

Meeting Date: October 14, 2024

Item Number: 1

ADMINISTRATIVE HEARING AGENDA REPORT

SUBJECT: Request for a Minor Use Permit to establish an office on the ground floor in the Downtown Commercial (C-D) Zone. The project is categorically exempt from environmental review under Section 15301 (Existing Facilities) of the CEQA Guidelines.

PROJECT ADDRESSES: 1134 and 1144 Chorro Street **BY:** Hannah Hanh, Associate Planner

Phone: (805) 781-7432

FILE NUMBER: USE-0455-2024 Email: hhanh@slocity.org

RECOMMENDATION: Approve the Minor Use Permit to establish an office on the ground floor in the C-D zone, based on the findings and subject to the conditions of approval.

SITE DATA

Applicant	Cal Poly Partners	i i i co de la constante de la
Land Use Designation	General Retail (GR)	PFH COPD COPD COPD COPD COPD COPD COPD COPD
Zoning	Downtown Commercial (C-D) Zone with Historic Preservation (H) and Planned Development (PD) Overlays	COHPO Coh Coh Coh
Site Area	Approximately 0.4 acre	p. dic s
Environmental Determination	Categorically exempt from environmental review under CEQA Guidelines section 15301, Class 1 (Existing Facilities)	Figure 1 – Project Site

1.0 SUMMARY

Cal Poly Partners (Applicant) has applied for a Minor Use Permit to establish an office on the ground floor at 1134 and 1144 Chorro Street. The Applicant would utilize the approximate 23,426 square foot building to provide an office (i.e., co-working spaces) use on the first and second floors with a complementary general retail use on the first floor. No new construction or additional building square footage is proposed as part of the project. Any construction would be limited to minor tenant improvements to accommodate the proposed office and retail uses.

2.0 PROJECT INFORMATION

Site Information

Present Use & Development	Developed property with existing commercial building
Topography	Relatively flat
Access	Chorro Street, Marsh Street
Zones & Surrounding Uses	North: C-D-H; restaurant, personal service, retail, etc. South: C-D, O; retail, bank, parking facility, etc. East: C-D-H-PD; C-D-PD; restaurant, retail, etc. West: C-D-H; restaurant, retail, etc.

Project Description

The Applicant has applied for a Minor Use Permit to establish an office on the ground floor at 1134 and 1144 Chorro Street. The overall project scope would utilize the approximate 23,426 square foot building to combine two (2) Cal Poly SLO operations (Attachment A – Project Description, Attachment B – Project Plans):

- 1. Office use (co-working office space for the Center for Innovation [CIE] and Small Business Development Center [SBDC]) on the first and second floors; and
- 2. General retail use (Mustang Shop Downtown [MSDT]) on the first floor

The co-working office space includes approximately 16,484 square feet of open collaboration areas, small office rooms, and large conference rooms that would be open during the work week on Mondays through Fridays from 8:00 a.m. -5:00 p.m. The retail store is approximately 4,959 square feet and would be open the entire week with hours between 10:30 a.m. and 8:00 p.m.

No new construction or additional building square footage is proposed as part of the project. Any construction would be limited to minor tenant improvements to accommodate the proposed office and retail uses.

3.0 PROJECT EVALUATION

Per <u>Table 2-1</u> (Uses Allowed by Zone), approval of a Minor Use Permit is required to establish an office on the ground floor in the C-D zone. Approval of the Use Permit is subject to requirements, outlined in <u>Section 17.110.060</u> (Criteria for Approval), <u>Section 17.110.070</u> (Required Findings), and <u>Section 17.32.030(D)</u> (C-D Zone – Required Findings for Ground Floor Offices), for consistency with applicable standards and limitations of the General Plan and Zoning Regulations. Staff has evaluated the project against relevant standards and guidelines and found it to be in compliance as discussed in the following analysis.

