



AGENDA REPORT

Agenda Item 7
Reviewed: 
City Manager
Finance Director N/A

MEETING DATE: OCTOBER 15, 2019
TO: MATTHEW S. WEST, CITY MANAGER
FROM: ELIZABETH A. BINSACK, COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: APPEAL OF THE PLANNING COMMISSION'S DECISION TO APPROVE DESIGN REVIEW 2018-00026 AND CONDITIONAL USE PERMIT 2018-00018 (COSTCO GAS STATION)

APPELLANTS:

Charlie Mazza
on behalf of himself and
unidentified homeowners
and businesses

APPLICANT:

Terry Odle/MG2
3333 Michelson Drive, Suite 100
Irvine, CA 92612

ADDRESS:

2541 and 2655 El Camino Real

PROPERTY OWNER:

Diana Salazar
Costco Director of Real Estate
Costco Wholesale Corporation
9 Corporate Park, Suite 230
Irvine, CA 92606

SUMMARY:

On July 9, 2019, the Planning Commission adopted Resolution No. 4385 (Attachment M), approving a request to demolish the existing Goodyear Tire Center located at 2541 El Camino Real and to replace with 56 new parking stalls and to construct a new 16 pump Costco gasoline fuel station with canopy and related equipment at 2655 El Camino Real.

On July 19, 2019, the appellants (listed above) filed an appeal of the Planning Commission's adoption of Resolution No. 4385 approving the project. The written appeal: (1) states that the actions taken by the Planning Commission should be reversed; (2) identifies concerns related to the gas station operation; and (3) identifies concerns related to the adequacy of the environmental determination of the proposed project.

RECOMMENDATION:

That the City Council adopt Resolution No. 19-39 (Attachment T) upholding the Planning Commission's decision to approve Conditional Use Permit (CUP) 2018-00018 and Design

Review (DR) 2018-00026 to authorize the demolition of the existing Goodyear Tire Center and adjacent Goodyear parking area at 2541 El Camino Real and replace with 56 new parking stalls and to construct a new 16 pump Costco gasoline fuel station with canopy and related equipment at 2655 El Camino Real.

FISCAL IMPACT:

The applicant has paid the applicable fee to file an appeal.

APPROVAL AUTHORITY:

The project site is located within the Planned Community Mixed-Use (PCMU) zoning district of the East Tustin Specific Plan (ETSP) area. Pursuant to Section 3.8.2 and 3.7.2.A.1.u of the ETSP, new service stations are subject to the approval of a CUP. Pursuant to Tustin City Code (TCC) Section 9291c, the Planning Commission has the authority to review and act on CUPs.

Pursuant to TCC Sections 9272, design review approval is required for new structures, major exterior alterations or enlargement of existing structures.

Pursuant to TCC Section 9294b, any decision of the Planning Commission may be appealed to the City Council by any person and that the appeal hearing shall be de novo and the City Council shall approve, approve with conditions, disapprove the project, or remand the matter to the Planning Commission with direction from the City Council.

INTRODUCTION:

This report is divided into eight (8) parts to assist the reader in referencing the details of the proposed project. These sections are as follows:

1. BACKGROUND
2. DISCUSSION (Project Description)
3. ANALYSIS
4. CEQA ENVIRONMENTAL ANALYSIS
5. CLASS 32 EXEMPTION EXCEPTIONS
6. APPEAL
7. FINDINGS
8. PUBLIC COMMENTS
9. CONCLUSION

BACKGROUND:

On June 11, 2019, the Planning Commission held a Public Hearing on a request for CUP 2018-00018 and DR 2018-00026 application to demolish the existing Goodyear Tire Center and adjacent Goodyear parking area at 2541 El Camino Real and replace with 56 new parking stalls and to construct a new 16 pump Costco gasoline fuel station with overhead canopy and related equipment at 2655 El Camino Real. The proposed project is located within an existing larger shopping center within the ETSP.

At the meeting, ten (10) public speakers provided comments regarding the project. The speakers included residents, interested parties, and business owners and the majority expressed concern and opposition. Two e-mails were received in favor of the proposed project. A summary of public comments is discussed later in this report and attached herein as Attachment U.

After receiving public comments, the Commission continued the public hearing to its meeting of July 9, 2019, so that staff could address the concerns expressed by the public as well as questions from the Commission.

On July 9, 2019, the Planning Commission took additional public comments (15 persons-in support; 10 persons-opposed), received Staff responses to their questions and adopted Resolution No. 4385 (Attachment M), approving the project.

On July 19, 2019, the appellants filed a written appeal of the Planning Commission's decision to approve the project. The written appeal states: (1) that the actions taken by the Planning Commission should be reversed; (2) identifies concerns related to the gas station operation; and (3) identifies concerns regarding the adequacy of the proposed project's environmental determination (Attachment P).

DISCUSSION:

Project Site and Surrounding Uses

The location of the proposed project is within a portion of a shopping center that is improved with an existing Costco Warehouse building, Goodyear Tire Center, a major retail store (formerly K-mart/Sears/Ansar Gallery), McDonald's restaurant, and two (2) multi-tenant buildings. To the north of the shopping center, across Bryan Avenue, are single-family residences and to the west of the shopping center, across Tustin Ranch Road are condominiums. The Tustin Auto Center is to the south, across El Camino Real; the Tustin Market Place is to the east beyond the El Modena Flood Channel and Myford Road (Figure 1 and Figures 2/2a).



Figure 1 – Aerial Photo/Project General Location Map



Figure 2 – Photo of 2655 El Camino Real (Proposed Gas Station Location)



**Figure 2a – Photo of 2541 El Camino Real
(Existing Building to be Demolished and Replaced with Parking area)**

Existing Zoning and Land Use Designation

The project site has a General Plan land use designation of Planned Community (PC) Commercial/Business and is located in the Planned Community-Mixed Use (PC-MU) zoning district within the ETSP area.

The ETSP was adopted by the City in 1986. In March 1992, an amendment to the East Tustin Development Agreement was approved which included a modification to the Concept Plan for Sector 12 (in which the project site is located) and approval of Vesting Tentative Tract Map 14610.

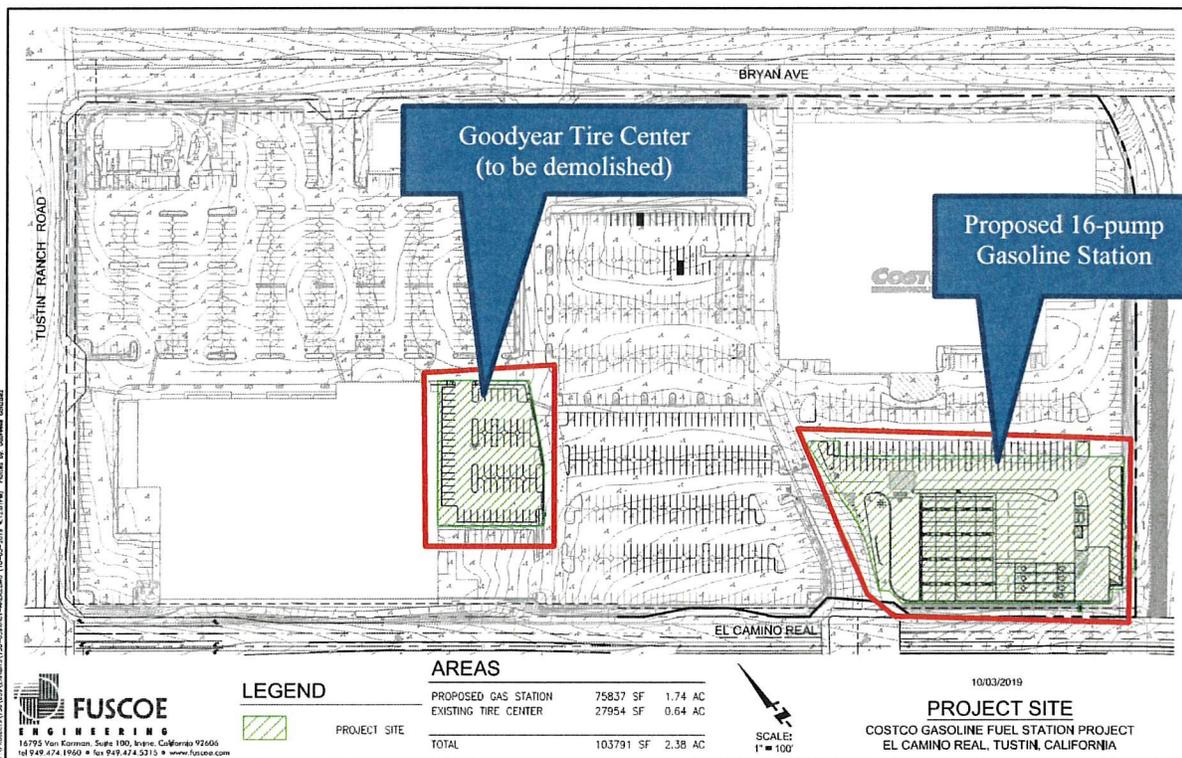
The original Sector 12 Concept Plan included 19 acres of commercial development and five (5) acres reserved for a hotel on the subject site. The 1992 modification eliminated the hotel use at the site and the tract map that was processed concurrently with a Design Review application subdivided the 12-acre property into six (6) numbered lots to allow the ultimate construction of a 274,175 square foot retail commercial center. The commercial center was comprised of two (2) major retail tenants and five (5) individual pad tenants. Costco and K-Mart were the first anchor tenants within the shopping center, and both moved in following the construction completion in 1993-1994. Costco has remained a major tenant, at the same location, since 1993-1994.

Proposed Project

The project site shown in Figure 3 comprises an approximately 2.38-acre area located within a portion of the shopping center. The proposed project consists of (a) construction of a new Costco gas station comprising sixteen (16) pumps with thirty-two (32) fueling dispensers, an

overhead canopy, and associated equipment and landscape screening on an approximately 1.74-acre area at the southeastern corner of the existing shopping center, and (b) removal of the existing, 9,136-square foot Goodyear Tire Center building and adjacent parking area and striping of fifty-six (56) parking spaces in place of the existing building on an approximately 0.64-acre area on one (1) of the individual pad tenant parcels within the shopping center. Although the existing Costco Warehouse, K-mart, and other pad parcels and parking areas are adjacent to the project site, they are not part of the project site and no new development or proposed project construction activity will occur in these areas. (Figures 3 and 4 and Attachment C – Submitted Plans).

