City of Beverly Hills
Planning Division
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Planning Commission Report

Meeting Date: June 25, 2015

Subject: **300-336 North Canon Drive (Rite Aid)**
Medical Use Overlay Zone and Planned Development Review
Consider a resolution recommending the City Council adopt an ordinance applying the City's Medical Use Overlay Zone to the subject property located at 300-336 North Canon Drive and consider approval of a small walk-in medical clinic at 300-336 North Canon Drive. The proposed project would convert 474 square feet of floor area within the existing retail pharmacy (Rite Aid) to medical use. Pursuant to the provisions set forth in the California Environmental Quality Act, the Planning Commission will also consider adoption of a Categorical Exemption for the project
PROJECT APPLICANT: Thrifty Payless, Inc.
PROJECT REPRESENTATIVE: Elizabeth Camacho

Recommendation: That the Planning Commission:
1. Conduct a public hearing and receive testimony on the project; and
2. Adopt the attached resolution conditionally approving the project and making recommendations to the City Council regarding application of the Medical Use Overlay Zone to the subject property.

REPORT SUMMARY

A request has been made to allow the conversion of 474 square feet of general retail commercial floor area in an existing retail pharmacy to medical office use. The following applications have been submitted for Planning Commission review:

- **Medical Use Overlay Zone.** The Municipal Code generally prohibits the establishment of new medical offices in the City except for properties within a Medical Use Overlay Zone as approved by the City Council, following review and recommendation by the Planning Commission. The subject project is located within the existing 19,044 square foot building occupied by Rite Aid, a retail/pharmacy use. If approved, up to 474 square feet of medical office space could be established within the existing footprint of the building. As a component of applying for the Medical Use Overlay Zone, the project must be consistent with the objectives of the Medical Use Overlay Zone including the provision of public benefits to the City to offset potential negative impacts associated with medical office use.

Attachment(s):
A. Overlay Zone Restrictions & Objectives; Findings
B. Draft Planning Commission Resolution –Planned Development
C. Draft Planning Commission Resolution – Zone Amendment for Medical Use Overlay Zone/Draft Ordinance
D. Trip Generation Assessment
E. Application
F. Plans including proposed public benefit (Bound Separately)

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- **Planned Development Review.** Pursuant to the Municipal Code, a Planned Development Review must be processed concurrently with any application for a Medical Use Overlay Zone. A Planned Development Review approval is possible if the reviewing body finds that the proposed project will meet the requirements of the Municipal Code and will advance the objectives of the zone in which it is located.

This report includes analysis of the desirability of medical offices in the proposed location and whether the public benefit offered by the applicant is sufficient to offset potential negative impacts associated with medical office use. Pursuant to the analysis in this report, staff concludes that the proposed project will not be detrimental to the surrounding area and recommends the Planning Commission adopt the resolutions recommending City Council approval of the Medical Use Overlay Zone and approving the Planned Development for the medical clinic, contingent on City Council approval of the Medical Use Overlay Zone.

PROJECT INFORMATION

File Date	4/16/2015
Application Complete	6/15/2015
Subdivision Deadline	N/A
CEQA Determination	Class 1 Categorical Exemption for minor alterations to existing structures; Class 5 Categorical Exemption because the overlay zone results in minor changes in land use limitations that would allow additional types of commercial uses.
Applicant(s)	Thrifty Payless, Inc.
Owner(s)	WEC 98G-1, LLC
Representative(s)	Elizabeth Camacho, Senior Counsel, Loeb & Loeb LLP
Prior Project Previews	None
Prior PC Action	None
Prior Council Action	None
Prior Entitlements	Open Air Dining for six (6) tables and twelve (12) chairs in 255 square feet of private property. Approved by Director of Community Development 6/2/2014.

SITE INFORMATION

Property Information

Address	300-336 North Canon Drive
Zoning District	C-3 General Commercial
General Plan	Low Density General Commercial
Existing Land Use(s)	Retail / Pharmacy
Lot Dimensions & Area	300' along N Canon Dr., by 142.5' along Dayton Way = 42,750 SF
Year Built	1967
Historic Resource	No
Protected Trees/Grove	None

Adjacent Zoning and Land Uses

North	C-3 General Commercial
South	C-3 General Commercial
East	RMCP Multiple-Family Residential-Commercial Parking Zone
West	C-3 General Commercial
	The site is located in a Commercial-Residential Transition Area (within 170' of a residential or RMCP Zone)

