CITY PLANNING COMMISSION AGENDA MAY 16, 2019

# **STAFF: MIKE SCHULTZ**

# FILE NO(S): CPC UV 19-00052 – QUASI-JUDICIAL

- PROJECT: ASIAN MARKET LIQUOR STORE
- OWNER: 600 WOOTEN RD LLC
- APPLICANT: 600 WOOTEN RD LLC



## PROJECT SUMMARY

- 1. <u>Project Description</u>: This project is a request for a use variance to allow a 2,200 square foot liquor store within a PIP-1 (Planned Industrial Park) zone district.
- 2. <u>Applicant's Project Statement</u>: (Refer to FIGURE 1)

3. <u>Planning and Development Team's Recommendation</u>: Staff recommends approval of the use variance (**FIGURE 2**).

## BACKGROUND

- 1. <u>Site Address</u>: 615 Wooten Road, Unit 1 (Note: the property is condominium platted)
- 2. <u>Existing Zoning/Land Use</u>: Grocery Market (condominium area), the remainder of the site is a mix of office, light industrial, manufacturing and warehouse.
- Surrounding Zoning/Land Use: *North*: PIP-1 (Planned Industrial Park)/Office-Warehouse and Manufacturing *South*: C-6/CR (General Business with Conditions of Record)/Office *East*: PIP-1 and PF (Public Facilities)/Office-Warehouse and City Streets Department *West*: PIP-1/(across Wooten Road) Office/T.V. Station/Light Industrial
- 4. <u>Annexation</u>: Smartt's Addition #9, December 1963
- 5. <u>Master Plan/Designated Master Plan Land Use</u>: This property is not part of an approved master plan.
- 6. <u>Subdivision</u>: Platte Business Center Filling No. 2A
- 7. <u>Zoning Enforcement Action</u>: No open enforcement cases.
- 8. <u>Physical Characteristics</u>: The site is developed out containing an approximately 240,000 square foot building with parking, loading and landscaped areas surrounding the building.

## STAKEHOLDER PROCESS AND INVOLVEMENT

The public process included posting the site and sending postcards to 32 property owners located within a 1000-foot buffer of the subject property.

Because the project only involves an interior remodel to establish the liquor store within part of the existing building, Planning Staff did not include any other reviewing agencies. Building permits will be required with Pikes Peak Regional Building Department which City Fire and Colorado Springs Utilities would have the opportunity to review any life/safety issues.

An additional notification will be mailed out to surrounding property owners and a poster placed on the property prior to the City Planning Commission meeting.

## ANALYSIS OF REVIEW CRITERIA/MAJOR ISSUES/COMPREHENSIVE PLAN & MASTER PLAN CONFORMANCE

- 1. Review Criteria / Design & Development Issues:
  - a. Background Analysis

The subject property is part of a large light industrial site, with an approximately 240,000-square foot building; the site was originally for Ampex Data Systems. Ampex relocated its operation to another location down the road at 4040 East Bijou Street. The building now provides space for multiple tenants for the purposes of office, warehouse, light industrial, distribution and a mix of other uses as permitted under the PIP-1 zone district.

In 2006, the Planning Department approved an amendment to the development plan that allowed a retail area to be included with the warehousing and distribution component of a business that distributed Asian foods to area restaurants; that space became known as the Asian Market.

Planning Staff cited City Code section 7.3.205.C: Accessory Retail Sales and Services that allows up to 30% of the gross floor area to be utilized for retail sales for

properties zoned PIP-1, PIP-2 and M-2 zone districts. The addition of the 2,200 square foot liquor store, which would operate separate, but alongside, the Asian Market, would be in keeping with the above City Code Section allowing retail sales within this PIP-1 zone district.

#### b. Liquor Laws

The new Colorado liquor laws that took effect on January 1, 2019 now allows the sale of full strength beer within grocery stores, but does not allow the sale of wine or liquor sales within the grocery store. Most grocery stores have incorporated beer sales by dedicating aisle space or creating a section of the store for beer sales.

The applicant is proposing to sell full strength beer, wine and liquor as part of the liquor store, which requires the operation to be separate from the grocery operation and treated as a regular liquor store.

## c. Development Plan

The development plan and floor plans (**FIGURE 3**) that accompany the use variance application illustrates that the liquor store will account for 2,200 square feet of the floor space. The Asian Market recently completed an 8,000 square foot warehouse addition to the east side of the building, which brings the total floor area to over 66,000 square feet. The liquor store is intended to operate as a separate endeavor to the grocery market, warehouse and distribution component of the operation.

The combined area of both the Asian Market and liquor store would be comprised of less than 19,800 square feet of the total operation or slightly less than the 30% of the 66,000 square feet of the overall space controlled by the applicant.

## 2. Use Variance Review Criteria

This use variance request was reviewed against the following review criteria listed in City Code Section 7.5.803.B.

1. That there are exceptional or extraordinary circumstances or conditions applicable to the property involved or to the intended use of the property that do not apply generally to the property or class of uses in the same zone so that a denial of the petition would result in undue property loss; and

As indicated above, Staff had determined that the retail portion of the Asian Market operation complied with City Code Section 7.3.205.C that allowed retail sales to occur within certain industrial zone districts. Due to changes to the State's liquor laws, beer sales is now permissible within grocery stores; however the applicant is seeking to allow the sales of spirits and wine, which are not allowed to be sold within grocery stores.

2. That such variance is necessary for the preservation and enjoyment of a property right of the petitioner; and also

The proposed liquor store would be adjacent, but not directly a part of the grocery portion of the store, which would be similar to other warehouse grocery stores within the area (e.g. Costco and Sam's Club). Allowance of the liquor store would allow a similar operation and appearance to other grocery warehouse retailers.

3. That such variance will not be detrimental to the public welfare or convenience nor injurious to the property or improvements of other owners of property.

The proposed liquor store would not be detrimental to the public welfare, convenience or injurious to the property or improvements of other owners of property within the area. The Asian Market and liquor store would provide conveniences to those who live and work within the area.

## 3. <u>Conformance with the City Comprehensive Plan</u>

The subject property and proposed use variance would allow continued use and reuse of a large building located along a major thoroughfare of the City. The PlanCOS document identifies "Critical Support" typology (**FIGURE 4**) within the Economic Typologies and Framework section of the plan (page 66); these areas are described as providing "fundamental needs of residents and businesses" within the City.

Policy TE-4.A: Prioritize development within the existing City boundaries and built environment (not in the periphery).

Strategy TE-4.A-1: Encourage revitalization and infill in underutilized urban places.

Although the proposed development is fairly modest, in regards to the building size and scope, the project demonstrates the need and demand for small incubator type spaces to accommodate small businesses. City Staff supports the project to create additional tenant spaces as a way to provide small incubator facilities for start-up businesses.

City Planning staff finds the proposed use variance substantially conforms to PlanCOS and its guidance.

4. <u>Conformance with the Area's Master Plan</u>: There is not a master plan associated with this property.

### **STAFF RECOMMENDATION**

#### CPC UV 19-00052 – USE VARIANCE DEVELOPMENT PLAN

Approve the use variance development plan to allow a liquor store in the PIP-1 (Planned Industrial Park) zone district, based upon the finding that the use variance complies with the review criteria in City Code Section 7.5.803.B and 7.5.502.E.