Figure 3 – Submitted Site Plan



Entitlement Requests

The applicant is requesting the following discretionary approvals from the City to permit construction of the proposed project (described above):

- **CUP 2018-00018** pursuant to Sections 3.7.2.A.1.u. and 3.8.2 of the ETSP, to permit a new gasoline station within the boundaries of the ETSP area.
- **DR 2018-00026** pursuant to TCC Section 9272 to permit the construction of a new gas station structure.

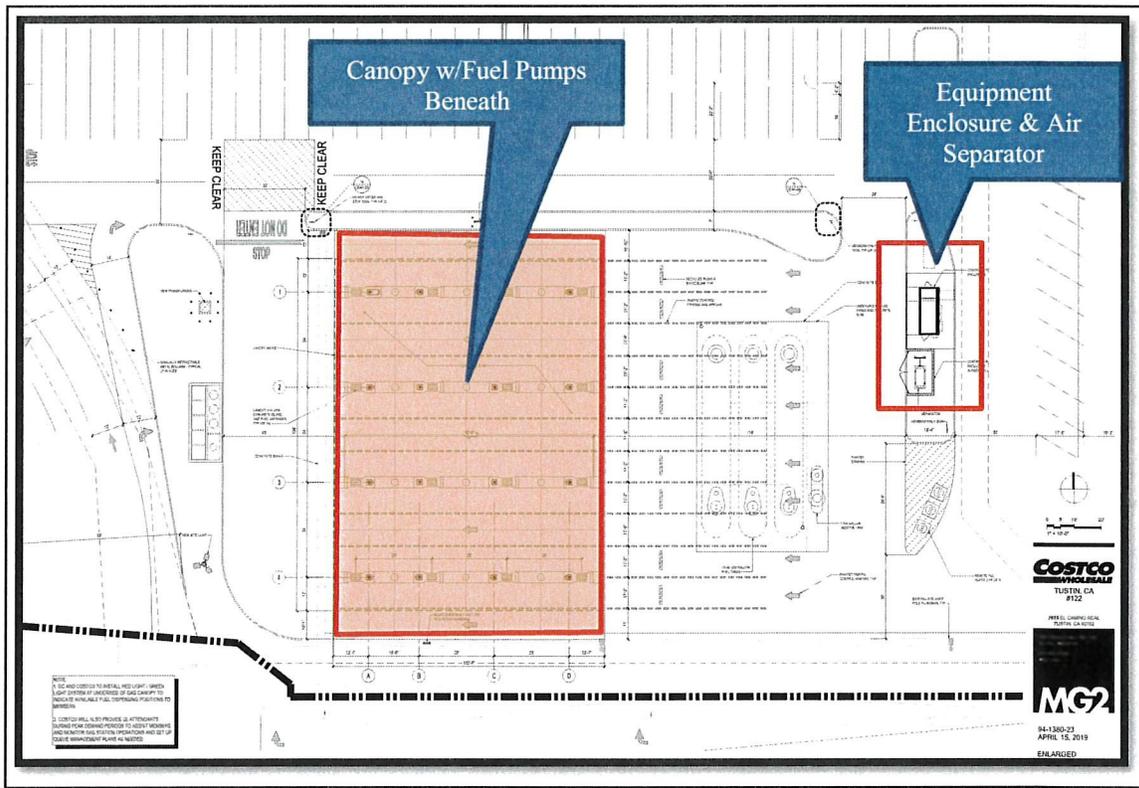


Figure 4 – Enlarged Site Plan

ANALYSIS:

Business Hours and Fueling Operation

Although other service stations in the area are open 24-hours, Costco is proposing to operate the new gasoline station from 5:30 a.m. to 9:30 p.m. Monday through Friday, 6:00 a.m. to 8:00 p.m. Saturday, and 6:00 a.m. to 7:30 p.m. Sunday. The station will be available for Costco Warehouse members only and will require a Costco membership to access the fuel pumps. The proposed station would be manned by one (1) or two (2) Costco employees who will oversee day-to-day operations and cleanliness at the site. An additional one (1) to two (2) employees will be brought on site as needed to help implement the traffic control plan and for traffic control. No other automotive or retail sales will be available at the station.

The gasoline station would be equipped with a red-light/green-light system to indicate which pump was open and available to the next person in line along with CostcoPay (a key-fob pay system), which, per the applicant, improves efficiency and helps shorten lines to waiting customers. Entry and exit for fuel deliveries to the site would be to and from Bryan Avenue. No deliveries of fuel would take place off El Camino Real.

The proposed business hours of the service station are compatible with the surrounding businesses in that the station provides a consumer service during typical service station hours. Attachment E summarizes surrounding business hours of operation.

Parking

The existing Costco Warehouse property features 605 parking spaces, which exceeds the City's minimum parking standard of 544 stalls (4.5 stalls/1,000 SF of building area). There is also a recorded Covenant, Conditions and Restriction (CC&R's) document between Costco and Sears (formally K-mart) and the adjacent leaseholder of the other major tenant building) that is more restrictive. The applicant has indicated that they plan to adhere to the existing CC&R conditions. Per this agreement, the parking standards require both large retail users to maintain a minimum parking ratio of five (5) stalls/1,000 SF of building area. For the purpose of the CC&R's, the required number of parking stalls for Costco is 605 stalls and the total number of parking spaces with the proposed project will be 605 stalls, which adheres to this requirement.

The existing overall parking for both Costco and the other retail commercial tenants within the shopping center is summarized below:

	Parking Required (per TCC)	Parking Provided
Costco	544	605
Kmart	474	530
Pad B – Multi-Tenant Bldg.	37	32
Pad C- Multi-Tenant Bldg.	37	32
McDonalds	18	55
Total Parking	1110	1254

Traffic/Circulation/Queue Management

A Traffic Analysis and supplemental memorandum was prepared and submitted by Kittleson & Associates (Attachment J) that analyzed traffic impacts of the proposed gas station and accounted for the fact that an existing on-site use, the Goodyear Tire Center, would be replaced with additional parking area. The analysis included an examination of traffic volumes and intersection Levels of Service (LOS) and concluded that additional trips generated by the proposed use would allow all studied intersections to continue to operate acceptably at (LOS) A or B. The location of the four (4) islands with sixteen (16) pumps and the site configuration on the project site will accommodate simultaneous fueling for 32 vehicles, with additional stacking of another 40 vehicles east of the pump islands. The proposed project would also provide a dedicated westbound right turn lane into the site at Auto Center Drive and El Camino Real and restriping of El Camino Real (Figure 5: Proposed Stacking Plan).

Customers would enter the project site traveling either westbound or eastbound on El Camino Real via an existing driveway apron at the intersection of El Camino Real and Auto Center Drive, which would continue to provide access to the existing commercial tenants and proposed gasoline station. Customers could also enter the site through the shopping center parking lot, from Bryan Avenue or Tustin Ranch Road.

Vehicular queueing data was collected at other Costco gasoline stations to determine the anticipated queues for the proposed station. Based on the comparable locations with 22 or more fueling positions, the average 95th percentile queue was 26 vehicles, with the highest recorded queue at 35 vehicles. The industry standard methodology for queueing analysis considers the 95th percentile queues. With 32 vehicles fueling at one time and queueing for another 40 vehicles behind those fueling, a maximum of 72 vehicles could be accommodated at the project site without interfering with site operations. Such a design adheres to both the 95th percentile as well as the maximum observed queue of 35 vehicles. Figure 2 of the Traffic Analysis report, reproduced below, illustrates the proposed stacking plan for the proposed project.

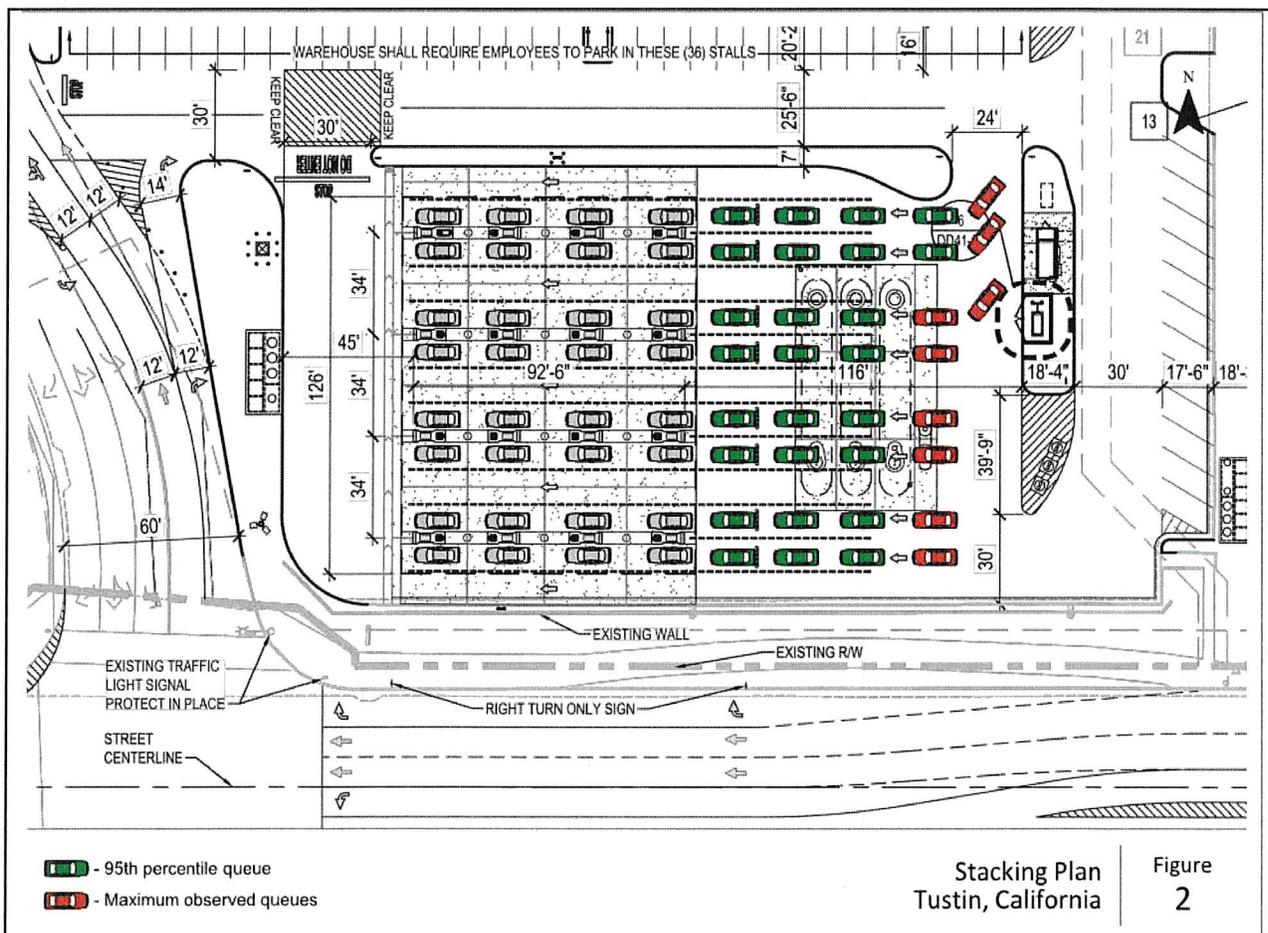


Figure 5: Proposed Stacking Plan

If queues should extend beyond the designated queue area, two (2) queue management plans are proposed and included in Attachments H and I (Queue Management Plan No. 1 and 2 respectively) and shown in Figures 6 and 7 below. If queues cannot be adequately managed by the strategies shown in the proposed stacking plan (Figure 5) and Queue Management Plan No. 1 (Figure 6), the northbound right turn into the parking aisle adjacent to the fuel station would be closed using retractable bollards to route customers to the next parking aisle to provide more queueing area prior to affecting street operations (Figure 7). In addition to the queue management plan, as conditioned, during times of peak demand, up to three (3) on-site traffic attendants will be present to guide and direct traffic when fueling.