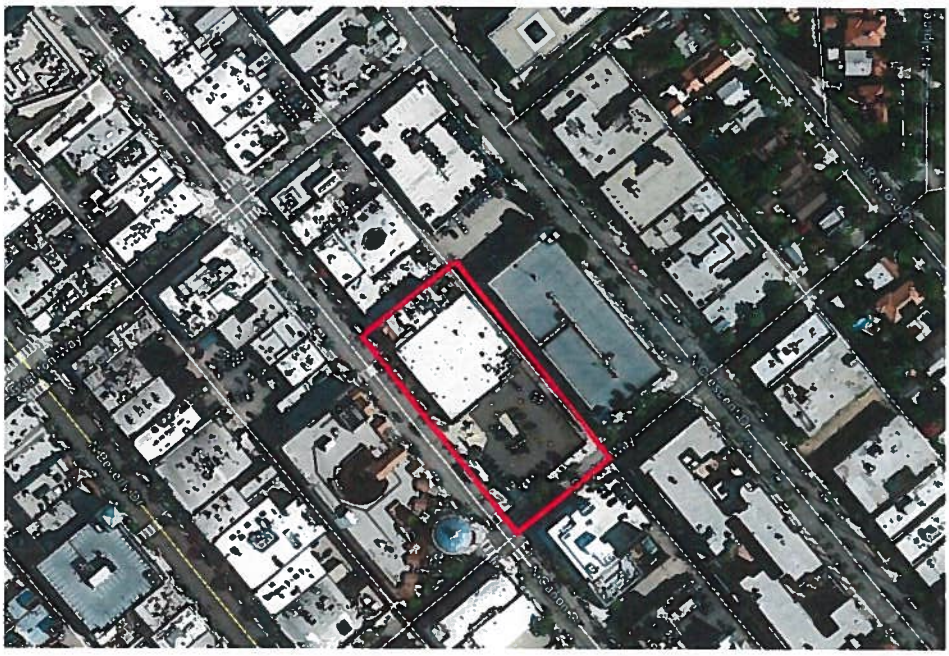
Circulation and Parking

Adjacent Street(s)	North Canon Drive, Dayton Way
Adjacent Alleys	Borders east edge of property, runs parallel to Canon Dr. and Crescent Dr.
Parkways & Sidewalks	15' wide sidewalks along Canon Dr. and Dayton Way
Parking Restrictions	1-hour or 3-hour metered parking on Canon Dr and Dayton Way depending on time of day. No parking (bus stop) on a portion of Canon Dr.
Nearest Intersection	N Canon Dr. and Dayton Way
Circulation Element	N Canon Dr. and Dayton Way are Local Streets.
Estimated Daily Trips	N Canon Dr.: Approximately 11,900 average daily trips.
2005	Dayton Way: Approximately 2,500 average daily trips.

Neighborhood Character

The project site is located at the northeast corner of Canon Drive and Dayton Way in the City's Business Triangle. The site is bordered by commercial uses except to the southeast where the City's Senior Housing development is located on Crescent Drive at Dayton Way. The project site differs from adjacent commercial uses in that the Rite Aid store is generally larger than surrounding retail businesses at 19,044 square feet, and nearby businesses generally front on Canon Drive while the entrance to the Rite Aid store faces a surface parking lot. As a result, the Rite Aid store presents a long building wall and a parking lot perimeter wall along Canon Drive, interrupted only by building signage and a parking lot entrance, until Dayton Way where a private training facility is located at the corner of the site. The Rite Aid store includes a newer open air dining area located at the front of the store facing the parking lot, and not visible from nearby streets. The proposed project would affect only on-site operations at the subject site.

Project Site



PROJECT DESCRIPTION and BACKGROUND

Current Site

The site comprises five lots totaling 42,750 square feet (slightly less than one acre), developed with a one story, 19,044 square foot retail pharmacy store (Rite Aid) located on the northern half of the site and a two-level parking lot located on the southern half of the site. In 2014, a 255 square-foot outdoor dining area (6 tables and 12 chairs) was approved by the City adjacent to the Rite Aid store, located entirely on private property. A 4,675 square foot commercial space is located at the corner of Canon Drive and Dayton Way and it is currently occupied by a private training facility (Physique 57). The two-level parking lot serves both the retail pharmacy store and the smaller commercial space. The parking lot is further described below.

Rite Aid currently provides a traditional range of pharmacy services in the existing 19,044 square foot retail pharmacy store located at 300 North Canon Drive. This includes the dispensation of prescription medication and ancillary services, such as customer consultation and assessment, vaccinations, and other clinical advice and information.

Proposed Medical Use

The proposed project consists of the establishment of a 474 square-foot convenient care clinic within the existing retail pharmacy store, resulting in 18,570 square feet of retail pharmacy area and 474 square feet of medical use. The proposed clinic is proposed to be located directly adjacent to the existing pharmacy at the rear of the store. It is proposed to include two clinic rooms, a restroom and associated customer receiving area. Because the proposed clinic will occupy existing floor area, no additional square footage or exterior construction is proposed. The store was recently remodeled, with space provided for the proposed future medical use and this space is currently vacant pending review

and approval of this request. Only limited interior improvements will be required for the medical clinic if the project is approved.

The proposed clinic would provide limited, basic primary care and wellness services in a walk-in format. Services would be provided directly by board-certified nurse practitioners or physicians' assistants working under the supervision of physicians, under the brand name RediClinic. According to the RediClinic website, RediClinic has provided healthcare since 1989, and accepts most major insurance plans. RediClinics are currently open in Rite Aid stores in Baltimore/Washington, D.C., Philadelphia, Seattle and Texas. If a clinic is approved for the Rite Aid in Beverly Hills, it would be the first RediClinic in California although there are competitor clinics located in other pharmacies in California.

RediClinics offer diagnosis and treatment for common conditions such as ear, sinus and urinary tract infections, pink eye, sore throats, coughs, flu, allergies, and insect bites. RediClinic also offers certain preventative and wellness services, such as basic physicals (for school, sports, camp, etc.), vaccinations, health screenings, smoking cessation and weight loss. RediClinic will not treat broken bones or severe lacerations. Services are aimed at the walk-in customer, and no appointment would be required for service. RediClinic is proposed to operate seven days a week and the applicant is determining hours of operation.

The applicant has indicated that the target market for RediClinic services is existing customers of the retail pharmacy store. According to the applicant, marketing data indicates that the store's existing customers match the target demographic for the medical clinic. According to the applicant, surveys of RediClinic customers in other markets conducted from January to December, 2013, indicate that 90% of RediClinic customers are existing customers of the stores in which the medical clinics are located. The overall focus and nature of the store will remain as a retail use.

