



## STAFF REPORT 1/5/2022

**TO:** Planning Commission

**FROM:** Gabriel Perez, Development Services Director

**SUBJECT:** Fountainhead Plaza (Continued from December 15, 2021)

**SPECIFICS:** Tentative Parcel Map 37940 (Revision), Conditional Use Permit (CUP) 346, CUP 347, CUP 321 (modification), Architectural Review (AR) 21-12, and AR 20-03 (modification) to develop 5.06 acres of an 8.25 acre property to include a 2,028 sq. ft. Starbucks drive thru building, a 2,600 sq. ft. Panda Express drive thru restaurant and a 20,442 sq. ft. Aldi supermarket with Type 20 Alcohol Sales (Off-Sale Beer and Wine) at the northeast corner of Cesar Chavez Street and First Street (APN# 778-020-007 and 778-010-017). Applicant: Coachella Retail Realty Associates, LP.

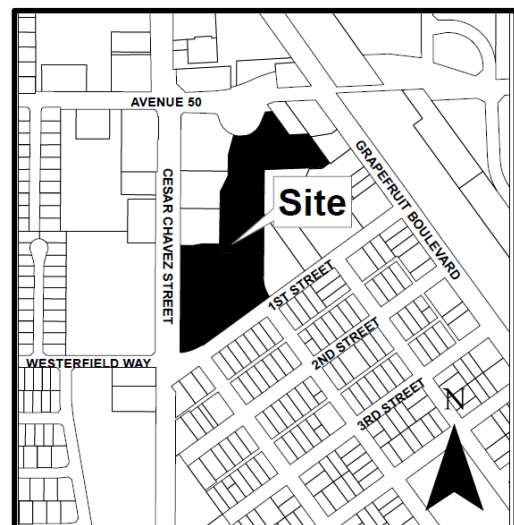
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### **EXECUTIVE SUMMARY:**

Coachella Retail Realty Associates, LP requests Planning Commission approval of modifications to phase 2 and new phase 3 development at Fountainhead Plaza for a standalone 2,028 Starbucks drive thru building, a 20,442 sq. ft. Aldi supermarket, and a 2,600 sq. ft. Panda Express Drive-thru restaurant. The applicant also requests the Planning Commission recommend approval of a revision to Tentative Parcel Map 37940 to accommodate parking for the Aldi supermarket on 1.94 acres located at the northeast corner of Cesar Chavez Street and First Street.

### **BACKGROUND:**

The subject site is a vacant portion of an existing commercial development, Fountainhead Plaza, originally approved by the Planning Commission on May 7, 2008 as Conditional Use Permit (CUP) No. 233 and Architectural Review (AR) 07-20 for Walgreens, located on the east side of Cesar Chavez between Avenue 50 and First Street as a phased development. Taco Bell drive-thru restaurant was approved by the Planning Commission on July 15, 2015, as CUP 261 and AR 15-06. The developed portion of the commercial center consists of a Walgreens drug store and two drive thru restaurants (Taco Bell and McDonalds).



Tentative Parcel Map No. 37940 was approved by the City Council on October 14, 2020 to subdivide the remaining 8.26 acres into 7 commercial lots. Additionally, the Council approved AR No. 20-03 and CUP No. 321 to develop Phase II of the commercial center to include a 7-Eleven convenience store with 12 pump fueling stations and a drive-thru for a coffee shop. CUP No. 322 was approved to allow alcohol sales (Type 20, Off-Sale Beer and Wine) within the convenience store.

On December 15, 2021, the Planning Commission considered the proposed project to modify approved Phase II development and new Phase III development at the southerly portion of the commercial center at the corner of Cesar Chavez Street and 1st Street. The Planning Commission raised various concerns about the proposed project and voted to continue the item to January 5, 2022 with a request that staff work with the applicant regarding the following items:

- Ensure existing and new landscaping be maintained and similar in appearance
- Address Panda Express design concerns
- Clarify drive-thru entry median does not create negative impacts for on-site traffic and stacking for Panda Express and McDonald's restaurants
- Discuss inclusion of rear block wall with property owners
- Address outstanding code enforcement issues

Staff coordinated with the applicant on addressing these concerns, which are described further in this report.