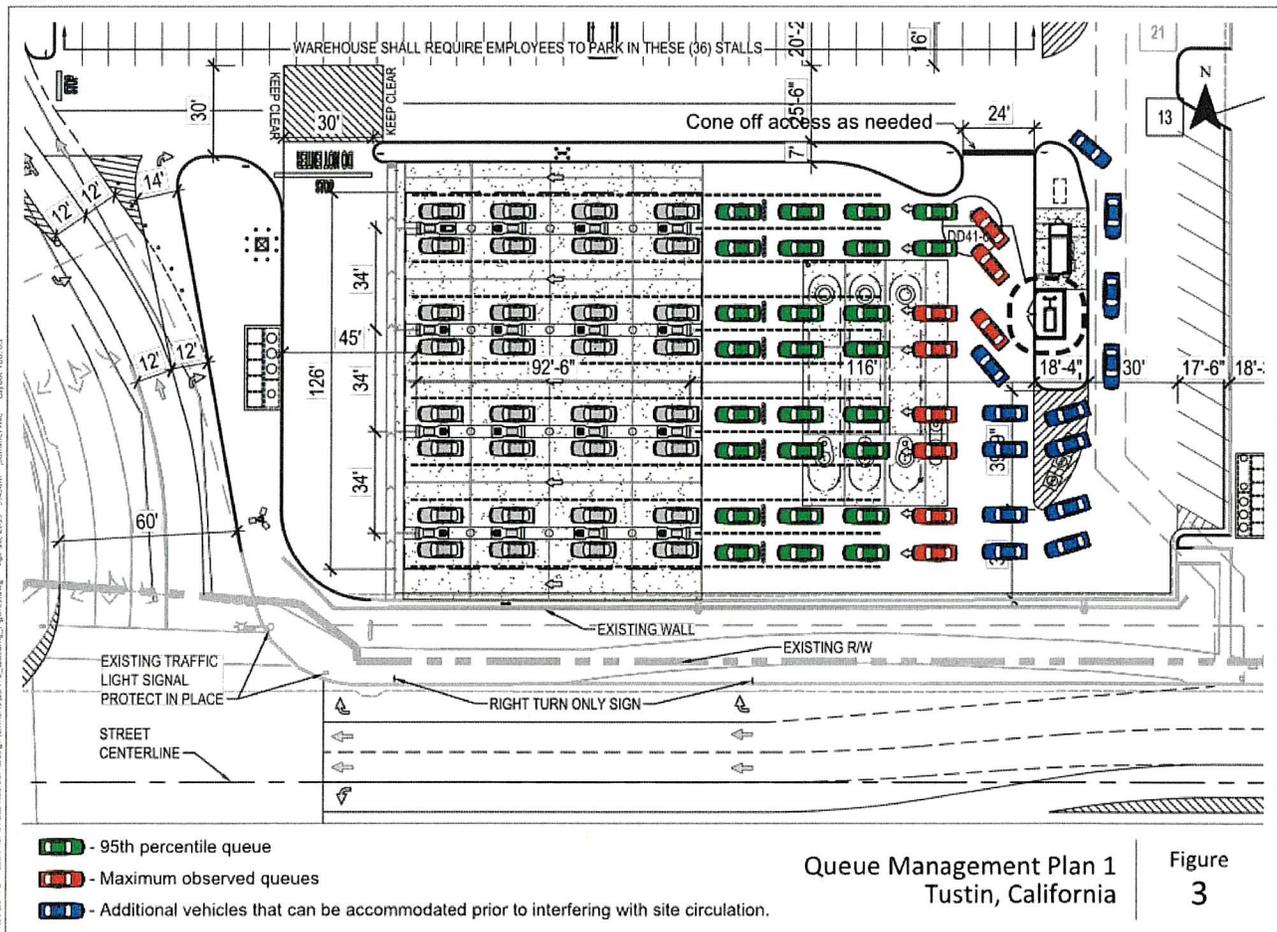


Figure 6 – Queue Management Plan 1

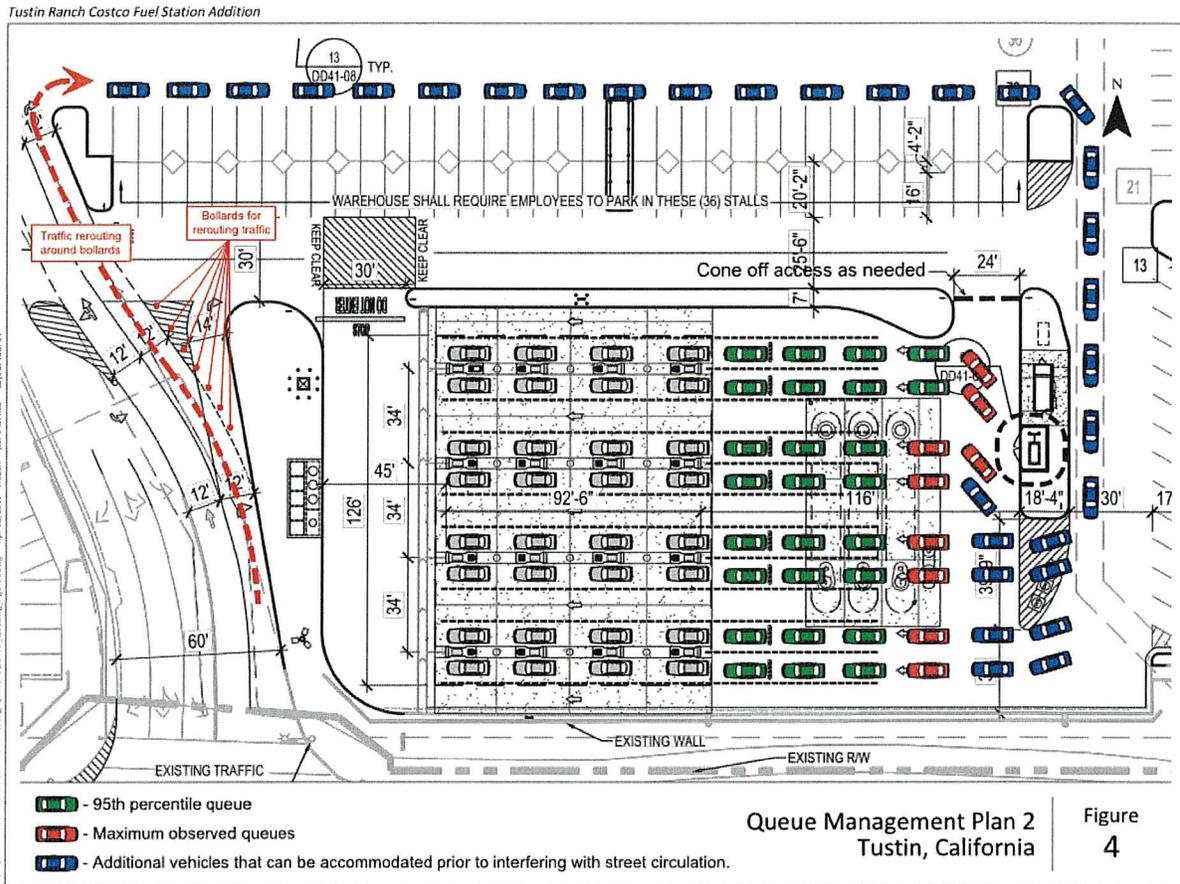


Figure 7 – Queue Management Plan 2

Design Review

The proposed project would be developed within the southeastern corner of the existing Costco Warehouse parking lot adjacent to El Camino Real and Myford Road. A grade change exists between El Camino Real and the project site and there is an existing CMU block wall that will provide added screening of the gasoline station from El Camino Real. The proposed project will include additional landscaping at the southeastern property line immediately adjacent to Myford Road for screening of the project from the intersection of Myford Road and El Camino Real.

The proposed project includes a 12,684 square foot canopy over the proposed fueling stations which will be supported by sixteen (16) CMU columns which will have an exterior treatment of split and smooth face to match the existing warehouse building. The canopy will be painted white with an area towards the center of the canopy (on each side) designated for future signage.

There will be two (2) pieces of equipment on-site, including a clean air separator (approximately 204 square feet) that will be contained within a split-face masonry CMU block wall measuring six (6) feet in height with metal gates for access. Surrounding the separator will be new landscaping for additional screening. The controller enclosure (approximately 117 square feet) will be painted Camel (#PCTT 20169) to coordinate with the columns and existing Costco Warehouse building and will measure 8'-6" in height with landscaping to provide screening. The clean air separator and controller enclosure will both be located east of the proposed pumps on a raised island. No buildings are being proposed as part of this project aside from an equipment enclosure containing the equipment controllers.



