RECOMMENDATION:

Design Review Committee recommends:

Planning Commission adopt PC Resolution 2018-A, approving a Conditional Use Permit to allow a mixed-use retail and residential development at 8120 Morro Rd, based on findings and subject to Conditions of Approval.

Summary: The proposed project includes construction of a new two-story mixed use building with a commercial retail space on the ground floor and three (3) apartments above. The commercial portion of the building totals 3,866 sf and the residential portion totals 2,993 sf. Associated site improvements include parking, landscaping, a monument sign, and trash enclosure.

<table>
<thead>
<tr>
<th>PROJECT ADDRESS:</th>
<th>8120 Morro Rd</th>
<th>Atascadero, CA</th>
<th>APN</th>
<th>031-231-028</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROJECT PLANNER</td>
<td>Kelly Gleason, Senior Planner</td>
<td>470-3446</td>
<td><a href="mailto:kgleason@atascadero.org">kgleason@atascadero.org</a></td>
<td></td>
</tr>
<tr>
<td>APPLICANT’S REPRESENTATIVE</td>
<td>Jason Akraa</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PROPERTY OWNER</td>
<td>Farid and Manirva Roboz</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GENERAL PLAN DESIGNATION:</td>
<td>ZONING DISTRICT:</td>
<td>SITE AREA</td>
<td>EXISTING USE</td>
<td>PROPOSED USE</td>
</tr>
<tr>
<td>General Commercial</td>
<td>Commercial Professional / PD3</td>
<td>0.429 acres</td>
<td>Vacant</td>
<td>Mixed-Use Retail and Residential</td>
</tr>
</tbody>
</table>

ENVIRONMENTAL DETERMINATION

☒ Categorical Exemption CEQA – Class 32: Infill Development Project (Section 15332)
DISCUSSION:

Existing Surrounding Uses / Parcel Configurations:

<table>
<thead>
<tr>
<th>North:</th>
<th>South:</th>
<th>East:</th>
<th>West:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>Commercial – Developed as Multi-Family (existing non-conforming)</td>
<td>Commercial</td>
<td>Multi-Family – Medium Density</td>
</tr>
</tbody>
</table>

Background:
In 2006 a Conditional Use Permit was approved for a 5400 sf retail center which included a 3,000 sf liquor store. The project was not constructed and the application expired. The application currently includes a 3,866 sf commercial tenant space with 3 residential units above (two 1-bedroom units and one 2-bedroom unit). The applicant is considering a convenience/liquor store use for the commercial space which is considered “general retail” in the City’s zoning ordinance and is an allowed use in the Commercial Professional zone. The project requires the approval of a Conditional Use Permit based on the mixed-use proposal.

Analysis:
A Conditional Use Permit is required for mixed-use developments (residential above commercial) in the commercial zones. Planning Commission review is required to ensure compatibility and appropriateness of the proposed use. Design review of elevations and site plan elements is required for all commercial projects. The site is bordered to the North by commercial use, to the South by a multi-family development within the commercial zone, and to the west by residential multi-family zoned properties that are currently developed with single-family houses.
Site Design
The project includes a two-story building along the west half of the site with parking proposed along the east and wrapping to the rear of the site. The lower floor retail use includes access from Morro Rd and the parking lot. The trash enclosure has been relocated to the interior of the parking area adjacent to the building per the request of the DRC and residential neighbors. Access to the residential units is via an open stairway at the rear of the building.

A pedestrian connection is included from the sidewalk along Morro Rd to the front entrance of the building facing Morro Rd. The path does not provide a direct path from the sidewalk as the elevation of the building is raised above the sidewalk in order to meet drainage requirements and would be too steep to meet ADA standards. The path is designed as an ADA accessible ramp that stages at the building entrance and runs parallel to the sidewalk connecting to the sidewalk adjacent to the project driveway.