<u>Parking</u>
The site currently provides 108 parking spaces on two parking levels in the following configuration:

- 95 full size regular spaces;
- 5 ADA spaces (4 spaces on the upper level near the Rite Aid entrance; one space on the lower level near the physical training facility entrance);
- 4 compact spaces;
- 4 tandem spaces (specifically designated for instructors for the training facility).

A breakdown of the parking requirements for the proposed project is set forth in the table below.

Proposed Project	**Floor Area**	**Parking Required**
Retail/Pharmacy (Rite Aid)	18,570 SF	1 parking space per 350 SF = 54 spaces
Medical Use (RediClinic)	474 SF	1 parking space per 200 SF = 3 spaces
Physical Training (Physique 57)	4,675 SF	1 parking space per 200 SF = 24 spaces
Outdoor Dining on private property (Rite Aid)	255 SF	1 parking space per 350 SF = 1 space
TOTAL REQUIRED		82 spaces
TOTAL PROVIDED		108 spaces

The parking lot is accessed from Canon Drive and is controlled by a parking booth that is staffed much of the day. One hour of free parking is provided to patrons of businesses at the site. Because there is excess parking at the site, the property owner leases some parking spaces to monthly parkers.

GENERAL PLAN[1] POLICIES

The General Plan includes numerous goals and policies intended to guide development within the City. Some of the policies relevant to the Planning Commission's review of the project include:

- Policy LU 2.1 City Places: Neighborhoods, Districts, and Corridors. Maintain and enhance the character, distribution, built form, scale, and aesthetic qualities of the City's distinctive residential neighborhoods, business districts, corridors, and open spaces.

- Policy LU 5.8 Encroachment of Incompatible Land Uses. Protect residential neighborhoods from the encroachment of incompatible nonresidential uses and disruptive traffic, to the extent possible. Zoning and design review should assure that compatibility issues are fully addressed when nonresidential development is proposed near or within residential areas.

- Policy LU 9.6 Medical Uses. Study, adopt and implement regulations that appropriately regulate medical land uses in the City.

[1] Available online at http://www.beverlyhills.org/services/planning_division/general_plan/genplan.asp

- Policy LU 10.1 Local-Serving Businesses. Promote appropriate development of businesses that serve, are located in proximity to, and are accessible to adjoining residential neighborhoods, such as grocery stores, dry cleaners, and personal care businesses.

- Policy LU 15.1 Economic Vitality and Business Revenue. Sustain a vigorous economy by supporting businesses that contribute revenue, quality services and high-paying jobs.

ENVIRONMENTAL ASSESSMENT

This project has been assessed in accordance with the authority and criteria contained in the California Environmental Quality Act (CEQA), the State CEQA Guidelines, and the environmental regulations of the City. The project qualifies for a Class 1 Categorical Exemption applicable to projects characterized as minor alterations to existing structures, when the project involves negligible or no expansion of an existing use. In addition, application of the overlay zone is eligible for a Class 5 categorical exemption since the overlay zone results in minor changes in land use limitations that would allow additional types of commercial uses in commercial zones. The project has been determined not to have a significant environmental impact and is exempt from the provisions of CEQA.

PUBLIC OUTREACH AND NOTIFICATION

Notice regarding the subject public hearing was provided in accordance with Municipal Code requirements. The notice included direct mailing via U.S. mail to all property owners and residential occupants within a 500' radius plus block face of the project site. Additionally, notice of the public hearing was posted in three locations on the subject property and published in two newspapers of local circulation, the Beverly Hills Courier and the Beverly Hills Weekly.

Type of Notice	Required Period	Required Notice Date	Actual Notice Date	Actual Period
Newspaper Notice	10 days	June 15, 2015	June 12, 2015 and June 18, 2015	13 days
Mailed Notice (Owners & Residents - 500' Radius + Block Face)	10 days	June 15, 2015	June 15, 2015	10 days
Property Posting	10 days	June 15, 2015	June 15, 2015	10 days
Website	3 days	June 22, 2015	June 18, 2015	7 days

Public Comment

As of the writing of this report, no public comments have been received.

ZONING CODE[2] COMPLIANCE

A list of the restrictions and objectives for the Medical Use Overlay Zone is provided in Attachment A, and a detailed review of the proposed project's consistency with the restrictions and objectives of the

[2] Available online at http://www.sterlingcodifiers.com/codebook/index.php?book_id=466

Medical Use Overlay Zone is included in the draft Planning Commission Resolution regarding the Planned Development Review (Attachment B). As conditioned, the proposed project complies with all applicable codes, or is seeking through the requested permits, permission to deviate from certain code standards, in a manner that is consistent with the Zoning Code.

ANALYSIS[3]

Project approval, conditional approval or denial is based upon specific findings for each discretionary application requested by the applicant. The findings that must be made in order to approve the project are provided in Attachment A, and draft findings are included in the draft Planning Commission Resolution (Attachment B), which may be used to guide the Planning Commission's deliberation of the subject project. The analysis considered by staff in drafting the findings is set forth as follows:

Medical Use. In 2011 the City Council adopted an ordinance prohibiting, with limited exceptions for existing buildings containing medical offices, the by-right establishment of new medical office space in the City. In accordance with the medical ordinance, a non-medical building may only be permitted to contain medical offices if approved pursuant to a Medical Use Overlay Zone. The City Council adopted the Medical Use Overlay Zone provisions in order to restrict further intensification of medical uses in the city in order to limit commercial intrusion into residential areas, prevent adverse traffic and parking impacts, maintain and promote the character and image of the city, foster economic vitality and encourage pedestrian activity in retail areas. The medical use overlay zone is intended to allow limited expansion of medical uses at appropriate locations in the city and in a manner that is consistent with the underlying zoning district and the elements of the General Plan.