Consistency with the General Plan

The project site is located in the General Retail land use designation, which Land Use Element (LUE) <u>Table 1</u> (General Plan Land Use Designations and Development Standards in the LUCE Planning Sub-area) describes as intended for the provision of goods and services adequate to meet needs of the City and nearby County residents.

As proposed, the project is consistent with the intent of this land use designation because it would establish co-working offices, which are dedicated working spaces to facilitate collaboration and productivity between different members of the community (e.g., professionals, students, etc.). Therefore, the project would provide a service intended to support existing and future businesses, organizations, groups, etc. in the City and throughout the County.

Consistency with the Zoning Regulations

The project site is located in the C-D zone, which <u>Chapter 17.32</u> (C-D Zone) describes as intended to accommodate a wide range of retail sales, service, and entertainment uses that respond to community-wide and regional market demands, and to provide opportunities for a variety of housing types, including affordable workforce housing. Ground-floor, street-fronting uses would be limited to those that attract frequent traffic.

Ground-Floor Offices

Per <u>Section 17.32.030(D)</u> (C-D Zone – Required Findings for Ground Floor Offices), ground floor offices within the C-D zone shall comply with additional findings, outlined below, to encourage a pedestrian-oriented and lively street.

- Retail Sales and Services As conditioned, the proposed use will not be detrimental to the health, safety, or welfare of persons living or working at the site or in the vicinity because the proposed use will provide both retail sales and services consistent with surrounding uses.
 - The project provides accompanying retail sales and services (i.e., MSDT) that include a variety of merchandise, services, and products for Cal Poly customers. In addition, the office would include accessory areas that showcase and sell products and merchandise that have been developed by participants of the co-working space. The project would be consistent with surrounding uses as it incorporates retail sales affiliated with the local university and products resulting from collaboration in the co-working space.
- <u>Pedestrian Traffic</u> The proposed use is consistent with the General Plan Land Use Element Policy 4.20.1 (Street Level Activities) because the nature of the business includes an office that has frequent client visits which accommodate "walk-in" service for the community, and also provides visible retail merchandise, thereby benefiting from and contributing to pedestrian traffic.

The project includes co-working office spaces intended for collaboration and productivity and would be open to different members of the community (e.g., professionals, students, etc.). To attract interest from passing pedestrians, retail displays and sales of products resulting from these collaborations would be shown as window displays along the street frontage. In addition, the co-working office space would be advertised and utilized for a variety of educational and networking sessions. As proposed, the project is consistent with the intent to support businesses that have frequent visits in the downtown area because it provides an office space that allow members of the community to gather together (i.e., daily collaborations and larger education and networking sessions) and includes visible retail merchandise.

Parking Requirements

When the property was developed in 1955, the existing commercial building was constructed without providing onsite parking. The prior retail use requires parking at a rate of one (1) space per 500 square feet, which results in a total requirement of 47 spaces. As proposed, the project would convert most of the building from retail use to office use, which also requires parking at a rate of one (1) space per 500 square feet. Therefore, the project does not result in additional required parking.

4.0 ENVIRONMENTAL REVIEW

The project is categorically exempt from provisions of the California Environmental Quality Act (CEQA) described in Section 15301 (Existing Facilities) of the CEQA Guidelines because it consists of the operation, permitting, leasing, licensing, and minor alteration of an existing private structure. No new construction or additional building square footage is proposed as part of the project. Any construction would be limited to minor tenant improvements to accommodate the proposed office and retail uses.

