



City Council Agenda Item Staff Report

CITY OF SAN BRUNO

DATE: July 12, 2022

TO: Honorable Mayor and Members of the City Council

FROM: Jovan Grogan, City Manager

PREPARED BY: Pamela Wu, Director
Brian Millar, Contract Planner

SUBJECT: Application to Allow Interim Automobile Sales and Inventory Storage at the Former Sears Building at the Tanforan Mall – 1178 El Camino Real (APN: 014-316-330) PD 22-02; PDP 22-03. Bay Area A.G. Inc. Hold Public Hearing to Consider Waiving First Reading and Introducing an Ordinance Amendment to Ordinance 1087, That Regulates Land Uses at The Shops at Tanforan Mall, Allowing Interim Auto Sales Use and Inventory Storage at the Former Sears Building; and Adopting a Resolution Approving the Planned Development Permit (PDP) for Use of the Former Sears Building. The Project is Categorically Exempt From CEQA Environmental Review Pursuant to CEQA Guidelines Class 1 (Section 15301), Which Recognizes the Proposed Operation and Leasing of Existing Facilities

BACKGROUND:

The applicant proposes to establish two interim automobile dealerships (for Hyundai and Genesis) in the former Sears building at The Shops at Tanforan. The use would include automobile inventory storage on the ground floor and in the basement. Additionally, automobile servicing is proposed in the adjacent former Sears automobile servicing building. The interim use is anticipated for three to five years, until such time as a new dealership facility can be applied for and processed by the City, anticipated at The Crossing center by El Camino Real/I-380. No expansion of the buildings is proposed. The Planning Commission considered the application at its meeting of June 21, 2022 and has recommended approval to the City Council.

Background – Tanforan Mall Approvals and Modifications

The original Tanforan project was built in 1971 with a City-approved Planned Development rezoning of the site and related development plan, and included several large anchor retail tenants (Sears, JCPenney, Emporium – the latter which was replaced by Target in 1996), along with a wide range of other retail uses. The historic uses included automobile service centers operated for both Sears and Firestone, with these uses specifically permitted under the Planned Development Permit for Tanforan.

In 2003, the City approved a Planned Development Permit, PDP 02-02, under Resolution 2003-11. The PDP 02-02 action allowed for construction of the movie complex at Tanforan, major

remodeling and related parking changes. The approval documents continue to note the historic range in retail uses, though did not include an explicit list of approved uses. Additional amendments were made under PE-07-01 adjusting parking requirements for Tanforan.

The original PD-approving Ordinance (1087) from 1966 for the Tanforan Mall identified a wide range of commercial uses, though did not specifically include automobile sales uses. Also noted is that corresponding covenants, codes and restrictions (CC&Rs) from 1969 and amended in 1971 CC&Rs did list "Commercial Area Development – Use of Commercial Areas," indicating an "automobile sales agency" as among a wide range of commercial uses permitted at Tanforan.

As CC&Rs are not formally recognized by the city (as they are not enforced by the City), and as there haven't been automobile sales uses at Tanforan, the applicant is seeking to formally recognize the automobile sales and inventory storage uses through a Planned Development Permit amendment. The proposed interim reuse of the former Sears automobile service center could then be permitted with a Planned Development Permit (PDP).

DISCUSSION:

Project Description

The proposed use would include the following:

- A proposed interim use of the former Sears building facilities, for up to five years. The applicant has stated their intent to begin operations as soon as August 1, 2022.
- Two interim dealerships would be established, for Hyundai and Genesis, occupying the former Sears retail building.
- The former service building would be reused to provide service for Hyundai and Genesis.
- There would be no expansion of any of the buildings, with improvements limited to minor interior alterations, such placing movable partitions in the automobile sales areas. The total building size of both the retail and automobile service buildings is 326,516 sq ft, though the second (upper) floor of the retail building will not be utilized for the interim automobile sales uses.
- Both building exteriors would be repainted using dealership color palettes. (See attached elevations.)
- The main entry to the automobile sales building would be on the west side of the building, facing El Camino Real.
- The Genesis and Hyundai dealerships would each have space on the ground-floor for vehicle displays. Administrative areas and anticipated storage of approximately 70 vehicles would also occur on the ground-floor, with additional automobile inventory storage in the basement. The number of vehicles stored in the building would vary over time, and typically involving a total of 200-300 vehicles.
- Vehicles access to the basement storage area would occur using a movable ramp at the existing delivery roll-up doors at the rear delivery bays at the rear (east side) of the building. Vehicles would be moved to the ground-floor for storage and display using rear doors (which may require minor modification to the width of an existing door frame).
- Restrooms are proposed to be located on the basement level.
- The applicant anticipates up to 20 employees at service center and up to 30 employees for automobile sales.

- Operations for automobile sales would occur 7 days per week, typically from 10:00 a.m. to 6:00 p.m. on weekdays and Sundays, and from 9:00 a.m. to 7:00 p.m. on Saturdays.
- Operations for the automobile service center would occur Monday to Saturday, from 7:30 a.m. to 6:00 p.m.
- Customer and employee parking for the automobile sales operation will utilize up to 75 non-dedicated parking spaces outside former Sears building along the west (El Camino Real) side of the building. Parking for the automobile service operation would occur on the north side of the building in the existing surface parking lot. No parking is proposed in the Tanforan parking garages.
- The applicant will pursue installation of signage on the building exteriors, which will be required to be consistent with City and Tanforan signage criteria.