During the DRC meeting, the neighbors expressed concerns about locating the trash enclosure along the property line as they felt this posed a safety and privacy concern to their homes. It was felt that the area could become attractive to homeless individuals. The applicant relocated the trash enclosure toward the interior of the site adjacent to the parking area at the rear corner of the building.

Parking
The project includes 20 parking spaces for both the residential and commercial uses. Parking spaces are located to the side and rear of the site. Parking is required as follows:

<table>
<thead>
<tr>
<th>Use</th>
<th># spaces Required</th>
<th>Total # required spaces</th>
<th># spaces provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Merchandise</td>
<td>7.5</td>
<td>14</td>
<td>20</td>
</tr>
<tr>
<td>Residential Units</td>
<td>6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Although excess parking is proposed beyond the minimum code standards, the retail store use may generate higher parking lot turnover and experience peak hours which may benefit from the additional on-site parking. In addition, the City adopted a corridor plan for Morro Rd which eliminates some on-street parking where bio-retention and bio-filtration swales and basins are required to meet storm water requirements as development and road improvements occur.

Landscaping
The applicant has proposed new landscaping throughout the project site within parking lot fingers and at the property boundaries. Some of this landscaping is required to meet post construction storm water requirements and is designed as bio-retention swales.
The applicant has included shade trees in the parking lot, street trees along Morro Rd, and landscape between the parking stalls and building.

Based on neighborhood testimony, the DRC recommended that a solid wall with wood paneling be constructed along the rear property line to provide an adequate barrier while retaining the residential nature from the adjacent properties. The applicant has provided a 6-foot and 8-foot wall design option for consideration. The DRC recommended that a 6-foot wall be installed for compatibility with adjacent fencing. The 6-foot option is included in the resolution of approval. Additionally, fast growing landscaping designed for screening was recommended along the rear property line. Staff has included a condition to this effect. Staff will work with the applicant on appropriate screening species and spacing once the existing vegetation is trimmed up.
Elevations / Architectural Design
The proposed architecture follows a Mediterranean theme with lower floor colonnade, wood columns, balcony railing on the second floor, and tile roof. The second floor balcony wraps the entire building creating enhanced shadow and depth and providing visual interest from all sides of the building.

The lower floor commercial space includes an entrance facing both the parking lot and Morro Rd. While the layout of the interior of the store includes use of the perimeter walls for shelving, the applicant has made efforts to increase glazing along the Morro Rd and parking lot facades. Proposed glazing is raised off the ground and not designed as full height storefront windows due to the interior layout.

The second floor includes numerous doors and windows along all 4 facades. This design enhances the visual character of the building and no recommendations are included for this portion of the building.
Signage
A monument sign is proposed along the Morro Rd frontage. The sign is proposed to be constructed of a wood base and posts surrounding stained wood panels to match the building. Each sign face is proposed to be 20 sf. The sign is 6-feet in height meeting the municipal code requirements.

ENVIRONMENTAL DETERMINATION:
Class 32 of the California Environmental Quality Act (CEQA) (Section 15332, In-fill Development Projects), exempts projects characterized as in-fill development. The project is consistent with the City’s General Plan and would not result in any significant effects relating to noise, traffic, air quality, or water quality. The project site is less than five acres, surrounded by urban uses, can be adequately served by all required utilities and public services, and is not habitat for endangered species.

FINDINGS:
To approve a Conditional Use Permit, the Planning Commission must make the following findings. These findings and the facts to support these findings are included in the attached resolution.

*Conditional Use Permit (AMC Section 9-2.110(b).(3).(iv)*

1. The proposed project or use is consistent with the General Plan; and,

2. The proposed project or use satisfies all applicable provisions of the Zoning Ordinance; and,

3. The establishment, and subsequent operation or conduct of the use will not, because of the circumstances and conditions applied in the particular case, be detrimental to the health, safety or welfare of the general public or persons residing or working in the neighborhood of the use, or be detrimental or injurious to property or improvements in the vicinity of the use; and,

4. The proposed project or use will not be inconsistent with the character of the immediate neighborhood or contrary to its orderly development; and,

5. The proposed use or project will not generate a volume of traffic beyond the safe capacity of all roads providing access to the project, either existing or to be improved in conjunction with the project, or beyond the normal traffic volume of the surrounding neighborhood that would result from full development in accordance with the land use element; and,

6. The proposed project is in compliance with any pertinent City policy or criteria adopted by ordinance or resolution of the City Council.
RECOMMENDATION:
DRC and City Staff recommend the Planning Commission adopt Resolution PC 2018-A approving a Conditional Use Permit to allow a mixed-use development as proposed.