5.0 ATTACHMENTS

- A. Project Description
- B. Project Plans

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□ Approve□ Approve as modified		
☐ Deny		
☐ Continue to:	to allow	
☐ Continue indefinitely to allo	ow:	
		
Tyler Corey, Deputy Director	of Community Development	

Findings

Hearing Officer

Minor Use Permit

- 1. The project is consistent with the General Plan, particularly the intent of the General Retail land use designation to provide goods and services that meet needs of the City and County, because the proposed office on the ground floor is part of a large co-working office space that spans two (2) floors to facilitate collaboration and productivity between different members of the community (e.g., professionals, students, etc.). In addition, the proposed office would operate in conjunction with a retail store to support the local university (Cal Poly SLO).
- 2. The proposed office on the ground floor is permitted in the Downtown Commercial (C-D) zone and has been designed, or conditioned, to comply with all applicable provisions of the Zoning Regulations and Municipal Code.
- 3. The design, location, size, and operating characteristics of the project will be compatible with existing and future land uses in the vicinity because the proposed office on the ground floor is part of a large co-working office space that is intended to connect and support different individuals, businesses, organizations, groups, etc. throughout the community.
- 4. As conditioned, the site is physically suitable in terms of (a) its design, location, shape, size, and operating characteristics of the proposed office on the ground floor, (b) traffic generation and provision of public and emergency vehicle (e.g., fire and medical) access, (c) public protection services (e.g., fire protection, police protection, etc.), and (d) the provision of utilities (e.g., potable water, schools, solid waste collection and disposal, storm drainage, wastewater collection, treatment, and disposal). The project site is surrounded by other

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developed properties, has access to the City's circulation system, and will be served by existing utility services. Additionally, the project does not include activities that generate additional parking demand.

C-D Zone – Ground-Floor Offices

- 5. The project will not be detrimental to the health, safety, or welfare of persons living or working at the site or in the vicinity because the proposed office will provide both retail sales and services consistent with surrounding uses. The accompanying retail store (Mustang Shop Downtown) includes a variety of merchandise, services, and products for Cal Poly customers. In addition, the office would provide accessory areas that showcase and sell products and merchandise that have been developed by participants of the co-working space.
- 6. The project is consistent with General Plan Land Use Element Policy 4.20.1 (Street Level Activities) because the nature of the business includes an office that (a) has frequent client visits that accommodate "walk-in" service for the community, and (b) provides visible retail merchandise, thereby benefiting from and contributing to pedestrian traffic. As proposed, the proposed office would be open for collaboration and productivity between different members of the community. Retail displays and sales of products resulting from these collaborations would be shown as window displays along the street frontage to attract interest from passing pedestrians. In addition, the co-working office space would be utilized for a variety of educational and networking sessions.

Environmental Determination

7. The project is categorically exempt from provisions of the California Environmental Quality Act (CEQA) described in Section 15301 (Existing Facilities) of the CEQA Guidelines because it consists of the operation, permitting, leasing, licensing, and minor alteration of an existing private structure. No new construction or additional building square footage is proposed as part of the project. Any construction would be limited to minor tenant improvements to accommodate the proposed office and retail uses.

Conditions of Approval

Planning Division – Community Development Department

1. The Minor Use Permit shall be reviewed by the Community Development Director for compliance with the conditions of approval, or to determine whether a modification of the Minor Use Permit is necessary upon significant change to the project description, approved plans, and other supporting documentation submitted with this application or in the event of a change in ownership which may result in deviation from the project description or approved plans. Minor changes to the project description or approved plans may be authorized by the Community Development Director and substantial modifications shall require modification of the Minor Use Permit.

- 2. The Minor Use Permit shall be reviewed by the Administrative Hearing Officer if the City receives substantiated written complaints from any citizen, Code Enforcement Officer, or regulatory agency, which contain information and/or evidence supporting a conclusion that a violation of this Use Permit, or of City Ordinances or regulations has occurred. At the time of Minor Use Permit review, conditions of approval may be added, modified, or removed, or the Use Permit may be revoked to ensure ongoing compatibility with nearby uses. The Administrative Hearing Officer may refer the complaint to the Planning Commission at the Hearing Officer's discretion.
- 3. The retail store shall be maintained as a complementary operation of the co-working office space to provide retail sales and services consistent with surrounding uses and attract pedestrian traffic.
- 4. Window displays of retail goods and services shall be maintained along the street frontages to encourage a pedestrian-oriented and lively street.
- 5. The project site shall be maintained in a clean and orderly manner at all times to the satisfaction of the Community Development Director.

