

PLANNING COMMISSION MEETING CORRESPONDENCE

9/9/2019

ITEM NO. 3 – CONDITIONAL USE PERMIT NO. 2019-30, CONDITIONAL USE PERMIT NO. 2019-31, VARIANCE NO. 2018-101 FOR THE PROPOSED PROJECT LOCATED AT 301 N TUSTIN AVENUE AND 325 NORTH TUSTIN AVENUE

Comments received by 1:00 p.m. deadline

LAST NAME	FIRST NAME	FAVOR	OPPOSE	NEUTRAL
KIM	LEO		Х	
CHOE	YOON		Х	
POWERS	CHARLES	Х		
CONKLIN	WILLIAM/KARINA		Х	

Page 1 of 1

From:	Leo Kim	
To:	<u>Bernal, Sarah</u>	
Cc:	Yoon Hee Choe; Gyoungje Park	
Subject:	Issue of Set Back at 301 and 325 N. Tustin	
Date:	Tuesday, September 03, 2019 9:44:35 AM	

Dear Selena.

We are the owner of property (171 N Tustin) that shares property line with 301 and 305, and we are subject to City ordinance of City of Tustin where as 301 and 305 is under City Santa Ana.

Our business is Medical and Dental office.

The concerns we have is that 301 and 305 building proposal currently has 10 inch Set Back from property line. That dictates there is only 10 inches in between our building wall to 301 and 305 car washing tunnel wall. Within this tunnel there will be conveyor to carry cars, numerous motors, mechanical brushes, high powered blowers, all related noises etc.

Our Medical and Dental equipment are delicately calibrated and highly sensitive to vibration. Since we have only 10 inch Set Back without some type of buffering system in between our buildings, subsequently our Medical and Dental practice will have to face and suffer level of difficulties . we are requesting AT LEAST 24 inch Set Back which is mere 14 inch more than currently proposed.

Yes we are aware of City Santa Ana has no limit on Set Back. So it could be right up to our existing wall or 24 inches away. We would like to ask City Santa Ana to exercise it's prudency considering equitable benefits for both us and 301and 305.

Thank you very much.

Leo Kim Dr. Yoon Hee Choi

Selena Kelaher, AICP

City of Santa Ana Planning and Building Agency | M20 20 Civic Center Plaza | Post Office Box 1988 | Santa Ana, CA 92702 <u>skelaher@santa-ana.org</u> | Direct Phone: (714) 667-2740

From: yoon choe [Sent: Friday, September 06, 2019 8:04 AM To: Kelaher, Selena <skelaher@santa-ana.org> Subject: Public Hearing 301 N Tustin Ave

Dear Selena,

My name is Yoon Hee Choe, a practicing dentist who owns the building (171 N Tustin Ave) next to 301 N Tustin Ave.

I would like to let you know that I am very concerned about constructing a big automated car wash right next to my building.

Unlike other businesses, dental office is extremely sensitive not only to noise but to any movements, vibrations.

Dental treatments such as Root Canal Treatments, Fillings, Crown or Bridge Preps, and Implant Placements all require high precision and accuracy.

It will be a big problem if I can not treat my patients because of this car wash business.

Is it possible to modify the plan, so that the parking lots will be next to our building instead of car wash conveyor?

This will create less problems in the future.

Thank you.

Yoon Hee Choe, DDS

Sent from Yahoo Mail for iPhone

From:	Kelaher, Selena
To:	Bernal, Sarah
Subject:	FW: Detailed Information RE: proposal for development @ 301 - 325 North Tustin
Date:	Monday, September 09, 2019 11:18:18 AM

Selena Kelaher, AICP City of Santa Ana Planning and Building Agency | M20 20 Civic Center Plaza | Post Office Box 1988 | Santa Ana, CA 92702 skelaher@santa-ana.org | Direct Phone: (714) 667-2740

-----Original Message-----

From: Charles Powers [mailto: ol.com]

Sent: Monday, September 09, 2019 11:16 AM

To: Kelaher, Selena <<u>skelaher@santa-ana.org</u>>

Cc: Charles Powers < @aol.com>

Subject: Re: Detailed Information RE: proposal for development @ 301 - 325 North Tustin

Selena,

Thank you for your prompt response to my request for information on the Proposed Development at 301 - 325 North Tustin.

I have reviewed all of the information you provided, and am in support of the project as presented. Will be a nice improvement to the property.

Please submit my note of support for the project for the record, prior to the Scheduled Hearing this evening. I am unable to attend the hearing and thank you for your work to keep me informed regarding this project proposal. Sincerely, Charles Powers, Architect, Owner of the adjacent property at 401 North Tustin

Phone: (858) 459-1142

Sent from my iPhone

> On Sep 9, 2019, at 8:50 AM, Kelaher, Selena <skelaher@santa-ana.org> wrote:

>

> Hi Charles,,

>

> The agenda and staff report can be downloaded here:

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> http://santaana.granicus.com/GeneratedAgendaViewer.php?view_id=2&event
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>_id=16893

>

> The project at 301 and 325 N. Tustin is item #3.

>

> Please forward your comments prior to 1 p.m. so they can be sent to the Planning Commission. Comments received after 1 p.m. will be part of the public record, but will not be sent to the Commission.

> > Thank you,

>

> Selena Kelaher, AICP

> City of Santa Ana

> Planning and Building Agency | M20

> 20 Civic Center Plaza | Post Office Box 1988 | Santa Ana, CA 92702

> skelaher@santa-ana.org | Direct Phone: (714) 667-2740

>

> ----- Original Message-----

> From: Charles Powers [mailto: @aol.com]

> Sent: Sunday, September 08, 2019 7:21 PM

> To: Kelaher, Selena <skelaher@santa-ana.org>

> Subject: Detailed Information RE: proposal for development @ 301 - 325

> North Tustin

>

> Dear Selena,

> We first met regarding the Re-Zoning of my property at 401 North Tustin some months ago.

> Thank you for you assistance at that time.

> I am writing to see if you could send me any of the documents that describe the proposed development at 301 -

325 North Tustin, to be considered at the Commission Meeting on Monday evening, 09/09/2019.

> I cannot attend the meeting as scheduled, but would like to provide my comments based upon any detailed info you can provide prior to the meeting.

> Thank you for any info you can provide.

> Charles Powers, Architect, and Owner of the property across the street from the proposed development.

> You may e-mail any files you feel appropriate to me at:

> c .com

>

> Sent from my iPhone

From:	Kara Grant
То:	Kelaher, Selena
Subject:	Fwd: Planning Commission - Comments in Opposition to CUP No. 2019-30 & Russell Fischer Project
Date:	Monday, September 09, 2019 12:55:23 PM
Attachments:	Conklin - Opposition - EXHIBITS A-G - FINAL.pdf
	Conklin - Public Comment to City - 090919 - FINAL 2.pdf

Dear Ms. Kelaher,

I submitted comments in opposition to the Russell Fischer Project at issue at the Planning Commission hearing tonight via email to <u>ecomments@santa-ana.org</u>, in compliance with the notice. I called to confirm receipt but had to leave a voicemail. Please confirm receipt of this email and the attached Comments in Opposition and Exhibits.

Thank you,

Kara Grant

------ Forwarded message ------From: Kara Grant <<u>karagrantlaw@gmail.com</u>> Date: Mon, Sep 9, 2019 at 12:44 PM Subject: Planning Commission - Comments in Opposition to CUP No. 2019-30 & Russell Fischer Project To: <<u>ecomments@santa-ana.org</u>>

The attached comments are submitted to the Planning Commission on behalf of William and Karina Conklin in opposition to CUP No. 2019-30 & Russell Fischer Project, at issue at the hearing tonight.

Kara E. Grant Attorney at Law (714) 321-7472 karagrantlaw@gmail.com

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VIA E-MAIL

September 9, 2019

City of Santa Ana Attn: Sarah Bernal, Recording Secretary 20 Civic Center Plaza – M20 Santa Ana, CA 92701 ecomments@santa-ana.org

RE: <u>Opposition to Russell Fischer LP Project – 301 North Tustin Avenue and 325</u> <u>North Tustin Avenue</u>

Dear Commissioners:

On behalf of my clients, Mr. William Conklin and Mrs. Karina Conklin, I submit this opposition to the revised project proposed by Russell Fischer LP (the "Applicant") for 301 North Tustin Avenue and 325 North Tustin Avenue (the "Project Site"), to demolish the existing service station, car wash, and convenience store located thereon, and construct a new, significantly larger service station with 3,040 square foot convenience store, and new automated car wash (the "Project"). The Conklin's own an express car wash called Speedie Clean Express Car Wash (hereinafter, "Speedie Wash"), located at 2035 N. Tustin Avenue. Speedie Wash is 1.2 miles from the Project, and on the same side of the Tustin Avenue.

The Conklin's oppose the Project for the following reasons, which are explained in detail below: (1) The Project does not meet the factors required for approval of Conditional Use Permit No. 2019-30 (the "CUP"); (2) Notice of this Planning Commission meeting was inadequate for the Conklin's or any other affected persons to adequately respond; (3) The project proposed in 2018 by Applicant, Russell Fischer LP, through which a zone change and General Plan Amendment pertaining to the Project properties was obtained, was a pretext for the subject car wash expansion and should be investigated; and (4) the Project is not categorically exempt under the California Environmental Quality Act ("CEQA"), and environmental review is required under CEQA.

Accordingly, the Planning Commission (the "Commission") should deny the CUP application, or in the alternative, continue this hearing for 120 days to allow the Conklin's and other affected parties adequate time to investigate, and present evidence and argument.

I. THE COMMISSION SHOULD DENY THE CUP APPLICATION BECAUSE FOUR OF THE FIVE MANDATORY FINDINGS CANNOT BE MADE.

A. <u>The Proposed Project Fails to Meet the Requirements to Approve the CUP Because</u> the Project Will Be Detrimental to the Public Welfare

As stated in the Planning Commission Staff Report for the Project, pursuant to Section 41-638 of the Santa Ana Municipal Code ("SAMC"), the Commission may grant a CUP for specific uses located at a particular location only if the Applicant establishes <u>all</u> of the following:

(i) That the proposed use will provide a service or facility which will contribute to the general well being of the neighborhood or the community; and

(ii) That the proposed use will not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the vicinity; and

(iii) That the proposed use will not adversely affect the present economic stability or future economic development of property in the surrounding area;

(iv) That the proposed use will comply with the regulations and conditions specified in this chapter for such use; and

(v) That the proposed use will not adversely affect the general plan of the city or any specific plan applicable to the area of the proposed use.

The Commission's standard requires all five of the above elements satisfied in order to grant a CUP. The record in support of its decision must contain substantial evidence to support its findings, and the findings must in turn support the decision and be sufficiently detailed to "bridge the analytical gap" between the raw evidence and the final decision. (*Topanga Association for a Scenic Community v. County of Los Angeles* (1974) 11 Cal.3d 506, 511.) At minimum, the Project fails to meet elements 1, 2, 3, and 5 required by SAMC Section 41-638. These elements are addressed in turn below. Thus, the Planning Commission should deny the CUP.

1. <u>The Project Will Not Provide a Service or Facility that Will Contribute to the</u> <u>General Well Being of the Neighborhood/Community.</u>

The City should deny the CUP if the proposed use would be detrimental to the general welfare or have undesirable effects in the community. (*Harris v. City of Costa Mesa* (1994) 25 Cal. App. 4th 963, 973; *Tustin Heights Ass 'n v. Board of Supervisors* (1959) 170 Cal. App. 2d 619, 626.) In *Harris v. City of Costa Mesa*, the Court of Appeal described the "public welfare" standard as follows:

"The concept of the public welfare is broad and inclusive. [citations omitted]. The values it represents are spiritual as well as physical, aesthetic as well as monetary. It is within the power of the legislature to determine that the community should be beautiful as well as healthy, spacious as well as clean, well-balanced as well as carefully patrolled.' [Citations.]" (*Id.* at p. 741.)

Similarly, in *Guinnane v. San Francisco City Planning Com.* (1989) 209 Cal.App.3d 732, the Court of Appeal rejected the petitioner's contention that "... the commission's decision [was] unsupported by the findings [] based on the argument that the findings relate[d] exclusively to the private concerns of the neighbors (traffic, parking and visual impact) rather than the requisite public concerns of health, safety and welfare." The Court found this argument specious, and explained that "[w]hile parking, traffic and visual impact were problems expressed by some of the neighbors, clearly they represent concerns that fall well within the domain of the public interest and welfare. [Citations.]" (*Id.* at p. 743.)

In this case, the proposed CUP will be detrimental to existing car washes within the City, especially those in close proximity to the Project like Speedie Wash, which is located merely 1.2 miles from the Project. This in turn will be detrimental to the entire community. The Conklin's made a substantial investment in the City of Santa Ana when they purchased both the property and business, Speedie Wash, in 2017 for their son and their future, for several million dollars. Bill Conklin is a retired prosthetist, and Karina is a stay at home mom to their 10-year-old son, Tyler, who is autistic and hearing disabled. They invested their life's savings into Speedie Wash because they envisioned their future in the City of Santa Ana, where Karina grew up, operating Speedie Wash together, and one day enjoying it with their son as an employee there. With Speedie Wash, the Conklins are working on amazing projects that enrich their community and residents/visitors, whereby they offer full service car washes in coordination with entities like the Regional Center of Orange County and GoodWill that offer programs for disabled adults. Unfortunately, the Conklins have had to put such charitable projects on hold and focus their attention on saving their business, which is being threatened by the unnecessary new supersized express car wash at the proposed Project.

Contrary to the proposed findings set forth in the proposed Resolution approving the CUP, the Project will not provide a beneficial service to persons in the community because the car wash service already exists in abundance in the City and neighborhood. First, the Project site currently has a gas station model car wash in operation (325 North Tustin). In addition, Speedie Wash, an express model

car wash, is located only 1.2 miles from the Project. Furthermore, <u>there are 13 other car washes located</u> within the City, not including gas station model car washes like the one operating at the Project site, the <u>latter of which are too numerous to count</u>. Attached as **Exhibit A** is a list of car washes within the City of Santa Ana and their respective distances to the Project.