1 SOUTH ELEVATION AND DISPENSER ISLANDS (NORTH SIMILAR)
 SCALE: 1/8" = 1'-0"

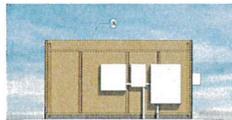


2 EAST ELEVATION AND DISPENSER ISLANDS (WEST SIMILAR)
 SCALE: 1/8" = 1'-0"

Figure 8 - Proposed Elevations



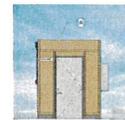
3 ENCLOSURE ELECTRICAL ENTRY
 SCALE: 1/4" = 1'-0"



4 ENCLOSURE ELEVATION AWAY FROM CANOPY
 SCALE: 1/4" = 1'-0"



5 ENCLOSURE ELEVATION FACING CANOPY
 SCALE: 1/4" = 1'-0"



6 ENCLOSURE STORAGE ENTRY
 SCALE: 1/4" = 1'-0"

MATERIALS					
① CAMEL (#PCTT 20169)	② COLORADO WHITE (#PCTT 20168)	③ SAFETY RED (#PCTT 20167)	④ LANDSCAPE (#PCTT 20166)	⑤ "MIGELLO" SPILT FACE (ONLY TO MATCH WAREHOUSE)	⑥ "MIGELLO" SPILT FACE (ONLY TO MATCH WAREHOUSE)

Figure 9 - Proposed Equipment Enclosure & Materials/Colors

Signage

As part of the development of the service station, the applicant will be required to post signs pursuant to State Law to advertise the types and pricing of the available fuel. The applicant has indicated that the sign plans will be submitted later in time and in conjunction with construction drawings. Pursuant to TCC Section 9403h, a master sign plan is required for developments in specific plan areas in the City. Accordingly, Condition 1.10 of Resolution 4385 will require the applicant to apply for a Master Sign Program for the property.

CEQA ENVIRONMENTAL ANALYSIS: EVALUATION OF CLASS 32 CRITERIA

Every discretionary action by the City requires environmental review pursuant to the California Environmental Quality Act (CEQA). However, the CEQA Guidelines (Sections 15300 to 15332) include a list of classes of projects that have been determined to not have a significant effect on the environment, also known as Categorical Exemptions. If a project falls within one of these classes, it is exempt from the provisions of CEQA, and no further environmental review is required.

This project is Categorically Exempt pursuant to Class 32. The Class 32 "Infill" Categorical Exemption (CEQA Guideline Section 15332), hereafter referred to as the "Class 32 Exemption", exempts infill development within urbanized areas if it meets certain criteria. The class consists of infill projects that are consistent with the General Plan and zoning requirements. This class is not intended for projects that would result in any significant traffic, noise, air quality, or water quality impacts. It may apply to residential, commercial, industrial, and/or mixed-use project. A Class 32 Exemption applies to a project characterized as in-fill development meeting all of the conditions described below:

- (a) This project is consistent with the applicable general plan designation and all applicable general plan policies as well as the applicable zoning designation and regulations.
- (b) The proposed development occurs within city limits on a project site of no more than five (5) acres substantially surrounded by urban uses.
- (c) The project site has no value as habitat for endangered, rare or threatened species.
- (d) Approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality.
- (e) The site can be adequately served by all required utilities and public services.

The following is an analysis of each of the listed criteria.

- (a) **The proposed project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations.**

Tustin General Plan

The General Plan serves as a broad planning guide for future growth and development in the City, and contains policy statements and programs to achieve those development goals. The project site is located within the ETSP area and the PC-Mixed Use zoning district under the TCC.

The project site is designated as Planned Community Commercial/Business (PCCB) under the Land Use Element. The PCCB designation provides opportunities for a mixture of activities permitted within commercial and industrial land use designations in the City. To ensure that land uses permitted within the classification are compatible with the character of surrounding development and within a development area itself, location, land use type, density and building intensity standards are specifically governed by Planned Community District provisions or adoption of a Specific Plan. The Planned Community Commercial/Business designation may also permit other uses (such as residential uses) which support this land use designation.

The proposed project would conform to the goals and policies identified in the Land Use Element of the General Plan by renovating and adding to an existing commercial development with uses that are consistent with the PCCB Designation (Figure 10). The proposed project would also be consistent with the ETSP, which specifies development standards and requirements on the project site.

Figure 10- General Plan Consistency Analysis

Goals and Policy	Consistency Analysis
<p>Goal 1: Provide for a well-balanced land use pattern that accommodates existing and future needs for housing, commercial and industrial land, open space and community facilities and services, while maintaining a healthy, diversified economy adequate to provide future City services.</p>	<p>Consistent. The Project Site is located in an existing retail shopping center with commercial zoning. The proposed gasoline station would be consistent with and support the existing commercial development. As it would not displace any residential or industrial uses, open space or community facilities, the Proposed Project would not alter the existing balance of land uses in the City. The Proposed Project would diversify the retail uses in the shopping center and would increase City sales tax</p>

	<p>revenues that can be used to fund future City services.</p>
<p>Policy 1.5: Encourage compatible and complementary infill of previously by-passed parcels in areas already predominately developed.</p>	<p>Consistent. The Proposed Project would provide complementary and compatible infill development within an existing shopping center. The Project Site is located in an urbanized area of the City and is substantially surrounded by urban uses, including the remainder of the shopping center, the adjacent Tustin Market Place shopping center, the Tustin Auto Center auto dealerships, condominiums, and single-family residences. The proposed gasoline station is located along a major commercial thoroughfare in the City and would be compatible with the shopping center and other surrounding uses.</p>
<p>Policy 1.10: Ensure that the distribution and intensity of land uses are consistent with the Land Use Plan and classification system.</p>	<p>Consistent. The Proposed Project would be consistent with the PC Commercial/Business land use designation and the ETSP that governs development on the Project Site. As part of the discretionary entitlements for the Proposed Project, consistent with the ETSP, the required CUP will ensure that the proposed gas station use is consistent with the City's development policies and compatible with the surrounding land uses.</p>
<p>Goal 3: Ensure that new development is compatible with surrounding land uses in the community, the City's circulation network, availability of public facilities, existing development constraints and the City's unique characteristics and resources.</p>	<p>Consistent. The Proposed Project consists of development of a gasoline station that would be compatible with the existing Costco Warehouse, shopping center, and other surrounding land uses. The proposed gasoline station would be located along a major commercial thoroughfare, compatible with the City's circulation network, and, as discussed in the consistency analysis for Policy 1.10, the required CUP will ensure that the Proposed Project is consistent with the City's development policies and compatible with the surrounding land uses. Therefore, the Proposed Project, as conditioned, would not be detrimental to surrounding properties.</p>
<p>Policy 3.2: Locate major commercial uses in areas that are easily accessible to major transportation facilities.</p>	<p>Consistent. The Proposed Project would be an infill development in an existing shopping center that is a major commercial use located along several major commercial thoroughfares and is easily accessible to major transportation facilities, including the Santa Ana Freeway, located less than one mile from the Project Site.</p>

<p>Policy 4.1: Mitigate traffic congestion and unacceptable levels of noise, odors, dust and light and glare which affect residential areas and sensitive receptors.</p>	<p>Consistent: The Proposed Project adequately addresses anticipated off-site traffic impacts. The proposed plan has two (2) queue management plans to accommodate potential queueing demands. If queues cannot be adequately managed by the strategies in the plan, closure of the northbound right turn lane with retractable bollards and re-routing of customers to the next parking aisle will be implemented. In addition to the queueing management plans, the Proposed Project has been conditioned to provide three (3) on-site traffic attendants to guide and direct traffic during periods of peak demand. Through a combination of queueing plans and manned personnel for traffic guidance, the use will not impact circulation on the site or within the existing shopping center.</p> <p>In addition, the Proposed Project, by means of regulatory compliance, would not create a significant noise impact on the surrounding neighborhood, because the fuel station would be subject to and would comply with the Tustin Noise Ordinance and General Plan Noise Element.</p> <p>The applicant is required to obtain approval from the South Coast Air Quality Management District (SCAQMD) prior to the issuance of building or grading permits. By complying with all applicable SCAQMD regulations and obtaining a ministerial Permit to Construct (PTC) and Permit to Operate (PTO), the Proposed Project will not create any unacceptable levels of odors or dust or other air quality impacts.</p> <p>In addition, as conditioned, the Proposed Project must provide adequate lighting to illuminate the fueling area, subject to Community Development Department review and approval. Such lighting must meet the applicable requirements of the TCC, City's Building Regulations Code and the State Fire Code. Therefore, by means of regulatory compliance, the Proposed Project will not create any unacceptable levels of light and glare.</p>
<p>Goal 7: Promote expansion of the City's economic base and diversification of economic activity.</p>	<p>Consistent. The Proposed Project would expand the City's economic base by providing a new gas station that will serve Costco members. The gas station will contribute to the City's</p>

<p>Policy 7.1: Broaden the City's tax base by attracting businesses which will contribute to the City's economic growth and employment opportunities while ensuring compatibility with other General Plan goals and policies.</p>	<p>economic growth through increased economic activity and sales tax revenues.</p>
<p>Policy 7.5(a): Focus retail development into consolidated, economically viable and attractive centers of adequate size and scale which offer a variety of retail goods and amenities.</p>	<p>Consistent. The Proposed Project would be located within a portion of an existing shopping center, thereby maintaining the focused retail development in the City. The addition of the gasoline station would also enhance the economic viability of the existing shopping center, and provide for a new retail amenity within the existing shopping center to serve Costco members.</p>
<p>Goal 9: Continue to provide for a planned community in East Tustin compatible with the land use characteristics of the local area and sensitive to the natural environment.</p> <p>Policy 9.1: Ensure the compatibility of development in East Tustin adjacent to existing developed areas.</p>	<p>Consistent. The Proposed Project would provide for infill development within an existing shopping center located along major commercial thoroughfares in an urbanized area of East Tustin. As discussed below, the Proposed Project would be consistent with the ETSP, including obtaining a required CUP for the proposed gasoline fuel station in order to ensure compatibility with the land use characteristics of the local area and the adjacent existing development.</p>

East Tustin Specific Plan

The ETSP Land Use Plan designates the project site as "Mixed Use", which is intended for development of planned retail commercial, office and industrial/research and development land uses of an intensity compatible with neighboring residential and Auto Center land uses.

Pursuant to ETSP Section 3.8.2.A., development of shopping centers shall comply with Section 3.7.2. Pursuant to ETSP Section 3.7.2.A.1.u., "service stations" may be permitted subject to obtaining a conditional use permit.

The proposed project would also be consistent with the Site Development Standards set forth in ETSP Section 3.8.3, including:

	Required	Proposed
Building Site Area	None	N/A
Building Height	35'-0"	17'-6"
Setbacks ¹ <ul style="list-style-type: none"> • Front (El Camino Real) • Side • Rear 	57 feet (min.) 0 feet 0 feet	60 feet –to canopy edge 65 feet – equip. to east property line 540 feet – canopy edge to Bryan Avenue
Parking	544	605

¹ Per ETSP Section 3.5 G, setbacks shall be measured from the centerline of the street

The proposed project would conform to the following goals and objectives identified in the ETSP:

- Plan for commercial, recreational and employment opportunities with a compatible interface to existing development.
- Plan for commercial uses to serve the needs of the community.
- Plan for a mixed-use area with freeway and arterial exposure so as to maximize the opportunity to develop viable and marketable commercial retail and hotel/motel uses and also maintain flexibility to provide other non-residential, non-retail business related uses in the event that the entire mixed-use area is too large to accommodate viable commercial retail uses.

