

City of Hesperia

STAFF REPORT



DATE: May 14, 2020

TO: Planning Commission

FROM: Chris Borchert, Principal Planner

BY: Daniel Alcayaga, Senior Planner

SUBJECT: Conditional Use Permit CUP19-00008; Applicant: Walmart Stores, Inc.; APNs: 3057-011-39 & 45

RECOMMENDED ACTION

It is recommended that the Planning Commission review all of the information and determine whether Resolution No. PC-2020-06 should be forwarded to the City Council for approval or denial of CUP19-00008.

BACKGROUND

Proposal: A Conditional Use Permit (CUP) has been filed to construct a 1,581 square foot convenience store that includes the sale of beer and wine for off-site consumption, and a 4,860 square foot fueling station with 6 fuel islands on 1 gross acre. (Attachment 1).

Location: On the south side of Main Street, approximately 375 feet west of the California Aqueduct.

Current General Plan, Zoning and Land Uses: The site is within the Regional Commercial (RC) zone of the Main Street and Freeway Corridor Specific Plan (Specific Plan). The surrounding land is designated as noted on Attachment 2. The parcel from which the fuel station is proposed, is within the Main Street Marketplace (Walmart Center). The parcel is surrounded by commercial uses on all sides, except the California Aqueduct is located to the east (Attachment 3).

ISSUES/ANALYSIS

Conditional Use Permit: The Specific Plan requires approval of a CUP for the proposed fueling station and the sale of alcoholic beverages. In addition, the City Council adopted Ordinance No. 2017-08 on October 3, 2017 which requires that all applications for off-sale alcohol (type 20 and 21 ABC licenses) below 12,000 square feet in floor area be forwarded to the City Council for final action. Such establishments must be located within 500 feet of an intersection of two arterial or major arterial streets identified on the City's adopted Circulation Plan.

The proposed CUP consists of the development of a 1,581 square foot convenience store and a fueling station with 6 fuel dispensers (Attachment 4). The CUP also includes the sale of beer and wine from the convenience store for off-site consumption (Type 20 License). The proposal is located less than 500 feet from the intersection of Escondido Avenue and Main Street, which both are arterial roads.

Conformance with Development Standards: The proposed development complies with standard development regulations, including the minimum building setback/height regulations, landscaping, and number of parking spaces. The parking ordinance requires a minimum of 5 parking spaces, based upon 3.33 spaces per 1,000 square feet of gross floor area. As proposed the project provides 23 parking spaces.

Building Design: The site design complies with the architectural guidelines of the Specific Plan. The exterior of the building utilizes a stucco finish with varying accent colors, split face and stacked stone columns on all sides of the building. The building also incorporates changes in wall and roof planes, and includes other architectural features such as steel awnings and cornices on the walls of the buildings. A metal canopy is proposed over the main entrance to the store. The design of the proposed convenience store matches the existing Walmart Store located within the shopping center (Attachment 5). The project also provides a surplus of landscaping. The minimum required landscape coverage is 10% of the developed site; the project provides 11,932 square feet (17.3%) of total landscape coverage.

Alcohol sales: The applicant will file an application for a Type 20 (Off-Sale Beer and Wine) license with the California Department of Alcoholic Beverage Control (ABC). The Specific Plan requires approval of a CUP for the sale of alcoholic beverages. Table 1 identifies ten active off-sale alcoholic beverage licenses within Census Tract 100.17 (Attachment 6). On January 12, 2017, Beyond Food Mart, a fuel station with a convenience store, was approved to sell beer and wine for off-site consumption, and is currently under construction next to Starbucks and Tractor Supply, west of the I-15 freeway. Its status will remain inactive, until the store is operational. ABC authorizes this census tract to have ten off-sale licenses. Therefore, approval of CUP19-00008 will exceed the limitation of 10 licenses and ABC will require that the City make a finding of public convenience and necessity.

Table 1: Existing Off-Sale Licenses in Census Tract 100.17

Status	Business Name	Business Address	Type of License
Active	Pilot Travel Centers	8701 Highway 395	20-Beer and Wine
Active	Grand View Mobil	13302 Ranchero Rd	21-Beer, Wine, and Liquor
Active	Target	12795 Main St	21-Beer, Wine, and Liquor
Active	Walmart	13401 Main St	21-Beer, Wine, and Liquor
Active	Ranchero Chevron	11510 Fashion Ct	21-Beer, Wine, and Liquor
Active	Union 76	11490 Fashion Way	21-Beer, Wine, and Liquor
Active	Springhill Suites Marriott	9625 Mariposa Rd	20-Beer and Wine
Active	Depot 5/Mobil	13187 Main St	21-Beer, Wine, and Liquor
Active	395 Services/Arco	12078 Three Flags Ct	20-Beer and Wine
Active	Oak Hills Market/Chevron	6000 Mariposa Rd	21-Beer, Wine, and Liquor
Non-Active	Beyond Food Mart	12675 Main St	20-Beer and Wine

Census Tract 100.17 is the largest tract in the City and six of the locations are miles away from the proposal, such as along, or in proximity to, other freeway interchanges (i.e. Oak Hill Rd, Ranchero Rd, and Joshua Rd). One of the alcohol licenses is outside City limits at the corner of Escondido Avenue and Ranchero Road. In addition, some businesses are substantially different from a fuel station/convenience store, such as Springhill Suites Marriott, Walmart and Target.