Five of the 13 existing car washes within the City are express washes like Speedie Wash, and the City recently approved the development of a new express car wash, Rocket Express Car Wash, located at 1703 East 17th Street, which is currently under development. Rocket Express Car Wash is located only 1 mile from Speedie Wash, and brings the total number of express and full service car washes within the City to 14. The Conklin's recently were informed that two more applications to develop new express car washes have been submitted to the City in addition to the Russell Fischer Project herein at issue. The proposed locations of these express washes are Tustin Avenue and 4th Street, and Grand Avenue between 17th Street and Fairhaven Avenue – both of which would be within 2 miles of Speedie Wash.

In addition to the 14 express, full service, or self service car washes located within the City, there are also four more car washes located within the City of Tustin and within 1 mile of the Project: Tustin Bay Wash – 101 N Tustin Avenue; Coin Operated Car Wash – 103 E 1st Street; Tustin Plaza Car Wash – 240 E 1st Street; Mobile Car Wash – 17241 Irvine Blvd. (*See* Exhibit A.) In fact, the Tustin Bay Wash is located on the very same block as the proposed Project, and the Mobile Express Wash is located on 4th Street, caddy corner to the Project.

Thus, the express car wash the Applicant seeks to develop pursuant to CUP 2019-30 will not provide a service or facility that will contribute to the general well being of the neighborhood or community. In fact, the car wash service/facility is redundant and will negatively impact other existing car washes.

2. <u>The Proposed Project Will Be Particularly Detrimental to the Health, Safety, or</u> General Welfare of Persons Residing or Working in the Vicinity.

It is well accepted in the car wash industry that a successful express car wash draws from approximately five miles, with a concentration of 2-miles. Industry literature recommends that a new express car wash should not be established within 3 miles or less of another express wash because the competition will hurt both businesses. Attached as **Exhibit B** are articles by car wash industry consultants explaining this recommendation: "Competing car washes in a three mile radius must be seriously considered as threat or deterrent to your proposed site." (Motor City Wash Works, Site Selection – Road-Map to Success, pp. 3-4.) One consultant explains that opening a car wash within 3 miles of an existing car wash will lead to one of three possible scenarios: "(1) they put you out of business because they are more well-known; (2) you put them out of business because you're shiny, new and ready to impress; or (3) both you and your competitor limp along with mediocre, stagnated business." (Exhibit B, "Respecting the 3-Mile Rule When Starting a Car Wash".)

As discussed above, the proposed Project is located only 1.2 miles from Speedie Wash. Although the Project currently has a gas station car wash operating on the Project site, small car washes that are part of gas stations are not considered direct competitors of express and full service model car washes. Thus the expansion to an express wash proposed by the Project will impose direct negative impacts on Speedie Wash not imposed by the currently operated gas station car wash.

The sheer capacity of express car washes versus gas station car washes illustrates how the proposed Project only 1.2 miles from Speedie Wash will have a direct, detrimental impact on its business. Express car washes wash between approximately 600-700 cars on a typical weekday, and between approximately 800-1,000 cars on a typical weekend day. An express car wash will typically do 20,000 car washes in a single month. It is not uncommon for a busy express car wash to do up to 30,000 car washes in a single month. In contrast, smaller gas station model car washes like the car wash currently operated on the Project site, will typically average about 3,000 car washes monthly, or 100 car washes per day. Moreover, a gas station model car wash generally has at least three profit centers: (1) gas sales, (2) convenience store sales, and (3) car wash sales. In contrast, express car washes have only a single profit center – washing cars.

A comparison of the existing gas station car wash located on the Project site to the proposed express car wash, which will span the length of property line of 301 N. Tustin Avenue, illustrates that the proposed express car wash and its significantly increased capacity will undoubtedly impact Speedie Wash as a direct competitor in extremely close proximity. Attached as **Exhibit C** are photographs of the existing gas station car wash operated at the Project site, which illustrate its diminutive size compared to the proposed Project.

The Conklin's know first hand that adding an express car wash close by will hurt their business. For instance, Speedie Wash's suffered roughly an 8% drop in sales when a new express car wash, Rapids Express Car Wash, was built in the City of Orange on N. Tustin Street, approximately 4 miles from Speedie Wash. This negative impact on car wash businesses is not unique to Speedie Wash, but would apply to all car washes in the vicinity of the Project. (*See* Exhibit B – articles discussing impact of new car washes within 3 miles of existing car washes). Accordingly, the Project will be detrimental to the business operation and success, and thus the general welfare of Speedie Wash, as well as the numerous other car washes in the Project vicinity.

Also noteworthy is the dental office that is adjacent to the Project. This business owner, a dentist, has expressed opposition because the car wash is proposed to be built very close to their building and the vibrations will harm their sensitive medical equipment, and the noise will harm their business operation.

3. <u>The Proposed Project Use Will Adversely Affect the Present Economic Stability</u> and/or the Future Economic Development of Property in the Surrounding Area.

The Conklins project that each additional express or full service car wash, in this case, the proposed Russell Fischer Express Car Wash, will reduce Speedie Wash's revenue margin by 10-15%. This impact is not unique to Speedie Wash, but would foreseeably apply to most and potentially all car washes in an approximate 3-mile radius of the Project. With each new express wash reducing Speedie Wash's revenue by 10-15%, the impact of the proposed Russell Fischer Express Car Wash in addition to the already approved Rocket Express Car Wash, both of which are located within a 1.5 mile radius from Speedie Wash, is significant and devastating.

The Conklins have recently been informed that a third application to develop a new express car wash has been submitted to the City, with a proposed location on Grand Avenue between 17th Street and Fairhaven Avenue. If this proposed new express car wash is approved and developed, along with Rocket Express and the Russell Fischer Project, that would increase the number of express car washes in the City and within less than a 2 mile radius of Speedie Wash from 5 to 8. Going from the existing 5 to 8 express car washes represents a 60% increase in express car washes in the City all within a very short time frame. All three of these newly proposed express car washes, one of which is already approved, would likely be built within 1¹/₂ years. Accordingly, each approval of a new express car wash, like the Russell Fischer Express Car Wash, is extremely concerning to the Conklins. The unavoidable negative financial impact from operation of the already approved Rocket Express Car Wash, plus the proposed Russell Fischer Express Car Wash if approved, is substantial and potentially devastating. Moreover, there is yet another express car wash proposed in the City of Orange, Oasis Express Car Wash, which is located within approximately 2 miles of Speedie Wash. If the Russell Fischer Express Car Wash as well as these two additional new express wash applicants are approved, in addition to approved Rocket Express Car Wash, Speedie Wash will suffer a 40% loss in current car counts, and there is simply not enough income after expenses to sustain such a loss, thereby devastating the Conklin's family business.

Again, as discussed in the article, *Respecting the 3-Mile Rule When Starting a Car Wash*, the outcome of approving the proposed CUP will be either to: (1) put the new car wash out of business; (2) put the older, existing car wash out of business; or (3) decrease the profitability of both car washes, resulting in mediocre, stagnated businesses. (*See*, Exhibit B.) Thus, if the City further inundates the community with car washes in too close proximity to each other, at least some of those businesses will fail, and at least some suffer declines in revenue. Those negative business effects resulting from the proposed CUP will be detrimental to the City as well because it will lose tax revenues, and the City's aesthetics will be marred by failed car washes and vacant lots. Vacant lots are aesthetically unappealing and further affect the vitality of business in the surrounding area. Moreover, redeveloping a lot on which a car wash previously operated is expensive and unappealing because the infrastructure required to develop the car wash, such as car wash pits, are built into the site and are unique to the car wash industry. Thus, a retail developer would be dissuaded from developing on a former car wash site because of the increased cost, as well as potential environmental issues from the car wash use.

Accordingly, the type of business that would be drawn to the property of a failed car wash site is yet another car wash, which in turn would re-inundate the community with crippling competition in the vicinity, creating a cycle of mediocre and failed businesses.

This cycle is further exacerbated by the fact that the land that a car wash is built on is considered a "single-use property" by the lender. Lenders use this designation to evaluate risk. If a site is considered a single-use property, it can't be easily converted for any other use because of the unique car wash infrastructure mentioned above. If a bank lends an owner the money for a car wash and the business fails, the bank is unable to depend on other retail businesses to develop in the conveyor tunnel, for example. The new retail business would require serious financial support to convert the car wash equipment to suit its use. Thus again, by approving the proposed Project, the City will adversely affect the present economic stability and/or the future economic development of property in the surrounding area. (*See* Exhibit B.)

In sum, the reasonably foreseeable consequence of inundating the City with car washes is to reduce the profit margins of each business to the extent at least some will go out of business. This is exactly the devastation the Conklin's fear for Speedie Wash and their future, and which they ask the City to prevent by denying approval of the CUP. This consequence will in turn reduce the City's tax revenue, and detrimentally impact the vitality of current and future businesses as a result of failed businesses and vacant, aesthetically displeasing properties. Accordingly, approving the CUP will adversely affect the present economic stability and future development of the area surrounding the Project.

4. <u>The Proposed Express Car Wash Will Adversely Affect The General Plan.</u>

The foregoing discussions clearly show that the Project is contrary to the health, safety, and general welfare of those residing and working in the vicinity of the Project, as well as adverse to the present economic stability and future economic development of properties in the surrounding areas. These effects are contrary to the City's Land Use Element Goal 1, to promote a balance of land uses, because the Russell Fischer express car wash will oversaturate this specific type of business within the City, and the City residents/visitors are currently, amply afforded car wash facilities and services.

Moreover, with 13 car washes already operating in the City, and Rocket Express Wash in development increasing the total to 14 car washes, the proposed Project fails to address any basic community need. The Project is also contrary to Land Use Element Goal 2, to promote land uses that enhance the City's economic and fiscal viability, because it will directly reduce the viability of existing car washes in the vicinity, including but not limited to Speedie Wash, as discussed at length above, as well as the Dental Office on the adjacent property.

5. <u>The CUP Must Be Denied.</u>

Pursuant to SAMC 41.377.5, the CUP must be denied because the Commission is unable to make the five findings set forth above, each of which are required in order to grant the CUP.

II. THE COMMISSION SHOULD CONTINUE THIS MEETING FOR 120 DAYS BECAUSE THE CITY'S NOTICE WAS INSUFFICIENT TO AFFORD AFFECTED PERSONS A FAIR OPPORTUNITY TO RESPOND.

The Commission did not provide notice of this Project until August 30, 2019 – only 10 days before the subject Planning Commission hearing on the Project (the "Notice"). The Notice, however, was mailed only to property owners and occupants within 500 feet of the project site, plus posting at the site and a newspaper publication. The Conklins, as well as most if not all other car wash owners in the City, were not within the notification radius and yet they will be directly and detrimentally affected by the Commission's proposed approval of the CUP allowing development of the new express car wash at the Project site. In fact, Karina only indirectly obtained the Notice because she made every effort to monitor the subject Project. It is believed that most if not all other car wash owners within the City have no knowledge of this hearing before the Commission.

In this case, due process protections required the Commission to provide notice of this hearing, and that notice "must be reasonably calculated to afford affected persons the realistic opportunity to protect their interests." (*Horn v. County of Ventura*, (1979) 24 Cal.3d, 605, 617.) Ten days was an insufficient amount of time for the Conklins or other affected persons to adequately prepare by way of document review, research, experts and research into the proposed Project, which completely changed from the retail and restaurant development approved by the City in November 2018, to a supersized express car wash, that will directly and detrimentally impact Speedie Wash. The Conklins were unable to obtain documents from the City, hire experts, conduct research, and even meet with other affected business owners before this meeting.

Moreover, the very end of June, Karina heard a rumor in the car wash community that Russell Fisher LP was proposing to build a new, supersized express car wash on his Property. At that time, Karina contacted the City to inquire if that was the case because the Project documents available on the City website reflected the 2018 Retail Project. The City informed Karina that only the 2018 Retail Project was before the City. Attached hereto as **Exhibit D** is email correspondence reflecting communications between Karina and the City regarding plans to develop the Project with a car wash. Contrary to the City's representation at that time, it appears that the City had received a "Revised Focused Traffic Impact Analysis Report" from the Applicant, dated May 17, 2019. The first paragraph of that report states:

"This Focused Traffic Impact Analysis report addresses the potential traffic impacts and circulation needs associated with Tustin Avenue Retail Project (hereinafter referred to as Project) in the City of Santa Ana and has been prepared in response to the City of Santa

Ana's Development Review Committee comment from the Public Works Agency. <u>The</u> <u>Project will include the development of an express car wash and a gas station with</u> <u>convenience store at 301 and 325 N. Tustin Avenue, respectively.</u> <u>The Project would</u> <u>include construction of a 118.5-foot express car wash tunnel</u> to replace a 4,200 squarefeet (SF) sit-down restaurant and a 12 pump gas service station with a 3,040 SF convenience store to replace the existing gas station building and car wash." (Emphasis added).

Accordingly, unbeknownst to Karina and the public generally, the previously approved 2018 Retail Project had been completely revised from a service station, convenience store and <u>multi-tenant</u> <u>commercial building</u> (the "2018 Retail Project"), to a service station, convenience store, and an <u>express</u> <u>car wash with a 4,354-square foot tunnel and 20 vacuum bays</u>. Despite Karina's direct inquiry, the City did not apprise her of the fact that the proposed Project was already being revised to include an express car wash rather than a multi-tenant commercial building.

In light of the fact that the Notice radius did not include the Conklins or most other car wash owners within the City (possibly none were included), the substantial revisions to the Project from the drive through restaurant approved in 2018, the Conklins' inquiries to the City regarding rumored revisions to the Project, and the direct impact of the Project on the Conklins, the 10-day notice afforded by the Commission is unreasonable and inadequate because it was not "reasonably calculated to afford affected persons the realistic opportunity to protect their interests." (*Horn, supra*, 24 Cal.3d at 617.) Accordingly, the Commission should continue the subject hearing at least 120 days.

