

TO: JAMES L. APP, CITY MANAGER
FROM: ED GALLAGHER, COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: Code Amendment 14-005: Elsayed Carwash
DATE: JULY 1, 2014

Needs: For the City Council to consider a request filed by Margaret Holstine, on behalf of Steve Elsayed, to amend the Uptown Town Centre Specific Plan to provide that carwashes in conjunction with existing service stations may be conditionally-permitted in the Town Centre-1 (TC-1) zoning district.

Facts:

1. Mr. Elsayed owns and operates Steve's Gas Station located at 1441 Spring Street and would like to add a carwash in conjunction with a major remodel planned for the existing facility.
2. Table 5.3-1 of the Uptown Town Centre Plan (Specific Plan), does not permit car washes in the TC-1 zoning district.
3. The request is to amend Table 5.3-1 to allow carwashes in the TC-1 zone, with a Conditional Use Permit (CUP).
4. On June 10, 2008, prior to adoption of the Specific Plan in May 2011, CUP 07-019 was granted to Steve's Gas to reconfigure the station to replace the repair garage with a mini-mart, rearrange the pump islands, and add a carwash. That approval expired on June 10, 2010, prior to adoption of the Specific Plan.
5. In 2013, as part of a City-initiated specific plan amendment that included various proposed amendments, Mr. Elsayed requested an amendment to allow carwashes in the TC-1 Zone. At its meeting on August 27, 2013, the Planning Commission on a 4-2-1 straw vote, recommended that the City Council not support the request. The request then went before the City Council on September 17, 2013, where the Council on a 3-1-1 vote, opposed the request.
6. At its meeting of May 20, 2014, the City Council agreed to consider an amendment to the Uptown Town Centre Specific Plan to permit carwashes in the TC-1 zone within one year of the Council's denial of the same request.
7. The Planning Commission considered the proposed amendment on June 10, 2014 and, on a 5-2 vote recommended Council approval of the amendment as proposed. The majority opinion is that there were several reasons to find the proposed use consistent with the policy direction given by the Uptown/Town Centre Specific Plan. The minority opinion was that the proposed use does not conform to the policy direction given by the Uptown/Town Centre Specific Plan.

8. This application is categorically exempt from environmental review per Section 15061(b)(3) (General Rule) of the State's Guidelines to Implement CEQA.

**Analysis and
Conclusion:**

This proposed amendment seeks a change in land use policy to allow carwashes in the TC-1 Zone. The following sections of the specific plan contain policy statements pertinent to these requests for change:

1. Section 2.1.A, which describes the "Downtown District" as "the historic retail core of the City. As much of the retail life of the City has moved to larger centers, the Downtown is being reinvented as a restaurant, entertainment, cultural, artistic, educational, and civic center for the City and the region. A strong retail component, as well as residential and office uses, are also planned, to create a vibrant, 18-hour mixed-use urban district."
2. Section 2.1.4.B, which includes the following "Short-Term" program for the Downtown neighborhood: "Expand the existing retail district northward to 16th Street.....retail should be required on the ground floor of all buildings within this district and should be comprised of specialty stores and restaurants peppered with a few national retail chain tenants."
3. Section 5.2.6, which reads: "The TC-1 zone 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."

Prior to adoption of the Specific Plan, the Planning Commission approved a carwash for Steve's Gas, when the General Plan land use designation for that property had been "Community Commercial" and the Zoning was "C-2". That approval lapsed while the specific plan was being prepared. The property has since been re-designated "Downtown Commercial" and re-zoned to TC-1. Carwashes and service stations are not permitted in the TC-1 Zone. The existing service station is now a non-conforming use.

In February of 2013, the Planning Commission made an interpretation that allowing the removal of the existing garage building, reconfiguring the pump islands, and building a new mini-mart would be permitted, since the Uptown Town Centre Specific Plan allows the existing gas station to continue operation as a non-conforming use, and since markets are permitted in the TC-1 zone.

As noted above, the TC-1 Zone is intended to have a compact development pattern of buildings with retail commercial and entertainment uses on the ground floor and offices or residential uses on the upper floors, and along Spring Street, such a land use pattern would extend to 16th Street. Service stations and carwashes have been considered to be inconsistent with this pattern. As a non-conforming use, the service station may continue to be operated indefinitely and as mentioned above, has been approved for expansion.

