

CORONADO PLANNING COMMISSION
MEETING MINUTES

Regular Meeting

September 14, 2010

The regular meeting of the Coronado Planning Commission was called to order at 3 p.m., Tuesday, September 14, 2010, at the Coronado City Hall Council Chambers, 1825 Strand Way, Coronado, by Acting Chair Gaylord.

MEMBERS PRESENT: Gaylord, Jensen, Santos

MEMBERS ABSENT: Grimes, St. Denis

STAFF PRESENT: Rachel A. Hurst, Director
John Swanson, Assistant Planner
Martha L. Alvarez, Recording Secretary/Minutes Preparer

APPROVAL OF MINUTES

The minutes of the regular meeting of August 24, 2010, were approved as submitted.

DIRECTOR'S REPORT

None.

COMMITTEE REPORTS

Acting Chair Gaylord thanked staff for providing the Commission with a copy of the Planning Commission Journal.

ORAL COMMUNICATIONS AND OTHER MATTERS

NON AGENDA ITEMS

There were no members of the public wishing to speak at this time.

LISTED AGENDA ITEMS

There were no members of the public wishing to speak at this time.

APPLICATIONS FOR REVIEW

PC 2010-09 and CP 2010-01 H&R BLOCK ENTERPRISES LLC – Request for a Minor Special Use Permit and Coastal Permit to operate a Formula Business Establishment at 953 Orange Avenue and located in the Commercial Zone of the Orange Avenue Corridor Specific Plan (OACSP).

Mr. Swanson introduced the agenda item as outlined in the staff report.

Bob Tolmer, Operations Manager, H&R Block, provided a brief overview of the request, and answered questions of the Commission. He stated that, at the request of the Commission at its last meeting, H&R Block researched alternative locations in Coronado, e.g. Coronado Plaza, Island Terraces, and City Views. He said that these locations do not meet H&R Block's business model of high visibility and significant pedestrian traffic. Mr. Tolmer said that part of their business is to attract new clients; 25 to 30 percent of their clients every year are new. Therefore, H&R Block is requesting to relocate their office to 953 Orange Avenue.

Commissioner Santos asked if a second floor location on Orange Avenue was considered.

Mr. Tolmer said second floor locations do not work for H&R Block as it is not convenient to their clients and it does not provide the desired visibility for their offices.

Acting Chair Gaylord asked if consideration was given to staying at their current location.

Mr. Tolmer replied that they have considered this option and are still within the six-month time frame to be grandfathered at that location. He stated, however, that the rent has been increased to about \$10,000 more per year for a five-year term, with less space offered. Mr. Tolmer said that they would prefer to move but if the Commission does not feel it is feasible, they may consider re-opening at their previous location. He then introduced Humberto Gonzalez, District Manager for H&R Block, and Bob Rodewald, Executive Vice President for James Cronan & Associates, who serves as H&R Block's real estate broker.

Mike Moser, representing the property owner, Wells Fargo Bank Trust, said that the bank has been trying to lease the building located at 953 Orange Avenue for over one year. They have been working diligently with H&R Block and support their tenancy at this site.

Bob Rodewald, Executive Vice President for James Cronan & Associates, 3865 Skyline, Carlsbad, confirmed that they have conducted an exhaustive search for a new location for H&R Block, without success.

PUBLIC COMMENT

Rita Sarich, Executive Director, Coronado MainStreet, requested that the Commission deny the use permit request because of its proposed central location in Coronado's business district. She considers the use to be professional office. This violates one of the prime directives of the Specific Plan which is to protect the vitality of the commercial areas. She added that a business which is closed nine month of the year will not add vitality to the downtown area. Ms. Sarich said she understands the concern about storefront vacancies; however she suggested letting the law of supply-and-demand dictate rents rather than making exceptions to the Ordinance.

Nancy Warner, 861 H Avenue, stated that one of the intents of the Specific Plan is to retain the retail sections of Orange Avenue as a vibrant pedestrian experience with no consumer dead spots. She said that the only office business allowed on the first floor of Orange Avenue is real estate because these types of offices traditionally show interesting colorful displays of property offerings. She said that if this request is approved, it would benefit one business owner and one

property owner and would disregard the impact on the surrounding retail community. She stated she is very concerned with the precedent this action would set.

COMMISSION DISCUSSION

Commissioner Santos said an opportunity was given to H&R Block to consider alternative locations that do not violate the original vision of the Specific Plan; however, no new information is being presented at today's meeting. Ms. Santos said she will not support the request because it does not align with the intent of the Orange Avenue Corridor Specific Plan.

Commissioner Jensen voiced his concern about using H&R Block's rent distress as an opportunity to remove their business from the main street. He also expressed concern that there would be two storefront vacancies instead of one, and said he would support the request.

Acting Chair Gaylord noted that although she was not present at the last meeting, she viewed the meeting video and read the minutes. She said she attended most of the meetings held by the Orange Avenue Specific Plan Committee, which worked very hard to try to preserve the four blocks of commercial business in the community. The Committee purposely placed real estate offices on the ground floor in the Specific Plan because it is the largest industry in Coronado. Ms. Gaylord said the issue is that the proposed location is at the heart of downtown. She does not feel it is a desirable location for a temporary business as it will deaden and break the rhythm of the block. With regard to H&R Block's use, she feels it is a professional office as it serves clients and not customers. Ms. Gaylord stated that she will not support the request.