Indemnification

6. The applicant shall defend, indemnify and hold harmless the City and/or its agents, officers and employees from any claim, action or proceeding against the City and/or its agents, officers or employees to attack, set aside, void or annul, the approval by the City of this project, and all actions relating thereto, including but not limited to environmental review ("Indemnified Claims"). The City shall promptly notify the applicant of any Indemnified Claim upon being presented with the Indemnified Claim and City shall fully cooperate in the defense against an Indemnified Claim."



July 25, 2024

919 Palm Street

Cal Poly Partners

Real Estate Development & Services
Office: 805-756-5551

jdunning@calpoly.edu www.calpoly.edu

San Luis Obispo, CA 93401

Community Development Department

RE: 1144 Chorro Street Use Permit Narrative

Please find attached the following narrative in support of plans to support the tenant improvement at 1144 Chorro Street San Luis Obispo.

The overall scope of the project will be to combine two Cal Poly operations in Downtown San Luis Obispo into one location, namely the Downtown Mustang Shop and the Center for Innovation and Entrepreneurship (CIE) and Small Business Development Center (SBDC).

The Mustang Shop Downtown (MSDT), has been successful in serving the Cal Poly and San Luis Obispo community with access to Cal Poly apparel and merchandise in a traditional walk-in retail setting for over 30 years. The MSDT's will be expanding from its current site to increase the floor space to better serve Cal Poly customers and to include access to more merchandise, services, and products.

CIE will be co-located with the MSDT. The CIE has been a key asset for Cal Poly students and community members who want to explore the entrepreneurial process, become business leaders, or pursue a specific innovation. The Central Coast community has benefited from Cal Poly serving as a hub of entrepreneurial activity, bringing together public and private resources to spur economic development. The impact has been significant: over the last year, the CIE Small Business Development Center has counseled almost 500 unique clients, seen 15 new business starts, 127 new jobs created, and \$18m raised in capital funding. The Incubator has also driven impressive impact – over the last 12 years, companies participated in the incubator have raised \$57.5M Capital raised, with 62% success rate.

The reception area of the CIE operation of 1144 Chorro, which is the entry access on the middle of Chorro Street, will serve multiple purposes. It is where we will welcome visitors, showcase what the CIE is, the history, connection and contributions to downtown San Luis Obipso, the county and economic development. We will also use the entry space to advertise upcoming educational and networking sessions, that are open to our community. We plan to showcase and sell products that have been developed by our summer accelerator and incubating company teams, as well as CIE merchandise.



We excited to revitalize the corner of 1144 Chorro Street with these activities. Please direct any questions to me or Frances Fan Gibbs Pults & Associates, LLP 3592 Sacramento Drive, Suite 140 San Luis Obispo, CA 93401 Direct: 805.541.4751 fgibbs@pults.com.

Best regards,

JIM DUNNING
Associate Executive Director
Real Estate Development and Services

Direct: (805) 756-5551 jdunning@calpoly.edu

https://calpolycorporation.org

DELIVER THE DIFFERENCE

VICINITY MAP

DOOR MARK REFER TO DOOR SCHEDULE

REFER TO MINDOM SCHEDULE

MINDOW ABOVE

REFERENCE NOTE

DETAIL NUMBER SHEET SHOWN ON

SHEET SHOWN ON

SECTION

SYMBOLS

1

(A)

A

1

DIRECTORY

OMNER
PEDP INC
194 HISUERA STREET
199PO, CA

SAN LUIS OBISPO, CA 93401 (805) 541-9004

SAN LUIS OBISPO, CA 9340 1 (805) 541-5604

PULTS & ASSOCIATES LLP

35 92 SACRAMENTO DRIVE, SAN LUIS OBISPO, GA 9340 1 (805) 54 1-5604 STRUCTURAL ENGINEER SSG STRUCTURAL ENGINEERS, LLP

MECHANICAL ENGINEER

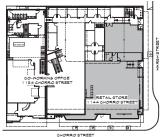
GENERAL CONTRACTOR MAINO CONSTRUCTION CO. INC.