The proposed project would be developed within a portion of an existing shopping center. It would comply with the applicable zoning standards and would obtain the required CUP, which would ensure compatibility with existing development in the vicinity of the project site. The proposed gasoline station would serve existing Costco Warehouse customers as well as other visitors to the shopping center and surrounding community. The proposed project is also located in an existing commercial retail area adjacent to El Camino Real, a major commercial thoroughfare, and within one mile of the Santa Ana Freeway and therefore has adequate freeway and arterial exposure.

Tustin City Code

As discussed above, the project site located within a Planned Community-Mixed Use zoning district and the development standards for the proposed project are set forth through the ETSP. However, the proposed project would be consistent with other applicable provisions of the TCC. At the time of permit application, the project plans must comply with the latest edition of the applicable codes, Ordinances, and regulations adopted by the City.

Pursuant to TCC Section 9272, the proposed project would obtain design review approval, which is required prior to the issuance of a building permit for any new

building or structure. All on-site signs would comply with the City's sign code and as conditioned, the applicant will apply for a Master Sign Program for the proposed project.

The proposed project would be consistent with the General Plan, ETSP and TCC; therefore the project satisfies criteria (a) of the Class 32 Exemption.

(b) The proposed development occurs within city limits on a project site of no more than five (5) acres substantially surrounded by urban uses.

As shown in Figure 1 (Aerial Photo/Project Site Map) and Figures 3 and 4 (submitted site plans), the site is located within a portion of an existing shopping center in an urbanized area of the ETSP area in the city, and is entirely surrounded by urban uses. The project site (consisting of the area where the fueling station and landscape screening will be constructed and the area where the existing Goodyear Tire Center building will be demolished and restriped with surface parking) has a total area of approximately 2.38 acres. No new development or construction activity related to the proposed project will occur in the other portions of the shopping center, including the existing Costco Warehouse, former K-mart/Ansar Gallery retail space, and other pad parcels, nor will the existing operations at these uses change as a result of the proposed project. These uses and areas are part of the existing environment prior to the project that will not change as result of the project. Therefore, they comprise the environmental baseline and are not part of the proposed project. Therefore, the proposed project satisfies criteria (b) for a Class 32 Exemption.

(c) The project site has no value as habitat for endangered, rare or threatened species.

The project site is located within an urbanized area of Tustin. As shown in Figure 1 - Aerial Photo/Project Site Map of the site and surrounding land uses, the project site and the surrounding area are developed with buildings and other urban infrastructure and do not contain any significant areas of natural open space or areas of significant biological resource or habitat value. Improved with an asphalt-paved parking lot and the existing Goodyear Tire Center building, there are few trees and vegetation located on-site within the existing surface parking areas. According to the U.S. Fish and Wildlife Service (USFWS) Threatened and endangered Species Active Critical Habitat Report, no candidate, sensitive, or other special status species identified in local plans, policies or regulations, or by the California Department of Fish and Wildlife (CDFW) or the USFWS have been recorded or exist on the project site. Furthermore, no critical habitat was identified in the U.S. Environmental Protection Agency's NEPAssist mapping tool.

The proposed project would also remove 48 non-protected on-site trees and zero (0) non-protected trees in the adjacent public right-of-way. While the removal of non-

protected trees would not be considered a significant impact under CEQA, such removal has the potential to impact nesting bird species, if present at the time of removal. The project must comply with all applicable Federal laws and regulations, which would include adherence to the Federal Migratory Bird Treaty Act and the State Fish and Game Code. As a result, the project would have a less than significant impact on endangered, rare, or threatened species or their habitat and therefore, satisfies criteria (c) for a Class 32 Exemption.

(d) Approval of the proposed project would not result in any significant effects relating to traffic, noise, air quality, or water quality.

Traffic

The following traffic impact analysis summarizes and incorporates the information set forth in the initial traffic analysis prepared by Kittelson & Associates (KA), dated April 17, 2019) and the supplemental memorandum prepared by KA, dated June 24, 2019 addressing certain items discussed at the June 11, 2019 Planning Commission hearing. The initial traffic analysis, supplemental memorandum and long-term buildout conditions are attached as Attachment J.

Operation

The initial Traffic Analysis analyzed anticipated trip generation & related impacts, Level of Service (LOS) and queueing analysis at different intersections, fuel area layout, fuel delivery site circulation and on-site vehicle stacking and parking. As identified in the traffic analysis, evaluation of the traffic impacts of the proposed project must account for the fact that it will include removal of the existing Goodyear tire facility. Table 2 of the initial Traffic Analysis, reproduced below, presents the net new trips for the proposed project within existing trip credit for the existing Goodyear service facility applied. With application of the existing trip credit, the net new trips for the proposed project would be 58 trips in the a.m. peak hour and 70 trips in the p.m. peak hour, which in turn, represents an average of approximately one (1) additional net new trip into or out of the site each minute during peak periods when compared to existing conditions.

Scenario	AM Peak Hour	PM Peak Hour
	Total	Total
Project Trips	83	106
Existing Trip Credit	-25	-36
Net New Project Trips	58	70

Figure 11 - Costco Gasoline Peak Hour Trip Generation Characteristics

Intersection Analysis:

Three (3) study intersections were evaluated for weekday a.m. and p.m. conditions and included:

- Market Street & Bryan Avenue (project driveway)
- Tustin Ranch Road & El Camino Real
- Auto Center Drive & El Camino Real (project driveway)

The study intersections were analyzed using the Intersection Capacity Utilization (ICU) methodology, consistent with City of Tustin standards. LOS grades and corresponding volume-to-capacity (V/C) ratios under the ICU methodology are provided in Table 3 of the Traffic Analysis. The maximum acceptable LOS for the study intersections is LOS D. Based on the analysis methodology, the results for the Existing and Existing Plus Project LOS for the study intersections is shown in Table 4 of the traffic analysis and reproduced below. All study intersections operate acceptably at LOS A and B under both the Existing and Existing Plus Project conditions.

#	Intersection	Control	Peak Hour	Existing		Existing Plus Project		Increase
				ICU	LOS	ICU	LOS	
1	Market St. & Bryan Ave.	Signal	AM	0.29	A	0.36	A	0.07
			PM	0.43	A	0.49	A	0.06
2	Tustin Ranch Rd. & El Camino Real ¹	Signal	AM	0.68	B	0.69	B	0.01
			PM	0.60	A	0.60	A	0.00
3	Auto Center Dr. & El Camino Real	Signal	AM	0.27	A	0.28	A	0.01
			PM	0.47	A	0.47	A	0.00

Note: 1. Planned and funded intersection improvements at this location are assumed under Existing Conditions.

Figure 12 - Costco Existing and Existing Plus Project LOS

The supplemental traffic memorandum confirms that the initial traffic analysis evaluates performance of all study locations including the driveways to access the proposed project, and that all intersections operate at LOS A or B during the weekday a.m. and p.m. peak hours. Based on this analysis, as well as the current roadway improvements taking place along Tustin Ranch Road and El Camino Real, the supplemental traffic analysis concludes that the proposed project is not expected to adversely affect intersection operations.

Long-Term Buildout

The Long-Term Buildout and Buildout Plus Project analysis applied the same analysis methodology as set forth above and shows that all study intersections operate acceptably at LOS D or better under Buildout and Buildout Plus Project

conditions. Table 2 of the October 2019 analysis (Attachment J), reproduced below in Figure 13, illustrates this conclusion.

#	Intersection	Control	Peak Hour	Buildout		Buildout Plus Project		Increase
				ICU	LOS	ICU	LOS	
1	Market St. & Bryan Ave.	Signal	AM	0.35	A	0.42	A	0.07
			PM	0.51	A	0.58	A	0.07
2	Tustin Ranch Rd. & El Camino Real ¹	Signal	AM	0.82	D	0.83	D	0.01
			PM	0.73	C	0.73	C	0.00
3	Auto Center Dr. & El Camino Real	Signal	AM	0.32	A	0.32	A	0.00
			PM	0.58	A	0.55	A	-0.03

Note: 1. Planned and funded intersection improvements at this location are assumed under Buildout Conditions.

Figure 13 – Long-Term Buildout and Buildout Plus Project LOS

The supplemental traffic memorandum also notes that the initial traffic analysis did not assume occupancy of the K-mart building in its Existing Plus Project intersection LOS analysis because there was no proposal to reoccupy the building. To provide a more conservative analysis, the supplemental memorandum added estimated trips that could be generated by the 105,319-square foot K-mart parcel to the study intersections, assuming full retail occupancy and with the proposed gas station addition in place. With the addition of K-mart-generated vehicle trips to existing counts and Costco fuel station trips, the supplemental memorandum concludes that all study intersections would still operate at LOS A or B, as shown in Figure 14.

#	Intersection	Control	Peak Hour	Existing		Existing Plus Project		Existing Plus Project Plus Kmart	
				ICU	LOS	ICU	LOS	ICU	LOS
1	Market St. & Bryan Ave.	Signal	AM	0.29	A	0.36	A	0.40	A
			PM	0.43	A	0.49	A	0.59	A
2	Tustin Ranch Rd. & El Camino Real ¹	Signal	AM	0.68	B	0.69	B	0.69	B
			PM	0.60	A	0.60	A	0.61	B
3	Auto Center Dr. & El Camino Real	Signal	AM	0.27	A	0.28	A	0.29	A
			PM	0.47	A	0.47	A	0.51	A

Note: 1. Planned and funded intersection improvements at this location are assumed under Existing Conditions.

Figure 14 – Existing Plus/Project Plus LOS with K-mart

The supplemental memorandum also provided a comparative analysis between the proposed gasoline station at Tustin Ranch and the existing Tustin District

Costco gasoline station location (Attachment J – page 3 of supplemental memorandum dated June 24, 2019).

Fuel Area Layout:

The proposed gasoline station is in the southeastern portion of the Costco parking lot. Per the applicant, this location was selected because it is farthest away from the main entry to the shopping center and has sufficient land area to allow for the four dispenser-wide by four (4) dispenser-deep Southern California layout.