ALTERNATIVES:
1. The Planning Commission may include modifications to the project and/or Conditions of Approval for the project. Any proposed modifications, including Conditions of Approval, should be clearly re-stated in any vote on any of the attached resolutions.

2. The Planning Commission may determine that more information is needed on some aspect of the project and may refer the item back to the applicant and staff to develop the additional information. The Commission should clearly state the type of information that is required. A motion, and approval of that motion, is required to continue the item to a future date.

3. The Planning Commission may deny the project. The Commission must specify what findings cannot be made, and provide a brief oral statement, based on the Staff Report, oral testimony, site visit, correspondence, or any other rationale introduced and deliberated by the Planning Commission.

ATTACHMENTS:
1. Site Aerial
2. Site Photographs
3. Draft Resolution PC 2018-A
ATTACHMENT 2: Site Photographs
PLN 2017-1654
DRAFT RESOLUTION PC 2018-A
CONDITIONAL USE PERMIT

RESOLUTION OF THE PLANNING COMMISSION
OF THE CITY OF ATASCADERO, CALIFORNIA,
APPROVING A MIXED USE RETAIL AND RESIDENTIAL
DEVELOPMENT

8120 MORRO RD (APN 031-231-028) ROBOZ
(PLN 2017-1654)

WHEREAS, an application has been received from Farid and Manirva Roboz, 671 Atascadero Rd, Morro Bay, CA 93442 (Owner and Applicant), to consider Planning Application PLN 2017-1654, for a project consisting of a Conditional Use Permit for a mixed-use development on a 0.429 acre site located at 8120 Morro Rd, Atascadero, CA 93422; and,

WHEREAS, the site’s current General Plan Land Use Designation is General Commercial (GC); and,

WHEREAS, the site’s current Zoning District is Commercial Professional / Planned Development Overlay #3 (CP/PD3); and,

WHEREAS, mixed-use developments require the approval of a Conditional Use Permit in the CP zoning district; and,

WHEREAS, the Design Review Committee reviewed the proposed project on November 29, 2017 and provided recommendations to the Planning Commission regarding the site plan and architectural appearance of the project; and,

WHEREAS, the proposed project qualifies for an Categorical Exemption consistent with CEQA Guidelines Section 15332: Infill Development; and,

WHEREAS, the laws and regulations relating to the preparation and public notice of environmental documents, as set forth in the State and local guidelines for implementation of the California Environmental Quality Act (CEQA) have been adhered to; and,

WHEREAS, a timely and properly noticed Public Hearing upon the subject Conditional Use Permit was held by the Planning Commission of the City of Atascadero at which hearing evidence, oral and documentary, was admitted on behalf of said application; and,

WHEREAS, the Planning Commission of the City of Atascadero, at a duly noticed Public Hearing held on March 6, 2018, studied and considered PLN 2017-1654; and,
NOW, THEREFORE, BE IT RESOLVED that the Planning Commission of the City of Atascadero makes the following findings, determinations and recommendations with respect to the proposed Conditional Use Permit:

SECTION 1. Findings of Environmental Exemption. The Planning Commission finds as follows:

1. The proposed project is Categorically Exempt (Class 32) from the provisions of the California Environmental Quality Act (California Public Resources Code §§ 21000, et seq., “CEQA”) and CEQA Guidelines (Title 14 California Code of Regulations §§ 15000, et seq.) and pursuant to CEQA Guidelines Section 15332, for infill development. A notice of determination is included as Exhibit A.

