City Of San Leandro **Community Development Department Planning Services Division Staff Report**

DATE:

September 1, 2011

TO:

Board of Zoning Adjustments

FROM:

Elmer Penaranda, Senior Planner Charles

SUBJECT:

PLN2011-00021; Conditional Use Permit to operate a trailer rental and sales business at 2661 Alvarado Street, Unit 22, where Vehicle/Heavy Equipment Dealers, Used and Vehicle/Heavy Equipment Sales are conditionally permitted uses in the IG Industrial General District; Assessor's Parcel Number 77A-648-3-11; D. McKinney, C&M Trailer Rental (applicant); R. Legallet, 2661 Alvarado LLC (property owner); IG Industrial

General District.

SUMMARY AND RECOMMENDATION

The proposal is to allow for equipment rental and sales, both within an existing portion of an industrial warehouse building, at the former Gardco Lighting site at 2661 Alvarado Street, Unit 22. Zoning Code Sections 2-706 (B.31, and B.32,) stipulates that equipment rentals and used equipment sales in the IG Zoning District require approval of a Conditional Use Permit. Staff recommends that the Board of Zoning Adjustments make the attached findings and approve PLN2011-00021 subject to the attached recommended conditions of approval.

APPLICANT'S SUPPORTING STATEMENT

See attached.

RELATIONSHIP TO SURROUNDING AREA

The subject property is zoned IG Industrial General and is located on the northwest corner of Alvarado Street and Aladdin Avenue. Properties surrounding the property are all zoned IG and contain primarily warehouse uses with manufacturing and/or distribution businesses, and building contractors. The subject parcel is a 5.4 acre site developed with a 95,860 square-foot multi-tenanted industrial building.

On May 17, 2006 Site Plan Approval (PLN2006-00017) was granted by the Zoning Enforcement Official (ZEO) to allow for the division of the existing single-tenant industrial building into 26 individual tenant spaces, for rent, for light industrial, office and warehouse uses.

DETAILS OF PROPOSAL

The applicant, C&M Trailer Rental, proposes to operate a trailer rental facility on a portion of the property. It is a specialized rental business for vehicle trailers only. All of the trailers will be stored inside the building until they are rented out by a customer. The trailers include:

1. Two single-car trailers;

- 2. Three trailers for single motorcycles; and
- 3. Four trailers for two motorcycles.

The applicant would lease a 3,945 square-foot in-line space facing Aladdin Avenue (south side of the building). Of the lease space, 616 square feet is used for an office and 247 square feet is used for a closet for trailer parts and tools. The remaining 3,082 square feet is for storage of the trailers. There is no new development proposed on the property.

Although the applicant at the present time does not have any intention of having sales of the trailers, it has been included in the proposed conditional use permit application, in the event the applicant chooses to sell them at a future date. The sale of used equipment requires a CUP; thus including the sale of the trailers now would streamline the CUP and would not make it necessary to require applicant to go through the expense of another CUP application for the sale of the trailers.

The proposed hours of operation would be Monday through Saturday, by appointment only.

STAFF ANALYSIS

The proposed trailer rental and sales will be compatible with other uses permitted in the IG District. The proposed use would all take place inside the building. The use is limited and specialized as there are only nine towing trailers for cars and motorcycles. The business is primarily by appointment only. The use would occupy less than four percent of the building.

In 2006 and 2007 the former Gardco Lighting site was refurbished and upgraded as a speculative multitenanted industrial building. The upgrades included the outside grounds which were improved to install new landscaping, irrigation, parking lot, and lighting. Since the site was improved and regularly maintained, there are no proposed changes to the site plan. The Fire Department and the Engineering and Transportation Department have reviewed this application and have no recommended physical requirements for the site.

Development Fee for Street Improvement (DFSI)

The DFSI collected is used by the City in financing street improvements, and is a fee that is imposed on the development of property by the Municipal Code. The Conditions of Approval for PLN2006-00017 Site Plan Review included a requirement that the DFSI would be required on any new uses on the property and as a condition to the issuance of any building permit for each of the spaces. The new use would pay the DFSI fee based on the proposed use; however it would receive credit for the previous use established by Gardco Lighting. The credit shall be equal to the amount that would have been due for the prior use under the Fee Schedule in existence at the time of the application for the new building permit or use entitlement. In this case, the DFSI amounts to \$8,639.55, based on the conversion of 3,945 square feet from Gardco's manufacturing (general industrial) to the trailer rental (personal service). The general industrial use is required \$4.06 per square foot (\$16,016.70) minus the credit for the previous personal service use at \$1.87 per square foot (\$7,377.15). The applicant stated that the required DFSI is a sizeable amount to pay when obtaining the building permit for the interior tenant improvements and requested if the fee could be paid on a monthly basis. In consideration, the City can offer an agreement that the fee be paid to the City on a monthly basis for a maximum term of 36 months.

Recommended Sign Program

The Site Plan Review was approved without a sign program. Staff recommends that the property owner develop a sign program for the property for the review and approval of the Community Development

Director. The program shall include signs with a uniform size; uniform placement on the building wall; flush mounted to the wall; and framed design. Signs shall only include information essential to provide adequate business identification, so that the sign does not appear cluttered and does not distract from the identification of other signs in the area. Extraneous copy such as telephone numbers, website, and other advertising shall not be included.

GENERAL PLAN CONFORMITY

The property is designated General Industrial in the City's General Plan Land Use Map. General Industrial areas are characterized by "a wide range of manufacturing, transportation, warehousing, vehicle storage, and distribution uses" (General Plan page 3-12), therefore, the provision of a trailer rental and sales use will be consistent with the City of San Leandro General Plan for this land use designation. The following General Plan policies would apply:

Policy 7.06 - Encourage private reinvestment in vacant or underutilized industrial real estate to adapt such property to changing economic needs.

Policy 7.07 - Encourage business development that improves the City's ability to provide the public with high-quality services and which minimizes increases in the tax burden for existing businesses and residents.

Policy 10.01 - Support the reuse of underused, vacant or obsolete industrial buildings with the goals and policies of the General Plan.

ENVIRONMENTAL REVIEW

This item is categorically exempt from the California Environmental Quality Act (CEQA) per CEQA Guidelines, Article 19, Section 15301, as an existing facility with no proposed new structures or additions.

PUBLIC OUTREACH

This item received normal noticing, including a legal advertisement in the Daily Review Newspaper, posting of the property, and mailing notification of both business and property owners within a 300-foot radius. To date, no comments have been received.

RECOMMENDATION

Staff recommends that the Board make the required findings and approve PLN2011-00021 subject to the attached standard recommended conditions.

ATTACHMENTS

Vicinity Map

Applicant's Supporting Statement with Photograph of Motorcycle Trailer

Recommended Findings of Fact

Recommended Conditions of Approval

Exhibit A - Site Plan on an Aerial Photograph

Exhibit B - Building Plan

Exhibit C - Floor Plan