III. THE 2018 RETAIL PROJECT WAS A PRETEXT FOR THE CURRENT PROJECT EXPANSION

In 2018, Richard Finkel, representing the Project Applicant, Russell Fischer LP, requested approval of a general plan amendment to re-designate 301 North Tustin Avenue from Professional & Administrative Office (PAO) to General Commercial (GC), an amendment application to rezone 301 and 325 North Tustin Avenue from Professional to General Commercial (C2), a conditional use permit to allow an eating establishment with drive-through service at 301 North Tustin Avenue, and certain variances (collectively, the "2018 Retail Project"). In order to develop the 2018 Retail Project, the Applicant proposed to demolish the then existing restaurant, service station, car wash, and convenience store buildings and to construct a new service station, convenience store, and multi-tenant commercial building on both properties. This was the proposal that Russell Fischer published and proposed to the community in 2016, and for which a Sunshine Ordinance Community Meeting was held on December 3, 2016

Particularly noteworthy is that the commercial building would be constructed on 301 N. Tustin Avenue, and include a "1,258 square foot eating establishment with drive-through service." The drive

through lane was designed to "wrap around the entire building, with the entrance at the south end of the building traveling up and around the east elevation." The Drive through lane met the City's stacking requirements and allowed for approximately 15 cars to queue. Attached hereto as **Exhibit E** are relevant pages from the Planning Commission Staff Report for the 2018 Retail Project.

Similarly, the express car wash for the 2019 revised Project now before the Commission, was also situated on 301 N. Tustin Avenue. The car wash tunnel is located adjacent to the southern property line, just like the drive-through for the 2018 Retail Project, and follows along the east side of the property to exit. The stacking lane for the car wash also allows for approximately 15 cars to queue. Attached hereto as **Exhibit F** are the site plans for the 2018 Retail Project and the 2019 revised Project. These plans illustrate the dramatic similarity between the restaurant with drive-through and the express car wash.

This is brought to the Commission's attention because it is believed that the Applicant initially proposed the project plan with the drive-through restaurant to manipulate the Commission and ultimately the City into granting the general plan amendment that re-designated the 301 N. Tustin Avenue to General Commercial, and to rezone 301 and 325 N. Tustin Avenue from Professional to General Commercial (C2). This amendment and the zone change were necessary because in order to approve the CUP for the 2018 Retail Project for the drive-through restaurant, the General Plan Land Use designation and the zoning designation had to be consistent. It is believed that the Applicant always intended to develop the express car wash proposed in the 2019 revised Plan, and only submitted the original 2018 Retail Project plans because the Applicant anticipated less opposition to a drive through restaurant than a supersized express car wash.

In fact, it is noted in the Commission's staff report for the Project that "the property owner has revised the project to include a car wash component instead of a retail development. The current property owner has been in the car wash industry for over 30 years and operates six locations in Orange County." (Staff Report, p. 3-4.) Unlike the property owner/Applicant, Chace Russell/Russell Fischer LP, the Conklin's only own Speedie Wash, and thus do not have other successful car washes to help absorb any future losses it may suffer. Moreover, Richard Finkel, the individual representing the property owner and Applicant Chace Russell/Russell Fischer LP, is a member of the Irvine Advisory Group committee ("IAG"). The Irvine Advisory Group is a consultancy headed by Paul Dadgar that has specialized in all facets of the carwash industry for over 25 years. The listed services of the IAG are to "provide[] assistance and independent analysis to operators currently in the carwash industry, developers, US and International investors..." Attached hereto as **Exhibit G** is bio information on Richard Finkel and the IAG.

In light of the substantially similar site plans for the 2018 Retail Project and 2019 revised Project with express car wash, and the background of the property owner/Applicant and his representation in obtaining Project approvals, it is suspect that the 2018 Retail Project proposed demolishing the existing car wash and developing and drive-through restaurant. The Conklins encourage the Commission and the City to investigate this suspect approach to obtaining necessary Project approvals.

IV. THE PROJECT IS SUBJECT TO ENVIRONMENTAL REVIEW UNDER CEQA.

The Conklins challenge the City's determination that the Project is categorically exempt from CEQA as an infill development project, pursuant to CEQA Section 15332. Accordingly, the Conklins oppose the Notice of Exemption, Environmental Review No. 2019-69 for this Project. The Conklins further challenge this exemption in light of the City's determination that the 2018 Retail Project but not the revised 2019 Project required a Mitigated Negative Declaration, which the City ultimately approved, as well as a Mitigation and Monitoring Program.

A. <u>The Project is Not Categorically Exempt Under CEQA as an Infill Development</u> <u>Project.</u>

The Infill Development Project Exemption to CEQA requires that the Project (1) be consistent with the applicable general plan designation and all applicable general plan policies, as well as any applicable zoning designation and regulations; (2) located within city limits, on a project site of no more than five acres, and substantially surrounded by urban uses; (3) the project site must have no value as a habitat for endangered, rare, or threatened species; (4) the project must not result in any significant effects relating to traffic, noise, air quality, or water quality; and (5) the project must be adequately served by required utilities and public services.

The Project fails to satisfy elements 1 and 4, above, and thus is not categorically exempt under Section 15332 of CEQA.

1. The Project Fails Element 1 of the Infill Development Project Categorical Exemption

As discussed at length above, at minimum the Project does not meet the General Plan Goals and Polices, Land Use Element Goal 1, to promote a balance of land uses, because the Russell Fischer express car wash will oversaturate this specific type of business within the City, causing significant economic loss to Speedie Wash and other car washes in close proximity to the Project. Moreover, with 13 car washes already operating in the City, the proposed Project fails to address any basic community need or provide any service. The Project is also contrary to Land Use Element Goal 2, to promote land uses that enhance the City's economic and fiscal viability, because it will directly reduce the viability of existing car washes in the vicinity, specifically Speedie Wash, and in turn reduce revenue to the City.

2. <u>The Project Fails Element 4 of the Infill Development Project Categorical</u> <u>Exemption</u>

Element 4 requires that the Project must not result in any significant effects relating to traffic, noise, air quality, or water quality. The Commission failed to evaluate whether the Project will have significant effects on noise. Although the supersized car wash is stated as "designed to minimize noise impacts," the Commission has added as a condition to approval, "to require a noise impact analysis which demonstrates compliance with the City's noise ordinance prior to certificate of occupancy and one year after the commencement of operations." The Commission unequivocally cannot find that the Project "will not result in any significant effects relating to . . . noise," if it is yet to be determined if the Project will even comply with the City's noise ordinance, thus mandating future studies in order to evaluate noise impacts.

In addition, the Conklins believe that the traffic impact study is suspect. The proposed Project will increase the daily trips by approximately 1,000. The study also acknowledges that the amount of traffic on the 55 on ramp is not within acceptable parameters. The Conklins believe that the Project will have substantial impacts on traffic but they have not had an adequate opportunity to hire an expert. In addition the Conklins believe that there have been a significant number of collisions at the affected intersection, and the increase in traffic needs to be evaluated for this unique circumstance of this location. The Conklins have not had an opportunity to obtain data about collisions or have an expert evaluate it.

Failure to meet any one of the five elements required for the infill development project exemption to CEQA makes it inapplicable, and this Project fails to meet two of the requisite elements. Accordingly, the Project is not categorically exempt from CEQA as an infill development project.

B. <u>The 2018 Retail Project Required an MND and as well as a Mitigation and</u> <u>Monitoring Program.</u>

The Commission determined that the 2018 Retail Project required a mitigated negative declaration ("MND") with technical studies for traffic, air quality and greenhouse gas emissions analysis. The 2018 Retail Project was found to require the implementation of mitigation measures for cultural resources, hazards, and tribal and cultural resources that would be implemented through a Mitigation Monitoring and Reporting Program for the 2018 Project (the "Mitigation Program"). The MND found potential cultural resources impacts due to the site being graded before construction, which may reveal previously unidentified archaeological, paleontological or geologic deposits, for which an expert must be afforded the opportunity to analyze in accordance with CEQA.

As discussed above, the 2018 Retail Project and the revised 2019 Project are largely similar. Thus, it is unclear how the Commission and City determined the 2018 Retail Project subject to CEQA review, prepared an MND, and required a Mitigation Program, and found that the 2019 revised Project would not have this same potential, and thus similarly require CEQA review.

V. CONCLUSION

In light of the extensive facts, evidence and law discussed above, the Conklins request the Commission to deny Russell Fischer LP's application for CUP No 2019-30 to allow the development of a car wash at the Property. Alternatively, if the Commission cannot deny the CUP in light of the foregoing, the Conklins urge the Commission to continue this hearing for at least 120 days to allow the them and other affected persons adequate time to investigate, and present evidence and argument in opposition to the Project. It is also requested that the Commission and City investigate the suspect nature by with the Applicant obtained the General Plan Amendment and zone change discussed above. Finally, the proposed Project is not categorically exempt from CEQA and thus requires environmental review.

On behalf of the Conklins, thank you for your time and thoughtful consideration of their opposition to the Project.

Submitted By:

William Conklin, Owner of Speedie Clean Express Car Wash

Karina Rangel Conklin, Speedie Clean Express Car Wash

Sincerely,

Kara E. Grant Attorney at Law

EXHIBIT "A"

EXHIBIT A

Car Washes Located in the City of Santa Ana, and their Distances to the Russell Fischer Express Car Wash Project at 301 N. Tustin Avenue

Car Wash	Address	Distance (miles) to the Project
Russell Fischer Xpress Car Wash	301 N. Tustin Ave.	0.0
Speedie Clean Express Car Wash	2035 N. Tustin Ave.	1.2
Santa Ana Express Car Wash	202 E First St.	2.2
Raceway Express Car Wash	4426 W 1st St.	5.6
Scrub Bot Express Car Wash	1807 N Main St.	2.5
Zaroo Express Car Wash	1205 W 17th St.	3.2
Santiago Hand Wash	601 17th St.	2.0
Red Carpet Car Wash	1617 S Standard Ave.	2.8
Bristol Speed Wash	2402 S Bristol St.	5.5
Harbor Blvd Car Wash	1111 Harbor Blvd.	6.3
Frank's Bristol Car Wash	501 N Bristol St.	3.3
RVC Car Wash	1411 S Fairview St.	5.6
Tustin Bay Car Wash	101 N Tustin Ave.	0.1
Rocket Express Car Wash	1703 East 17 th Street	1.5
Coin Operated Car Wash	103 E 1st Street, Tustin	0.3
Tustin Plaza Car Wash	240 E 1st Street, Tustin	0.9
Mobile Car Wash	17241 Irvine Blvd., Tustin	0.3

EXHIBIT "B"



MORE WASH POWER™

ROAD-MAP TO SUCCESS

1	Demographics -
2	Zoning
	Property Size
4	Available Space
5	Visibility & Exposure
6	Traffic Count
7	Traffic Speed · · · · · · · · · · · · · · · · · ·
8	Traffic Patterns · ····
9	Ingress & Egress (Entrance & Exit) · ·····
	The Community -
11	Nearby Retail · · · · · · · · · · · · · · · · · · ·
12	Competition-
13	Space for Diversification
14	Cost of Property or Lease
15	Reports - Entitlements, Permits -
16	Utility & Sewer
	Local Sign Ordinances
18	Off-site Improvements
19	Environmental Status of Site ·
20	Final Evaluation of Site · · · · · · · · · · · · · · · · · · ·

Harvey M. Miller is the owner of Car Wash Consultants. He travels nationally to perform site selection services as well as to analyze existing facilities. Miller has owned and operated 32 carwashes and detailing centers. He has been performing consulting services for the past 33 years. His carwashes have been recognized eight times as No. 1 Carwashes. He is the past president of the Western Carwash Association (WCA) and the International Carwash Association (ICA). Miller can be reached at carwashconslt@aol.com or 949-230-3623.



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When it comes to selecting a location for a new car wash, investors should look for the best possible potential site that they can obtain. A car wash is a location driven service business. Your competition cannot wash cars on-line. There is no substitute for committing to an A+ property and building a multi-million dollar facility. Here are some critical components in site selection for a car wash.

DEMOGRAPHICS

Many variables should be used to determine if a property is feasible and will perform at a high volume. At the top of your checklist, review the current demographics of a one mile radius, a three mile radius and a five mile radius of the property. In our opinion, this is the most important step.

You need rooftops (lots of them) which will create a steady stream of traffic in the community that will patronize and support your car wash. Also, average household income, median income, average age, amount of vehicles in the area, what percentage is under the poverty line and the breakdown of the population are all factors to consider when evaluating a potential site.



THREE MILE RADIUS SNAPSHOT

We've all heard it before... Location. Location. Location.

ZONING

What is the current zoning? Is it presently commercial, or will re-zoning be required?

It is difficult, time-consuming and expensive to get a property re-zoned from residential to commercial. Usually, the city or county will not consider re-zoning a property for the use of a carwash.

PROPERTY SIZE

The property size is extremely important. You want to determine the acreage and actual dimensions. The ideal size for a tunnel carwash is approximately one acre. Additionally, a minimum of 225 feet will be required in one direction to allow for at least a 125-foot conveyor. The best situation places the largest side of the property oriented along the road for maximum visibility to passing traffic.

AVAILABLE SPACE

If the plan is to build an express exterior model, you need sufficient room for vacuum pads, queuing lanes and turning radius's. If you want to build a flex-service, room is required for the post-vacuum and finishing area(s).

Building on less than an acre is certainly possible; however, everything will be reduced in size, and it becomes more difficult to perform at a high volume. The proposed length of the tunnel is also important because the longer the tunnel and conveyor, the faster you can run your line speed and process more cars per hour. In express exterior washes, you need space account for proper space in the drying area to ensure a dry car. In addition, it has been determined in Express Exteriors that the more vacuum pads, the better the operation.



Visibility and exposure are critical... If you're out of site, you're out of mind!

VISIBILITY

Visibility and exposure are critical. If it's out of sight, it's out of mind. You may not want to build behind a service station or another type of business. For example, you do not see a McDonald's or a major gas station out of view. Ideally, locate the building out in front and build it parallel to the main street.

