



MEMORANDUM

TO: PLANNING COMMISSION

FROM: TERESA McCLISH, COMMUNITY DEVELOPMENT DIRECTOR

BY: *S.A.* SAM ANDERSON, PLANNING TECHNICIAN

SUBJECT: CONSIDERATION OF PRE-APPLICATION NO. 17-001; AMENDMENT TO TITLE 5 AND TITLE 16 OF THE ARROYO GRANDE MUNICIPAL CODE REGARDING BILLIARD HALLS AND ESTABLISHMENT OF A NEW RESTAURANT AND BILLIARD HALL; LOCATION – 398 SUNRISE TERRACE; APPLICANT – DAVID & LINDA DEL

DATE: SEPTEMBER 5, 2017

RECOMMENDATION:

It is recommended the Planning Commission review the proposed project and provide comments to the applicant.

SUMMARY OF ACTION:

This hearing is to provide preliminary feedback on a proposed 11,000 square foot restaurant and billiard hall located at 398 Sunrise Terrace in order to aid in project development. This hearing does not grant entitlements or approvals for the proposed project.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

There are no direct City costs related to the proposed project. All entitlements required for the proposed project would be paid by the applicant.

BACKGROUND:

The 0.97-acre site is located on Sunrise Terrace off of Valley Road and is located in the Office Mixed Use (OMU) zoning district (Attachment 1). Surrounding land uses include the Sunrise Terrace retirement community to the east, The Victorian to the south, and agricultural uses to the north and west. The existing commercial structure is approximately 11,000 sq. ft. and was previously operated by Rabobank as a professional administrative office. The proposed project would entitle the property to operate as a restaurant and billiard hall, a use categorized as "Commercial Recreation or Sports Facility – Indoor." According to table 16.16.030(A) of the Arroyo Grande Municipal Code (AGMC), this use category is currently not permitted in the OMU zoning district. Therefore, a Development Code Amendment (DCA) would be necessary to change the "Commercial Recreation or Sports Facility – Indoor" from Not Permitted (NP) to requiring a Conditional Use Permit (CUP) for entitlement.

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Project Description

The proposed business would be named "The Break Room Café," and would include twenty two (22) pool tables, thirty one (31) dining tables of assorted sizes, a golf simulator, darts, and a full service restaurant. As stated previously, in order to approve the use, Section 16.36.030 of the AGMC must be amended in order to permit the "Commercial Recreation or Sports Facility – Indoor" use with the issuance of a CUP in the OMU zoning district. It is important to note that the proposed DCA will not only allow processing of a CUP at the property at 398 Sunrise Terrace for the proposed use, but at all OMU zoned properties in the City.

Additionally, the applicant wishes to host pool competitions that can often last until midnight or 1 AM. Section 5.16.010 of the AGMC currently states that "all public places where games are played with pool balls, billiards, pins, dice, or bowling balls shall be promptly closed at eleven (11) p.m.; provided, however, such places may close at twelve (12) midnight on Saturdays." This too would require amendment for the proposed project to operate.

Section 16.36.020.H states "The primary purpose of the Office Mixed Use district is to provide areas for the establishment of corporate, administrative, and medical offices and facilities, commercial services that are required to support major business medical development, and multi-family housing. Retail facilities and support business are encouraged to serve nearby office and residential uses. Typical uses include, but are not limited to, professional and medical offices, business-related retail and service functions, restaurants, health clubs, financial institutions, medical and health care facilities and multi-family housing."

The OMU zoning district is found primarily on Halcyon Road between East Grand Avenue and Fair Oaks Avenue, along El Camino Real between Robles Road and Oak Park Boulevard, and along Camino Mercado between the intersection with West Branch Street and the Five Cities Center, as well as other pockets throughout the City (Attachment 2). The different zoned areas are not homogenous, but are generally populated with single family homes either still being used as residences or homes that have been converted into commercial structures, as well as other small commercial structures. Some large scale commercial development does exist, such as the Arroyo Grande Community Hospital and Kennedy Clubs Fitness.

ANALYSIS OF ISSUES:

The property is currently not zoned to support the proposed use, and is located next to a sensitive land use in the Sunrise Terrace senior community. The proposed project will only be possible with the issuance of a DCA and a CUP. The proposed use is permissible in every other commercial zoning district in the City with varying levels of permitting required. The proposed DCA would alter table 16.36.030(A) to read:

Table 16.36.030(A)

Allowed Land Uses and Permit Requirements— LAND USE	IMU	TMU D-2.11	VCD HCO D-2.4	VMU D-2.11	GMU	FOMU	HMU	OMU	RC	Specific Use Standards and other references
Commercial recreation or sports facility - Indoor	CUP	MUP	CUP	CUP	CUP	CUP	MUP	CUP	CUP/ PED	Section 5.16

The proposed DCA would bring the OMU zoning district into consistency with other commercial zoning districts in the City. Other zoning districts such as the Fair Oaks Mixed Use (FOMU) and Gateway Mixed Use (GMU) districts permit the aforementioned use with the issuance of a CUP while frequently bordering single-family residential neighborhoods.