### **DISCUSSION/ANALYSIS**

The proposed development is Phase II and III of the originally entitled project CUP No. 233 and Architectural Review 07-20. The surrounding land uses and zoning designations are as follows:

- North:** Existing commercial development, America's Tire (C-G, General Commercial).  
**South:** Existing single family residences across First St. (R-S, Single Family Residential).  
**East:** Foster-Gardner agricultural products (nonconforming) industrial site (C-G, General Commercial).  
**West:** Existing commercial development across Harrison Street (C-G, General Commercial).

### **Tentative Parcel Map 37940**

Tentative Parcel Map (TPM) No. 37940 was approved to subdivide the southern and eastern portions of the Walgreen's development (8.25 acres) into seven (7) parcels. The applicant proposes a revision to TPM No. 37940 where parcels 1, 2, and 3 would developed with the Starbucks drive-thru, Aldi supermarket, and convenience store with fuel service station respectively and Parcels 4, 5, 6 will be developed with a Panda Express drive thru restaurant (Parcel 4) and future commercial development. Parcel 7 contains the existing common-area retention basin that provides storm-water drainage needs of the developed properties (Walgreens, Taco Bell and McDonalds).

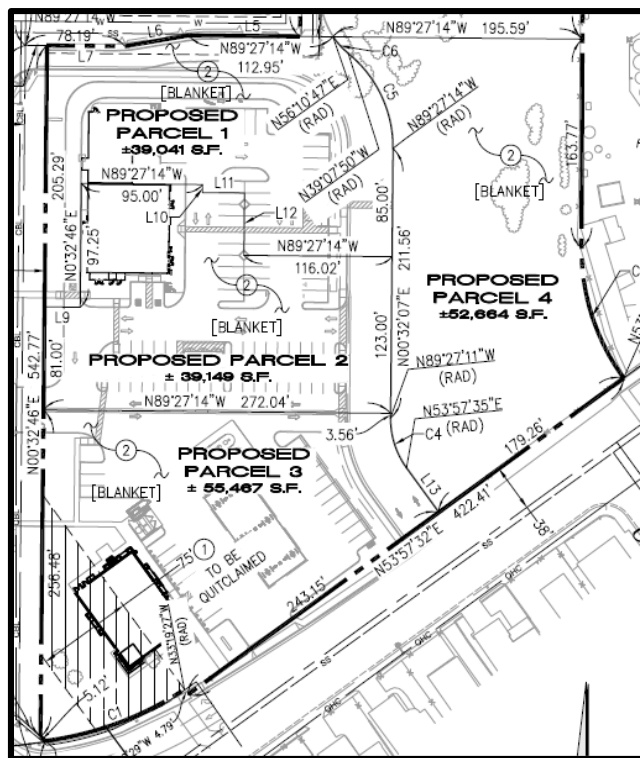
The information below is the proposed parcel (lot size) area breakdown and an exhibit of the proposed subdivision showing the new building areas and the “future” development areas.