If dimensions require the tunnel to be built perpendicular to the street, try to get the building (entrance or exit) close to the street for visibility.

TRAFFIC COUNTS

Traffic counts are something investors and developers may put a lot of emphasis on. Even though we would rather have higher traffic counts than lower traffic counts, this variable is not nearly as vital as demographics. Keep in mind traffic is coming and going — usually heading to work or returning home — and many drivers do not want to get off of the highway to get their cars washed.

We have seen car washes with extremely high traffic counts not performing the required volume because they did not have the population. On the other hand, we have also witnessed lower traffic counts with sufficient population performing high-volume counts.

Sometimes, real estate brokers and parties selling their products/services will put importance only on high traffic counts and do not have the experience or know how to advise if a property should really be considered.

TRAFFIC SPEED

Traffic speed is important. For instance, if the traffic is going 50 miles per hour or more, drivers are usually going too fast to view the facility or to even want to turn in. It is also difficult for vehicles to exit the property into fast-moving traffic. Try to shoot for speed limits less than 45 MPH.

THE COMMUNITY - TRAFFIC PATTERNS

Adjacent surroundings and communities are also noteworthy considerations. You should drive around and observe the businesses, shopping centers, strip malls, office buildings and residential areas.

Bear in mind if the property is in an industrial area, you may only be privileged to the existing traffic on weekdays. On weekends, when you project your highest volume, streets could be bare and empty of any vehicles. When driving around the residential areas, you want to view the housing, apartments versus homes, and the types of vehicles parked on the streets. Is the neighborhood deteriorating? Are vehicles so dirty you cannot clearly see their color? Will the neighborhood be willing and able to patronize a car wash regardless of price?

TRADE BARRIERS

Within a 3 mile radius, there may be traffic patterns or "trade barriers" that divide a proposed location and the competition, even though the locations are geographically close to each other. Typical trade barriers may be divided highways, one way roads, rivers, neighborhoods, traffic patterns that favor one shopping center over another.

ENTRANCE AND EXIT POINTS

The ingress/egress, which is the entrance/ exit for the property, has to contribute to producing high volume. Is there a center median where vehicles have to go to the next intersection and make a U-turn? This will reduce the amount of customers who will consider patronizing your business.

Is the property on a service road where the vehicle has to leave the main street to enter a service road and then repeat the process getting back on the main street? All of this should be taken into consideration in analyzing the ingress/egress. You want it to be as easy as possible to get on and off your site.

NEARBY RETAIL AREA

Business breeds business. If you are near other retail businesses, then there are additional draws to the area. Try to find an area that has fast food and retail shopping. For example, a successful strategy has been to harness the destination draw from Big Box retail stores and locate a car wash on one of their out-lots.

NEARBY COMPETITION

Competing car washes in a three mile radius must be seriously considered as threat or deterrent to your proposed site. Visit all of the local washes that are not service stations or self-serve washes in your 3 mile radius and assess them as a competitor.

If your plan is to build an express exterior wash, can existing full-serves have the possibility of converting to an express or flex-serve? Are there already express locations within the marketing area?



NEARBY COMPETITION - continued

Remember, whatever the population is in a three-mile radius, divide that into how many tunnel washes, including your potential site, that are in the area. For instance, if the population is 30,000 and you will be the third tunnel wash in the area, that reduces the population to approximately 10,000 for each location. In our opinion, there is too much competition for the population in this example.

SPACE FOR DIVERSIFICATION

Is there space for diversified or additional services or sales? A drive-thru fast food restaurant or a quick coffee shop could be compatible with an express exterior model.

COST OF PROPERTY OR LEASE

The cost of property or proposed ground rental on a lease agreement certainly has to be taken into consideration regarding your total investment cost or the monthly expense of your operation.

In the article "Site planning: Adding to the carwash experience," featured in a past issue of Professional Carwashing & Detailing, an expert interviewed for the article noted that site selection is no time to penny-pinch, adding, "Never be cheap when choosing a property." He could not be more accurate! If the site is right and projections show it could generate high volume, it is worth paying an additional amount to obtain the property or to agree to a higher monthly lease rate simply because there is no substitute in obtaining a great site. Whatever amount you have to pay for the desired property will be amortized over many years of operating. In the scheme of things, it will only require a minimum amount of increased volume to offset a high cost for the property or additional lease rate.

REPORTS AND REVIEWS

You certainly want to check with the city or county planning department to determine the required entitlements, permits, setbacks, landscaping requirements, etc. You also want to review a preliminary title report to determine recorded underground easements, existing property liens or encumbrances.

You or your architect do not want to be surprised to discover underground easements where you are planning your improvements. Typically, it is difficult to get utility companies to agree to rerouting existing easements. It is also extremely expensive to do so even with their permission. Utility and sewer locations have to be determined because bringing these lines into the proposed site could be expensive.

Your Architect will need a site survey and a topographical survey in order to review your site. Legal boundaries and grades need be reviewed — are the grades too high or too lcw? If you have to remove or bring in dirt, it adds to the cost of your development.

OFF-SITE IMPROVEMENTS

The same is true for off-site improvements. If there are no sidewalks, curbs, gutters or area lighting, this cost could easily run into the hundreds of thousands of extra dollars.

UTILITY AND SEWER - FEES AND LOCATIONS

Understanding the location of incoming utilities is a must. They could determine your specific site layout as well as add unexpected costs to the project. Water and sewer tap fees can have a wide range, from \$10,000 to upwards of \$150,000 or more.

LOCAL SIGN ORDINANCES

Are you planning on having a programmable L.E.D. sign at the street? You better check the local ordinance with city council, because many municipalities do not allow L.E.D. street signs. What size sign are you allowed to have? How high can it be? All are questions you will need to ask and understand moving forward.

ENVIRONMENTAL TESTING AND FEASIBILITY

Your proposed site needs to be tested. It needs to be investigated and tested to ensure that there is no environmental contamination, such as buried fuel oil tanks, or gasoline leaks. If it is contaminated, find out how much will it cost to clean up and re-mediate the site. Also, a geological report will analyze the soil on the property so the architect and engineer can properly design the building's foundation and determine drainage requirements. Hire local engineering firms who specializing in environmental testing to obtain this information. You need to uncover these potential hidden costs.





Finally, you must analyze the site. Is the property and location viable for an express exterior, full-service or flex-service? Is there a real need for this type of business in your desired location and community? Most importantly, should you proceed or pass and keep searching? And, what should you expect if you do go ahead and commit yourself to the cost of the property and building the facility?

At this point, you would want to prepare a projection statement with what you believe would be reasonable volume, gross income and expenses. We have a Car Wash Proforma Profit and Loss Statement & ROI Statement document, based on industry averages, along with site specific analysis as proposed, that we can supply for you in order to help you with your decision.

We have witnessed many successful car wash projects, and, we have seen a few mistakes with building tunnel car washes. Some have been minor errors. Others were major errors. Make sure you perform due diligence in the site selection process to ensure that your new business will have the highest potential to be successful.

If the location measures up, and if built and operated properly, a carwash can be incredibly lucrative!

Need help? Motor City is here for you!



With our team of industry veterans, we can assist you in selecting the perfect "A" site location so that you can maximize your potential.



Full-Service? Flex? Express? No Worries, we can help you in defining the best business model for your needs.



Not every wash is the same! We can guide you to what revenue generating options you need to maximize your revenue per car.

Site Selection Checklist

	DE
	ZC
3	PR
4	A١
5	VI
6	TR
7	TR
8	TR
9	IN
10	TH
11	
12	CC
13	
14	
15	RE
16	U
	LC
18	
(19	
20	FII

	YES	NO	NOTES
DEMOGRAPHICS			
ZONING			
PROPERTY SIZE			
AVAILABLE SPACE			
VISIBILITY & EXPOSURE			
TRAFFIC COUNT			
TRAFFIC SPEED			1
TRAFFIC PATTERNS			
INGRESS & EGRESS			
THE COMMUNITY			
NEARBY RETAIL			
COMPETITION			
DIVERSIFICATION			
PROPERTY/LEASE COST			
REPORTS			
UTILITY & SEWER			
LOCAL SIGN ORDINANCES			
OFF-SITE IMPROVEMENTS			
ENVIRONMENTAL			
FINAL EVALUATION			



Motor City Wash Works, Inc. 48285 Frank Street Wixom, Michigan 48393 USA

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RESPECTING THE 3-MILE RULE WHEN STARTING A CAR WASH

MAY 17 2019/TIPS

Respecting the 3-Mile Rule When Starting a Car Wash

Car wash owners are a unique breed of individuals. Anyone who enters the industry thinking that owning a car wash will be a passive source of income quickly learns that it takes grit to build and run a successful car wash. Even if you have a supportive staff of management, you may still work and overwork yourself to stay above water.

But, like the mud, grit and grime that it's your business to wash away, your hard work can seemingly drip down the drain if a new competitor comes into town.

Car Wash Capture Is All About Location

Unlike some other local businesses that merely require a warm body with cash in hand who is interested in your product or service, the car wash industry is very much dependent on vehicle access. Without a dirty car driving up to your location, you have no business. This means that a successful car wash will probably be wherever the cars are. More cars equal more business.

With only so many main roads in a given city that have the highest level of traffic, competition can be fierce with other car wash owners. The scarcity of <u>ideal spots for a successful car wash</u> <u>(https://www.carwash.com/site-selection-critical-in-building-acarwash/)</u> may mean you'll find yourself sizing up a rival from across a dusty landscape while you lean against the doorpost of a local saloon. You maintain a steady gaze and stance while you spit out a toothpick with a quivering finger on your six-shooter and a gravelly voice hardened by the merciless desert into a low growl.



The Problem with Building Too Close to Competition

It may be a hard, cruel world of cutthroat business tactics to get an edge in your market but sometimes the free market rewards a little karma to the greediest among us. According to Anthony Analetto, building too close to a competing car wash is one such instance.

In his <u>10 Mistakes People Make When They Start a Car Wash</u> <u>Business</u>

(https://www.sonnysdirect.com/10_mistakes_people_make_when_s⁻ #2 on his list is stealing another car wash owner's business. The problem with this is that the land that a car wash is built on is considered a "single-use property" by the bank. Lenders use this designation to evaluate risk. If a site is considered a single-use property, it can't be easily converted for any other use. Infrastructure, such as car wash pits (which is Pit Crew's cleaning specialty (http://pitcrew.com/process/)), are built into the site and are unique to the car wash industry.

If a bank lends an owner the money for a car wash and the business goes belly up, the bank can't depend on a hair salon to set up shop in the conveyor tunnel and begin offering in-bay automatic hair washes. The hair salon would need some serious financial support to convert the equipment into hair washing and hair dressing tools... or else it just isn't happening.

So the hypothetical situation has the potential to play out like this: you build a car wash across the street from a successful car wash, hoping to steal their business. One of three scenarios is possible:

- They put you out of business because they are more wellknown
- 2. You put them out of business because you're shiny, new and ready to impress
- 3. Both you and your competitor limp along with mediocre, stagnated business

The problem with this is that, even though #2 sounds like the ideal situation for you, it could come back to bite you. As soon as your competitor goes out of business, the bank is going to be looking

for another car wash company that can scoop up the property. Chances are, your new neighbor could size you up for your weaknesses and do to you what you did to your competition.

What to Do Instead to Grow Your Business

So, if building too close to another car wash is a bad idea, what should you do? Many car wash owners consider the 3-mile rule to be the law of the land. It is both a courtesy rule and a way to avoid the pitfalls of too many hands in the same cookie jar.

If you can't pick your ideal location for a car wash because someone else beat you to it, find a place that is almost just as good. If you are focused on <u>good business principles for your car</u> <u>wash (https://pitcrew.com/5-business-tips-for-new-car-washowners/)</u>, you could end up building a car wash that is good enough for people to go out of their way to visit.

UP NEXT

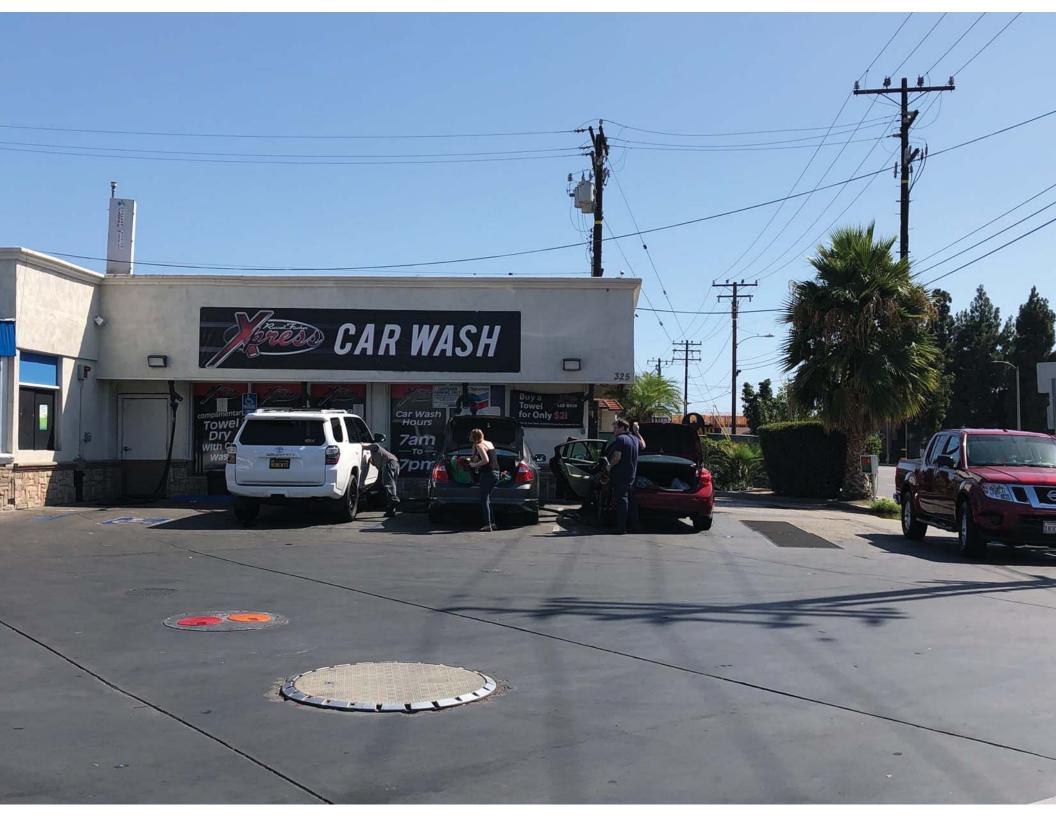
THREE BUSINESS TIPS FOR NEW CAR WASH OWNERS