The proposed DCA would also alter Section 5.16.010 of the AGMC to read:

5.16.010 - Hours of closing.

All public places where games are played with pool balls, billiards, pins, dice, or bowling balls shall be promptly closed at eleven (11) p.m.; provided, however, such places may close at twelve (12) midnight on Saturdays **unless a Conditional Use Permit is reviewed by the Chief of Police and granted by the appropriate approving body to allow for extended hours of operation.**

The proposed DCA would allow greater flexibility for potential billiard hall operations within City limits, while maintaining a degree of control and review in order to mitigate potential negative impacts associated with extended hours of operation of a billiard hall. Table 16.36.030(A) would also be altered in order to reference AGMC Section 5.16 in order to inform potential applicants of specific use standards for “Commercial Recreation or Sports Facility – Indoor” uses.

The proposed project site is unique due to the proximity to the Sunrise Terrace senior community, a sensitive land use of dense housing adjacent to the project site. The proposed use could generate noise and traffic for an area of the City typically considered to be away from major commercial corridors. The proposed project is one of only a few commercially zoned properties near that portion of Valley Road. The proposed use would be unique to the City and would provide a commercial recreational facility that could be utilized by assorted members of the community. A commercial recreational facility of this size does not currently exist within City limits.

The intent of the OMU district is to provide for professional office development, multi-family housing, and businesses that support those office and residential uses. While the proposed project would not be considered to be supportive of professional offices, it provides a use that would be supported by denser residential development and would provide a dining and recreational use near a senior community where transportation capabilities of the residents may be limited.

General Plan Consistency

The General Plan Land Use Map designates the project site as Mixed Use (MU), which is intended to provide for a diversity of retail and service commercial, offices, residential and other compatible uses that support multiple neighborhoods and the greater community, and reduce the need for external trips to adjacent jurisdictions. As proposed, the project would be consistent with the Mixed Use land use by increasing the diversity of retail services and by reducing the need for external trips to adjacent jurisdictions.

The project helps further three of the City's Primary Economic Development Element goals, including:

1. Create a thriving economy
2. Meet unmet community needs
3. Promote business activity

Additionally, LU 5-2 states "the MU category shall provide areas for businesses offering the provision and sale of general merchandise, hardware/building materials, food, drugs, sundries and personal services which meet the daily needs of a multi-neighborhood area."

LU 5-6 states "allowable uses within the MU category shall not include uses that adversely affect surrounding commercial or residential uses, or contribute to the deterioration of existing environmental conditions in the area." It is important to consider whether the proposed DCA would allow a use that could potentially adversely affect surrounding commercial or residential uses.

ALTERNATIVES:

The following alternatives are presented for Planning Commission consideration:

1. Provide comments and suggestions to the applicant in support of the proposed project as presented;
2. Provide comments and suggestions to the applicant in opposition of the proposed project as presented; or
3. Provide other direction to staff and/or the applicant.

ADVANTAGES:

The applicant is currently seeking comments and suggestions from the Planning Commission on processing a DCA and CUP to establish a new restaurant and billiard hall use in the OMU zoning district. Comments in support of the proposed project would encourage the applicant to pursue the establishment of a new use that would provide a service not currently found in the City.

DISADVANTAGES:

The project site is currently not zoned for the proposed use, and is located adjacent to a sensitive use in the Sunrise Terrace senior community. Additionally, establishment of the use will generate additional traffic on Valley Road a minor arterial, not a major arterial, street. Lastly, the proposed DCA would modify the requirements for the entirety of the OMU zoning district, potentially allowing a use not desired in areas traditionally reserved for office and multi-family residential uses.

ENVIRONMENTAL REVIEW:

No environmental review is required for this item. Appropriate environmental review will be required as part of processing the formal project submittal. The formal application will require a thorough analysis of potential environmental impacts pursuant to the California Environmental Quality Act (CEQA). Potential environmental issues include noise and traffic generated by a commercial recreational facility located away from the traditional major commercial corridors of Arroyo Grande.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2. At the time of report publication, no comments had been received.

Attachment:

1. Location Map
2. Zoning Map
3. Conceptual Project Plans (available for public review at City Hall)



Project Site