**Table 1 – Tentative Parcel Map 37940 Revision**

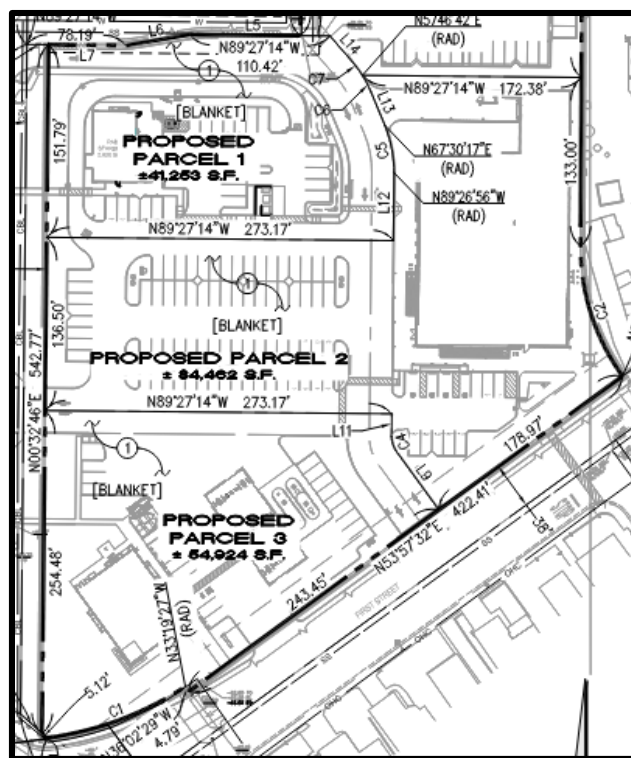
<b>Parcel #</b>	<b>Approved</b>	<b>Proposed Revision</b>
Parcel 1	39,041 sf. (Starbucks)	41,247 sq. ft. (Starbucks)
Parcel 2	39,149 sf. (Retail)	84,462 sq. ft. (Aldi)
Parcel 3	55,467 sf. (Fuel Station)	54,924 sq. ft. (Fuel Station)
Parcel 4	52,664 sf. (Future development)	39,782 sq. ft. (Panda Express)
Parcel 5	79,102 sf. (Future development)	45,007 sq. ft. (Future development)
Parcel 6	32,403 sf. (Future development)	32,403 sq. ft. (Future development)
Parcel 7	61,747 sf. (Existing Retention Basin)	61,747 sq. ft. (Existing Retention Basin)

**Figure 1 –TPM 37940 Revision Comparison**

**TPM 37940 (Approved)**



**TPM 37940 (Revision)**



## **Site Plan**

### *Starbucks (Pad 1)*

The applicant proposes a modification to the approved Starbucks site plan by eliminating the 4,500 sq. ft. multi-tenant retail suites, which was originally proposed as one building with a 2,000 sq. ft. Starbucks coffee shop. The applicant proposes to maintain the Starbucks drive-thru coffee shop as a standalone 2,028 sq. ft. building. The applicant proposes the Starbucks building and drive

thru lane in the same location and configuration as AR No. 20-03. An outdoor covered patio seating area of 270 sq. ft. is proposed. The drive-thru lane will accommodate the stacking of 12 vehicles consistent with the original site plan, which is more than the minimum required stacking of eight vehicles of the City's Zoning Ordinance. The approved parking lot plan has been reconfigured due to the elimination of the multi-tenant retail suite and the accommodation of the Aldi supermarket.

#### *Aldi Supermarket (Major)*

The Aldi supermarket building is located to the southeast portion of the commercial center. A central vehicle drive aisle begins from the Cesar Chavez Street main entry driveway, proceeds along the front elevation of Aldi supermarket, and ends at an entry driveway from First Street. A secondary driveway is located along Cesar Chavez Street that provides immediate access to Aldi and the propose fuel station and convenience store. The applicant indicated to staff that the orientation of the Aldi building with the delivery truck loading dock along the front building elevation is necessary due to the lack of space available to locate a truck delivery driveway and dock to the rear of the Aldi building, typical of other supermarkets in the City and surrounding cities. Staff communicated to the applicant the concern of the loading dock at this location both due to potential conflicts with customer vehicle traffic and aesthetic reasons. On-site retention of storm water for the site will occur on the Aldi parcel through an underground infiltration system buried below the parking lot area and a smaller above ground retention basin is proposed to the South of the Aldi building.

#### *Panda Express (Pad 4) – CUP 346*

A Panda Express drive-thru restaurant is proposed at parcel 4 to the rear of the McDonalds restaurant and to the North of Aldi's. Access is provided from the main driveway entrance from Cesar Chavez Street. Drive-thru queuing of up to 10 vehicles is provided from the rear of the building beginning with two queuing lanes with separate menu boards that converge into one queuing lane for order pick up at the drive thru window. An outdoor covered 400 sq. ft. patio dining area is proposed at the front of the Panda Express building.