As proposed, the project would result in a relatively small 2.5% of the 19,044 square-foot retail pharmacy building being designated for medical uses. The subject property is located in close proximity to Cedars Sinai hospital and other medical offices in Beverly Hills and Los Angeles and therefore, from an access and proximity standpoint, the subject location appears to be appropriate for medical offices; however, the subject property is also located in a pedestrian-oriented area. The Medical Use Overlay Zone regulations include a restriction that medical uses shall not be permitted on the ground floor of any building in the pedestrian oriented zone unless the city council finds, based on substantial evidence, that the proposed location is not pedestrian oriented and is unlikely to become pedestrian oriented in the future.

This particular location was developed in the 1960s and reflects a more suburban development model with a large store facing a surface parking lot, rather than facing the street. The large parking area encourages patrons to arrive by vehicle. Subsequent to the development of the retail pharmacy in the 1960s, the Business Triangle developed into a dense and lively urban village adjacent to the subject site but the subject site, by design, does not engage the area. The property owner recently upgraded the store and added an outdoor dining area in front on the alley side of the store. This addition improves the experience of patrons at the site but does not

[3] The analysis provided in this section is based on draft findings prepared by the report author prior to the public hearing. The Planning Commission in its review of the administrative record and based on public testimony may reach a different conclusion from that presented in this report and may choose to modify the findings. A change to the findings may result in a final action that is different from the staff recommended action in this report.

contribute to the pedestrian oriented area due to the distance from the adjacent streets. As a result, staff concludes that conversion of a small amount of ground floor retail space to medical use would not negatively impact pedestrian activity currently or in the future.

Hours of Operation. The proposed medical clinic is proposed as part of an existing business that is permitted to operate 24 hours a day. The applicant plans to operate the clinic seven days a week and is determining the hours of operation but could operate the clinic 24 hours a day. The Planning Commission may wish to discuss restrictions on hours of clinic operation.

Traffic. The proposed conversion of 474 square feet of floor area from retail space to medical use was reviewed by Stantec Consulting Services (Attachment D) to determine if there would be any resulting change in trip generation for the site. The consultant determined that the medical use would have a lower trip generation rate than the existing retail or pharmacy use and that there would be a resulting decrease in vehicular trips. The consultant additionally concluded that providing complimentary uses in the same location could further reduce traffic volumes. The study was reviewed by the City's traffic engineer who agreed that the trips generated by conversion of a small part of the store to a health facility would be marginal and non-significant. The City's traffic engineer noted that he would not characterize the impact as a reduction in trips but rather that mathematical negative numbers would be considered to be either a zero or non-significant.

Parking. The site has parking spaces available in excess of the 82 parking spaces required to serve the current and proposed uses on the site. Depending on whether only regular, full size parking spaces or all available parking spaces are counted, the site has an excess of 13 to 26 parking spaces to serve current and future uses. The Medical Use Overlay Zone restrictions require that free parking shall be provided for patrons and employees of medical uses in the development and parking shall be provided that complies with all applicable parking requirements in the Zoning Code. Staff is recommending a project condition requiring that signage shall be posted clearly indicating that medical patrons shall park free of charge.

Public Benefits. A requirement of granting any Medical Use Overlay Zone is that the applicant shall offer to the City a public benefit that offsets any long-term impacts to the City that result from allowing the medical use (Attachment E). As proposed, the public benefit offered by the applicant is the installation of five planters in the upper parking lot, each containing a tree. The parking lot, located directly adjacent to Canon Drive and Dayton Way, is a large expanse of asphalt that currently contains no landscaping. One of the rationales for adoption of the Medical Use Overlay Zone was that medical uses do not contribute to a pedestrian-oriented environment in the same way that retail and restaurant uses do. The proposed trees are intended to improve the aesthetics of the site and will result in areas of shade, providing a more pleasant experience for patrons and reducing the heat island effect produced by large areas of pavement. By creating a better experience for patrons, the trees could encourage additional patronage of the retail pharmacy, which could offset possible reduced retail sales from the conversion of retail floor area to medical use. While the addition of trees in a parking lot would not directly contribute to fostering and maintaining a pedestrian-oriented environment, the addition of trees would improve the general aesthetics of the area which could peripherally contribute to the continued success of the Business Triangle. Based on the foregoing, the proposed trees appear to be a proportionate benefit offsetting potential impacts of additional

medical use; however, the Planning Commission may wish to discuss whether this benefit will be sufficient.

Special Conditions of Approval. The specific staff-recommended conditions of approval are contained in the draft Planning Commission Resolution (Attachment B), and would accomplish the following:

- Allow up to 474 square feet of medical office space within the building
- Ensure that the project complies with Municipal Code parking requirements at all times including a requirement that signage shall be posted clearly indicating that medical patrons shall park on site free of charge.

Summary of Project Benefits and Concerns. A summary of the project's potential benefits and potential concerns identified in this report is provided in the table below.

Potential Benefits	Potential Concerns
• Convenient, walk-in medical offices provided with substantial parking • Enhances the competitiveness of an established business in the City; • Landscaping provided in the parking lot resulting in improved aesthetics, and sustainability	• Medical offices generally do not contribute to the synergy of a pedestrian-oriented area • Reduction in retail sales space; less space available for lower-intensity retail sales uses • Possible increased on-site parking demand

Upon considering the above information in its entirety, staff's analysis concludes that the proposed project will not be detrimental to the surrounding neighborhood, will not result in any significant environmental impacts, and will provide specific benefits that will contribute to the overall development of the City and its commercial base. For these reasons, the recommendation in this report is for project approval, with recommendations regarding the Medical Use Overlay Zone to be forwarded to the City Council for consideration.