SECTION 2. Findings for approval of Conditional Use Permit. The Planning Commission finds as follows:

1. The proposed project or use is consistent with the General Plan; and,

   Fact. The project is consistent with the Land Use, Open Space and Circulation (LOC) Policies and Programs 1.1 for guiding new development into the urban core; 1.1.7 for infill development; 1.4.1 for screening exterior lights; 2.1.3 and 7.2.3 for providing street trees; 7.2.4 for providing shade trees; 8.5.3 for providing on-site stormwater management; 13.1 for convenient location of goods and services; and 15.1 for directing growth to an area with existing City services.

   The project is consistent with Circulation Element (CIR) Policies and Programs 1.3.3 for locating on an arterial with minimal driveways; 1.4 for requiring a tree lined street; 1.5.1 for requiring adequate off-street parking; 1.5.3 for landscaping, lighting, screening and shade trees in the parking lot; and 2.3.1 for providing adequate sidewalks.

2. The proposed project or use satisfies all applicable provisions of the Zoning Ordinance; and,

   Fact. The proposed mixed-use project can be permitted though the Conditional Use Permit process as identified in the Municipal Code and General Plan. The proposed structure and site plan are consistent with the applicable provisions of the Atascadero Municipal Code with the approval of the subject entitlement.

3. The establishment, and subsequent operation or conduct of the use will not, because of the circumstances and conditions applied in the particular case, be detrimental to the health, safety or welfare of the general public or persons residing or working in the neighborhood of the use, or be detrimental or injurious to property or improvements in the vicinity of the use; and,

   Fact. The proposed mixed-use development will be constructed on a currently vacant lot surrounded by commercial and residential uses. The establishment of the use on a commercial infill site will not be detrimental to the public health, safety, or welfare. Conditions of Approval have been added to ensure that no sight distance issues occur due to the location of the monument signs.
4. The proposed project or use will not be inconsistent with the character of the immediate neighborhood or contrary to its orderly development; and,

**Fact.** The proposed development is consistent with surrounding commercial uses along Morro Rd and adjacent to residential uses to the north of the site.

5. The proposed use or project will not generate a volume of traffic beyond the safe capacity of all roads providing access to the project, either existing or to be improved in conjunction with the project, or beyond the normal traffic volume of the surrounding neighborhood that would result from full development in accordance with the land use element; and,

**Fact.** The proposed mixed-use development is an anticipated use along Morro Rd. Morro Rd is a State Highway, designed to accommodate the traffic that will result from the proposed project.

6. The proposed project is in compliance with any pertinent City policy or criteria adopted by ordinance or resolution of the City Council.

**Fact.** The Design Review Committee has reviewed the proposed project and found the site plan and elevations to be consistent with the criteria in the City’s Design Review Manual.

**SECTION 3. Approval.** The Planning Commission of the City of Atascadero, in a regular session assembled on March 6, 2018 resolved to approve the Conditional Use Permit subject to the following:

- EXHIBIT A: Notice of Exemption
- EXHIBIT B: Conditions of Approval
- EXHIBIT C: Site Plan / Landscape Plan
- EXHIBIT D: Elevations
- EXHIBIT E: Fence Design Concept
On motion by Commissioner __________, and seconded by Commissioner __________, the foregoing resolution is hereby adopted in its entirety by the following roll call vote:

AYES: ( )
NOES: ( )
ABSTAIN: ( )
ABSENT: ( )
ADOPTED:

CITY OF ATASCADERO, CA

________________________________________
Jerel Seay
Planning Commission Chairperson

Attest:

________________________________________
Phil Dunsmore
Planning Commission Secretary
EXHIBIT A: Notice of Exemption
PLN 2017-1654

CITY OF ATASCADERO
NOTICE OF EXEMPTION

6500 Palma Avenue Atascadero, CA 93422 805.461.5000

TO: File

FROM: Kelly Gleason, Senior Planner
City of Atascadero
Community Development Department
6500 Palma Avenue
Atascadero, CA 93422

SUBJECT: Filing of Notice of Determination in Compliance with Section 21152.1 of the Public Resources Code.