#### **Architectural Design**

The overall architectural design of the Starbucks, Aldi, and Panda Express incorporates modern architectural design with distinct material and color patterns for each buildings that differ from the original architectural conceptual design of Fountainhead Plaza as characterized by the Spanish Colonial revival appearance of the Walgreens drug store building. The departure from the original architectural design concept occurred with the commercial center's incremental development based on tenant interests to pursue building design with prototypical architecture as demonstrated by the McDonald's and Taco Bell restaurant buildings. The design for the corner fuel station would continue to retain the Spanish Colonial Revival architectural design features under AR No. 20-03.

### *Starbucks (Pad 1)*

The Starbuck drive-thru building retains the same architectural style as approved under AR 20-03, with the exception the original multi-tenant building footprint has been reduced to remove two commercial tenant spaces. The building has maximum height of 23 feet and includes a modern design with a combination of stucco and hardee panel exterior surfaces. The main entrance is along the East elevation with an overhead metal canopy and an open trellis above an outdoor dining area. The West elevation facing Cesar Chavez Street includes a drive-thru window with overhead metal canopy. Two living fence and trellis systems are provided along the exterior wall. Rooftop mechanical equipment is screened by exterior walls and decorative cornice trim is provided at the top of all parapet walls.

### *Aldi Supermarket (Major)*

The Aldi building uses modern architecture consisting of CMU block, cement panels, clear glass metal trellises and aluminum composite panels. The front elevation of Aldi is west-facing towards Cesar Chavez Street. This elevation consists of a tower element, 30'9" at the highest point, consisting of aluminum composite panels (ACP), a covered walkway with ACP panels, and a storefront window system. The largest expanse of the elevation is comprised of a CMU and cement panel system with a finished metal cap. Two narrow horizontal clear glass areas are provided on this elevation. The truck loading area is located toward the north end of this elevation and a metal trellis has been added to provide visual relief. The front building walls do not fully screen rooftop mechanical equipment and instead a Roof Top Unit (RTU), which extends approximately 1 foot above the roof height, screens the equipment. Commercial developments are consistently conditioned to screen roof top equipment by a parapet wall greater than the height of the equipment installed. This condition was included in AR No. 20-03 (Condition 89) and rooftop screening by the building parapet is characteristic of all the existing buildings (Walgreens, McDonalds, Taco Bell) within Fountainhead Plaza and is proposed with the Starbuck and Panda Express building. The side elevations facing First Street is the elevation with the highest quality architectural design with a large modern sloping roof feature consisting of an ACP panels system, combination fiber cement panel and CMU wall system, aluminum canopy extending over pedestrian walkways and building entrance. The rear wall is largely a blank expanse of CMU block with a singular color and visibility of the back of the tower element.

Staff has expressed concerns about the appearance of the front elevations due to the large expanse of the CMU wall system with very little architectural variation, lack of parapet wall height for rooftop equipment screening, and the visibility of the loading dock. High quality architecture of the front elevation is important as Cesar Chavez Street is a primary arterial and the building will have high visibility from that vantage point. The applicant agreed to remove the rooftop refrigeration equipment to the ground, but has not had the time to provide a new location of the refrigeration equipment on site and landscape plans. The applicant amended the architectural plans so that the rooftop-mounted equipment would exceed the height of the roof by 1 foot, whereas the original design exceeded the roof height by approximately 5 feet. Additionally, the applicant has also agreed to add shade trees between the main drive aisle and Aldi front elevation wall to improve

aesthetics along the Aldi front elevation building frontage. Staff added conditions of approval to regarding these proposed revisions (Condition 41 and 73).