COMMISSION ACTION

COMMISSIONER JENSEN MADE A MOTION TO APPROVE THE REQUEST.

THE MOTION DIED FOR LACK OF A SECOND.

ACTING CHAIR GAYLORD MADE A MOTION TO DENY THE REQUEST FOR A MINOR SPECIAL USE PERMIT AND COASTAL PERMIT TO OPERATE A FORMULA BUSINESS ESTABLISHMENT AT 953 ORANGE AVENUE AND LOCATED IN THE COMMERCIAL ZONE OF THE ORANGE AVENUE CORRIDOR SPECIFIC PLAN (OACSP).

COMMISSIONER SANTOS SECONDED THE MOTION.

Acting Chair Gaylord said she hopes that H&R Block will consider staying in their previous location on Orange Avenue. She said that grandfathering was specifically done to keep businesses like H&R Block in the community.

AYES: Gaylord, Santos.
NAYS: Jensen.
ABSENT: Grimes, St. Denis.
ABSTAIN: None.

The motion passed 2-1.

There is a 14-day appeal period for the Minor Special Use Permit request, and a 10-day appeal period for the Coastal Permit request.

PC 2010-10 and CP 2010-02 MATT BARTELL: Request for a Minor Special Use Permit and a Coastal Permit to operate a Food Preparation Business called “Meals for SEALS” in the middle portion of the building addressed as 1019 C Avenue, located in the Commercial Zone of the Orange Avenue Corridor Specific Plan (OACSP).

Mr. Swanson introduced the agenda item as outlined in the staff report.

Commissioner Santos asked if there was documentation for the complaints received for this site.

Mr. Swanson referred to the staff report which indicates that a complaint was received regarding code violations at this site.

Commissioner Santos asked if Mr. Bartell is the current tenant.

Mr. Swanson said that Mr. Bartell is the current tenant and is proposing to sublease a portion of the space to Meals for SEALS, if the permits are approved.

Matt Bartell 440 Country Club Lane, provided a brief overview of the request and answered questions of the Commission. Mr. Bartell explained that the code violations were due to the fact that appropriate permits had not been obtained for the addition of the kitchen, which already existed when he took over the property. He hopes that this issue will be remedied today.

Kelly McPeake, said she and Megan Bridges are both originally from Coronado. She feels that this is a fabulous business opportunity and hopes that the Commission will approve the permits so the kitchen can be brought up to code and they can get started right away. Ms. McPeake said her business caters to service and non-service personnel.

Acting Chair Gaylord asked if this is a catering business.

Megan Bridges replied that she and Ms. McPeake began making meals out of their own kitchens. They then obtained permits from the City of San Diego, and now they feel that it would be very valuable to offer their business services in Coronado.

Acting Chair Gaylord asked how they market their business services.

Ms. Bridges said her boyfriend is a SEAL, which is how the idea began.

Ms. McPeake said she and Ms. Bridges began cooking for their military friends and then decided to organize their efforts. They found an opportunity to set up their business in Coronado via Mr. Bartell’s invitation to sublease the kitchen area on his property. They have set up a website and have their logo and business cards ready to go pending approval of the permits.

Commissioner Jensen asked if their customers will order their meals online or by telephone.

Ms. McPeake said they will receive orders online, confirm the orders by telephone, then deliver the meals.

Commissioner Jensen asked if are anticipating walk-ins, and if they require signage.

Ms. McPeake replied that they do not anticipate walk-ins or require signage.

Acting Chair Gaylord noted that signage is a permitted use. She asked if a food preparation business is allowable in the Orange Avenue Specific Plan.

Director Hurst responded that it is allowable. She noted the application states that food is prepared on site and delivered to customers.

Acting Chair Gaylord asked why an over-the-counter permit was not issued to the applicants.

Director Hurst replied that the Orange Avenue Corridor Specific Plan requires a Minor Special Use Permit for food preparation businesses.

Commissioner Santos said she had no issues with the request provided that meals are delivered by the applicants and not picked up by customers.

PUBLIC COMMENT

There were no members of the public wishing to speak at this time.

COMMISSION DISCUSSION

None.

COMMISSION ACTION

COMMISSIONER JENSEN MADE A MOTION TO APPROVE THE REQUEST FOR A MINOR SPECIAL USE PERMIT AND A COASTAL PERMIT TO OPERATE A FOOD PREPARATION BUSINESS CALLED "MEALS FOR SEALS" IN THE MIDDLE PORTION OF THE BUILDING ADDRESSED AS 1019 C AVENUE, LOCATED IN THE COMMERCIAL ZONE OF THE ORANGE AVENUE CORRIDOR SPECIFIC PLAN (OACSP).

COMMISSIONER SANTOS SECONDED THE MOTION.

AYES: Gaylord, Jensen, Santos.
NAYS: None.
ABSENT: Grimes, St. Denis.
ABSTAIN: None.

The motion passed 3-0.

There is a 14-day appeal period for the Minor Special Use Permit request, and a 10-day appeal period for the Coastal Permit request.

ADJOURNMENT

There being no further business, the meeting adjourned at 3:53 p.m.

Rachel A. Hurst, Director of Community Development,
Redevelopment & Housing Services