There is only one existing fuel station with a convenience store that sells alcohol on Main Street, and one under construction within the same census tract.

Another approach to determine concentration would be to look at two-mile stretches of Main Street (see Table 2). From Mesa Linda Street (west of I-15) to Topaz Avenue, along both sides of Main Street, which the proposal is within, there are a total of 10 alcohol establishments from which five are fuel stations with convenience stores (Attachment 3). Two of these fuel stations are located to the west of the I-15/Main Street Freeway Interchange. There is a fuel station (Beyond Food Mart) under construction approved to sell alcohol within the High Desert Gateway II Center. Three of the five fuel stations are located east of this interchange in proximity to the proposal. The remaining five alcohol establishments within this two-mile stretch include Target, Walmart, Aldi, Springhill Suites Marriott, and 99 cent store.

Table 2 shows that there are double the amount of convenience stores with fuel stations and liquor stores along Main Street between Seventh Avenue and 'I' Avenue, as compared to the stretch between Mesa Linda Street and Topaz Avenue. In addition, the percentage of fuel stations and liquor stores compared to the number of alcohol establishments is higher along the Seventh Avenue and 'I' Avenue stretch. This shows that the stretch of Main Street between Mesa Linda Street and Topaz Avenue may not be as concentrated as other parts of Main Street with respect to fuel stations with convenience stores (selling alcohol) and liquor stores.

Table 2: Existing Off-Site Licenses Along Main Street

2 mile stretch of Main Street	All Alcohol Establishments	Fuel related Convenience/Liquor Stores	Percentage
Mesa Linda to Topaz	11	6 *	55%
Topaz to Seventh	13	8	62%
Seventh to 'I' Avenue**	16	12	75%
Total	40	26	65%

Notes:

* Beyond Food Mart (a fuel station and convenience store) is approved to sell alcohol and under construction within the High Desert Gateway II Center.

** This stretch captures two alcohol establishments just east of Main Street and 'I' Avenue

Yet another approach would be to review the number of alcohol establishments along Main Street. There are a total of 39 alcohol establishments for off-site consumption along the entire 6.75 miles stretch of Main Street. There is an additional fuel station that has been approved to sell alcohol, but not constructed, that will bring the total to 40. This represents 5.9 alcohol establishments for each mile. Of the 40 alcohol establishments, 26 are fuel stations with convenience stores and liquor stores, including the one approved, but not constructed fuel station. This represents 3.9 fuel stations with convenience stores (selling alcohol) and liquor stores for each one mile.

A different factor to look at may be traffic. The intersection of Main Street and Escondido Avenue, as well as the segment along Main Street (between Escondido Avenue and the freeway) is one of the heaviest local streets traveled in the City. In 2014, the average daily traffic (ADT) volumes along Main Street between I-15 and Escondido Avenue were 34,507. The ADT at Main Street and 'C' Avenue were 29,579. For reference, the intersection of Main Street and 'C' Avenue has fuel stations on both the southeast and southwest corners. The stretch of Main Street between I-15 and Escondido Avenue experiences 4,928 more trips per day than Main Street and C Avenue.

Traffic/Street Improvements: Street improvements, including curb, gutter, and sidewalk along Main Street were constructed as part of the Walmart Center. Therefore, off-site street improvements are not required to be constructed. Consistent with City policy, the developer is required to pay development impact fees to offset traffic impacts on arterial roads and intersections.

Drainage: Any additional runoff created on-site will be detained in an approved storm drain storage system. An underground drainage system is proposed to store the necessary volume. Upon completion of the on-site drainage improvements, the impact of the project upon properties downstream is not considered significant.

Water and Sewer: The development is conditioned to connect to an existing eight-inch sewer main located within an easement along the main drive aisle and a 12-inch water line in Main Street.

Environmental: The project is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) by Section 15332, In-fill Development Projects. This exemption applies to developments on sites no larger than five acres, which are consistent with the General Plan and are substantially surrounded by urban uses. The character of the proposed use does not significantly deviate from the intent of the original approval and is consistent with the certified Environmental Impact Report (EIR) for the Walmart Center.

Conclusion: The City Council and Planning Commission have expressed concerns about the amount of alcohol establishments on Main Street. On March 3, 2020, the Council and Commission held a joint workshop to discuss the number of alcohol establishments in the City. Although there were varying opinions, including that Main Street as a whole is overcentrated with alcohol outlets, there was not a clear consensus if additional alcohol establishments should be approved in other parts of the City, and by the freeway. It is requested that the Planning Commission review the findings of facts in Resolution PC-2020-06, and determine if the CUP should be approved or denied. Staff has provided findings in the Resolution for both approval and denial based on the issues discussed above.

FISCAL IMPACT

None.

ALTERNATIVE(S)

1. Provide alternative direction to staff.

ATTACHMENT(S)

1. Site Plan
2. General Plan
3. Aerial photo with Alcohol Establishments
4. Floor plan
5. Color elevations
6. Census Tract Map
7. Resolution No. PC-2020-06, with list of conditions (CUP)