### *Panda Express*

The Panda Express drive thru building incorporates a new architectural prototype design with a “swinging” roof shape design. The building is framed with dark stone veneer base, light stucco and window systems at the mid-section, and iron colored metal cap and spruce colored Nichiha siding for the roof parapet. The nichia siding is also a feature of the vertical corner entry element. An outdoor covered patio dining area is provided at the front elevation with a low stone veneer patio wall.

The Planning Commission at the December 15, 2021 meeting expressed concern about the design compatibility of the Panda Express building with the existing commercial center design and recommended a redesign of the building. The applicant does not propose any modifications to the design of the building and requests approval of the proposed design.

### **Signage**

The applicant proposes a monument sign at the driveway entrance from First Street to identify the Aldi and Panda Express businesses to replace a gasoline price monument sign that is permitted under the exiting Fountainhead Plaza Sign Program. Architectural review is required for modifications to the sign program. Monument sign specifications in the existing sign program allow for identification of three tenants with internally illuminated routed lettering and opaque background. All tenant wall signs are required to comply with the approved sign program consisting of back-lit or “halo” illuminated individual letters.

### **Landscape Design**

The plant palette shows a variety of trees including “Chilean Mesquite” “Desert Willow/Amethyst” and “Thornless Palo Verde” within the perimeter plantings and interior parking lot planters. The planters will include water-efficient plantings including “Red Bird of Paradise”, “Bush Morning Glory”, “Toothless Desert Spoon”, “Mexican Evening Primrose”, and Agave “Century Plant” succulents. The landscape plan includes a line of “Mexican Fan Palm” trees along the project frontage similar to the existing planting pattern in front of the Walgreens, Taco Bell, and McDonalds buildings. A cluster of palm trees is also provided at the corner of Cesar Chavez Street and First Street along with other landscape materials design to make the future public art location a focal point. The main entry driveway from Cesar Chavez Street will be fully improved with a landscape median consisting of Mexican Fan Palm trees, agave succulents and a decorative stone surface.

The Planning Commission at the December 15, 2021 meeting discussed the possible inclusion of date palms between a height of 8-12 feet in landscape areas instead of fan palms, but did not list this specific item when providing direction to staff on items to address with the applicant. In the review of the landscape plan approved under Architectural Review 07-20, the previous approved landscape legend differs with the proposed landscape legend with respect to the trees and shrub types. The shade tree approved under AR No., 07-20 was a Chitalpa tree, whereas the applicant

now proposes three new shade trees. The applicant does not propose the inclusion of previously approved shrubs such as Lantana, Bougainvillea, Fairy Duster, Red Yucca, Texas Ranger, Penstemon, Bottlebrush, Dwarf Ponciana, Green Desert Spoon, Sotol, Blue Grama, Baccharis, Aloe and Lavender Cotton in the proposed landscape legend.

### **Off-Sale Alcohol Sales (Aldi) CUP 347**

The applicant is requesting a CUP to allow an Alcohol Beverage Control (ABC) Type 20 (Off-Beer and Wine) license for Aldi Supermarket. The subject site is located within Census Tract 345.07, where ABC concentration standards allow a maximum of 3 off-sale licenses, where 7 exist. When it is determined by ABC that there is an undue concentration of off-sale licenses, the Planning Commission must make findings that the public convenience or necessity justifies the issuance of the liquor license to the establishment.

**Table 2 – Off-Sale Alcohol Licenses**

<b>Off-Sale Alcohol License within Census Tract 457.07</b>			
	<b>Business Name</b>	<b>Address</b>	<b>License Type</b>
1	Super Rancho Meat Market	1632 6 <sup>th</sup> Street	20 (Beer and Wine)
2	Walgreens	50040 Cesar Chavez St	20 (Beer and Wine)
3	99 Cent Store	50249 Cesar Chavez St	20 (Beer and Wine)
4	Perez Market II	1221 6 <sup>th</sup> Street	20 (Beer and Wine – Surrendered)
5	Cardenas	50037 Cesar Chavez St	21 (General)
6	Coachella Power Group Inc	50980 Cesar Chavez St	21 (General)
7	7 Eleven Inc	1030 6 <sup>th</sup> Street	21 (General - Surrendered)

\*Surrendered licenses are counted by ABC towards the concentration of ABC licenses.