E, SUITE 140

ARCHITECT PULTS & ASSOCIATES, LLP

CIVIL ENGINEER - SURVEY MBS LAND SURVEYS 3559 SOUTH HIGUERA SAN LUIS OBISPO, CA 93401 (805) 594-1960

CIVIL ENGINEER - GRADING MALLACE GROUP



TENANT IMPROVEMENT **CO-WORKING OFFICE RETAIL STORE** SAN LUIS OBISPO, CA

Architecture, Planning & Graphics

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TENANT IMPROVEMENT CO-WORKING

OFFICE RETAIL STORE

1134 & 1144 CHORRO STREET SAN LUIS OBISPO

Client

SAN LUIS OBISPO CA 93407

(805) 756 - 5551

Sheet Contents:

TITLE SHEET



4 SEPT 24

Iob No

Sheet-

T - 1

KEY PLAN

GENERAL NOTES

- The General Contractor shall be responsible for verifying all existing conditions before commencing with any work. DIMENSIONAL GRID LINE
 - All work shall comply with all current codes, ordinances 4 regulations of applicable administrative authorities; 2022 CBC, CPC, CMC, CPC CEC, CALS-GREER, 2022 CBC, City of 9 an Luis Oblepo, Including the August 2020 Public Morks Department Engineering Standards, and the Americans with Disabilities Act (Title II).
 - The Americans with Disabilities Act (ADA) is subject to various and possibly contradictory interpretations. These plans and any accompanying specifications represent designer's opinion regarding an interpretation of the ADA as it applies to the subject project. Any variance from these documents may create non-compliance to

 - Lighting Testing shall be performed by certified Lighting Acceptanc Testing Technicians. Provide copy of Lighting Acceptance Testing Technicians certification and approved testing report to Building Inspector prior to Final Inspection. CERC 130.4

 - contact the Public Morks inspection hotline at 751-7554 with at least a 45-hour notice for any required encroachment permit inspection or final inspection.
 - The adjoining street shall be cleaned by sweeping to remove dirt, dust, mud and constrution debris at the end of each day.

DEFERRED SUBMITTALS

The building described on the following pages is equipped with a fire alarm system. Shop of awings shall be submitted and approved by the San Luis College building and fire Departments prior to fastivation and installation of the system. System design shall need all regularements of regularities. Separate plans and permits are required for the slawms

PROJECT DESCRIPTION

- EXISTING VACANT RETAIL SPACE TO BE REMODELED FOR USE. SOUTH MEST CORNER WILL REMAIN AS RETAIL USE AND THE BALANCE OF THE GROUND FLOOR, MEZANINE AND BASEMENT WILL BE FOR OFFICE USE.
- ALL EXTERIOR DOORS 4 WINDOWS WILL BE RETROFITTED WITH NEW ALUMINUM STOREFRONT WINDOW IN CONFIGURATION TO MATCH EXISTING.
- ALL EXISTING EXTERIOR DOORS WILL BE RECESSED INTO BUILDING AS NEEDED FOR ADA PATH OF TRAVEL COMPLIANCE WITHIN PROPERTY

HOURS OF OPERATION

PROJECT USE AREAS:

- RELIDICATION OF EXISTING RETAILS STORE DOWN FOR MICHAELINITY OF CORNER OF HIGUERA & GARDEN STREETS. THIS STORE WILL PROVIDE THE COMMUNITY WITH ACCESS TO APPPAREL AND MERCHANDISE IN A TRADITIONAL WALK-IN RETAIL SETTING.