Planned Development Amendment and Planned Development Permit Requirements

The project requires an amendment to the Tanforan Planned Development Permit (PD) for the interim automobile sales uses, which are not specifically addressed in the PD, though a full range of retail sales and automobile repair and services are provided for and have historically occurred at Tanforan (at the former Sears facility and at a former Firestone lease space).

The P-D provisions under the Municipal Code (12.96.190.C and D), state:

“Conditional Uses. Any and all compatible land uses consistent with the San Bruno general plan are conditional uses in a P-D district, provided such use or uses have been designated on a development plan and approved by the planning commission and city council pursuant to the provisions of this section...Conditional uses may be authorized by the approval by the planning commission of a planned development permit (PDP).”

The General Plan land use designation for the site is Regional Commercial, which identifies a wide range of commercial uses, including retail sales. The proposed interim automobile sales and service uses would be consistent with the General Plan.

There has been a broad range of retail and related uses at the Tanforan Mall over the last 50 years and within the context of the historic PD approval. Historic uses at the mall, while they don't appear to have included auto sales and storage of vehicles for sale, certainly did include retail sales uses and automobile service uses (Sears, Firestone auto service centers, as well as the CC&R references to automobile sales agency use).

The project entails reuse of existing structures (the former Sears retail building, and its adjoining former automobile service building. No structural expansion is proposed, nor any significant external modifications. Both buildings would have new exterior painting.

City staff have reviewed structural calculations to ensure loads for the automobile inventory storage can be accommodated in the retail building basement and on the ground floor. The Fire Department will require testing of the existing fire sprinkler systems to ensure adequate fire protection is provided.

Planning Commission Review and Recommendation

The Planning Commission considered the application at a noticed public hearing held on June 21, 2022. After receiving a staff presentation on the application, reviewing the application

materials and conducting the public hearing, the Planning Commission voted 5-0 to recommend to the City Council approval of the proposed Planned Development amendment and the Planned Development Permit for the project.

Planned Development Permit Findings - SBMC Section 12.112.050.B

1. Will not under the circumstances of the particular case, be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use.

Finding: The project has been adequately reviewed and conditioned to ensure reuse of the existing building facilities will occur according to the California Building Code (CBC), and will not be detrimental to the health, safety and general welfare of the persons residing in the neighborhood.

2. Will not be injurious or detrimental to property and improvement in the neighborhood or to the general welfare of the city.

Finding: There is no proposed new construction, and exterior painting of the automobile retail sales/storage building and automobile services building will ensure a quality appearance of the operation. The project therefore will not be detrimental to property and improvement in the neighborhood or to the general welfare of the City.

3. That the proposed development is consistent with the San Bruno General Plan.

Finding: The General Plan land use designation for the site is Regional Commercial, which identifies a wide range of commercial uses, including retail sales. The proposed interim automobile sales and service uses would be consistent with the General Plan.

FISCAL IMPACT: Costs for processing of this application are being fully covered by the project applicant, with no impact to the General Fund.

ENVIRONMENTAL IMPACT: The project is Categorically Exempt from CEQA environmental review pursuant to CEQA Guidelines Class 1 (Section 15301), which recognizes the proposed operation and leasing of existing facilities involving negligible or no expansion of an existing or former use, while allowing for minor alterations or repairs of the existing facility. The project proposes no expansion of the former Sears retail building. The automobile sales uses will occur on the ground-floor of the former retail building, and would include placement of interior partitions, and minor changes to a rear access door on the ground floor to allow for vehicle access. Additionally, the use would include storage of automobiles partially on the ground-floor and in the basement. Automobile servicing will reuse the adjacent existing service building, with no proposed changes to the building beyond exterior painting. All proposed uses would be consistent with the Class 1 CEQA Categorical Exemption.

RECOMMENDATION: Hold Public Hearing to Waive First Reading and Introduce an Ordinance Amendment of Ordinance 1087, regulating land uses at The Shops at Tanforan Mall. The Planned Development amendment would provide for automobile sales uses for up to five years within the former Sears retail building. And to Adopt a Resolution approving the Planned Development Permit (PDP) for use of the former Sears building.

LEGAL NOTICES:

1. Notice of Public Hearing was distributed on July 1, 2022.
2. Notice of July 12, 2022, City Council hearing was also published in the San Mateo Daily Journal on Saturday, July 1, 2022.

ALTERNATIVES:

1. The City Council could choose to introduce the ordinance and approve the PDP permit with modifications.
2. The City Council could choose not to introduce the ordinance and not approve the PDP permit.

ATTACHMENTS:

1. City Council Ordinance Amendment of Ordinance 1087, Regulating Land Uses at The Shops at Tanforan Mall, Providing for Interim Automobile Sales Use.
2. City Council Resolution Approving a Planned Development Permit (PDP) to allow Interim Automobile Sales and Inventory Storage at the Shops at Tanforan Mall.
3. Planning Commission Resolution Recommending Approval to City Council (PC Reso 202-08 & 2022-09)
4. Proposed floor plans
5. Proposed elevations (painting plans) and Signage
6. Project Photographs