

DATE ISSUED: February 1, 2007 **REPORT NO. PC-07-018**

ATTENTION: **Planning Commission, Agenda of February 08, 2007**

SUBJECT: OCEAN BEACH PEOPLE'S MARKET

REFERENCE: Report to Planning Commission P-00-192, November 10, 2000
[Attachment 8]

OWNERS: Ocean Beach People's Organic Food Cooperative
Nancy L. Casady, General Manager
Board of Directors, [Attachment 15]

APPLICANT: James Gabriel, Architects Hanna Gabriel Wells

SUMMARY

Issue: Should the Planning Commission approve a Planned Development Permit (PDP) and Coastal Development Permit (CDP) to amend former Planned Commercial Development (PCD) and CDP 99-1254, resolving a Notice of Violation (NOV), to allow a deviation for parking for 35 spaces where 38 spaces are required, as reduced from 43 total spaces through transportation demand management measures and permit conditions?

Staff Recommendation:

1. **Adopt** previously-certified Mitigated Negative Declaration 99-1254
2. **Approve** Amendment to Planned Commercial Development (PCD) / Coastal Development Permit (CDP) No. 99-1254 through Planned Development Permit (PDP) 203120 / CDP 203119.

Community Planning Group Recommendation: On October 5, 2005, the Ocean Beach Planning Board voted 7-0-0 to recommend approval of the requested deviation and permit revision. Previous discussions at the Ocean Beach Planning Board were held on May 18, 2005, and June 1, 2005. The Board voted 10-0-0 on June 1, 2005 to support the Ocean Beach People's Market application for use of the community room, even if a parking variance would be needed [Attachment 19].

On June 13, 2005, the Ocean Beach Town Council Board of Directors voted unanimous support for use of the room for community meetings. City staff is also in receipt of eleven (11) individual letters of support [Attachment 20].

Environmental Review: A Mitigated Negative Declaration (MND) was prepared for PCD / CDP 99-1254 as finalized on September 13, 2000 and as certified on November 16, 2000 [Attachment 7]. On December 19, 2006, the current proposal was found to be in conformance with the existing MND with no additional environmental documentation necessary pursuant to the California Environmental Quality Act (CEQA).

Fiscal Impact Statement: All costs associated with the processing of this project are paid from a deposit account maintained by the applicant.

Code Enforcement Impact: Resolution of Notice of Violation, July 7, 2004 [Attachment 11].

Housing Impact Statement: None with this action.

BACKGROUND

The purpose of the parking is to accommodate small group meetings after normal business hours in an existing second floor conference room (275 square feet) in an existing 12,942 square foot building on a 22,500 square foot (0.5 acre) site at 4765 Voltaire Street in CC-4-2 Zone within the Ocean Beach Precise Plan, Coastal Overlay (non-appealable), Coastal Height Limit, Airport Environs Overlay Zone, Airport Approach Overlay Zone, Parking Impact Overlay Zone, Ocean Beach Historic District, Council District 2.

The project site is located at 4765 Voltaire Street in the Voltaire / Sunset Cliffs commercial shopping district of the Ocean Beach community. The site is currently developed with a 12,942 square foot, two story, grocery store with on-site, surface parking for 35 cars.

According to an article in *The Peninsula Beacon*, (August 24, 2006, Volume 21, Number 32), the Market is the largest employer in Ocean Beach and has grown from an open-air market in 1971 to the current two-story, approximately 13,000 square foot store. The Market employs approximately 100 people to serve a membership of approximately 8,500 people to support approximately \$8.5 million in sales. The history of their entitlement process leading to this Planning Commission request, is summarized below.

On November 16, 2000, the Planning Commission unanimously denied an appeal by a neighbor, of the Hearing Officer's decision of September 27, 2000, to approve the Ocean Beach People's Market Planned Commercial Development (PCD) permit and Coastal Development Permit (CDP) 99-1254[Attachment 10] to expand an existing food market from a two-story 7,000 square foot store, to a new two-story, 13,000 square foot store. The new store included a 5,273 square foot second floor (mezzanine) to house a deli/kitchen, customer seating area, employee lounge, and administrative offices. The permit required 35 surface parking spaces. The

permitted hours of operation were 8:00 a.m. through 9:00 p.m., Monday – Sunday. The approval was based on the staff report P-00-192 [Attachment 8].