Carwashes could generate a level of noise that may be a nuisance to neighboring residents (if any). The previously-approved conditional use permit (CUP) for the carwash at Steve's Gas was conditioned upon mitigation measures identified by a noise study that was required for that use. Via a CUP application and/or CEQA review for individual projects, the City may require noise studies for carwashes and implementation of mitigation measures.

The previously-approved carwash was conditioned to provide that the carwash could not be operated unless it could demonstrate, via a professional noise study conducted after construction of the carwash, that it would not generate certain maximum noise levels at specified locations (the western site property line and the eastern property line of residential property west of the site). Therefore, the applicant was taking a significant risk that the specified noise levels could be attained.

The request from Steve's Gas is to place a carwash in conjunction with an existing service station, which is a non-conforming use. A code amendment to allow freestanding carwashes in the TC-1 Zone, i.e., without a service station on the same site, would introduce a land use in the downtown that would be disruptive to the desired urban form. Therefore, if a carwash was to be allowed in the TC-1 Zone, it would seem to follow that it should only be allowed in conjunction with an existing service station. Presently, there are only three service stations in the TC-1 Zone: Steve's Gas, the Mobil Station at 14th and Spring, and the Pioneer Station at 12th and Spring. The site for the Mobile Station is too small to accommodate a service station and a carwash. The Pioneer Station could possibly accommodate a carwash if the site was redesigned with new buildings.

The applicant's letter lists several reasons to consider the proposed amendment. Many of these reasons are tied to the applicant's plans for operation of the facility (e.g., hosting non-profit carwashes). However, a zoning code amendment and a subsequent conditional use permit would confer entitlements that would run with the land, regardless of who operates the use, should property change hands in the future.

The requested code amendment conflicts with adopted policy for the Uptown/Town Centre Specific Plan that calls for extension of the downtown north to 16th Street. Therefore, Option A calls for denial of the request. However, the interpretation of consistency with policy is ultimately at the discretion of the

City Council, following review and comment by the Planning Commission. An ordinance approving the requested code amendment is attached and is provided as Option B.

Reference: Uptown Town Centre Specific Plan, 2003 General Plan, 2006 Economic Strategy

Fiscal Impact: There are no fiscal impacts associated with the proposed amendments.

Options: After opening the public hearing and taking public testimony, that the City Council take one of the actions listed below:

- a. Introduce for first reading Ordinance No. 14-XXX Amending Chapter 5 of the Uptown/Town Centre Specific Plan to Allow Establishment of Carwashes as Conditional Uses in Conjunction with Existing Service Stations, and set July 15, 2014 as the date for adoption of said Ordinance.
- b. Amend, modify, or reject the foregoing option.

Attachments:

1. Margaret Holstine Letter
2. Ordinance to Approve Amending Table 5.3-1 of the Uptown/Town Centre Specific Plan
3. Newspaper Notice Affidavit

05/27/2014

Steve's Gas, Mix Use, Retail, Car Wash
 Owner: Steve Elsayed
 Paso Enterprises, LLC (Steve's Gas)
 1441 Spring Street Paso Robles, Ca
 APN 008-316-015 & 016

Steve's Gas is requesting approval of Code Amendment Chapter 5 of the Uptown/Town Centre Specific Plans, to allow carwash in conjunction with existing service station in the TC-1 Zone.

History:

1. Steve Elsayed is a longtime Resident of The City of Paso Robles and owner of Steve's Gas since 1989 (25 years)
2. Gas Station Built 1955
3. **City of Paso Robles Statement: I believe development standard contained in Chapter 5, the Development Code have been determined to be too restrictive and counter to the City's efforts to facilitate businesses.**

Facts:

1. **Steve's Gas an Approved Project: Mix Use, Retail/Convenience Store, Gas Pumps, and Carwash June 10 ,2008**
2. June 10, 2010 Steve's Gas CUP expired. Steve's Gas did not file application for time extensions.
 - a. Steve's Gas was unaware he had to file application for time extensions. No notification are sent out on time extension. I am sure if Steve was aware he would have filed time extension. Steve spent \$200,000.00 first time around for approval 2008.
 - b. If Steve had been aware of the ramification of not filing time extension and starting over and going through the process again, cost and time he would have filed for time extension.
 - c. I believe there was a misunderstanding on Steve's, part not knowing the process of the City of Paso Robles, Steve is not a developer. Don't you think if Steve understood the process he would have ask for time extension!!! Like throwing money out the window.
 - d. Steve decided to redesign his project using a local Architect Ken Nagahara. Ken Nagahara redesigned the layout with the intent of still having car wash.
 - e. To Steve's surprise, the city had adopted the new Uptown/Town Centre Specific Plan, which included Steve's Gas property. He was shocked that he wouldn't be able to have his Car Wash facilities. He had figured that since his previous project **approved with Car Wash**, he wouldn't have any problems with having a Car Wash.
3. May 3, 2011 The Uptown/Town Centre Specific Plan was adopted.
4. February 25, 2013, The Planning Commission interpreted the Uptown/Town Centre Specific Plan to determine that a mini-mart could be develop on the same site as a non-conforming service station.
5. Steve's approved Structure plans showing the space where the Car Wash being shown as an empty tenant space with the intent of adding the Carwash

-1-

RECEIVED

MAY 28 2014

Attachment 1
 Margaret Holstine Letter
 CA 14-0005

City of Paso Robles
 Community Development Dept.

6. September 17, 2013 Part of a semi-annual review of the Uptown/Town Centre Specific Plan, the City Council denied the request to allow carwashes in conjunction with nonconforming service station in the TC-1 Zone
September 17, 2013 Meeting; Steve's was home sick, Steve did not have representation that night. **This was approved project.**
7. September 17, 2013. Residential Care Facilities for the Elderly (RCFE) **was approved in the TC=1-** Care Facilities had representation and Steve's Gas did not have representation home sick.
8. **Steve's Gas spending \$3 to \$4 million dollars on his project.**
9. Benefit from Steve's Gas/ Carwash
 - Electric Plugs
 - Corn Fuel
 - Propane
 - New Technology's
 - New Car Washing facilities **recycle 85%** of water used
 - Average water used for washing and rinse 7.9 Gallons.
 - Beautiful Architectural design
 - Steve's Gas offering Eco-Friendly charity car washing programs
 - Greenhouse gas reduction
 - Tax revenue to the City of Paso Robles
 - Needed service to the public
 - New look to Spring Street.
 - Mix Use, living up stairs, Retail Convenience Store
 - This project would consistent with the General Plan and not be detrimental to the health and safety, morals, comfort, convenience and general welfare of the persons residing or working in the neighborhood of such propose use, or be injurious to detrimental to property and improvements in the neighborhood or the general welfare of the City of Paso Robles.

Car Wash information vs other uses:

- Home usage per gallon or other uses – Engineered Studies show that a 5/8 hose running at 50 pounds per square inch uses 10 gallons of water per minute.
- Charity car washing use staggering 110 to 160 gallons per vehicle
- Population of 30 thousand plus outline area 45 thousand – 1 to 2 cars = 1.5 cars per family, 67 thousand cars in the city of PR and greater surrounding areas of Paso Robles
- Currently have 6 car wash facilities serving City of PR and Surrounding areas of Paso Robles.
- Using water to wash or clean a vehicle, including but not limited to any automobile, truck, van, bus, motorcycle, boat or trailer, whether motorized or not is prohibited, except by use of a hand-held bucket or similar container or hand held hose equipped with a positive self-closing water shut off nozzle or device. This subsection does not apply to any commercial car washing facility. Car washing is not subject to the 3-day watering schedule.

Margaret Heely Holstine
Land Use Consultant
Paso Robles, Ca
Cell: 805-550-3552

ORDINANCE NO. XXX N.S.

AN ORDINANCE OF THE CITY OF EL PASO DE ROBLES
AMENDING THE UPTOWN/TOWN CENTER SPECIFIC PLAN
(CODE AMENDMENT 14-005 - ELSAYED)

WHEREAS, an application has been filed by Steve Elsayed requesting to amend Table 5.3-1 of the Uptown Town Centre Specific Plan (Specific Plan) to allow car washes in the TC-1 zone; and

WHEREAS, Mr. Elsayed has approvals for a major remodel and expansion of his existing gas station located at 1441 Spring Street and with the remodel he would like to add a car wash; and

WHEREAS, Table 5.3-1 of the Uptown Town Centre Plan (Specific Plan), does not allow car washes in the TC-1 zoning district; and