STORMWATER COMPLIANCE SUMMARY

PROJECT SUMMARY

LOTS 16, 17 & 18 BLOCK 99 OF THE MISSION VINEYARD TRACT

SITE 16,710 SF

> SECOND FLOOR TOTAL FIRST FLOOR 8.062 SF

SECOND FLOOR 5,451 SF TOTAL LEASE RETAIL STORE 3.634 SF

COMMON FIRST FLOOR USE AREA 1,983 SF

2.471 SF

EXISTING PARKING CREDIT (DOWNTOWN CORE)

RETAIL STORE (4,454 SF/500) 10 SPACES CO-MORKING (16,484 / 500) COMMON (1,983 / 500)

OCCUP TYPE: (NON SEPARATED OGGUPANGIES) RETAIL STORE

CONST TYPE: VB - SPRINKLERED

SEE SHEET T - 2 LOAD:

SHEET INDEX TITLE SHEET PROJECT STATISTICS

 ARCHITECTURAL

 A - 1.1
 9ITE / FIRST FLOOR PLAN & BASEMENT PLAN

 A - 1.2
 SECOND FLOOR PLAN

USE PERMIT APPLICATION FOR OFFICE USE ALLOWANCE ON GROUND LEVEL IN DOWNTOWN AREA. EXTERIOR SCOPE OF WORK PROPOSED WITH FUTURE BUILDING PERMIT ARE AS FOLLOWS.

- ALL EXISTING EXTERIOR AMNINGS WILL BE REFRESHED/RESTORED AS NECESSARY.

RETAIL STORE: DAY/TUESDAY/WEDNESDAY/FRIDAY: 10:30 - 6 PM

MONDAY - PRIDAY: 8:00-5:00PM (NOTE: 19ER SPACE IS OCCUPIED AT AN AVERAGE OF: 140% CAPACITY DURING HOURS OF OPERATION, DUE TO 24/1 SECURED ACCESS AVAILABILITY TO MEMBERS)

- RETAIL STORE.

 RFLOGATION OF EXISTING RETAIL STORE DOWNTOWN CURRENTLY ON
- CO-HORRING OFFICE.

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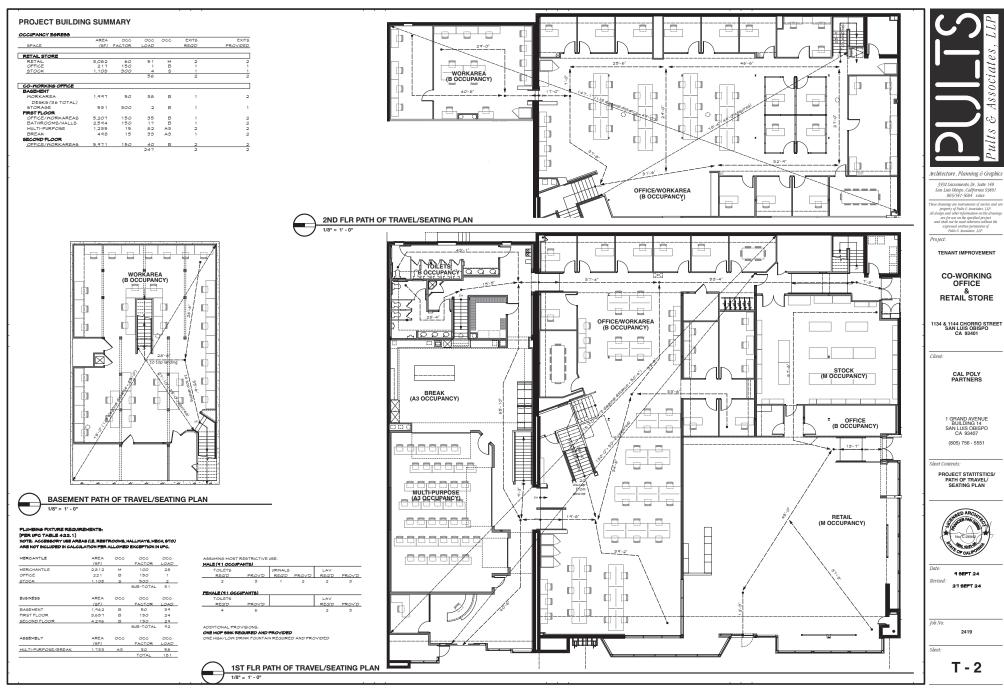
 ADVERTISE INFOOMNE EDICATIONAL AND NETHORNING SESSIONS, THAT ARE OPEN TO THE COMMINITY. IT HILL AS DEFINICABLE PRODUCTS THAT HAVE SEEN DEVILOPED BY PROGRAM PARTICIPANTS, A PELLA SCO-HORKING MERCHANDES.