NEXT STEPS

It is recommended that the Planning Commission conditionally approve the requested Planned Development and make recommendations to the City Council regarding the Medical Use Overlay Zone, subject to all conditions of approval set forth in the attached resolutions.

Alternatively, the Planning Commission may consider the following actions:

1. Approve the project with modified findings or conditions of approval.
2. Deny the project, or portions of the project, based on revised findings.
3. Direct staff or applicant as appropriate and continue the hearing to a date (un)certain, consistent with permit processing timelines.

Report Reviewed By:

Michele McGrath

Michele McGrath, Principal Planner

ATTACHMENT A

MEDICAL USE OVERLAY ZONE RESTRICTIONS AND OBJECTIVES

Medical Use Overlay Zone Restrictions

A. Compliance with all restrictions applicable to the zone or underlying zone.

B. Medical uses shall not be permitted on the ground floor of any building in the pedestrian oriented zone unless the city council finds, based on substantial evidence, that the proposed location is not pedestrian oriented and is unlikely to become pedestrian oriented in the future

C. Free parking shall be provided for patrons and employees of medical uses in the development and parking shall be provided that complies with all applicable parking requirements in this chapter.

Medical Use Overlay Zone Objectives

1. *Medical uses in the particular location are consistent with the elements of the city's general plan and purpose and intent of the Medical Use Overlay Zone;*

2. *The proposed development and medical use will not result in detrimental impacts to existing or anticipated residential or commercial development in the vicinity of the project with regard to density, height, scale and massing of the streetscape, garden quality of the city, or any combination thereof; unless the reviewing authority finds the development benefits outweigh the detrimental impacts;*

3. *The proposed development and medical use will promote harmonious development in the area;*

4. *The proposed development and medical use will not adversely interfere with the use and enjoyment of residential properties in the vicinity of the proposed development;*

5. *The proposed development and medical use will not result in detrimental impacts to existing or anticipated residential or commercial development in the vicinity of the project with regard to traffic levels, traffic safety, pedestrian-vehicle conflicts, pedestrian safety hazards, parking demand, parking design, loading or manner of operation, unless the reviewing authority finds the development benefits outweigh the detrimental impacts. The development shall provide parking that is designed for ease of use and efficiency, with vehicle ingress and egress and patient drop off and pick up locations that would not adversely impact adjacent properties;*

6. *The proposed development and medical use will contribute to and enhance the character of the neighborhood and location, will contribute positively to the image of the city, shall not undermine efforts to maintain and foster an appropriate mix of uses in the city including a pedestrian friendly environment in the vicinity of the development;*

7. *The proposed development and medical use contribute to and enhance the city's economic base and granting the request will leave ample space available for future commercial growth including*

business headquarters, entertainment businesses, information/technology businesses, retail businesses and other businesses as determined by the city; and

8. *A public benefit shall be offered to the city and the public benefit shall, at a minimum, offset any long term impacts to the city that result from allowing a medical use in the city's limited commercial areas.*

REQUIRED FINDINGS

Zone Amendment

The application of the overlay zone will result in a benefit to the public interest, health, safety, morals, peace, comfort, convenience, or general welfare.

Planned Development Review

The proposal will meet the requirements of this code; and

The proposal will advance objectives of the zone in which it is located.

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ATTACHMENT B

RESOLUTION NO.

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF BEVERLY HILLS CONDITIONALLY APPROVING A PLANNED DEVELOPMENT FOR PERMIT MEDICAL USE, ON THE PROPERTY LOCATED AT 300-336 NORTH CANON DRIVE.

The Planning Commission of the City of Beverly Hills hereby finds, resolves, and determines as follows:

Section 1. Elizabeth Camacho, representative on behalf of applicant Thrifty Payless Inc., and WEC 98G-1, LLC, owner of the property at 300-336 North Canon Drive (collectively the "Applicant"), has submitted an application for a Planned Development Permit associated with the conversion of 474 square feet of retail commercial area to medical offices within the existing 19,044 square foot retail/pharmacy store (Rite Aid) located at 300-336 North Canon Drive (the "Project").

Section 2. The Project is located at the northeast corner of Canon Drive and Dayton Way in the City's Business Triangle. The site is bordered by commercial uses except to the southeast where the City's Senior Housing development is located on Crescent Drive at Dayton Way. The site comprises five lots totaling 42,750 square feet and developed with a one story, 19,044 square foot retail/pharmacy store (Rite Aid) located on the northern half of the site, and a two-level parking lot located on the southern half of the site. At the corner of Canon Drive and Dayton Way is an additional 4,675 square-foot commercial space occupied by a physical training use. The proposed Project consists of the establishment of a 474 square-foot convenient care clinic within the existing retail pharmacy store, resulting in 18,570 square feet of retail

pharmacy area and 474 square feet of medical use. The proposed clinic is proposed to be located directly adjacent to the existing pharmacy at the rear of the store. In conjunction with the request for the Planned Development, the Applicant has requested a Medical Use Overlay Zone, which is a zone text amendment required to permit new medical use in the City. The request for a Medical Use Overlay Zone is addressed in a separate resolution.

Section 3. The Project has been environmentally reviewed pursuant to the provisions of the California Environmental Quality Act (Public Resources Code Sections 21000, *et seq*. "CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Sections 15000, *et seq*.), and the environmental regulations of the City. The project qualifies for a Class 1 Categorical Exemption. This exemption is applicable to projects characterized as minor alterations to existing structures, when the project involves negligible or no expansion of an existing use. The Planning Commission hereby finds that the Project will not to have a significant environmental impact and is exempt from the provisions of CEQA. .