WHEREAS, the request is to amend Table 5.3-1 to allow carwashes in the TC-1 zone, with a Conditional Use Permit (CUP); and

WHEREAS, this application is categorically exempt from environmental review per Section 15061(b)(3) (General Rule) of the State's Guidelines to Implement CEQA.; and

WHEREAS, at a meeting held on June 10, 2014, the Planning Commission took the following actions regarding this ordinance:

- a. Considered the facts and analysis, as presented in the staff report prepared for this project;
- b. Held a public hearing to obtain public testimony on the proposed ordinance;
- c. Recommended that the City Council _____the proposed ordinance; and

WHEREAS, based on information received at its meeting on July 1, 2014 the City Council took the following actions regarding this ordinance:

- a. Considered the facts and analysis, as presented in the staff report prepared for this project;
- b. Held a public hearing to obtain public testimony on the proposed ordinance;
- c. Considered the Planning Commission's recommendation from its June 24, 2014 public meeting;
- d. Introduced said ordinance for the first reading; and

WHEREAS, on July 15, 2014 the City Council held a second reading of said ordinance,

NOW, THEREFORE, the City Council of the City of El Paso de Robles does hereby ordain as follows:

SECTION 1: Table 5.3-1 is amended as follows:

Page #	Change
5:9	Show carwashes as being permitted in the TC-1 Zone with the approval of Conditional Use Permit and insert a note in the right hand column: "Only when accessory to an existing gas station, not as a primary use."

SECTION 2. Publication. The City Clerk shall cause this ordinance to be published once within fifteen (15) days after its passage in a newspaper of general circulation, printed, published and circulated in the City in accordance with Section 36933 of the Government Code.

SECTION 3. Severability. If any section, subsection, sentence, clause, or phrase of the Ordinance is, for any reason, found to be invalid or unconstitutional, such finding shall not affect the remaining portions of this ordinance.

The City Council hereby declares that it would have passed this ordinance by section, subsection, sentence, clause, or phrase irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases are declared unconstitutional.

SECTION 4. Inconsistency. To the extent that the terms or provisions of this ordinance may be inconsistent or in conflict with the terms or conditions of any prior City ordinance(s), motion, resolution, rule, or regulation governing the same subject matter thereof, such inconsistent and conflicting provisions of prior ordinances, motions, resolutions, rules, and regulations are hereby repealed.

Introduced at a regular meeting of the City Council held on July 1, 2014, and passed and adopted by the City Council of the City of El Paso de Robles on the 15th day of July, 2014 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Duane Picanco, Mayor

ATTEST:

Caryn Jackson, Deputy City Clerk

PROOF OF PUBLICATION

LEGAL NEWSPAPER NOTICES

PLANNING COMMISSION
PROJECT NOTICING

Newspaper: The Tribune

Date of Publication: 05/31/2014

Meeting Date: 06/10/2014
Planning Commission

Project: Zoning Code Amendment 14-005

I, Kristen L. Buxkemper, employee of the Community Development Department, Engineering Division, of the City of El Paso de Robles, do hereby certify that this notice is a true copy of a published legal newspaper notice for the above named project.

Signed: Kristen L. Buxkemper
Kristen L. Buxkemper

**CITY OF EL PASO DE ROBLES
NOTICE OF PUBLIC HEARING
CODE AMENDMENT 14-005**

NOTICE IS HEREBY GIVEN that the Planning Commission of the City of El Paso de Robles will hold a Public Hearing on Tuesday, June 10, 2014, at 7:30 p.m. at the City of El Paso de Robles, 1000 Spring Street, Paso Robles, California, in the City Council Chambers, to consider making a recommendation to the City Council for following application:

- **Code Amendment 14-005:** a request filed by Margaret Holstine on behalf of Steve Elsayed, for a Code Amendment to allow car washes with a Conditional Use Permit, in the Town Center 1 (TC-1) zoning district.

Written comments on the proposed Code Amendment may be mailed to the Community Development Department, 1000 Spring Street, Paso Robles, CA 93446 or emailed to planning@prcity.com, provided that the comments are received prior to the time of the public hearing. Oral comments may be made at the hearing. Should you have any questions regarding this application, please call (805) 237-3970 or email at planning@prcity.com.

If you challenge this application in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Planning Commission at or prior to the public hearing.

Darren Nash
Associate Planner
May 31, 2014 7051553