Project Title: PLN 2017-1654 – Mixed Use Development

Project Applicant: Farid and Manirva Roboz, 671 Atascadero Rd, Morro Bay, Ca 93442

Project Owner: Farid and Manirva Roboz, 671 Atascadero Rd, Morro Bay, Ca 93442

Project Location: 8120 Morro Rd, Atascadero, CA 93422 (San Luis Obispo County, 031-231-028)

Proposed Project Site

Subject site: 8120 Morro Rd
Project Description:
The proposed project includes construction of a new two-story mixed use building with a commercial retail space on the ground floor and three (3) apartments above. The commercial portion of the building totals 3,866 sf and the residential portion totals 2,993 sf. Associated site improvements include parking, landscaping, a monument sign, and trash enclosure.

The site is currently vacant and is bordered by commercial and multi-family residential zoning. No native trees are proposed for removal.

Name of Public Agency Approving Project: City of Atascadero

Name of Person or Agency Carrying Out Project: Farid and Manirva Roboz

Exempt Status:
- Ministerial (Sec. 15073)
- Declared Emergency (Sec. 15061 (a))
- Emergency Project (Sec. 1507 (b) and (c))
- Categorically Exempt (Sec. 15301-15333): 15332
- General Rule Exemption (Sec. 15061.c)

Reasons why project is exempt: The Class 32 Exemption of the California Environmental Quality Act (CEQA) (Section 15332, In-Fill Development projects) consists of projects characterized as in-fill development meeting the following conditions:

a) The project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.

Mixed Use residential and commercial projects require a conditional use permit. This project is consistent with its General Plan designation (General Commercial), all applicable general plan policies, its zoning designation (Commercial Professional) and regulations with the approval of a Conditional Use Permit.

The project is consistent with the Land Use, Open Space and Circulation (LOC) Policies and Programs 1.1 for guiding new development into the urban core; 1.1.7 for infill development; 1.4.1 for screening exterior lights; 2.1.3 and 7.2.3 for providing street trees; 7.2.4 for providing shade trees; 8.5.3 for providing on-site stormwater management; 13.1 for convenient location of goods and services; and 15.1 for directing growth to an area with existing City services.

The project is consistent with Circulation Element (CIR) Policies and Programs 1.3.3 for locating on an arterial with minimal driveways; 1.4 for requiring a tree lined street; 1.5.1 for requiring adequate off-street parking; 1.5.3 for landscaping, lighting, screening and shade trees in the parking lot; and 2.3.1 for providing adequate sidewalks.

b) The proposed development occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses.

The proposed project is within the City limits of the City of Atascadero on a site 0.429 acres in size. The property is surrounded by commercial as well as single & multi-family residential uses. The site is currently vacant.

c) The project site has no value as habitat for endangered, rare or threatened species.
The project site is a vacant site bordered by developed areas. The site is located off of Highway 41. No sensitive species exist on site.

d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.

The project site is located off of State Highway 41 which is designed to accommodate commercial build-out of Morro Rd as anticipated in the General Plan. As the project is located adjacent to a heavily traveled road, residential uses will be required to incorporate fenestration design which mitigated exposure to excessive noise. The project is located on a less than half acre lot and is proposed for 3 residential units and 3,500 square feet of commercial space. Air quality impacts are less than significant. No impact to water quality will occur. Per City and State standards, all projects are required to implement stormwater detention, retention, and filtration as necessary.

e) The site can be adequately served by all required utilities and public services.

The project site is located in an area with full city and utility services. All service providers have adequate capacity to serve the site at completion of the project.

All of the above considerations have been evaluated. The project will not impact an environmental resource no create a cumulative impact. Development in this area was anticipated in the General Plan build-out scenario and no significant cumulative impact will result as part of this project. The project will not create an unusual circumstance that would result in an environmental impact nor ids it located along a designated scenic highway. The site is currently vacant and has not been previously developed. No historic resources exist on the site or adjacent to the site.