The proposed gas station addition would provide a total of 32 fueling positions. The queueing area beyond the pumps extending towards the parking area measures approximately 110 feet in length. Figure 2 of the initial traffic analysis (Attachment G) illustrates the queue storage area, which holds 32 vehicles in queue in addition to the 32 vehicles at the fueling positions. Under the Existing Plus Project scenario, vehicular queueing data has been collected at other representative Costco gasoline fueling station sites to provide reliable information related to the anticipated queues for the proposed station. For purposes of this analysis, queueing data collected in 2016 and 2017 was gathered from six (6) Costco gasoline sites each having 22 or more fueling positions. Using this data, the 95th percentile queue was selected (also industry standards) and the proposed stacking/queueing plan(s) were developed for the project.

A detailed queueing management plan was developed by the applicant and incorporated into the analysis to accommodate peak demand scenarios at the gasoline station. The plan is illustrated in Figure 3 of the initial traffic analysis (Attachment H) and includes the following measures:

- Using cones/delineators limit access to the fuel station from the north entry. This would provide additional queueing space for vehicles in the north-south drive aisle.

If queues cannot be managed by the strategy shown in Figure 3 of the initial traffic analysis (Attachment H), the northbound right turn into the parking aisle adjacent to the fuel station would be closed using bollards or similar retractable device to route members to the next parking aisle to provide more queueing area prior to affecting street operations (shown in Figure 4 of the initial traffic analysis or Attachment I). Both queue strategies would be implemented when the queue reaches the fuel station exit. In addition to both queue management plans, the City has required that during peak demands, three (3) on-site traffic attendants will be present to guide and direct traffic which will mitigate any potential impacts to a less than significant level.

The additional demand and resultant queueing shown in Figures 3 and 4 of the initial traffic analysis (Attachments I & J) is not anticipated with the fuel station

addition and is shown only to illustrate how the management plan would operate under extreme or unusual conditions. Implementation of this plan under such circumstances will ensure that impacts of queued vehicles on access and circulation within the project site and the rest of the shopping center would be less than significant.

The gas station addition would be equipped with a red-light/green-light system to indicate which pump was open and available to the next person in line. This system improves efficiency and helps shorten lines to waiting members. In addition, CostcoPay would be in place at the station. The CostcoPay system provides members with a key-chain fob (small device attached to a keychain) to make payment that contains memberships and secure payment information. Using the key-chain fob instead of membership and credit cards reduces time at the pumps by approximately 35 seconds per transaction. The implementation of both these devices would help reduce time at the pumps which in turn reduces queues.

Fuel Deliveries:

As shown in Sheet DD13-08 of the initial Traffic Analysis (Attachment J) adequate spacing for maneuverability of the fuel delivery trucks is provided on-site. Fuel delivery trucks will be directed to use to Bryan Avenue driveway for entry to and exit from the site.

As discussed in the supplemental memorandum (also Attachment J), truck deliveries are not expected to affect traffic operations as only 1-2 deliveries are expected during peak operating hours, which reduces the chances of deliveries within non-peak hours. The project site is expected to include three (3), 40,000-gallon fuel tanks, which will reduce the required number of daytime fuel deliveries (in comparison to the Tustin District Costco gas stations and other locations that have three (3), 30,000-gallon tanks). In addition, the remote fill location design would allow trucks to unload without entering the pump queues, which would allow operations to continue without interruption. As a result, impacts from fuel deliveries would be less than significant.

Noise

As stated in the General Plan Noise Element, the City's Noise Ordinance provides a basis for controlling excessive and disturbing noise from stationary sources such as a construction activity, industrial plants, pumps, compressors, refrigeration units, etc. The ordinance provides specific noise standards to be applied for various land uses for both daytime and nighttime hours, prohibits certain noise sources, and describes the manner in which the noise standards are to be enforced.

In particular, the noise ordinance specifies certain exterior and interior noise standards for different categories of lands uses, and regulates certain categories

of specific disturbing noises. Per TCC Section 4613, residential properties are designated as Noise Zone 1 and commercial properties are designated Noise Zone 2. Based on these designations, any proposed uses and activities are evaluated to ensure that they do not exceed specific noise standards. The location of the proposed use is surrounded by an existing retail commercial area and is not located immediately adjacent to any sensitive uses. The nearest residential use is approximately 640-feet to the north (across Bryan Avenue) and approximately 1,350-feet away to the west of the subject property. As conditioned, any noise generated by the proposed gasoline station, including any construction, would adhere to the Tustin Noise Ordinance and General Plan Noise Element.

TCC Section 4616 clarified regulatory requirements for noises generated by construction, repairing, remodeling or demolition and grading work and prohibits such work between the hours of 6:00 p.m. and 7:00 a.m., Monday through Friday and 5:00 p.m. and 9:00 a.m. on Saturdays and during all hours Sundays and city observed federal holidays. Trucks, vehicles and equipment that are making or are involved with material deliveries, loading or transfer of materials, equipment service, maintenance of any devices or appurtenances to any construction project in the City shall not be operated on or adjacent to said sites outside of the approved hours for construction activity.

In addition, the following activities are exempted from the Noise Ordinance pursuant to TCC Section 4617:

- Noise sources associated with construction, repair, remodeling, or grading or any real property between the hours of 7:00 a.m. and 6:00 p.m. Monday through Friday and the hours of 9:00 a.m. and 5:00 p.m. on Saturdays, excluding city observed federal holidays are exempt from the Noise Ordinance pursuant to TCC Section 4617.
- Noise sources associated with maintenance of real property are also exempt provided said activities take place between the hours of 7:00 a.m. and 6:00 p.m. on any day except Sunday or city observed federal holidays, or between the hours of 9:00 a.m. and 6:00 p.m. on Sunday or city observed federal holidays.

The proposed project is located along major commercial thoroughfare and the proposed hours of operation and operation of the fuel station would be compatible with the surrounding area. The project will be required to comply with the City's noise standard. Generally, doubling of traffic volumes could result in a perceptible increase in traffic noise. As shown in the Traffic Analysis, the proposed project would not generate sufficient traffic to result in a doubling of traffic volumes. The City's Traffic Engineer has reviewed and accepted the submitted traffic analysis.

Accordingly, the proposed project's impact from noise would be less than significant.

Air Quality

The following air quality impact analysis summarizes and incorporates the information set forth in the initial CalEEMod Pollutant and Emissions Analysis dated July 2, 2019 (Attachment Q) and the Memorandum Re: Air Quality and Greenhouse Gas Emissions for the Construction and Operation of the Gasoline Dispensing Facility at Costco Tustin Ranch prepared by Ramboll US Corporation (Ramboll), dated September 11, 2019 (Attachment R).

The Air Quality analysis provides an air quality and greenhouse gas emissions assessment of the proposed project in compliance with the requirements of CEQA. Specifically, emissions of criteria air pollutants (CAP) and greenhouse gases (GHG) associated with construction and operation of the project were estimated in order to evaluate if the project would cause significant air quality impact. The Air Quality analysis concludes that the proposed project would not cause significant air quality or GHG impacts. A brief description of the methodology and results of the analyses are provided below in the following sub-sections.

Methodology

Ramboll developed CAP and GHG emission inventories for the construction and operation of the proposed project. Sources of construction emissions related to the proposed project include off-road equipment, fugitive dust, off-gassing from paving, architectural coatings, and off-road mobile sources. The proposed project would also generate emissions during operation from area sources (architectural coatings, consumer products and landscaping), energy sources (natural gas and electricity), and mobile sources (passenger cars and fuel delivery trucks).

Ramboll utilized the California Emission Estimator Model version 2016.3.2 (CalEEMod) to quantify the CAP and GHG emissions associated with construction and operation of the proposed project. CalEEMod is a statewide program designed to calculate both criteria and GHG emissions from development projects in California. CalEEMod is based on California Air Resources Board (CARB) approved Off-Road and On-Road Mobile-Source Emission Factor models (OFFROAD and EMFAC, respectively) and is designed to estimate construction and operational emissions for land use development projects and allows for the input of project specific information. (Attachment R).

Air Pollutant Emissions

Table 1 to the Air Quality analysis presents the maximum daily CAP emission estimates from construction of the proposed project for calendar years 2019 and

2020. As shown in this table, the construction emissions for the proposed project are less than the SCAQMD mass daily significant thresholds for all pollutants. Therefore, impacts would be less than significant.

Table 2 to the Air Quality analysis presents the maximum daily CAP emission estimates from proposed project operation. As shown in the table, the operational emissions for the proposed project are less than the SCAQMD mass daily significance thresholds for all pollutants. Therefore, impacts would be less than significant.

Localized Ambient Air Quality

Ramboll evaluated the localized ambient air quality impacts from on-site construction and operational activities for carbon monoxide, nitrogen dioxide, particulate matter less than 10-microns (PM10) and particulate matter less than 2.5-micron (PM 2.5) using SCAQMD's localized significance thresholds (LSTs) methodology. As shown in Table 3 of the Air Quality analysis the proposed project's related emissions would not result in an exceedance of SCAQMD LSTs. Hence, the proposed construction and operational activities do not result in a significant localized impact for air quality.

Greenhouse Gas Emissions

Table 4 to the Air Quality analysis presents the annual average GHG emissions associated with construction and operation of the proposed project. One-time emissions from construction were annualized over a 30-year period and summed with operational emissions for comparison to the SCAQMD draft Tier 3 screening threshold for commercial projects of 3,000 metric tons carbon dioxide per year. As shown in Table 4, the proposed project-related GHG emissions are estimated to be below the draft screening threshold. Hence, the proposed project would not cause a significant GHG impact.

Regulatory Compliance Measures

The applicant must obtain approval from the SCAQMD prior to the issuance of the building or grading permits, and must comply with all SCAQMD regulations and obtain a Permit to Construct (PTC) and Permit to Operate (PTO) with respect to the proposed project.

In addition to the analysis set forth in the Air Quality analysis, compliance with these regulatory compliance measures will ensure that construction and operation of the proposed project would not cause any significant impacts to air quality. Similarly, the analysis also concludes that the proposed project would not cause a significant air quality or greenhouse gas impact.

Hydrology & Water Quality

Fusco Engineering, Inc. prepared a Final Hydrology Report for the proposed project, dated May 2019 which concludes that the proposed inlets and storm drain systems will be designed to be consistent with the goals and guidelines in the Orange County Hydrology Manual and the Orange County Local Drainage Manual and that they will be constructed in a manner that minimizes the impact of the proposed storm flow to the existing surrounding area and neighborhood while providing safe and adequate drainage operation for the project. No significant impacts regarding stormwater would result from the proposed project.

