locations for resort hotels, motels, bed and breakfast inns, and similar forms of visitor-serving lodging (along with related accessory/ancillary land uses). This overlay would assist the city in achieving the goal in the adopted economic development strategy to develop El Paso de Robles into an “end destination” tourist attraction by encouraging consideration of appropriate locations for resorts, lodging and related/ancillary land uses (without providing the broader range of permitted and conditionally permitted land uses and the accompanying neighborhood and environmental impacts that are associated with a commercial or industrial general plan or zoning designation). The R/L land use overlay can be established on any property.”
- c. The rezone is supported by adequate street and highway infrastructure that can handle the anticipated increase in traffic, especially considering that certain amenities within the development will be exclusively used by hotel guests and residential tenants, thereby minimizing the impact on local traffic. The Resort/Lodging Overlay rezone will further introduce visitor-serving lodging uses, such as hotels, that are compatible with existing land uses in the T-3F zone, such as bed and breakfast inns established through issuance of a CUP.
- d. The rezone is consistent with the Uptown/Town Centre Specific Plan as it supports the Plan’s goal of promoting pedestrian-friendly, mixed-use neighborhoods by integrating hotel, residential, and commercial uses in a single project. This mixed-use approach aligns with Goals 1 and 4 of this Specific Plan by introducing a variety of building forms and uses that enhance the area’s character, support a pedestrian-friendly street network, and foster a balanced community where residents can live, work, and enjoy amenities within a single neighborhood. The inclusion of hotel rooms and a winetasting room also supports Goal 5 of the Specific Plan by expanding economic opportunities within the hospitality sector for residents.
- e. The rezone will not be detrimental to the health, safety, morals, comfort, convenience, and general welfare of the persons residing or working in the neighborhood of such proposed use, or be injurious or detrimental to property and improvements in the neighborhood or to the general welfare of the City because the project introduces a carefully planned mixed-use development that aligns with the established character of the neighborhood. The inclusion of hotel rooms and residential units under the Resort/Lodging Overlay provides a balanced mix of uses that complement existing properties and enhance local amenities without overwhelming the neighborhood or deviating from its current zoning intent. The design and operation will adhere to all relevant regulations and conditions to further ensure it fits within the neighborhood while supporting its economic and social vitality.

Section 3: Recommendation. Based on all of the foregoing, the Planning Commission of the City of Paso Robles recommends that the City Council adopt an ordinance approving Rezone 23-01 to expand the Resort/Lodging overlay district, as shown in Exhibit A and Exhibit B, both of which are incorporated herein by reference and impose the standards, regulations, and requirements of the Resort/Lodging overlay district upon the property.

Section 4: Environmental Determination. The project, as mitigated by Mitigated Negative Declaration SCH 2024070401, will not result in a significant impact on the environment. All potential environmental impacts of the project have been fully analyzed in the MND. No new or additional mitigation measures are required. There is no substantial evidence in the administrative record to support a fair argument that the project may result in any significant environmental impacts beyond those analyzed and mitigated in the proposed MND.

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<u>EXHIBIT</u>	<u>DESCRIPTION</u>
A	Draft Ordinance
B	Map of the Resort/Lodging Overlay District

PASSED AND ADOPTED THIS 10th day of September 2024, by the following roll call vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

TY CHRISTENSEN, CHAIRPERSON

ATTEST:

WARREN FRACE, SECRETARY OF THE PLANNING COMMISSION