FLOOD ZONE

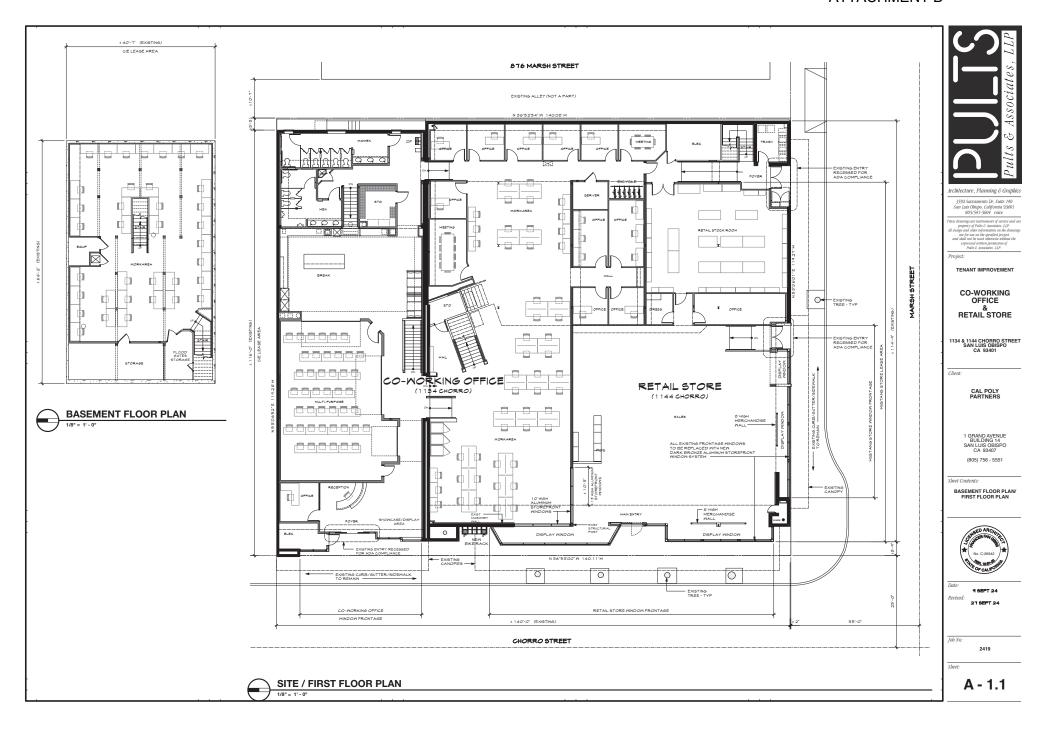
This property is located in an AO (2' depth) flood zone. The water surface or base flood elevation (BFE) of a 100-yr storm is 2' above adjacent grade.

This Project is not a Regulated Project subject to Regional Mater Guality Centrol Board Resolution R2-2015-0032 Post Centruction the Central Construction to Central Central Central Central Central Central Region Teach on the following is possible for the Central Central

ATTACHMENT B







ATTACHMENT B