Fusco Engineering, Inc. also prepared the Final Water Quality Management Plan (WQMP) for the proposed project (last updated June 12, 2019). The WQMP identifies site design Best Management Practices (BMPs), as well as Low Impact Development BMPs and source controls in order to reduce pollutants in storm drain discharges. The submitted WQMP for the proposed project was reviewed by City staff and demonstrated compliance with the requirements of State Water Quality Regional Control (SWRCB) and other Federal, State and local regulations relative to water quality and drainage. As conditioned, the applicant must also record a covenant binding current and future owner(s) of the property regarding implementation and maintenance of the structural and non-structural BMPs as specified in the approved WQMP. Consistent with the Hydrology Report and WQMP, implementation of these regulatory compliance measures will ensure that the proposed project will not cause a significant impact to water quality.

(e) The project site can be adequately served by all required utilities and public services.

The project site is located in an urbanized area within a 2.38-acre portion of an existing shopping center and does not involve the construction of any new buildings aside from the equipment enclosure containing the gas station equipment controllers and new canopy. Additionally, the infrastructure for the utilities required to serve the proposed project are already in place and serve the shopping center.

The proposed project has no residential component and there will be one (1) or two (2) regular employees, and therefore can be adequately served by the existing police and fire services, schools, parks, libraries along with all required utilities and public services and satisfies condition (e) for a Class 32 Exemption.

Class 32 Exemption Exceptions:

Section 15300.2 of the State CEQA Guidelines provides exceptions to the Class 32 Exemption depending on the nature and location of the project, including the following:

1. The project and successive projects of the same type in the same place will result in cumulative impacts;

There are no known related projects in the vicinity of the project site that will result in cumulative impacts with respect to traffic, noise, water quality and utilities and public services. If the vacant K-mart building were to be fully occupied, which may be the nearest and most realistic future project to the project site, all study locations would continue to operate at acceptable levels of service. Given the excess capacity at the studied intersections, operation of the proposed project with any other projects would not result in cumulative traffic impacts.

Regulatory compliance measures for noise will ensure that the proposed project's potential to contribute to substantial cumulative noise levels from construction or stationary sources during operation would be less than significant. As stated previously, a doubling of traffic volumes results in a perceptible increase in traffic noise. Per the traffic analysis, the proposed project would not generate sufficient traffic to result in a doubling of traffic volumes. As shown in the supplemental traffic analysis memorandum, a possible reuse of the K-mart building would not generate sufficient trips that, coupled with the proposed project's trips, would result in a doubling of traffic volumes. As a result, cumulative noise levels from traffic would be less than significant.

Cumulative air quality impacts from construction and operation of the proposed project, based on SCAQMD guidelines, are analyzed in a manner similar to project-specific air quality impacts. According to SCAQMD, individual development projects that generate construction or operational emissions that exceed the SCAQMD recommended daily thresholds for project-specific impacts would also cause a cumulatively considerable increase in emissions. As discussed previously in this report, because the construction-related and operational daily emissions associated with the proposed project would not exceed the SCAQMD's recommended thresholds, thus the proposed project's emissions would not be cumulatively considerable. Therefore, cumulative air quality impacts would be less than significant.

As discussed previously, the proposed project would not result in any significant water quality impacts. Like the proposed project, any other future projects in the vicinity would be required to implement stormwater Best Management Practices (BMPs) pursuant to WQMPs. Mandatory structural BMPs in accordance with the NPDES water quality program would result in a cumulative reduction of surface runoff, as the development in the vicinity of the project site is limited to infill development and redevelopment of an existing urbanized area. As a result, through means of regulatory compliance by the proposed project and for any other projects in the vicinity, cumulative water quality impacts would be less than significant.

As noted above, the proposed project is consistent with the General Plan and ETSP, the project site is served by existing utilities infrastructure, and the proposed project is not expected to result in significant new demand for public services. Adequate capacity

exists to serve the proposed project, and it would not result in any significant cumulative impacts associated with utilities or public services.

2. There are unusual circumstances creating the reasonable possibility of significant effects;

As stated previously in the analysis herein, there are no unusual circumstances that exist in connection with the proposed project or surrounding environmental conditions that have the potential to result in significant environmental impacts. The project site is located within an urbanized area of Tustin within the ETSP area and is consistent with the existing physical arrangement of the properties within the vicinity of the site. The proposed project constitutes infill development within a portion of the existing commercial shopping center. The project site is zoned PC-MU, has a General Plan land use designation of PCCB, and the ETSP land use designation for the project is Mixed-Use. As conditioned, the proposed project is consistent with permitted land uses, density, height and development regulations of the ETSP which contains the governing standards and regulations for the project site. There are no features of the proposed project, such as to its size or location, that distinguish it from others in the exempt class. No unique or unusual circumstances exist with respect to the proposed project that would give rise to a reasonable possibility of a significant effect upon the environment.

3. The project may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within an officially designated scenic highway;

The project site is not located within or bordered by the viewshed of any designated scenic highway as referenced in the City's General Plan or in the Orange County, California Scenic Highway Plan. Roadways immediately adjacent to the project site; El Camino Real, Bryan Avenue, Myford Road or Tustin Ranch Road are not designated as a scenic highway. There are no protected trees or unique geologic features on the site. As a result, the proposed project would not damage any scenic resources within an officially designated scenic highway.

4. The project is located on a site that the Department of Toxic Substances Control and the Secretary of the Environmental Protection have identified, pursuant to Government code section 65962.5, as being affected by hazardous wastes or clean-up problems; or

The Phase I Environmental Site Assessment (ESA), prepared by Kleinfelder, dated November 29, 2018, Kleinfelder reviewed the Department of Toxic Substances Control (DTSC) EnviroStor website for available files pertaining to the project site and adjoining properties. Neither the project site or adjoining properties are listed in the database. Per the ESA, the project site is not listed for cleanup, permitting, or investigation of any hazardous waste contaminations on any of the lists published pursuant to Government Code Section 65962.5. Therefore, the project site is not located on a site that the DTSC

and the Secretary of the Environmental Protection have identified as being affected by hazardous wastes or clean-up problems.

5. The project may cause a substantial adverse change in the significance of an historical resource.

Based upon information contained within the Phase I Environmental Site Assessment, the project site was historically used for agricultural purposes between at least 1938 and 1985. The project site consists of a surface parking lot as well as the existing Goodyear Tire Center building. The building was constructed as an automobile service center in 1997 and has operated under several different names. There are no known historical resources on the project site. The immediate surroundings of the project site is developed with a shopping center and other commercial uses. There are no historical resources located in the vicinity of the project site. Therefore, the proposed project would not cause a substantial adverse change in the significance of an historical resource.

APPEAL:

Attachment P includes a written letter identifying reasons for the appeal. Below are staff responses on each of the items identified in the appeal letter.

Appellants Comment 1: The project is over five (5) acres in size and the CEQA exemption (Section 15332, Class 32) is incorrect.

Staff Response: As shown in Figure 1 and Attachment C (submitted plans), the site is located within a portion of an existing shopping center in an urbanized area of the ETSP area and is entirely surrounded by urban uses. The project site (consisting of the area where the fueling station and landscape screening will be constructed and where the existing Goodyear Tire Center building will be demolished and restriped with surface parking) has a total area of approximately 2.38 acres. No new development or construction activity related to the proposed project will occur in the other portions of the shopping center, including the existing Costco Warehouse, former K-mart/Ansar Gallery retail space, and other pad parcels, nor will the existing operations at these uses change as a result of the proposed project. These uses and areas are part of the existing environmental baseline and are not part of the proposed project. The total project area is approximately 2.38 acres, which is less than 5 acres in size and therefore qualifies as a Class 32 Exemption under CEQA.

Appellants Comment 2: The added traffic, congestion and the number of vehicles waiting in line (idling) will create very unhealthy air and affect the quality of life to those that live and work nearby.

Staff Response: Traffic, circulation, vehicle queueing, air quality and greenhouse gas emissions were analyzed in technical reports submitted by the applicant and discussed in further detail in the CEQA environmental section of this report. The technical reports

have determined that there would be less than significant impacts in these areas.

A Health Risk Assessment (HRA) was also prepared to assess potential health risks to residents in the vicinity from toxic air contaminants (TACs) emitted during project operation. The HRA, which was prepared in accordance with the current version of the SCAQMD risk assessment procedures, assessed all potential Project TAC emission sources, including but not limited to gasoline dispensing, idling of vehicles queuing at the pumps, and passenger car/fuel delivery truck travel in the vicinity of the gas station. The HRA shows that potential health risks would be well below the applicable SCAQMD significance thresholds; therefore, impacts from project TAC emissions would not be significant (Attachment S).

Appellants Comment 3: The street width is not adequate to accommodate an additional right turn lane from El Camino Real onto the property.

Staff Response: Currently El Camino Real has 80 feet of public right-of-way (roadways, plus sidewalk and landscaping). The existing roadway width is 64 feet and the additional right turn lane from El Camino Real onto the property can be accommodated by narrowing each of the existing lane widths to approximately 10-11 feet wide. The street width and proposed additional lane configuration has been reviewed and approved by the City's Traffic Engineer.

Appellants Comment 4: The Planning Commission approved the project without taking any considerations to quality of life issues.

Staff Response: The Planning Commission held two (2) separate public hearings (June 11, 2019 and July 9, 2019) for the project and took public comments/testimony on both occasions. The public hearing held on July 9, 2019 was a continuation of the June 11, 2019 meeting whereby additional questions and concerns raised by the Commission and the public on June 11, 2019 were addressed. The applicant submitted an air quality analysis (utilizing CalEEMod to quantify emissions) that provides an air quality and greenhouse gas emissions assessment and a traffic analysis that compared The District Costco location with the proposed site, intersection LOS analysis, information on fuel truck deliveries, anticipated hours of operation and information on anticipated gas queues. The submitted HRA assessed emission sources from idling of vehicles queuing at the pumps and vehicle travel within the vicinity of the proposed project and shows that potential health risks are below applicable thresholds. The submitted traffic analysis included two (2) queue management plans both of which would be implemented if and when the fuel queues extend beyond the fuel station exit. The City's Traffic Engineer has read, reviewed and accepted the traffic analysis for the proposed project. Both proposed queue management plans, depending on the need that will be generated, will adequately address the proposed project. Based upon analysis of the site, its proposed operation and the submitted technical studies and health assessment associated with the project, the proposed use is not anticipated to create any significant impact.

