

APPROVED
BY THE CITY COUNCIL

MAY 6 1999

OFFICE OF THE
CITY CLERK



10.1

DEPARTMENT OF NEIGHBORHOODS
PLANNING AND DEVELOPMENT
SERVICES

CITY OF SACRAMENTO
CALIFORNIA

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April 23, 1999

City Council
Sacramento, California

Honorable Members in Session:

SUBJECT:

Appeal of the Decision of the Sacramento City Planning Commission Action denying an entitlement to develop 1,822 square feet, previously approved for retail, as office space in the C-2[R Street SPD] zone located at 1102 Q Street, APN 006-0276-023 - Watkins Special Permit Modification (P99-001).

LOCATION:

1102 Q Street
APN 006-0276-023

COUNCIL DISTRICT:

Council District #4

RECOMMENDATION

The City Planning Commission and Planning Staff recommend that the City Council deny the appeal of the action denying entitlements to develop 1,822 square feet, previously approved for retail, as office space, by approving the attached resolution.

- A. Special Permit Modification to develop 1,822 square feet, previously approved for retail, as office space in the C-2[R Street SPD] zone.

CONTACT PERSON:

Mark Kraft, Associate Planner, 264-8116

FOR COUNCIL MEETING OF: May 6, 1999 (Evening)

SUMMARY

On March 11, 1999 the City Planning Commission concurred with staff's recommendation and adopted a Notice of Decision denying the request for a Special Permit Modification to develop 1,822 square feet, previously approved for retail, as office space. The action has been appealed by the applicant on the grounds that it is necessary to place the Watkins Company's offices on site for the management of the building. Staff is recommending denial of the appeal, based on the project's inconsistency with the policies of the R Street Corridor Plan, and the premature timing of the request.

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COMMISSION ACTION:

On March 11, 1999 the Planning Commission voted 7 ayes, 2 noes to adopt a Notice of Decision denying the proposed project. In denying the request, the Commission concurred with staff's position that sufficient time and effort had not been given to marketing the space for retail use, and that the proposed office space, with it's proximity to the 13th Street Light Rail Station, was an important retail location, given the mixed use goals of the R Street Corridor Plan.

BACKGROUND INFORMATION:

In October of 1991, the City Planning Commission approved entitlements to develop a project with 150,000 square feet of office, 4,560 square feet of retail space, and 262 parking spaces, at 1102 Q Street. The Commission granted time extensions for the Major Project Special Permit in December of 1993, and again in January of 1996. The project commenced construction in December of 1997, and is scheduled for completion in June of 1999.

The project, as approved, includes 4,560 square feet of retail space along Q Street, between 11th and 12th Streets. The applicant is now proposing to use 1,822 square feet of this frontage, at the northeast corner, for office use for the Watkins Company.

Staff and the Planning Commission did not feel that findings for approval of the Special Permit Modification could be made, for the following reasons:

- 1) The proposed modification would be inconsistent with the objectives of the development standards for the C-2[RStreet SPD] zone.

In order to focus mixed use development around light rail stations, the R Street Corridor Special Planning District requires ground floor retail development closely proximate to the light rail station. Of the retail space originally proposed, the space now proposed for office is the space which is located closest to the light rail station. Preserving this corner space for retail is important, as it would provide a prominent, readily visible location which could provide services to both transit patrons and neighborhood residents. It would also promote pedestrian activity, particularly between the 13th Street station and the project site, and would provide the potential for a transit/neighborhood serving use which could be open after 5, consistent with R Street Plan goals to promote a vibrant "extended hour" Central City.

- 2) The timing of the request is premature.

The applicant has indicated that the entitlement request is partially due to the fact that demand for the originally proposed retail space is insufficient. Staff and the Planning Commission took the position that this determination is premature for two reasons:

- a) Residential projects are proposed in direct proximity to the project site, which should add significantly to the demand for retail services in the area. Capitol Park Homes (64 units, under construction) and the proposed CADA warehouse live work

project (100 units, scheduled to begin construction next year), are located directly proximate to the site.

b) The applicant has determined that demand is insufficient for the retail space before the project is available for occupancy. It is staff's position that the space must be available for occupancy for a reasonable amount of time, and a good faith effort must be made to lease the available space, before a determination can be made that demand does not exist for the space.

In the case of the Benvenuti office project, the building had been occupied for approximately 5 years when the applicant sought entitlements to reduce the required amount of retail space. This request was granted, for a period of five years, but the request was granted on the condition that, six months prior to the expiration date, the owner initiate and document an active marketing campaign

Given that the applicant has not allowed sufficient time and opportunity for aggressive marketing of the retail space, staff and the Planning Commission are opposed to granting the requested entitlement at this time.

FINANCIAL CONSIDERATIONS

None.

ENVIRONMENTAL CONSIDERATIONS

The City Environmental Coordinator has determined that the proposed project is exempt from environmental review pursuant to CEQA, Section 15301{a}.

POLICY CONSIDERATIONS

The project is directly adjacent to the 13th Street Light Rail Station, and inconsistent with the vision of the R Street Corridor Plan, namely to concentrate mixed uses around light rail stations. The project is also inconsistent with RT, General Plan, Community Plan, and R Street Corridor Plan Policies, which support the development of ground floor retail, to increase pedestrian activity near light rail stations.