(https://pitcrew.com/three-business-tips-for-new-car-wash-owners/)

EXHIBIT "C"

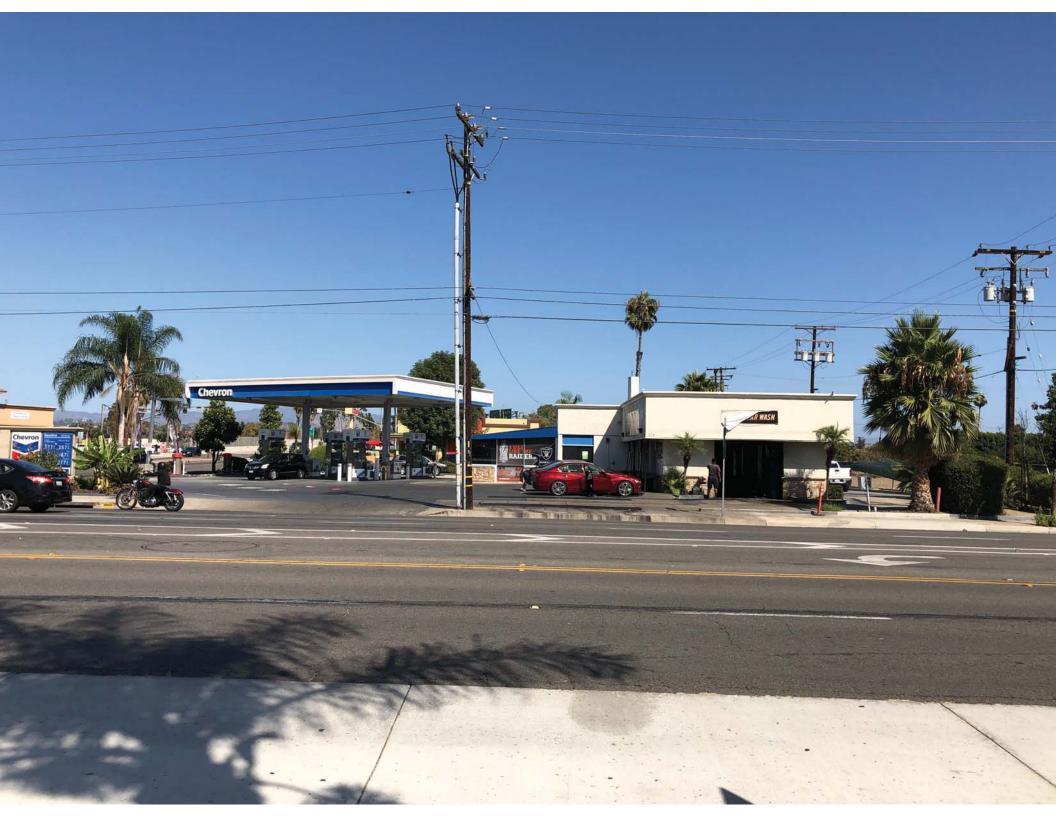












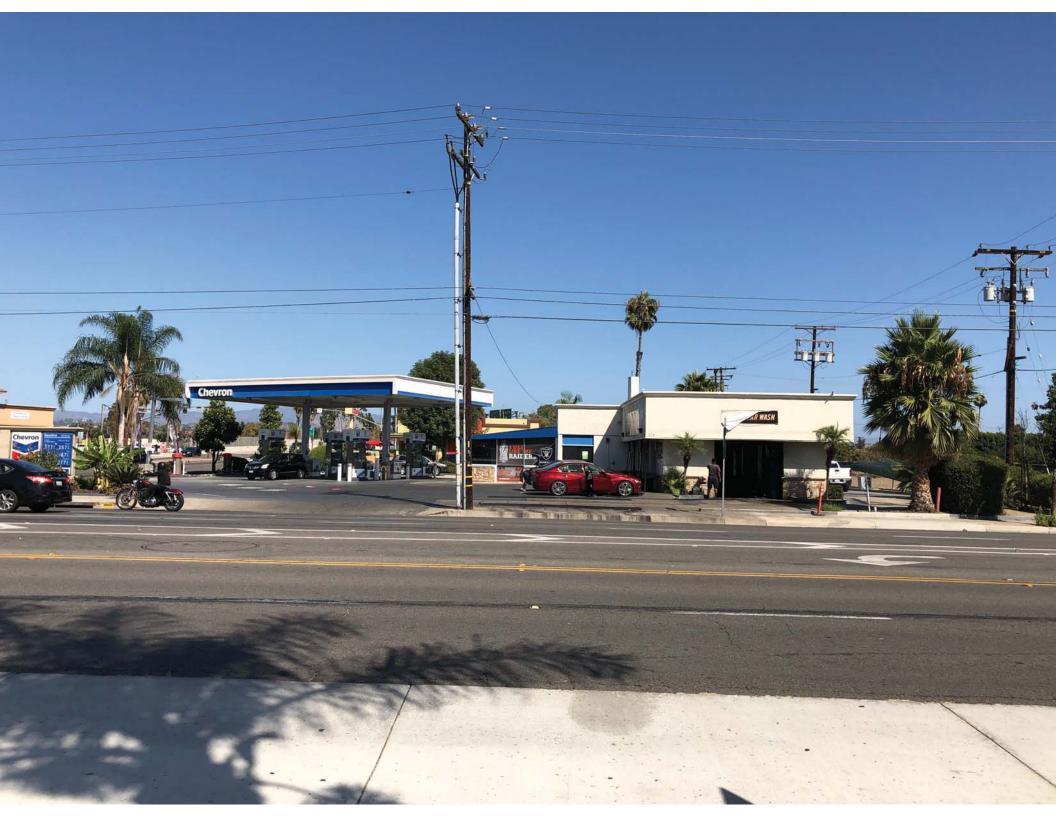








EXHIBIT "D"



Fwd: Russell Fisher Commercial Center

Karina Rangel <kina.rangel@icloud.com> To: karagrantlaw@gmail.com Sat, Sep 7, 2019 at 11

Sent from my iPhone

Begin forwarded message:

From: "Neal, Candida" <cneal@santa-ana.org> Date: July 1, 2019 at 1:04:29 PM PDT To: "Kelaher, Selena" <skelaher@santa-ana.org> Cc: "Karina Rangel (kina.rangel@icloud.com)" <kina.rangel@icloud.com> Subject: Russell Fisher Commercial Center

7/1/2019 Voicemail Carina Rangal-Solis Sarmiento Ward - Neighborhood	Express car wash - Russell Fisher Commercial Center @ 325 N. Tustin (Tustin and 4th Street)	714 932 4864
--	---	--------------

Candida Neal, AICP

Planning Manager

CITY OF SANTA ANA

Planning and Building Agency|M20

20 Civic Center Plaza | Post Office Box 1988 | Santa Ana, CA 92702

cneal@santa-ana.org | Phone: (714) 667-2728 | Fax: (714) 973-1461

Our offices are closed every other Friday. Check the City website http://santa-ana.org/todo/ for dates.

EXHIBIT "E"

REQUEST FOR Planning Commission Action



PLANNING COMMISSION SECRETARY

□ As Recommended

□ Set Public Hearing For

Staff Recommendation

□ Applicant's Request

□ As Amended

PLANNING COMMISSION MEETING DATE:

SEPTEMBER 24, 2018

TITLE:

PUBLIC HEARING – FILED BY RICHARD FINKEL FOR MITIGATED NEGATIVE DECLARATION NO. 2016-156, GENERAL PLAN AMENDMENT NO. 2018-05, AMENDMENT APPLICATION NO. 2018-08, CONDITIONAL USE PERMIT NO. 2018-18 AND VARIANCE NO. 2018-10 TO ALLOW AN EATING ESTABLISHMENT WITH DRIVE-THROUGH SERVICE AT 301 NORTH TUSTIN AVENUE AND A SERVICE STATION AT 325 NORTH TUSTIN AVENUE {STRATEGIC PLAN NO. 3, 2} Prepared by Selena Kelaher, AICP

CONTINUED TO

APPROVED

DENIED

receder **Executive Director**

ande Planning Manager

RECOMMENDED ACTION

Recommend to the City Council:

- 1. Adoption of a Mitigated Negative Declaration, Environmental Review No. 2016-156.
- 2. Adoption of a resolution approving General Plan Amendment No. 2018-05.
- 3. Adoption of an ordinance approving Amendment Application No. 2018-08.

Planning Commission adopt resolutions:

- 1. Approving Conditional Use Permit No. 2018-18 as conditioned.
- 2. Approving Variance No. 2018-10 as conditioned.

Executive Summary

Richard Finkel, representing Russell Fischer LP, is requesting approval of a general plan amendment to re-designate the property at 301 North Tustin Avenue from Professional & Administrative Office (PAO) to General Commercial (GC), an amendment application to rezone the properties at 301 and 325 North Tustin Avenue from Professional (P) to General Commercial (C2), a conditional use permit to allow an eating establishment with drive-through service at 301 North Tustin Avenue, and a variance to reduce the required yards at 325 North Tustin Avenue. GPA No. 2018-05, AA No. 2018-08, CUP No. 2018-18 & VAR No. 2018-10 September 24, 2018 Page 3

Item	Information			
	South	Commercial - City of Tustin		
	West	Professional - Service Station		
Broporty Sizo	39,775 SF	39,775 SF (0.9 acres) - 301 N. Tustin Avenue		
Property Size	22,465 SF	22,465 SF (0.5 acres) - 325 N. Tustin Avenue		
Existing Site Development	Eating Est	Eating Establishment - 301 N. Tustin Avenue		
	Gas Servi	Gas Service Station & Car Wash - 325 N. Tustin Avenue		
Development Standarda	Sections 4	Sections 41-364 through 41-374 SAMC		
Development Standards	Sections 4	Sections 41-377 through 41-388 SAMC		
Use Permissions/Amendment Application & CUP	Section 41-638 and Sections 41-659 through 41-667			

Project Description

The applicant proposes to demolish the restaurant, service station, car wash, and convenience store buildings to construct a new service station, convenience store and multi-tenant commercial building on two properties at the southeast corner of Tustin Avenue and Fourth Street.

The restaurant at 301 North Tustin will be demolished and a new 7,368-square-foot multi-tenant commercial building with an outdoor dining area will be constructed. A 1,258-square-foot eating establishment with drive-through service is proposed for one unit. The drive-through lane is designed to wrap around the entire building, with the entrance of the drive-through at the south end of the building traveling up and around the east elevation. In addition, a 35-foot high freestanding sign will be oriented towards the SR-55 freeway along the east property line. The parcel immediately to the north at 325 North Tustin Avenue is also proposed for redevelopment. The applicant is proposing to clear the site, to eliminate the automated car wash operations, close a driveway along Fourth Street and redesign the site with a service station and larger convenience store. The service station will consist of a 2,117-square-foot canopy with 8 pump stations and a new 2,778-square-foot convenience store.

The architecture of the new buildings, service station canopy and freestanding sign has been designed to appear as a cohesive and integrated development which includes a contemporary design style with a smooth plaster, metal canopies, ceramic wood tile and green screens. An enhanced pedestrian pathway with seating areas and landscaping will be located between the two buildings. There will be vehicular access between the two properties and a covenant to allow for reciprocal access and parking will be recorded. In addition, the Public Works Agency has determined that an 8-foot irrevocable offer of dedication along Fourth Street and a 2-foot irrevocable offer of dedication along Tustin Avenue are required. Tables 3A and 3B provide a detailed comparison of the project's compliance with the applicable land use and development standards.

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Table 3A: Land Use Standards

General Commercial (C2) (SAMC Sec. 41-365, 41-365.5, 41-377 and 41-377.5)		
Proposed Land Use	Permit Requirements	
Eating Establishment	Allowed by Right	
Drive-through Window Service for an eating establishment	Conditional Use Permit	
Service Station and Convenience Store	Allowed by Right	

Table 3B: Development Standards

Standard	Required by General Commercial (C2) Zone	301 North Tustin (Retail Building Site)	325 North Tustin (Service Station Site)
Front yard	15 feet minimum	Complies; 15 feet	Does not comply; 5 feet, 6 inches
Side yard (street)	15 feet minimum	Not Applicable	Does not comply; 5 feet, 6 inches
Side yard (interior)	0 feet minimum	Complies; 3 feet, 2 inches and 5 feet	Complies; 5 foot landscape yard
Rear yard	0 feet minimum	Complies; 2 feet	Complies; 5 foot landscape yard
Lot Size & Frontage	15,000 sq. ft. and 120 feet	Complies; 39,775 sq. ft. and 179 feet	Complies; 22,465 sq. ft. and 300 feet
Building height	35 feet maximum	Complies; 25 feet, 3 inches	Complies; 21 feet, 10 inches
Off-street Parking	61 spaces 5 spaces per 1,000 sq. ft. of retail 8 spaces per 1,000 sq. ft. restaurant	Complies; 63 spaces total 46 spaces	Complies; 63 spaces total 9 spaces 8 pump spaces
Floor Area Ratio (F.A.R.)	0.50 FAR maximum	Complies; 0.19 FAR	Complies; .0.12 FAR
Signage	35 feet maximum height allowed within 300 feet of a freeway exit	Complies; Freestanding sign 35 feet Wall signs (deferred submittals)	Wall signs (deferred submittals)
Stacking Distance (drive-through)	160 feet; 80 feet to menu board and 80 feet to pick-up window	Complies; 80 feet to menu board, 80 feet to pick-up window	Not Applicable
Driveway Width (service station)	35 feet maximum	Not Applicable	Complies; 35 feet

Project Background and Chronology

The property at 301 North Tustin has been developed with a restaurant since 1965. In 1996, Conditional Use Permit No. 1995-01 was approved to allow dancing and live music. Minor tenant improvements have been made to the building overtime by various operators. Currently, the building is in the process of being vacated by the tenant.