Additionally, off-sale establishments may not fall within 700 feet of a church, school, park, playground, residence or another existing off-sale use as measured from property line to property line. The subject site is within 700 feet of a church (Centro Catolico Martin Ortiz), single-family residences (along 1<sup>st</sup> Street). The subject site is also within 700 feet of other off-sale establishments that include Walgreens, 99 Cent Store, and Cardenas. Staff recommends that the Planning Commission makes the finding that the public convenience or necessity is justified to issue the off-sale beer and wine license as the supermarket will offer a wide selection of food products, will increase the availability of fresh produce to Coachella residents and provide these goods at a location within walking distance from surrounding neighborhoods.

### **CONSISTENCY WITH THE GENERAL PLAN**

The proposed project is within the Downtown Center land use designation of the General Plan 2035 Land Use and Community Character Element. The Downtown Center is intended to bring the entire community together in a one-of-a-kind Coachella Center which allows for commercial uses with the exception of drive-thru establishments even though the General Commercial zone permits drive-thru establishments with approval of a CUP. The Planning Commission previously made a General Plan consistency finding in support of the Starbucks drive-thru under PC Resolution No, 2020-55 for AR 20-03, CUP 321 and CUP 322 stating that the drive-thru and 7-Eleven service station are in harmony with the immediate vicinity of the proposed site and

identified that any future proposed development on the vacant portion of the site must be in strict compliance with Coachella General Plan 2035. The Panda Express drive thru is proposed on the vacant portion of the site referenced in the Resolution No. 2020-55 General Plan consistency finding. Should the Planning Commission act to approve the proposed project, the Commission should find that the project would be in harmony with the immediate vicinity of the proposed site.

## **CONSISTENCY WITH ZONING**

The subject site is zoned C-G (General Commercial) zone, which allows for retail and restaurant establishments. The project complies with the development standards of the Zoning Ordinance for parking, lot requirements, height, landscaping and drive through stacking.

**Table 3 – Development Standards**

	<b>Zoning Ordinance</b>	<b>Proposed</b>	<b>Complies with Code</b>
Parking (Minimum)	Restaurants: Starbucks- 23 spaces required. Panda Express- 36 spaces required. Requirement is 1 space per 45 sq. ft. of customer area plus 1 space for each 200 sq. ft. of noncustomer area. General Commercial uses: Aldi – 82 spaces required. Requirement is 1 space per 250 sq. ft. of gross floor area.	Starbucks – 25 spaces Panda Express- 62 spaces Aldi – 87 spaces	Yes
Lot Requirements	Minimum Lot width 50'	All proposed parcels (TPM 37940) greater than 100' width	Yes
Height (maximum)	35'	Starbucks – 23' Panda Express – 23'3" Aldi – 28'9"	Yes
Landscaping	<ul style="list-style-type: none"> <li>• Parking area or driveway abutting a street requires a 10 foot setback fully landscaped.</li> <li>• Internal landscaping equal to a minimum of 5% of the parking and driveway area.</li> <li>• Parking and driveway area is commercial zones shall be separated from building by a landscape planter.</li> <li>• One 15 gallon tree for every 10 parking spaces.</li> </ul>	<ul style="list-style-type: none"> <li>• All areas exceed 10' fully landscaped setback</li> <li>• Internal landscaping % not identified but required by condition of approval.</li> <li>• Aldi building is not separated from driveway by a landscape planter but is conditioned to do so.</li> </ul>	Substantially in compliance. Project conditioned to comply with all landscape standards.