PUBLIC COMMENTS:

As stated previously, during both Planning Commission public hearings there were public comments that expressed support as well as opposition to the proposed project. At the June 11, 2019 Planning Commission meeting, ten (10) public speakers provided comments; eight (8) were opposed and two were in support of the project. At the July 9, 2019 Planning Commission public hearing, fifteen (15) persons spoke against and ten (10) were in support of the project. City staff also received numerous e-mails following both hearings and leading up to the public hearing before the City Council on October 15, 2019. All of the public comments/e-mails received by City staff related to the proposed project are included in Attachment U and are summarized below:

- Concern with the demolition and removal of existing Goodyear Tire Center
- Lack of maintenance of existing parking lot within retail commercial center, particularly the area in front of the former Ansar Gallery/Kmart space (Costco is one of two major tenants within center)
- Parking and queueing conflicts with vehicles within proposed gasoline station and existing parking lot
- Increase in traffic and congestion on Bryan Avenue and El Camino Real
- Impacts to other business owners and other gasoline station operators
- Hours of operation
- Fuel deliveries – timing and frequency
- Noise and exhaust fumes from proposed gasoline station
- There is a need for a new Costco gas station
- New location will reduce demand at the District location
- Most residents live closer to Tustin Ranch and the new location would reduce traffic and eliminate the need to travel to the District
- Existing Costco District location is a traffic mess
- Queueing problem at District will be repeated at proposed project
- Adequate circulation area exists at site; queueing problem at District will not be repeated
- High quality gas will be provided at cheaper price
- Project will bring additional jobs to community
- Project takes away business from surrounding smaller gas stations
- Proposed gas station is convenient location for Tustin Ranch
- Proposed gas station would reduce commute times for buying gas
- Demolition of Goodyear Tire Center and building new Costco gas station would improve shopping center & attract other business to area
- El Camino property a blight in community; homeless concerns
- Planned enhancements to intersection and traffic light synchronization should alleviate existing and future congestion

- Concern about environmental analysis and classification of project as “Class 32 – Infill” CEQA Exemption
- Closure of Costco if gas station is not provided
- Costco gas station and warehouse combination makes for a more rational shopping experience (one-stop)
- Idling vehicles and air pollution
- Financial impact to property values
- Increased revenue for City of Tustin
- Improve shopping center security

FINDINGS:

In determining whether to approve the CUP for the project, the City Council must determine whether the proposed use would be detrimental to the health, safety, morals, comfort, or general welfare of the persons residing or working in the neighborhood, nor be injurious or detrimental to the property and improvements in the neighborhood of the subject property, or to the general welfare of the City of Tustin.

- 1) That pursuant to Sections 3.8.2 and 3.7.2.A.1.u of the ETSP, the Specific Plan allows for service stations with the approval of a CUP.
- 2) That pursuant to TCC Section 9291c, the Planning Commission is authorized to act on CUPs and impose conditions deemed necessary to protect the public interest and ensure compliance with the General Plan. The Planning Commission approved CUP 2018-00018 by adopting Resolution No. 4385 on July 9, 2019.
- 3) That on July 19, 2019, an appeal was filed by Charlie Mazza, local homeowners and local businesses. Pursuant to TCC Section 9294b, the City Council shall conduct a public hearing on the item and that the hearing shall be de novo.
- 4) That the proposed use, as conditioned, would not be detrimental to surrounding properties in that the scope of operations for the proposed service station would be compatible and provide support services for the uses in the area. The project site is located within an urban area of Tustin on a 2.38-acre portion of an existing shopping center where existing infrastructure and support services are already in place. The uses surrounding the project site include the remainder of the shopping center, the adjacent Tustin Auto Center auto dealerships, condominiums and single-family residences. The proposed project does not involve the construction of any new buildings aside from the equipment enclosure containing the gas station equipment controllers and an overhead canopy. The project site is zoned PC-MU and has a General Plan designation of PCCB which provides opportunities for a mixture of all the activities permitted within commercial land use designations in the City. The proposed project is consistent

with the ETSP and the required conditional use permit will ensure that the proposed gas station use is consistent with the City's development policies and compatible with the surrounding land uses. Technical reports for traffic, air quality, health risk, greenhouse gas emissions, and water quality have been submitted demonstrating that the proposed project will not cause a significant impact in any of these areas. The project will be required to comply with the City's Noise Ordinance. A Phase 1 Environmental Site Assessment was also prepared and concluded that the project site is not listed for cleanup, permitting, or investigation of any hazardous waste contamination on any of the lists published pursuant to Government Code Section 65962.5 and that there are no historical resources on the project site.

- 5) That the proposed use is not anticipated to result in parking impacts since the site provides more than the TCC required number of parking spaces to service the existing shopping center and proposed use. Demolition of the existing Goodyear Tire Center building will be replaced with additional parking spaces that will continue to provide adequate parking for the shopping center.
- 6) That the proposed use is not anticipated to result in queueing or circulation impacts as the project has two (2) queue management plans to accommodate potential queueing demands. If queues cannot be adequately managed by the strategies in the plan, closure of the northbound right turn lane with retractable bollards and re-routing of customers to the next parking aisle will be implemented. In addition to the queueing management plans, the project has been conditioned to provide three (3) on-site traffic attendants to guide and direct traffic. Through a combination of queueing plans and manned personal for traffic guidance, the use will not impact circulation on the site or within the existing shopping center.
- 7) That the proposed project adequately addresses anticipated off-site traffic through the installation of a new westbound right turn lane along El Camino Real into the Costco Warehouse parking lot at the intersection of Auto Center Drive and El Camino Real and lane restriping along El Camino Real to accommodate the new vehicle lane. The existing El Camino Real roadway width is 64 feet and the additional right turn lane can be accommodated within this roadway by narrowing each of the existing lane widths to approximately 10-11 feet wide. The street width and additional lane configuration has been reviewed and approved by the City's Traffic Engineer.
- 8) That the proposed use would not create a noise impact on the surrounding neighborhood since the service station would be subject to the Tustin Noise Ordinance and General Plan Noise Element. The ordinance provides specific noise standards to be applied for various land uses for both daytime and nighttime hours, prohibits certain noise sources, and describes the manner in which the noise standards are to be enforced. The proposed project is located along a major

commercial thoroughfare, and the proposed fuel station would be compatible with surroundings uses in that the scope of operations would be compatible with other commercial uses in the area. Through regulatory compliance, noise impacts from project construction and onsite sources during operation would be less than significant.

- 9) That the construction and operation of the gasoline station will operate within the requirements of the SCAQMD and the project has been conditioned to comply with SCAQMD air quality standards and all required permits. The submitted air quality and greenhouse gas (GHG) emissions analysis have determined that the proposed project would not cause significant impacts relative to GHG emissions or air quality.
- 10) That the proposed use would not be detrimental to the surrounding properties in that the hours of operation of the instruction would be consistent with the general business hours of other businesses within the surrounding vicinity. The proposed project constitutes infill development within an approximate 2.38-acre portion of an existing commercial shopping center. The area is urbanized and is consistent with the physical arrangement of other properties within the vicinity of the project site.

In determining whether to approve the DR for the project, the City Council must determine whether it can be found that the size, architectural features and general appearance of the proposal will not impair the orderly and harmonious development of the area, the present or future development therein, or the occupancy as a whole. A decision to approve this request may be supported by the following findings:

- 1) That the location, size and general appearance of the proposed service station, canopy and equipment enclosure is compatible of the existing structures and surrounding area in that the proposed improvements, including the canopy, is proportionately sized for the site.
- 2) That as conditioned, the applicant will be required to submit a Master Sign Plan.
- 3) That the height, bulk, and area of proposed use is compatible with the existing Costco warehouse building.
- 4) That the setbacks and site planning have been thoroughly evaluated in that the proposed project location, layout and proximity to the existing Costco Warehouse building has been analyzed and the proposed project complies with the requirements established in the ETSP.
- 5) That the exterior material and colors have been reviewed for the proposed project and they are compatible with the existing warehouse building and other retail tenants within the shopping center.

- 6) That the type and pitch of roofs have been reviewed for the proposed project and the proposed roofed canopy over the fuel pumps is compatible with the existing warehouse building and other retail tenants within the shopping center.
- 7) That the parking area design and traffic circulation have been reviewed and analyzed in that the project includes a Traffic Analysis that addressed overall on-site circulation.
- 8) That the location and method of refuse storage has been adequately addressed in that the proposed project does not propose any changes to the existing refuse function and operation.
- 9) That the physical relationship of proposed structures to existing structures has been evaluated in that the proposed canopy and small equipment will aid in the function of the gasoline station. The canopy will be proportional in height and area to the other buildings on the project site and within the existing shopping center overall. The location of the equipment is ancillary to the gasoline station and will be screened by either a wall and/or landscaping.
- 10) That the appearance and design relationship of proposed structures to existing structures is consistent and compatible in that the proposed columns and colors for the canopy and equipment enclosure will correspond with the exterior of the existing warehouse building.
- 11) That the development guidelines and criteria for the ETSP Mixed-Use area as well as the City's Service Station Guidelines adopted by the City Council have been reviewed and incorporated into the project.

CONCLUSION:

Staff recommends that the City Council uphold the Planning Commission decision and adopt Resolution No. 19-39, approving Conditional Use Permit (CUP) 2018-00018 and Design Review (DR) 2018-00026 to authorize the demolition of the existing Goodyear Tire Center and adjacent Goodyear parking area at 2541 El Camino Real and to construct a new 16 pump Costco gasoline fuel station with canopy and related equipment at 2655 El Camino Real.


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Senior Planner


Elizabeth A. Binsack
Director of Community Development

Attachments:

- A. Location Map/Project General Location Map
- B. Land Use Application Fact Sheet
- C. Submitted Plans
- D. Comparison of The District Costco and proposed El Camino Real location
- E. Hours of Operation Summary
- F. Costco Property Outline Exhibit
- G. Proposed Stacking Plan
- H. Queue Management Plan No.1
- I. Queue Management Plan No.2
- J. Kittelson & Associates Traffic Analysis dated April 17, 2019, Supplemental Memorandum dated June 24, 2019 and Long-Term Buildout Traffic Conditions dated October 2, 2019.
- K. PC Staff Report dated June 11, 2019
- L. PC Staff Report dated July 9, 2019
- M. PC Resolution No. 4385
- N. Additional General Information provided by applicant prior to July 9, 2019 PC hearing
- O. PC Meeting Minutes dated June 11 and July 9, 2019
- P. Written Appeal dated July 19, 2019
- Q. CalEEMod Pollutant & Emissions Analysis dated July 2, 2019
- R. Air Quality Analysis prepared by Ramboll US Corporation, dated September 11, 2019
- S. Health Risk Assessment prepared by Ramboll US Corporation, dated October 4, 2019
- T. City Council Resolution No. 19-39
- U. Public Comments Received