Section 4. Notice of the Project and public hearing was mailed on June 15, 2015 to all property owners and residential occupants within a 500-foot radius of the Project site plus block face. Notice was also published in two newspapers of local circulation, the *Beverly Hills Courier* and the *Beverly Hills Weekly*. On June 25, 2015 the Planning Commission considered the application at a duly noticed public hearing. Evidence, both written and oral, was presented at the meeting.

Section 5. In reviewing the request for a Planned Development Review, the Planning Commission considered whether the following findings could be made in support of the Project:

1. The proposed plan will meet the requirements of the Code. The proposed plan will meet the requirements of the Code by complying with the following restrictions of the Medical Use Overlay Zone:

A. Compliance with all restrictions applicable to the zone or underlying zone. The proposed Project is located in the C-3 Zone and the Project complies with the Beverly Hills Municipal Code restrictions for the C-3 Zone which is the underlying zone for the Project. In addition, the Project complies with the restrictions applicable to the Medical Use Overlay Zone as follows:

B. Medical uses shall not be permitted on the ground floor of any building in the pedestrian oriented zone unless the city council finds, based on substantial evidence, that the proposed location is not pedestrian oriented and is unlikely to become pedestrian oriented in the future. This particular location was developed in the 1960s and reflects a more suburban development model with a large store facing a surface parking lot, rather than facing the street. The large parking area encourages patrons to arrive by vehicle. Subsequent to the development of the retail pharmacy in the 1960s, the Business Triangle developed into a dense and lively urban village adjacent to the subject site but the subject site, by design, does not engage the area. The property owner recently upgraded the store and added an outdoor dining area in front on the alley side of the store. This addition improves the experience of patrons at the site but does not contribute to the

pedestrian oriented area due to the distance from the adjacent streets. As a result, the conversion of a small amount of ground floor retail space to medical use would not negatively impact pedestrian activity currently or in the future.

C. Free parking shall be provided for patrons and employees of medical uses in the development and parking shall be provided that complies with all applicable parking requirements in this chapter. Parking is provided for the project that complies with all applicable parking requirements in the Zoning Code. The Project requires 82 parking spaces to be provided at the Project site and 108 parking spaces are provided including 95 full size regular parking spaces and an additional 13 compact, tandem and ADA/accessible spaces. A condition of approval of the Project requires free parking to be provided for patrons and employees of medical uses at the site.

2. The proposal will advance objectives of the zone in which it is located. The Project is located in a proposed Medical Use Overlay Zone and the Planning Commission considered whether the Project would satisfy the following objectives of the Medical Use Overlay Zone:

A. Medical uses in the particular location are consistent with the elements of the city's general plan and purpose and intent of the Medical Use Overlay Zone. The particular location proposed for medical uses is designated for low-density general commercial uses in the General Plan Land Use Map. The Project is consistent with this land use designation, and in particular advances the following General Plan Policies:

- Policy LU 2.1 City Places: Neighborhoods, Districts, and Corridors. Maintain and enhance the character, distribution, built form, scale, and aesthetic qualities of the City's distinctive residential neighborhoods, business districts, corridors, and open spaces.

- Policy LU 5.8 Encroachment of Incompatible Land Uses. Protect residential neighborhoods from the encroachment of incompatible nonresidential uses and disruptive traffic, to the extent possible. Zoning and design review should assure that compatibility issues are fully addressed when nonresidential development is proposed near or within residential areas.

- Policy LU 9.6 Medical Uses. Study, adopt and implement regulations that appropriately regulate medical land uses in the City.

- Policy LU 10.1 Local-Serving Businesses. Promote appropriate development of businesses that serve, are located in proximity to, and are accessible to adjoining residential neighborhoods, such as grocery stores, dry cleaners, and personal care businesses.

- Policy LU 15.1 Economic Vitality and Business Revenue. Sustain a vigorous economy by supporting businesses that contribute revenue, quality services and high-paying jobs.

B. The proposed development and medical use will not result in detrimental impacts to existing or anticipated residential or commercial development in the vicinity of the project with regard to density, height, scale and massing of the streetscape, garden quality of the city, or any combination thereof; unless the reviewing authority finds the development benefits outweigh the detrimental impacts; will promote harmonious development in the area; and, will not adversely interfere with the use and enjoyment of residential properties in the vicinity of the proposed development. The proposed medical use is located entirely within the existing enclosed building and will not include any new construction other than minimal interior finishing to the approximately 474 square foot area for the proposed clinic use. No exterior changes are proposed and the Project will not materially intensify the existing use or otherwise adversely impact residential uses in the vicinity.

C. The proposed development and medical use will not result in detrimental impacts to existing or anticipated residential or commercial development in the vicinity of the project with regard to traffic levels, traffic safety, pedestrian-vehicle conflicts, pedestrian safety hazards, parking demand, parking design, loading or manner of operation, unless the reviewing authority finds the development benefits outweigh the detrimental impacts. The development shall provide parking that is designed for ease of use and efficiency, with vehicle ingress and egress and patient drop off and pick up locations that would not adversely impact adjacent properties. The proposed medical use will exist entirely within the existing enclosed building and will not include any construction other than minimal interior finishing. No exterior changes are proposed. The proposed clinic use will occupy approximately 474 square feet (less than 3% of the existing floor area) and is expected to primarily serve existing customers of the retail pharmacy. A traffic study has been prepared and peer reviewed by the City's traffic engineer to

assess the traffic impacts that will be generated by the Project. Based on the information contained in the traffic assessment, the Project will not result in any material increase in traffic levels or parking demand. The site provides convenient on-site parking in excess of the Code parking requirements preventing intrusion into nearby residential neighborhoods. The parking is entirely access from North Canon Drive, a commercial street. The existing ingress, egress, circulation and loading adequately serve the existing uses, with pedestrian access available directly from the on-site parking area, and the proposed use would not require any changes. Because the proposed medical use would provide only limited primary care, customers would not require special access accommodations different from those of the existing retail pharmacy, and would be adequately served by the existing vehicular and pedestrian access and on-site parking facility. Based on the subject building's design, access, and available parking, the Project will not adversely interfere with the use and enjoyment of residential properties in the vicinity of the proposed development;