	<ul style="list-style-type: none"> <li>• All landscape planter beds in interior parking areas shall be not less than five feet in width</li> </ul>	<ul style="list-style-type: none"> <li>• One 15 gallon tree is provided for every 10 parking spaces.</li> <li>• The rear property line planter to the rear of Panda Express is less than 5'.</li> </ul>	
Drive-through	Minimum stacking for 8 vehicles at 20' per vehicle.	Starbucks accommodates stacking for 12 vehicles. Panda Express accommodates stacking for 10 vehicles	Yes

### **Other Planning Commission issues from December 15, 2021**

The Planning Commission stated that a block wall is preferred at the rear of the commercial center rather than chain link or wrought iron fencing. The applicant's preference is to build a wrought iron fence. Staff amended condition of approval no. 44 of PC Resolution 2021-25 to specifically require construction of a block wall and that the landscape plan be revised to include vines planted along the wall.

The Planning Commission also expressed concern with on-site maintenance of the commercial center. The applicant stated that they are working with a contractor to remedy some of the concerns in advance of the January 5, 2021 Planning Commission meeting. After the Planning Commission meeting the applicant expressed concern about condition of approval no. 34 regarding the property's Covenants, Conditions and Restrictions (CC&R) that requires the city to a third party beneficiary. Staff recommended the condition be added to enhance the City's ability to ensure adequate on-site maintenance. The applicant stated that a revision to the CC&Rs would be difficult to secure with the existing tenants on-site and that this requirements may deter the proposed project from moving forward. The applicant requests a separate condition for a maintenance agreement between the applicant and the City that is separate from the CC&Rs as an alternative. Staff has not been able to confirm with the City Attorney if such an agreement could serve as a suitable alternative to existing language in condition of approval no. 34.

### **ENVIRONMENTAL IMPACT CONSIDERATION**

The Planning Commission adopted a Mitigated Negative Declaration as part of Environmental Initial Study (EIS 07-16) on May 7, 2008 for the Fountainhead Plaza for all phases of the project. Staff determined that the proposed development and modifications will not result in any new environmental effects that were not previously analyzed as part of the original project. As such, no additional environmental review or further mitigation is required for this request.

**ALTERNATIVES:**

- 1) Adopt **a)** Resolution No. PC 2021-25 approving Conditional Use Permit No. 346 (Panda Express Drive-thru), CUP 347 (Aldi- Off-Sale Beer and Wine), and Architectural Review No. 21-12 (Aldi and Panda Express); **b)** Resolution No. PC 2021-26 recommending that the City Council approve modifications to CUP No. 321 (Starbucks drive-thru) and Architectural Review No. 20-03 (Starbucks and 7-Eleven); and **c)** Resolution No. PC 2021-27 recommending to the City Council approval of a revision to Tentative Parcel Map 39740 with the findings and conditions as recommended by Staff.
- 2) Deny the proposed project.
- 3) Continue this item and provide staff and the applicant with direction.

**RECOMMENDED ALTERNATIVE(S):**

Staff recommends alternative #1.

Attachments:

1. PC Resolution No. 2021-25 for CUP No. 346 CUP No. 347 and AR No. 21-12  
Exhibit A - Conditions of Approval for CUP No. 346, CUP No. 347 and AR No. 21-12
2. PC Resolution No. 2021-26 for AR 20-03 Amendment  
Exhibit A – Conditions for Approval for AR 20-03 Amendment
3. PC Resolution No. 2021-27 for TPM 37940 (Revision)  
Exhibit A –TPM 37940 revised exhibit
4. Vicinity Map
5. Project Description - Applicant
6. Site Plan
7. Preliminary Civil Plan
8. Landscape Plan
9. Previously Approved Conceptual Landscape  
Plans
10. Architectural Plans – Starbucks (AR No. 20-03)
11. Architectural Plans – Panda Express (AR No. 21-12)
12. Architectural Plans – Aldi Supermarket (AR No. 21-12)
13. Fountainhead Plaza Sign Program – Approved Monument Sign Exhibits
14. Correspondence from IID and Riverside County Fire
15. Draft Planning Commission Meeting Minutes December 15, 2021
16. Approved Council Resolution No. 2020-55 CUP 321 CUP 322 AR 20-03
17. Approved Council Resolution No. 2020-56 TPM 37940