In 1973, the property at 325 North Tustin Avenue was developed with a car wash and service station. In 2006, the property was remodeled to the current configuration of the service pumps, a retail building and automated car wash. The current property owner has been operating a Chevron gas station and car wash at the site since 2015.

Project Analysis

General Plan Amendment

The applicant is applying for a general plan amendment in order to re-designate the properties proposed for development to General Commercial (GC). According to the General Plan, the General Commercial district applies to commercial corridors and areas that are highly visible and are critical arterial transportation corridors. Three sites that are proposed to be changed from Professional & Administrative Offices to General Commercial (301 N. Tustin Avenue, 431 N. Tustin Avenue, and 2321 E. 4th Street) are on arterial streets with regional access to the SR-55 freeway. Several nearby commercial properties are already designated as General Commercial. The amendment will create an approximately 4-acre General Commercial area at the northeast and southeast corners of Tustin Avenue and Fourth Street (Exhibit 2).

In addition, these properties are currently improved with commercial uses including gas stations, eating establishments, and mixed retail and service uses that provide neighborhood facilities and services to the nearby Metro East Mixed-Use Overlay zone and professional offices. The general plan amendment will provide consistency with the existing uses and will make the properties consistent with the zoning district.

Amendment Application

The applicant is also applying for an amendment application (zone change) to change the zoning of the properties proposed for development (301 and 325 N. Tustin Avenue) from Professional (P) to General Commercial (C2). The City is also proposing to change the zoning of two nearby properties (401 N. Tustin Avenue and 2320 E. Fourth Street) to General Commercial (C2) (Exhibit 3). The C2 designation will also complement the designation of the properties to the south which are in the City of Tustin and zoned commercial (Central Commercial C2). The amendment will create a continuous block of commercial uses that will stimulate the economy in the area.

The C2 zone will allow the restaurant, service stations, and services uses and will allow for commercial development that supports the nearby office environment by providing places to visit,

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shop and dine. In addition, the General Commercial zone permits professional, administrative and business offices should the property owners elect to have office uses in the future. The proposed drive-through requires discretionary approval of a CUP and the service station yards require a variance. In order to approve a CUP or variance, the General Plan Land Use designation and the zoning designation must be consistent.

Conditional Use Permit for Drive-Through Window Service at 301 North Tustin Avenue

The drive-through was designed and intended to generate the least amount of impact as possible. The drive-through lane is setback approximately 100 feet from the street to reduce any spillover to the public streets. In addition, the drive-through lane meets the City's stacking requirements and will allow for approximately 15-cars to queue without disrupting drive aisles or parking spaces on-site. The drive-through is also designed to generate minimal noise impacts; the speaker boxes are located at the rear of the site and project towards the freeway. Any potential noise generated from the idling of vehicles or the drive-through speakers is not anticipated to impact the nearby uses as they are commercial and there are no nearby sensitive land uses. Since the drive-through lane is at the rear of the property, it will produce minimal visual impact to Tustin Avenue as the new building will be the prominent view (Exhibit 4).

The applicant's request for a conditional use permit to allow drive-through window service will provide an added amenity to the property, for the employees who work in the vicinity and for the residents who live in the general area. Allowing the restaurant to have a drive-through window will provide a service that will help promote economic development to the area which will contribute to the general well-being of the neighborhood and the community.

Variance for Reduced Yards at 325 North Tustin Avenue

The strict application of the zoning code requires a 15-foot landscaped setback along both Tustin Avenue and Fourth Street. The applicant has designed the site to have landscaped yards, but in some locations the yards will be reduced to 5 feet, 6 inches requiring a variance. The Public Works Agency reviewed the proposed plans and determined that an 8-foot dedication along Fourth Street and a 2-foot dedication along Tustin Avenue are required to allow for the streets and sidewalks to be constructed to the ultimate width. The 15-foot setbacks and dedication would reduce the developable area to 18,065 square-feet, which is an approximately 4,400 square-foot reduction in lot size (20%).

Special circumstances related to the current location of the underground storage tanks exist. Currently, the underground tanks are located at the corner of the property. A 15-foot landscaped yard along the street property lines would require the property owner to remove and relocate the storage tanks in order for tanker trucks to access the tanks. The relocation would cause a significant financial burden to the operator. In addition, complexities of service station fueling, stacking and circulation patterns make it difficult to create functional site plan that meets all the development standards. Furthermore, there are service stations at the other two corners of the intersection (northeast and southwest corners). These nearby service stations do not have 15-foot

2.0 PROJECT DESCRIPTION

The Project site is comprised of two parcels and is currently occupied by an existing gas station building and car wash at 325 N. Tustin Avenue and a sit-down restaurant at 301 N. Tustin Avenue. The site is generally located south of Fourth Street and east of Tustin Avenue. Both properties are located in the Professional (P) zoning district. 301 N. Tustin Avenue has a General Plan land use designation of Professional & Administrative Office (PAO) and 325 N. Tustin has the General Plan land use designation of General Commercial (GC). As proposed, the Project requires approval of a general plan amendment to change the land use designation from PAO to GC, zone change from P to Commercial General (C2) and a conditional use permit for the proposed drive-through services. *Figure 2-1* is an existing aerial photograph of the Project site.

The Project will include the development of a commercial building with a drive-through and a gas station convenience store at 301 and 325 N. Tustin Avenue, respectively. The Project would include construction of a 7,417 square-feet (SF) commercial building with drive-through to replace a 4,200 sit-down restaurant and a 2,778 SF gas service station convenience store to replace the existing gas station building and car wash. Please note that the proposed Project will provide internal access between the two parcels.

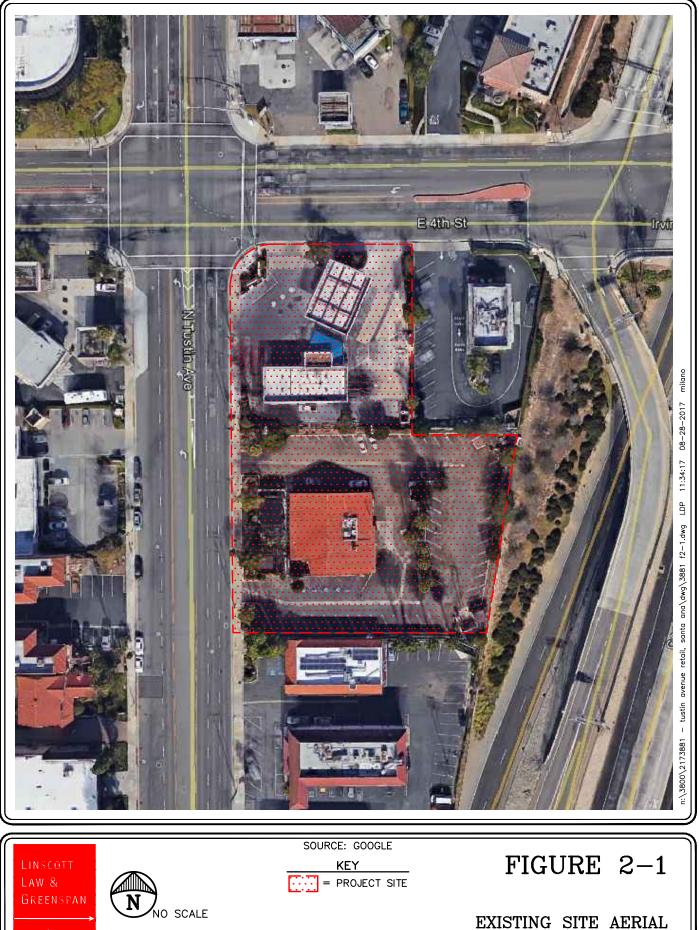
Table 2-1 provides a summary of the proposed Project components.

The Project is expected to be constructed and completed by Year 2019, which has been utilized to assess the Project's potential traffic impacts at full occupancy of the site within an opening year traffic setting. *Figure 2-2* presents the site plan for the proposed Project prepared by Bundy Finkel Architects.

2.1 Site Access

Vehicular access to the existing gas station at 325 N. Tustin Avenue is currently provided by one (1) right in-right out driveway on Tustin Avenue and two (2) right in-right out driveways on Fourth Street. Access to the existing restaurant at 301 N. Tustin Avenue is currently provided by one (1) full access driveway and one (1) right in-right out driveway on Tustin Avenue.

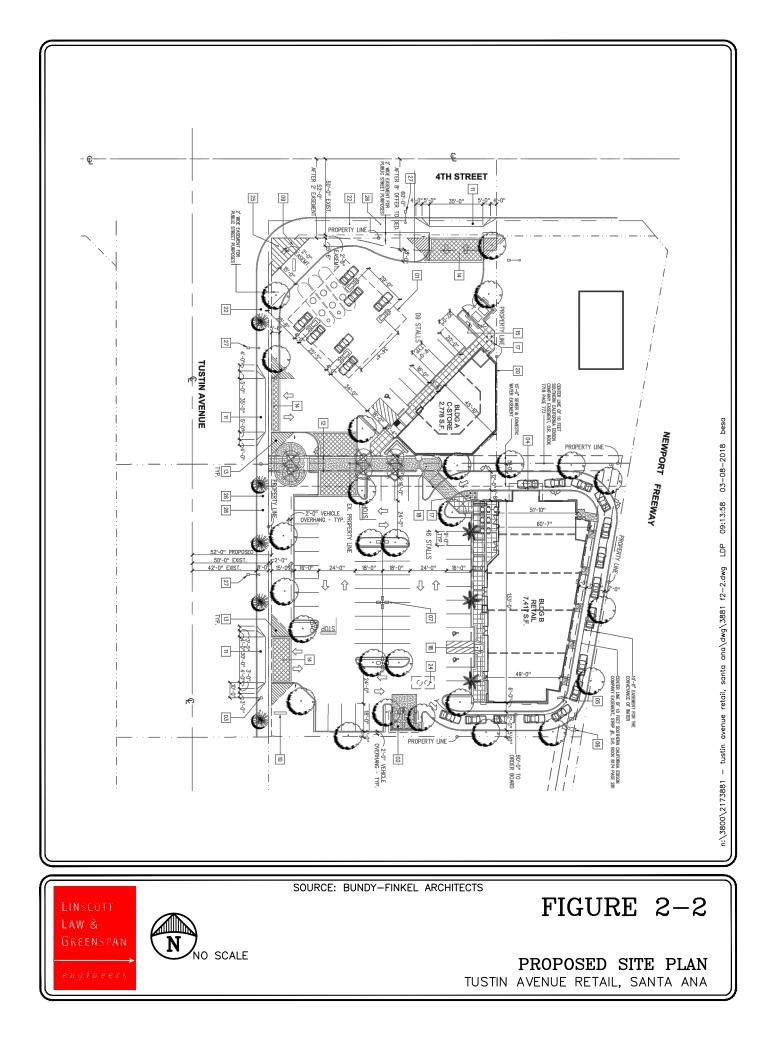
Vehicular access will remain generally similar to the current driveways with the exception of the removal of the one (1) right in-right out driveway at the existing restaurant along Tustin Avenue and the western right in-right out driveway along Fourth Street. A total of three (3) driveways will provide access to the proposed Project site.



TUSTIN AVENUE RETAIL, SANTA ANA

engineer

ers



Project Description	Project Development Totals	
Existing Development		
□ 301 N. Tustin Avenue		
 Quality Restaurant 	4,200 SF	
□ 325 N. Tustin Avenue		
o Gas Station With Convenience Market With Car Wash	8 VFP	
Proposed Development		
□ 301 N. Tustin Avenue		
• Commercial Building With Drive-Through	7,417 SF	
□ 325 N. Tustin Avenue		
• Gas Station With Convenience Market	8 VFP	

 TABLE 2-1

 PROJECT DEVELOPMENT SUMMARY1

Notes:

• VFP = Vehicle Fueling Positions

¹ Source: *TCA Architects*, *11/01/17*.

REQUEST FOR COUNCIL ACTION



CITY COUNCIL MEETING DATE:

NOVEMBER 20, 2018 TITLE:

FINKEL. APPLICANT

APPROVED As Recommended **PUBLIC HEARING - MITIGATED NEGATIVE** As Amended **DECLARATION NO. 2016-156, GENERAL PLAN** Ordinance on 1st Reading AMENDMENT NO. 2018-05 TO CHANGE THE Ordinance on 2nd Reading **DESIGNATION OF THE PROPERTIES AT 301** Implementing Resolution Set Public Hearing For NORTH TUSTIN AVENUE, 431 NORTH TUSTIN AVENUE AND 2321 EAST FOURTH STREET, **AMENDMENT APPLICATION NO. 2018-08 TO** CHANGE THE ZONING OF THE PROPERTIES AT 301 NORTH TUSTIN AVENUE, 325 NORTH **TUSTIN AVENUE, 401 NORTH TUSTIN AVENUE** AND 2320 EAST FOURTH STREET - RICHARD **{STRATEGIC PLAN NO. 3, 2}** CONTINUED TO FILE NUMBER

CLERK OF COUNCIL USE ONLY:

RECOMMENDED ACTION

CITY MANAGER

- 1. Adopt Mitigated Negative Declaration, Environmental Review No. 2016-156.
- 2. Adopt a resolution approving General Plan Amendment No. 2018-05.
- 3. Adopt an ordinance approving Amendment Application No. 2018-08.