D. The proposed development and medical use will contribute to and enhance the character of the neighborhood and location, will contribute positively to the image of the city, and shall not undermine efforts to maintain and foster an appropriate mix of uses in the city including a pedestrian friendly environment in the vicinity of the development. The proposed project involves a small amount of medical use that is compatible with the existing pharmacy use and is intended to enhance the competiveness of the existing business. By contributing to the continued successful operation of a longtime City business, the project contributes to and enhances the character of the neighborhood and location. The proposed use does not include any addition of square footage, nor any changes to the exterior of the existing store and would therefore not undermine efforts to foster and maintain a pedestrian-friendly environment.

E. The proposed development and medical use contribute to and enhance the city's economic base and granting the request will leave ample space available for future commercial growth including business headquarters, entertainment businesses, information/technology businesses, retail businesses and other businesses as determined by the city. The proposed medical use is expected to support and strengthen the existing retail pharmacy use. Because the proposed use would occupy minimal space within an existing retail store, it would not diminish the existing retail business or occupy space that might otherwise be needed for future commercial growth in the City.

F. A public benefit shall be offered to the city and the public benefit shall, at a minimum, offset any long term impacts to the city that result from allowing a medical use in the city's limited commercial areas. A requirement of granting any Medical Use Overlay Zone is that the applicant shall offer to the City a public benefit that proportionately offsets any long-term impacts to the City that result from allowing the medical use (Attachment E). As proposed, the public benefit offered by the applicant is the installation of five planters in the upper parking lot, each containing a tree. The parking lot, located directly adjacent to Canon Drive and Dayton Way, is a large expanse of asphalt that currently contains no landscaping. One of the rationales for adoption of the Medical Use Overlay Zone was that medical uses do not contribute to a pedestrian-oriented environment in the same way that retail and restaurant uses do. The proposed trees are intended to improve the aesthetics of the site and will result in areas of shade, providing a more pleasant experience for patrons and reducing the heat island effect produced by large areas of pavement. By creating a better experience for patrons, the trees could encourage additional patronage of the retail pharmacy, which could offset possible reduced retail sales from the conversion of retail floor area to medical use. While the addition of trees in a parking lot

would not directly contribute to fostering and maintaining a pedestrian-oriented environment, the addition of trees would improve the general aesthetics of the area which could peripherally contribute to the continued success of the Business Triangle. Based on the foregoing, the proposed trees appear to be a proportionate benefit offsetting potential impacts of additional medical use.

Section 6. Based on the foregoing, the Planning Commission hereby grants the requested Planned Development Permit, subject to the following conditions:

1. The approval is for conversion of 474 square feet of existing commercial floor area to medical office use. The Project shall be constructed in substantial compliance with the plans and specifications approved by the Planning Commission on June 25, 2015. Any minor changes to the Project, as determined by the Director of Community Development, shall be reviewed and approved by staff. Substantive changes, as determined by the Director of Community Development, shall be returned to the Planning Commission for review and approval.

2. The project shall comply with Municipal Code parking requirements at all times including the provision of free, onsite parking to all employees and customers of the medical use. Signage shall be posted at the entrance to the parking lot and inside the store, adjacent to the medical use, indicating that medical patrons shall be provided free, onsite parking.

3. All exterior modifications that result from the Project shall be subject to Architectural Review.

4. The City shall monitor the operation of the Project at the site. The City expressly reserves jurisdiction with respect to traffic, parking, and loading issues. Should the business or activity conducted at the Project site change so that, in the opinion of the Director of Community Development, additional parking or other conditions are required for the Project site in order to avoid adverse traffic safety impacts, pedestrian vehicle conflicts, or parking impacts, then, regardless of the use at the site, additional conditions, including the requirement of providing parking spaces, may be imposed upon the Project site by the Planning Commission pursuant to a public hearing noticed in accordance with the procedures set forth in Section 10-3-3307 of the Beverly Hills Municipal Code. Any decision of the Planning Commission in this regard may be appealed in the manner provided by Title 1, Chapter 4, of the Beverly Hills Municipal Code.

5. The authorization for medical use shall only become effective upon the effective date of an ordinance approving application of the Medical Use Overlay Zone to the Project site. Further, none of the approvals granted herein shall become effective unless and until the Applicant performs all of the following:

a. The Applicant has taken such actions as necessary to implement a public benefit as approved by the City Council through approval of the Medical Use Overlay Zone.

6. Project plans shall be subject to a complete Code Compliance review when building plans are submitted for plan check. Compliance with all applicable Municipal Code and General Plan Policies is required prior to the issuance of a building permit.

7. APPROVAL RUNS WITH THE LAND. The conditions set forth in this resolution shall run with the land and shall remain in force for the duration of the life of the Project.

8. APPEAL. Decisions of the Planning Commission may be appealed to the City Council within fourteen (14) days of the Planning Commission action by filing a written appeal with the City Clerk. Appeal forms are available in the City Clerk's office. An appeal fee is required.