The appeal asserted incompatibility with the Ocean Beach Precise Plan, inconsistent uses of the building, and inadequate parking, among other issues. A primary concern of the appeal was that the project approved a second floor mezzanine to be used for administrative offices, an employee lounge, a customer deli, and an employee conference room. The appellant provided publications from the Market stating that the 275 square foot conference room was advertised as a community room which is a use not specifically allowed in the approved permit, and specifically requesting the community not to park in the Market's parking lot, thereby further impacting the limited street parking.

On July 7, 2004, Ocean Beach Peoples Food Cooperative (the Market) was issued a Notice of Violation by the City of San Diego Neighborhood Code Compliance Department (NCCD) [Attachment 11] for failure to comply with use regulations of the PCD / CDP 99-1254 by using the upstairs multi purpose room as a community room. This use was not explicitly approved in the existing permit. The corrective action was to discontinue of the of the multi-purpose room as a community room and discontinue allowing co-op members access to the room, as the approved permit only identified use as an employee lounge. The corrective action was to be in place by August 13, 2004.

DISCUSSION

On July 11, 2005, the Market made an application to the City of San Diego to amend their existing permit to allow the upstairs employee lounge to be open to public meetings (up to 25 people) and to request a deviation from the parking requirements (because public use of the room would increase the parking demand). The proposed public use would increase the parking demand from 35 spaces (as constructed and as required by the existing permit) to 43 spaces; a deficiency of eight (8) spaces.

In City staff's initial assessment of the application (August 23, 2005), staff recognized the community support and acceptance of public use of the room (as indicated by the Ocean Beach Planning Board unanimous support of 10-0, and the Ocean Beach Town Council unanimous support). Staff identified that occupancy limitations of the room would only allow for groups no larger than 19 people, and suggested, among other recommendations, that a shared parking agreement might resolve the parking deficiency.

In response, the Market identified need for such meeting rooms, noting the following near-by facilities:

- The Women's Club on Bacon Street (always booked, no on-site parking)
- The Ocean Beach Recreation Center on Santa Monica (always booked, no on-site parking, with hours of operation being further limited due to City budget cuts)
- The Ocean Beach Public Library (no space available).

Following are examples of groups requesting to use the Market's community room:

- San Diego Writers Alliance
- Raw Food Social
- Yuen Method for Spiritual Healing
- Child Birth Option
- Co-Housing in San Diego
- Brownie Troop 434
- Thresholds Green Burials
- Amnesty International
- Toastmasters International
- Shiva Center Yoga.

These activities are consistent with the underlying zone for commercial services as “Assembly and Entertainment and/or Private Clubs, Lodges, and Fraternal Organizations.” The proposed activities are also consistent with the Ocean Beach Precise Plan and strongly supported by many in the Ocean Beach Community, noting that some neighbors who live adjacent to the Market continue to experience noise and traffic impacts from operations of the Market.

Evening hours (after 6:00 p.m.) account for 14 – 25% of the total business of the Market. After 7:00 p.m., the usage further declines to 7 – 14% of the average daily business. These percentages have been consistent over the life of the business (approximately 35 years). The proposed community usage would be from 6:30 p.m. to 8:30 p.m. Attachment 21 provides record of community use events and customer counts for store operations.

Ocean Beach provides many opportunities to use alternative transportation modes to shop at the Market including bus service, bike lanes, and sidewalks for pedestrian connectivity. Routes 35 and 923 of the Metropolitan Transit System (MTS) serve the area. A Class III Bike Lane is provided along Voltaire Street and the Market provides bike racks for 13 bikes in front of the store.

The applicant studied several options for a shared parking agreement and other alternatives to increase the parking supply (such as lift parking and tandem parking), and options to reduce parking demand (such as locating off-site employee parking or providing shared parking). Nearby facilities (within a radius of 600 feet) were surveyed for the possibility of establishing a shared parking agreement [Attachment 21]. Ten (10) sites were identified for further investigation for possible shared parking. Two (2) sites (automotive repair shops) were identified for potential shared parking in the evening hours. Discussions with the owners, however, failed to produce an agreement to move forward with a shared parking agreement. In addition, Robb Field Park was also investigated as a possible solution for off-site parking. City Staff, however, would not support use of the public park for private parking.

At the request of City staff, the Market prepared a draft Transportation Demand Management (TDM) plan [Attachment 22] to further assess the potential impacts of use of the room as a community room and to identify reasonable options to reduce the demand for parking. In accordance with the Municipal Code at 142.0540(c), the TDM would be able to reduce the demand by no more than 15%, or five (5) spaces, resulting in a shortfall of three (3) spaces.