PLANNING COMMISSION ACTION

At its regular meeting on October 8, 2018, the Planning Commission by a vote of 5:0 (Mendoza and Nguyen absent) recommended that the City Council adopt a resolution approving Mitigated Negative Declaration, Environmental Review No. 2016-156, adopt a resolution approving General Plan Amendment No. 2018-05, and adopt an ordinance approving Amendment Application No. 2018-08 to change the land use and zoning designations of the properties generally located at the southeast and northeast corners of Tustin Avenue and Fourth Street. Concurrently with the recommendation the Planning Commission also approved Conditional Use Permit No. 2018-18 and Variance No. 2018-10 to allow an eating establishment with drive-through service at 301 North Tustin Avenue and a service station at 325 North Tustin Avenue. The Planning Commission made no changes to the recommended actions outlined in the attached staff report (Exhibit A).

DISCUSSION

The applicant is requesting a general plan amendment to re-designate the property at 301 North Tustin Avenue from Professional & Administrative Office (PAO) to General Commercial (GC), and amendment application to rezone the properties at 301 and 325 North Tustin Avenue from Professional (P) to General Commercial (C2). The restaurant at 301 North Tustin will be demolished and a new 7,368-square-foot multi-tenant commercial building with a drive-through window service will be constructed. The parcel at 325 North Tustin Avenue is also proposed for redevelopment. The existing automated car wash will be removed and the site will be redesigned with an 8 pump service station and a larger 2,778-square-foot convenience store.

In conjunction with the applicant's request, the City is proposing to change the designations of several properties near the development site to provide consistency between the general plan and zoning. General plan amendments are proposed for 431 North Tustin Avenue and 2321 East 4th Street to change the land use designations from Professional & Administrative Office (PAO) to General Commercial (GC), and an amendment application to change the zoning of 401 North Tustin Avenue and 2320 East 4th Street from Professional (P) to General Commercial (C2) are also proposed.

Property Address Use	Existing General Plan	Proposed General Plan	Existing Zoning	Proposed Zoning	Proposed by
301 N. Tustin Ave. Commercial Proposed	PAO	GC	Р	C2	Applicant
325 N. Tustin Ave. Service Station	GC	No Change - GC	Р	C2	Applicant
401 North Tustin Ave. Service Station	GC	No Change - GC	Р	C2	City of Santa Ana
431 N. Tustin Ave. Commercial/Retail	PAO	GC	C2	No Change - C2	City of Santa Ana
2320 E. 4 th St. Fast Food Restaurant	GC	No Change - GC	Р	C2	City of Santa Ana
2321 E. 4 th St. Commercial/Retail	PAO	GC	C2	No Change - C2	City of Santa Ana

Table 1: Property General Plan and Zoning Information

PAO = Professional & Administrative Office

P = Professional zone district

GC = General Commercial

C2 = General Commercial zone district

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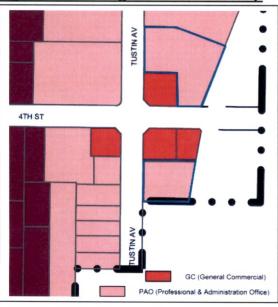
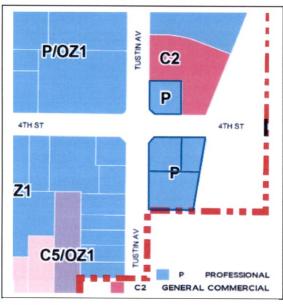


Figure 1: Existing General Plan Map

Figure 3: Existing Zoning Map



Note: Subject properties shown in blue.

ECONOMIC ANALYSIS

Based on the development of the properties at 301 and 325 North Tustin Avenue with a gas station and retail building, approximately \$15,000 will be generated in permit fees. The full assessed value of the properties is currently approximately \$3.5 million and the building improvements are estimated at \$1 million. Therefore, the estimated total net taxable value for the properties is \$4.5 million. The gas station and commercial businesses will also generate sales tax revenue for the City and provide employment opportunities.

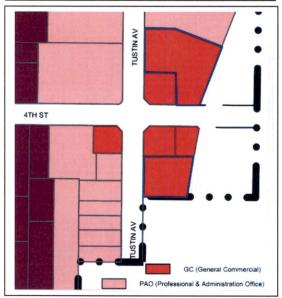


Figure 4: Proposed Zoning Map

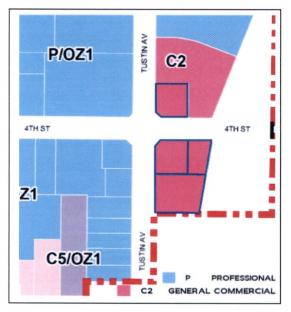


Figure 2: Proposed General Plan

75B-3

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In addition, the proposed project will provide additional services to residents, workers, and visitors in the area and will not negatively impact the surrounding community as the site is located away from sensitive land uses and the project has been designed to minimize impacts to sensitive land uses. Full-sized plans are available for public viewing in the Clerk of the Council Office.

STRATEGIC PLAN ALIGNMENT

Approval of this item supports the City's efforts to meet Goal #3 - Economic Development, Objective #2 (create new opportunities for business/job growth and encourage private development through new General Plan and Zoning Ordinance policies).

FISCAL IMPACT

There is no negative fiscal impact to the general fund associated with this action.

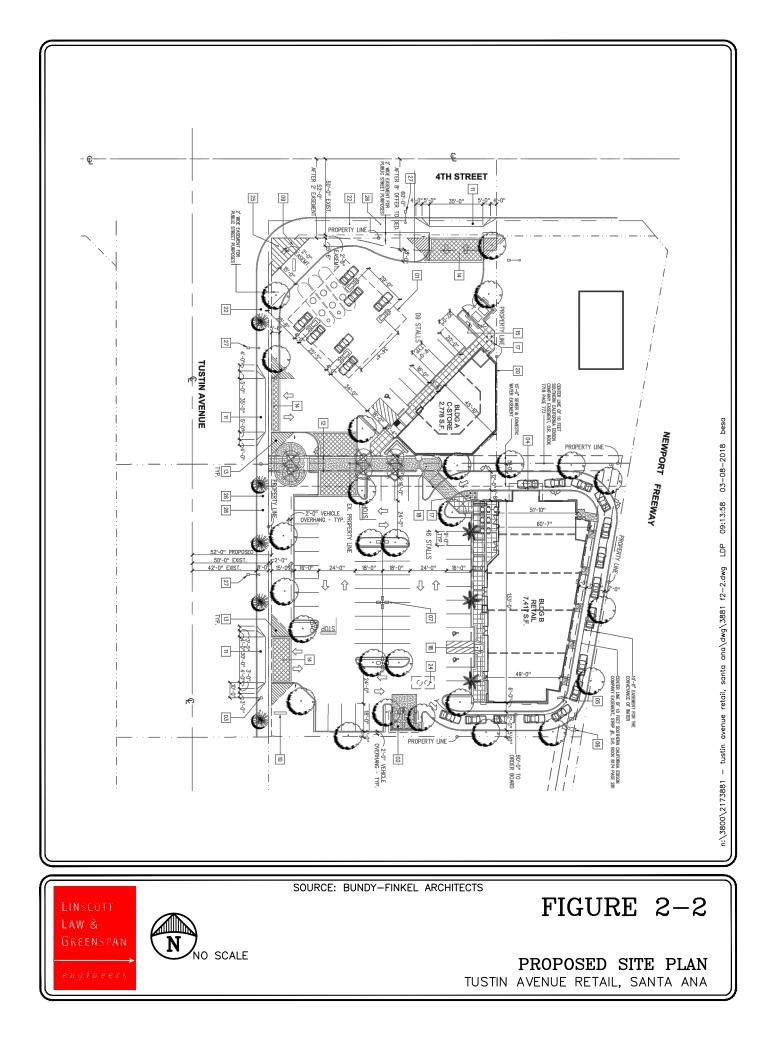
Minh Thai Executive Director Planning and Building Agency

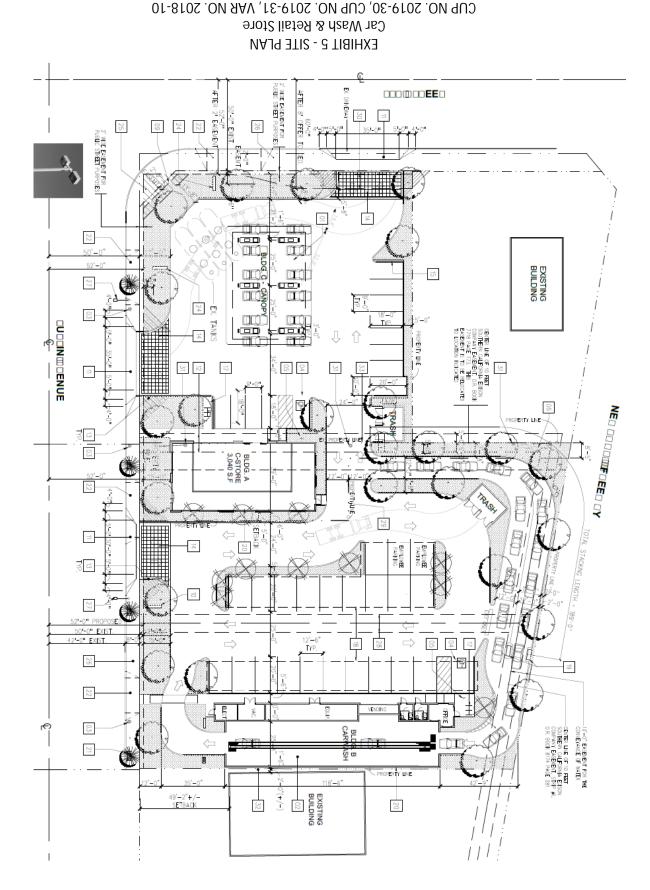
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Exhibits:

- A. Planning Commission Staff ReportB. Resolutions
- C. Ordinance

EXHIBIT "F"





SITE PLAN for 2019 Revised Project - Russell Fischer Express Car Wash

301 and 325 North Tustin Avenue **3-45**

EXHIBIT "G"



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IAG Advisory Committee

Paul Dadgar, Principal of Irvine Advisory Group, LLC, is proud to announce the formation of its Advisory Committee. The Members of the committee are all independent professionals with ties to the Car Wash & Service Station Industry and Capital Markets. Some of the Members include:

Robert Geringer, President Geringer Capital, Investment Bankers

Mr. Geringer is an experienced and diversely skilled entrepreneur in a variety of industries, with a particular focus on real estate. He has participated in the management of numerous private and public real estate development companies in various locations across the United States. His business acumen draws upon his years as an accomplished tax and business attorney, whereby he gained practical and legal experience in development, finance, taxation, syndications, mergers and acquisitions, and creative financing solutions to maximize real estate values.

Highly experienced in all sectors of real estate development, Mr. Geringer has achieved great success in the development of commercial and residential real estate projects in California, New Mexico, Tennessee and Texas. Mr. Geringer received a B.A. in Economics from UCLA, a J.D. from Southwestern University School of Law, and an LL.M. in Tax Law from New York University School of Law.

Robert J. Roman, President, RJR Enterprises, Carwash Advisors

RJR Enterprises provides consulting services for start-ups and going concerns. The firm specializes in location assessment, feasibility study, strategic planning and opinion of value.

Before forming RJR Enterprises, Robert was involved in carwash management and owned and operated carwash, quick oil change and detail shop businesses. Prior to this, Robert was employed as environmental program manager for local and state agencies.

Robert holds degrees in Business Administration from University of South Florida and has advanced training in travel demand forecasting, pollution prevention and automotive technology.

Robert is also a contributing editor to **Auto Laundry News**, the carwash industry's leading trade journal.

Ken Green Fuel Pros / Wash Pros

Ken Green is currently Vic President of Fuel Pros & Wash Pros has over 30 years of experience in construction, sales, service and maintenance of the service station & car wash equipment business. Fuel Pros & Wash Pros headquarters, warehouse and Central Service Center is located in Chino, CA.

Fuel Pros, Inc. (Fuel Pros) is a dynamic, service oriented, construction, maintenance, and testing company committed to providing superior professionalism to <u>all</u> operators of fueling systems, carwashes, convenience stores, and card locks. The Company provides service primarily in Southern California but is proficient throughout the State.

The company's Car Wash division has an exclusive Affiliation Agreement with a company founded by Mr. Dadgar called **American Carwash Equipment Solutions** (**ACES**) providing ACES technicians and mechanics proficient in the installation and

maintenance of all major carwash systems.

Richard Keith Finkel, A.I.A., Principal, Bundy Finkel Architects

A graduate of Cal State Polytechnic University at Pomona (1984, Bachelor of Architecture) and Pierce College, Woodland Hills, CA (1980, Associate of Arts), Mr. Finkel has been a Principal at Bundy-Finkel Architects in Newport Beach, CA since July 1991. His duties include marketing, design, construction administration, CAD operations and general office administration.

From August 1989 to July 1991, Mr. Finkel was Principal and Director of Operations at Blomgren Associates Architects, Orange, CA. His duties included marketing, design, construction administration and overseeing production operations including CAD system.

He served as Project Architect from May 1984 - August 1989 at LPA, Inc. in Orange, CA. His duties included project management, creation of working drawings and specifications packages for commercial, industrial, and office projects. Prior to holding that position, Mr. Finkel worked as Project Manager at Arnel Development, Tustin, CA. He also taught Architecture Design at Saddleback College in Mission Viejo, CA from August 1994 - June 1995.

Mr. Finkel holds the following licenses: California State License # C19014, Nevada License #54311, Arizona License #35328, Colorado License #305951, and Maryland License #12165.

Scott Strong, President Strong, Inc., Specialty Construction Contractor

After graduating from high school in 1985, Mr. Strong began working full-time construction during the day and attended full time college at night. In 1991, he graduated a B.S. in Engineering & Construction Management from California State University at Long Beach.

Prior to starting Strong Inc., Mr. Strong was the Vice President of United Pacific Environmental which specialized in fueling system work, environmental clean-up and service station construction.

Since 1998, Scott Strong has led Strong Inc. in construction of gas stations, carwashes, truck stops and fueling systems. From remodels, to facility upgrades to ground-up construction, Strong provides up-front consultation, cost analysis, and turn-key construction contracting. Strong Inc. is based in the Long Beach area and operates throughout southern California.