ESBD CONSIDERATIONS

Not Applicable.

City Council-Watkins Special Permit Modification-P99-001
Appeal of Planning Commission Action
May 6, 1999

Respectfully Submitted



GARY L. STONEHOUSE
Planning Director

APPROVED:



JACK CRIST
Deputy City Manager

FOR CITY COUNCIL INFORMATION
ROBERT P. THOMAS
CITY MANAGER

APPROVED
BY THE CITY COUNCIL

MAY 6 1999

OFFICE OF THE
CITY CLERK

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

RESOLUTION

ADOPTED BY

ON DATE OF

A RESOLUTION DENYING AN APPEAL OF THE PLANNING COMMISSION ACTION TO DENY AN ENTITLEMENT TO DEVELOP 1,822 SQUARE FEET, PREVIOUSLY APPROVED FOR RETAIL, AS OFFICE SPACE IN THE C-2[R STREET SPD] ZONE LOCATED ON PROPERTY LOCATED AT 1102 Q STREET, APN 006-0276-023 (P99-001).

WHEREAS, at a public hearings on March 11, 1999, the City Planning Commission heard and considered evidence on the request for approval of various entitlements, for the project known as Watkins Special Permit Modification;

WHEREAS, on March 11, 1999 the City Planning Commission denied the entitlement requested for this project;

WHEREAS, on March 16, 1999 the applicant appealed the decision of the City Planning Commission denying the entitlement for this project;

WHEREAS, on May 6, 1999, the City Council heard and considered evidence in the above mentioned matter.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Sacramento that, subject to the findings set forth below, the appeal is denied:

Findings of Fact:

1. The City Planning Commission, on March 11, 1999, and the City Council, on May 6, 1999, held a public meeting on the request for approval of a Special Permit Modification at the property located at the above described location.
2. All government and utility agencies affected by the development of the proposed subdivision have been notified and given the opportunity to respond.

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RESOLUTION NO.: _____

DATE ADOPTED: _____ 6

3. The City Environmental Coordinator has determined that the proposed project is exempt from environmental review pursuant to CEQA, Section 15301{a}.
4. The Planning Staff has submitted to the City Planning Commission and City Council its report and recommendations on the proposed Special Permit Modification.
5. The project is not based upon sound principles of land use in that the project is inconsistent with policies promoting development which focuses active uses proximate to light rail stations, and which encourages ground floor retail space to increase pedestrian activity.
6. The project will be detrimental to the public health, safety and welfare in that the proposed request will diminish retail opportunities for workers and residents proximate to the project.
7. The project is not consistent with Goals and policies of the General Plan, Central City Community Plan and the R Street Corridor Plan.

MAYOR

ATTEST:

CITY CLERK
(P99-001)

Exhibit 1-Site Plan

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RESOLUTION NO.: _____

DATE ADOPTED: _____ 7

CITY OF SACRAMENTO

DEPARTMENT OF PLANNING & DEVELOPMENT
1231 I Street, Sacramento, CA 95814

PLANNING DIVISION
Rm. 200 (916) 264-5604

APPEAL OF THE DECISION OF THE
SACRAMENTO CITY PLANNING COMMISSION

DATE: March 16, 1999

TO THE PLANNING DIRECTOR:

I do hereby make application to appeal the decision of the City Planning Commission on

March 11, 1999 (hearing date), project number (P#) P99-001 when:

- Special Permit for 1822 square feet @ 1102 Q Street previously approved for retail, as office space
- Variance for _____
- "R" Review for _____
- Other _____ for _____

was: Granted by the City Planning Commission

Denied by the City Planning Commission

GROUND FOR APPEAL: (Explain in detail - attach additional sheets if necessary)

(see attached)

- PROPERTY LOCATION: 1102 Q Street, Sacramento
- APPELLANT: (please print) The Watkins Co. (Sue Watkins) PHONE #: 488-0300
- ADDRESS: 2829 Watt Ave., Suite 200, Sacramento, CA 95821
- APPELLANT'S SIGNATURE 

THIS BOX FOR OFFICE USE ONLY

| | |
|---|--------------------------------|
| Filing Fee: <input checked="" type="checkbox"/> \$110.00 by applicant | Received by: <u>WK</u> |
| <input type="checkbox"/> \$ 60.00 by third party | Date: <u>3/16/99</u> |
| Distribute Copies To: GLS, AG, WW, SG, Project Planner, VR (original & receipt) | |
| P# <u>P99-001</u> | Forwarded to City Clerk: _____ |

GROUNDS FOR APPEAL:

The Watkins Company believes it is necessary to place its offices on site for the management of the building, as well as for the tenants on the office floors and the ground floor restaurant. On site management of a fully leased building, provides prompt customer service and assures proper maintenance of the building and grounds. (The restaurant shall provide patio seating).

We also feel that although the space was set aside for retail, the retail area was not properly laid out for such use. Although we have marketed it heavily, the narrow width (15 feet), and lack of a back door, have made negative impressions on those retail customers that have seen the space. We believe that we will succeed in securing a restaurant on the ground floor mainly due to the number of occupants in the building, however, the design of the retail space has been challenging even for potential restaurateurs.

For these reasons, The Watkins Company wishes to use approximately 1800 square feet of ground floor space for its management office.