In review of the TDM, and in consultation with the applicant, City staff did not believe they could approve the TDM as formal program on the basis of the requirements of the Municipal Code to support the requested deviation. However, as an alternative, the applicant and City staff agreed to create permit conditions, to achieve the desired results. The permit conditions are:

- The office area in the mezzanine level, from the book-keeping office to the general manager's office and the area meeting office inclusive, which office area is shown hatched on the Floor Plan, shall remain unoccupied after 5:00 p.m. each day, satisfactory to the City Engineer.
- Ocean Beach People's Market shall have a transit subsidy program at all times that makes available to their employees either at least two fully funded transit passes or at least four 50% subsidized transit passes, satisfactory to the City Engineer.
- The multi-purpose room as shown on the Floor Plan can be opened any day for public assembly and entertainment purposes any time after 5:00 pm. and the assembly and entertainment can be advertised to start any time after 5:30 p.m.

Table 1 clarifies the parking summary requirements. Table 2 clarifies the reductions.

Airport Authority - On September 29, 2005, the Airport Authority notified the City of San Diego, that the proposal to allow community use of the meeting room does not require review by the Airport Land Use Commission (ALUC) [Attachment 18].

CONCLUSION

Staff has determined that the permit conditions above would effectively reduce the parking demand by at least five (5) spaces, leaving a shortfall of no more than three (3) spaces. Staff is therefore able to support the requested deviation. The deviation would allow 35 spaces where 38 spaces are required, as reduced from 43 required spaces through transportation demand management measures adopted as permit conditions.

| Table 1: Parking Summary | | | | |
|---|--------------------------------|--------------------------------|----------------------------|----------------|
| <i>Use</i> | <i>Required Parking Spaces</i> | <i>Proposed Parking Spaces</i> | <i>Percent of Required</i> | <i>Deficit</i> |
| Existing condition (as permitted and as constructed) | 35 | 35 | 100% | 0% |
| Adding public use of conference room | 43 | 35 | 81% | 19% |
| Administrative controls to reduce parking demand | 38 | 35 | 92% | 8% |

| Table 2: Parking Reduction | | | |
|---|--|------------------------------|--|
| <i>Condition</i> | <i>Reduction</i> | <i>Total spaces required</i> | <i>Calculation notes</i> |
| Close offices after 5:00 p.m. | Removes approximately 5 employees from parking demand | 38 spaces | Removes 2,360 square feet office area from parking demand calculations |
| Transit subsidy | Removes 2 employees from parking demand | 35 spaces | 2 passes, 100% funded, or 4 passes, 50% funded |
| Public Use of room begins at or after 5:30 p.m. | Allows employees time to leave the building and vacate a parking space | 35 spaces | Allows employees time to leave the building and vacate a parking space |

ALTERNATIVES

1. **Approve** Amendment to Planned Commercial Development (PCD) / Coastal Development Permit (CDP) No. 99-1254 through Planned Development Permit (PDP) 203120 / CDP 203119; and **Adopt** previously-certified Mitigated Negative Declaration 99-1254, and Mitigation, Monitoring and Reporting Program (MMRP); with modifications.
2. **Deny** Amendment to Planned Commercial Development (PCD) / Coastal Development Permit (CDP) No. 99-1254 through Planned Development Permit (PDP) 203120 / CDP 203119

Respectfully submitted,

Mike Westlake
Program Manager
Development Services Department

Cory H. Wilkinson, AICP
Development Project Manager
Development Services Department

Attachments:

1. Site Location
2. Aerial Photo
3. Land Use Plan
4. Zoning
5. Project Plans
6. Project Photos
7. Mitigated Negative Declaration 99-1254
8. Report to Planning Commission P-00-192
9. Planning Commission Minutes, November 16, 2000
10. Planned Commercial Development / Coastal Development Permit 99-1254
11. Notice of Violation, July 7, 2004
12. Proposed Permit Amendment
13. Draft Resolution
14. Ownership Disclosure Statement
15. Co-Op Staff and Board of Directors
16. Project Data Sheet
17. Project Chronology
18. San Diego County Regional Airport Authority Correspondence
19. Ocean Beach Planning Board Approval
20. Letters Received from Community
21. Applicant Evaluation of Alternatives and Usage Data for Store Operations
22. Draft Transportation Demand Management (TDM) Plan