Steven Elser and Kurt Wagenknecht, Partners in K12 Architects Inc., Architects

Kurt P. Wagenknecht and Steven C. Elser formed K12 Architects in June of 1998. Based in Sacramento, California, K12 Architects provides comprehensive architectural services for a variety of project types including, car washes, fuel stations, retail, office, industrial, and commercial buildings.

With over 25 years experience, Elser and Wagenknecht have constructed many high end Full Service and Express Exterior Car Washes throughout Northern California. Their services include project evaluations, site evaluations, master planning, program analysis, construction cost estimates, design, construction documents, and construction administration.

Michael Geyer, President of Auto Convenience Centers & ARCO AM/PM®

As managing partner of Ramon Canyon Associates, L.P. since 1993, Mr. Geyer completed the land acquisition, planning, permit approval process, secured the necessary financing and constructed an auto center on 1.6 acres of land in Cathedral City, California. The site has been improved with a 3,200 square foot ARCO AM/PM® convenience store/gas station and 4,900 square foot full service Hand Car Wash and Detail Center. He concurrently formed Auto Convenience Centers (ACC), a California corporation, to own and operate the Cathedral City ARCO franchise and car wash business. ACC has operated the AM/PM and car wash from May, 1995 through

October 2007.

In early 2000 Mr. Geyer began development processing, as a managing partner of Eagle Plaza LLC, for a 2.1 acre site in the City of La Mirada, County of Los Angeles. The project consists of a 3,200 square foot ARCO AM/PM®, an attached 2,500 square foot fast food restaurant w/drive thru and a non-branded five fueling position large truck diesel fueling canopy. The project opened in July of 2003, and in 2007 ranked in the top 1% for ARCO AM/PM® franchised operators, generating in excess of \$23,000,000 in sales. Geyer was selected by the BP ARCO Leadership Team to serve on the inaugural Franchise Advisory Council.

Steve Welge, Vice President of Hi-Def Lighting & Electrical, Inc.

Mr. Welge has worked in the construction industry since 1984. Prior to helping start Hi-Def Lighting & Electrical, Inc. in 2013, Steve worked in several positions at Fillner Construction, Inc. from 1990 until 2013 which included President beginning in 1998. Prior to joining Fillner, Steve worked in several positions at ARCO from 1984 until 1990, including construction engineer, environmental compliance officer, and head of maintenance. Steve has a BS in Engineering from UNR and an MBA from SCU. Steve joined Fillner as a Project Manager/Estimator, then moved on to real estate acquisitions/sales, project entitlements, and financial assessment of various development projects.

Hi-Def Lighting & Electrical, Inc. is a one-stop shop for commercial electrical and energy efficiency measures primarily targeting LED lighting retrofits. The two partners (Steve Welge and Eric Dickson) each have over 30 years in the service station industry. Steve's background is primarily general construction, development and finance. Eric's background is in commercial electrical (specializing in fuel facilities). Eric is also very active in this industry and has served as a trainer for WECA, member and trainer for the CA Electrical Inspectors Association, and as a reviewer for portions of the NEC during their code review every three years. Hi-Def is based in Rocklin, CA (Sacramento region), and operates throughout Northern California. Hi-Def provides both design-bid-build, and design-build services for electrical.

Chantal M. Mariotti, Executive HR Consulting Group, HR Consultants

Ms. Mariotti founded Executive HR Consulting Group, Inc., in April, 2003, providing a full range of HR services – from labor relations to training and employee relations. The company serves a number of industries, including the car wash industry, restaurant and hospitality, architectural, banking, scientific, internet and retail. With a high level of experience in customer service, Executive HR Consulting Group understands how to become a business partner with their clients.

A graduate of the Institute Chateaubriand in Cannes, France, Chantal was initiated to the HR field in both the banking and insurance industries. She then started her career in hospitality human resources in the lodging industry and worked with Hyatt Hotels for nine years. Her experience includes working in both union and non-union environments and successfully implemented the "shared-services" concept, directing two properties simultaneously.

Throughout her career, Chantal has successfully negotiated numerous labormanagement agreements with various labor/union organizations, and served as Trustee on the Los Angeles Hotel and Restaurant, Employer/Union Trust Fund. She is an active member of the California Chamber of Commerce, The Society for Human Resources Management, Professionals in Human Resources, The Employment Management Association and the California Restaurant Association.



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Irvine Advisory Group is a consultancy headed by Paul Dadgar that has specialized in all facets of the carwash industry for over 25 years.

Services:

Irvine Advisory Group provides assistance and independent analysis to operators currently in the carwash industry, developers, US and International investors in the following areas:

- Customized Research Reports & Consulting Studies for Strategic Planning and Mergers & Acquisitions
- Development Services & Support to Builders Feasibility Studies, Demand Analysis & Site Recommendations
- Transaction Funding Strategies & Recommendations
- Equipment Financing and Leasing Programs
- All Aspects of Full Service, Flex Service Express Exterior Operations and Management

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Lakewood Car Wash Reopens!

Case Study: Cruiser's CarWash





Paul Dadgar, Principal



Paul Dadgar has been actively involved in the Car Wash and Service Station industries for over 25 years. In the late 80's to early 90's Mr. Dadgar was involved in

providing financing to the car wash, service station and other automotive related industries. In the mid 1990's Mr. Dadgar focused on providing mergers and acquisition support services to car wash and service station business owners. The firm was also involved in consulting investors in other high cash flow real estate ventures.

In 1997 Paul Dadgar founded Carwash of America, LLC, a car wash company, funded by Wall Street investors that owned and operated ten (10) Full-Service Car Washes with branded Service Stations and five (5) Jiffy Lubes. Today, Mr. Dadgar is active in all aspects of the firm's consulting & development efforts nationally. He is intensely passionate about the industry and has a deep understanding of the business. He has been a featured speaker at car wash conventions and authored car wash related articles for industry trade magazines.



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Carwash Projects and Business Strategies

Consulting Services Expanded



Irvine Advisory Group, LLC provides consulting services to private research firms that serve the investment community worldwide.

Mr. Dadgar, makes scheduled presentations to the firms' clientele who are researching the car wash industry and include well known Private Equity Firms, Pension Funds, Asset Managers, Investment Banks, and Venture Capital firms with over \$300 billion of assets under management.

American Carwash Equipment Solutions (ACES)



Paul Dadgar is the founder of ACES, a full line distributor of some the finest car wash equipment in the industry. The company works with a network of distributors that have over 50 years of combined history in equipment distribution, installation, service and repair. ACES projects are some of the first to comply with the National Carwash Installation Standard [™] (NCIS [™]) originated by one of its affiliates and which will soon become an industry benchmark.

The company offers car wash operators several specialized programs such as the **Hybrid Car** Wash System[™], Express Exterior Enhancement Package[™], Min Max In-Bay Xpress[™], In Bay Express Plus [™] (EOR) and the Instaflex Conversion Program[™].

Business Growth Strategies



NASCAR CARWASH and Irvine Advisory Group, LLC entered into an agreement whereby IAG will assistance the company in its strategic growth plans to develop into a national chain.

IAG has made introductions to investors both for the

purpose of raising private equity and entering into licensing agreements to build, own and operate NASCAR CARWASH locations in selective regions of the USA.

Collaborating for Success



Irvine Advisor Group, LLC provides Fast5Xpress general advisory services in So California. In addition IAG through its affiliations with car wash equipment manufactures has provided the

company with its state-of-the-art central vacuum system. Fast 5 Xpress is the fastest growing Express Exterior Carwash chain in Southern California.

Investor Services to the Detail Industry



Irvine Advisory Group provided general consulting services to the owner of Beach Cities Car Wash & Detail. The Detail Shop is one of the most successful in Southern California, currently servicing many high end exotic dealerships.

Business Planning and Implementation



Irvine Advisory Group, LLC was chosen by this 50 year old chain, once the largest regional chain in California, to assist the family owned company with its next generation strategic plans. Beacon Bay owned some of the finest car wash and detail shops in Orange County including the crown jewel of the chain in Newport Beach at Fashion Island.

Redevelopment and Modernization from Full Service to Flex Service Car Wash



IAG worked with the client to develop a modern Flex Service model operation. The effort was extensive and included working with the contractor to remodeling and modernizing a 50 year old facility to include a new equipment room, new boutique and comfortable waiting area for customers.

Many State of the Art Innovations were incorporated in the car wash including:

This venerable 50 year old facility underwent extensive remodeling and reopened as a new, modern Flex Service operation, featuring a new boutique and comfortable waiting area for customers. The car wash tunnel was remodeled with construction work necessary to support a new conveyor system and state-of-the-art all cloth equipment including on-line tire dressing and most recently a Dry N Shine [™]. The conveyor and tunnel are approximately 160 feet long, so IAG incorporated multiple services and marketing packages including an online express wax process called California Speed Wax[™]. IAG recognized that there will be new innovations both in equipment, marketing and new product lines and has provided for the addition of all these updates in the design parameters of the tunnel.

IAG also worked with Vacutech Systems to incorporate a specialized central vacuum system for the Express Detail area and the customer Self Service Vehicle Enhance Center. The car wash is designed to incorporate automated pay stations and gates, which will also include a new POS to be incorporated in later phases of the modernization plan. Washlink Systems provided the car wash with a new Motor Control Center and Variable Frequency Drives for power conservation. Recognizing the concerns related to environmental stewardship & issues with California's drought, IAG also incorporated and elaborate water saving reclaim and R/O system capable of greatly reducing the amount of fresh water used in the wash process.

Strategic Expansion Plans for a Chain of Washes and Quick Lube Business

PROWASH

IAG provided strategic market data and other strategic planning services to a client that acquired a chain including two full service carwashes a self-

service carwash and quick lube. The transaction was settled privately as both parties preferred that the information remain confidential. IAG was also responsible for providing the company recommendations it needed to maintain its competitive advantages and building on its management infrastructure.

Consolidate Through Mergers and Acquisitions with Public Exit Plan



IAG has acquired several washes for the client and identified other M&A candidatesIAG is involved in the strategic growth plans of a client that is diversifying their existing business

portfolio by acquiring and operating Full Service and Express Exterior car wash businesses. The clients' business plan was to acquire multiple sites in their metropolitan trade area and ultimately

seek an exit strategy in the public or private equity markets.

IAG has also provided consulting services related to marketing, management oversight, sales training and operational policies and procedures.

Conversion of a Full Service CW to an Express Exterior Car Wash



IAG represents a client who acquired an old full service carwash which had been neglected for the past 10 years. The clients' strategy was to acquire the location, secure permits to remodel, re-equip then re-introduce the business as a state of the art Express Exterior Car Wash. A great deal of research

was done to insure that the new model would find favor and success within the community. IAG also helped the client research and secure significant community redevelopment funds and tax benefits through the state and local utilities.

Working with a Public Company to Introduce a New Carwash Franchise



Mr. Dadgar along with other consultants were chosen and exclusively hired by a large publicly held company to support its entry into the carwash industry. Mr. Dadgar was involved in providing predevelopment location analysis and technical studies, site layout, equipment recommendations, menu and pricing matrix, on site training of site managers, training the trainer programs, and selection of the operating business model. Mr. Clean Performance Car Wash is a National Franchise in the Car Wash Industry.

Exterior Carwash Development



IAG spent two years researching the exterior car wash industry, meeting with some of the largest family owned operations and equipment manufacturers, reviewing site characteristics and demographics and various operating business models across the United States. IAG now brings this experience and business know how to its clientele, throughout California.

Subsequently, Mr. Dadgar was involved in the planning, development, construction and operations of his own Express Exterior Carwash. IAG is working with developers & investors throughout the State of California who are in various stages of development with similar Express Exterior Car Wash projects.

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Russell Fischer

HAND WASH

BOYEARS D2 MILLION HAPPY CARS

XPRESS WASH DETAIL SERVICES

CERAMIC COATINGS \equiv

ABOUT US

For over 30 years, Russell Fischer Car Care has set the standard for vehicle maintenance. Wherever you are, whatever vehicle you drive, you'll find no Car Wash does it better than Russell Fischer.

We are committed to our customer with fast, quality vehicle service to preserve the health of your vehicle for years to come. Year on year, we maintain a 99.5% customer satisfaction rate and have washed over 12 million vehicles!

With three Full-Service car care centers and two Xpress car washes in Huntington Beach, Santa Ana, & San Clemente, Russell Fischer is one of the largest systems of company operated service centers in the car care industry offering quality xpress and premium hand car washes, detail services and ceramic pro permanent paint protection. Headquartered in Huntington Beach, California, we are centrally located to ensure each of our locations receive the love and care that they deserve.

Remember, a clean car is a happy car!



Russell Fischer Partnership

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About us

For over 25 years, Russell Fischer Car Care has set the standard for vehicle maintenance. Wherever you are, whatever vehicle you drive, you'll find no Car Care Center does it better than Russell Fischer.

We are committed to our customer with fast, quality vehicle service to preserve the health of your vehicle for years to come. Year on year, we maintain a 99.5% customer satisfaction rate and have washed over 11.5 million vehicles!

With three full service car care centers and three xpress car washes in Orange County, Russell Fischer is one of the largest systems of company operated service centers in the car care industry. Headquartered in Huntington Beach, California, we are centrally located to ensure each of our locations receive the love and care that they deserve.

Remember, a clean car is a happy car!

Website http://www.russellfischer.com

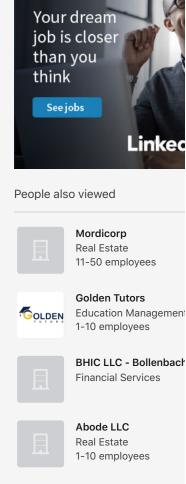
Headquarters Huntington Beach, CA

Year Founded 1987

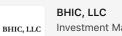
Company Type Partnership

Size 201-500 employees

See less 🔨



A Share



Investment Managemei 11-50 employees

CommonWealth Partne

CommonWealth partneri 51-200 employees

Employees at Russell Fischer Partnership