Contact Person: Kelly Gleason, Senior Planner, kgleason@atascadero.org, (805) 470-3446

Date: February 23, 2018

[Signature]
Kelly Gleason, Senior Planner
EXHIBIT B: Conditions of Approval  
PLN 2017-1654

<table>
<thead>
<tr>
<th>Conditions of Approval</th>
<th>Timing</th>
<th>Responsibility /Monitoring</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Conditional Use Permit</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Mixed-Use Development</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>8120 Morro Rd</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>1.</strong> This entitlement shall be for a mixed-use development as described in attached Exhibits, located at 8120 Morro Rd (APN 031-231-028), regardless of owner.</td>
<td>Ongoing</td>
<td>PS</td>
</tr>
<tr>
<td><strong>2.</strong> The approval of this use permit shall become final and effective for the purposes of issuing building permits fourteen (14) days following the Planning Commission approval unless prior to the time, an appeal to the decision is filed as set forth in Section 9-1.111(b) of the Zoning Ordinance.</td>
<td>Ongoing</td>
<td>PS</td>
</tr>
<tr>
<td><strong>3.</strong> The Community Development Department shall have the authority to approve the following minor changes to the project that (1) modify the site plan project by less than 10%, (2) result in a superior site design or appearance, and/or (3) address a construction design issue that is not substantive to the Conditional Use Permit.</td>
<td>Ongoing</td>
<td>PS, CE</td>
</tr>
<tr>
<td><strong>4.</strong> Approval of this Conditional Use Permit shall be valid for twenty-four (24) months after its effective date. At the end of this time period, the approval shall expire and become null and void unless the project has received a building permit or a time extension.</td>
<td>BP</td>
<td>PS</td>
</tr>
<tr>
<td><strong>5.</strong> The owner and applicant shall defend, indemnify, and hold harmless the City of Atascadero or its agents, officers, and employees against any claim or action brought to challenge an approval by the City, or any of its entities, concerning this conditional use permit.</td>
<td>Ongoing</td>
<td>CA</td>
</tr>
</tbody>
</table>

**Planning Services**

| **6.** A bicycle rack shall be provided near the entrance to each of the buildings on the subject site. | BP      | PS |
| **7.** The landscaping shall include fast growing screen trees along the rear property line adjacent to the Residential Multi-Family zoned parcels. Larger evergreen shrubs may be approved in areas where conflicts with existing landscaping exist. | BP      | PS |
| **8.** New lighting shall conform to the standards of Atascadero Municipal Code 9-4.137 for exterior lighting. All pole lighting shall be shielded from neighboring properties and buildings. | BP      | PS |
| **9.** The trash enclosure shall be architecturally compatible with the building. | BP      | PS |
| **10.** The residential units shall incorporate construction techniques and material specs that meet the City’s General Plan limits for interior sound levels. |         |   |

**Public Works**

| **11.** All improvements in State Hwy 41 (Morro Rd) must be constructed in accordance with Caltrans Standards and Specifications. | BP      | PW |
EXHIBIT D: Elevations
PLN 2017-1654

MATERIALS LEGEND

1. EXTERIOR WALLS: TERRACOTTA TILES
2. INTERIOR WALLS: LIGHT GREY CONCRETE
3. ROOF: DARK GREY CONCRETE
4. BARS: STAINLESS STEEL
5. FENCES: RECLAIMED WOOD
6. DOORS: WOODEN
7. WINDOWS: GLASS

MONRO COURT
8120 MORRO ROAD
ATASCADERO, CALIFORNIA
EXHIBIT E:  Fence Design Concept  
   PLN 2017-1654

Proposed Wall/Fence Detail

Location: At North property line between the project and Residential Multi-Family zoned property

Materials: Concrete wall with wood applied to elevation facing residential uses.