9. RECORDATION. This Resolution approving a Planned Development Permit shall not become effective until the owner of the Project site records a covenant, satisfactory in form and content to the City Attorney, accepting the conditions of approval set forth in this resolution. The covenant shall include a copy of this resolution as an exhibit. The Applicant shall deliver the executed covenant to the Department of Community Development within 60 days of the Planning Commission's decision memorialized in this resolution. At the time that the Applicant delivers the covenant to the City, the Applicant shall also provide the City with all fees necessary to record the document with the County Recorder. If the Applicant fails to deliver the executed covenant within the required 60 days, this resolution approving a Planned Development Permit, Development Plan Review, and Conditional Use Permit shall be null and void and of no further effect. Notwithstanding the foregoing, the Director of Community Development may, upon a request by the Applicant, grant a waiver from the 60-day time limit if, at the time of the request, the Director determines that there have been no substantial changes to any federal, state or local law that would affect the Planned Development Permit.

10. VIOLATION OF CONDITIONS: A violation of any of these conditions of approval may result in termination of the entitlements granted herein.

Section 7. The Secretary of the Planning Commission shall certify to the passage, approval, and adoption of this resolution, and shall cause this resolution and his/her Certification to be entered in the Book of Resolutions of the Planning Commission of the City.

Adopted: June 25, 2015

_____
Howard Fisher
Chair of the Planning Commission of the
City of Beverly Hills, California

Attest:

_____
Secretary

Approved as to form:

_____
David M. Snow
Assistant City Attorney

Approved as to content:

_____
Ryan Gohlich
City Planner

ATTACHMENT C

RESOLUTION NO. _____

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF BEVERLY HILLS RECOMMENDING A ZONING AMENDMENT TO APPLY THE CITY'S MEDICAL USE OVERLAY ZONE TO THE PROPERTY LOCATED AT 300-336 NORTH CANON DRIVE.

WHEREAS, the Planning Commission has considered the proposed Zoning Amendment to apply the City's Medical Use Overlay Zone to the property located at 300-336 North Canon Drive (the Project Site"); and

WHEREAS, the Planning Commission conducted a duly noticed public hearing on June 25, 2015, at which time it received oral and documentary evidence relative to the proposed Zoning Amendment; and

WHEREAS, the Planning Commission finds that the proposed Amendment is required for the public interest, convenience, and general welfare, and that such Amendment is consistent with the general objectives, principles, and standards of the General Plan;

NOW, THEREFORE, the Planning Commission of the City of Beverly Hills does resolve as follows:

Section 1. The Planning Commission finds that the Zoning Amendment has been environmentally reviewed pursuant to the provisions of the California Environmental Quality Act (Public Resources Code Sections 21000, *et seq*. "CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Sections 15000, *et seq*.), and the environmental regulations of the City and the Amendment is eligible for a Class 5 categorical

exemption. The overlay zone results in minor changes in land use limitations that would allow additional types of commercial uses in commercial zones; therefore, the Planning Commission finds that the Zoning Amendment will not have a significant environmental impact and does hereby recommend that the City Council find the Zoning Amendment exempt from the provisions of CEQA.

Section 2. The Planning Commission does hereby find that the application of the Medical Use Overlay Zone to the Project Site is appropriate and consistent with the General Plan. The particular location proposed for medical uses is designated for low-density general commercial uses in the General Plan Land Use Map. The Project is consistent with this land use designation, and in particular advances the following General Plan Policies:

- Policy LU 2.1 City Places: Neighborhoods, Districts, and Corridors. Maintain and enhance the character, distribution, built form, scale, and aesthetic qualities of the City's distinctive residential neighborhoods, business districts, corridors, and open spaces.

- Policy LU 5.8 Encroachment of Incompatible Land Uses. Protect residential neighborhoods from the encroachment of incompatible nonresidential uses and disruptive traffic, to the extent possible. Zoning and design review should assure that compatibility issues are fully addressed when nonresidential development is proposed near or within residential areas.

- Policy LU 9.6 Medical Uses. Study, adopt and implement regulations that appropriately regulate medical land uses in the City.

- Policy LU 10.1 Local-Serving Businesses. Promote appropriate development of businesses that serve, are located in proximity to, and are accessible to adjoining residential neighborhoods, such as grocery stores, dry cleaners, and personal care businesses.

- Policy LU 15.1 Economic Vitality and Business Revenue. Sustain a vigorous economy by supporting businesses that contribute revenue, quality services and high-paying jobs.

Section 3. The Planning Commission does hereby recommend to the City Council the adoption of an ordinance approving application of the Medical Overlay Zone to the Project Site.

Adopted:

_____
Howard Fisher
Chair of the Planning Commission of the
City of Beverly Hills

Attest:

_____(Seal)
Secretary

Approved As To Form:

_____
David M. Snow
Assistant City Attorney

Approved As To Content:

_____
Ryan Gohlich
City Planner

EXHIBIT A

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BEVERLY HILLS AUTHORIZING A ZONING AMENDMENT THAT WOULD APPLY THE CITY'S MEDICAL USE OVERLAY ZONE TO THE PROPERTY LOCATED AT 300-336 NORTH CANON DRIVE

WHEREAS, on June 25, 2015, the Planning Commission conducted a duly noticed public hearing to consider a proposed Zoning Amendment to apply the City's Medical Use Overlay Zone to the property located at 300-336 North Canon Drive and recommended that the City Council approve the proposed Amendment.

WHEREAS, on _____, the City Council conducted a duly noticed public hearing to consider the proposed Zoning Amendment and introduced the Ordinance.

WHEREAS, the City Council finds that the Zoning Amendment has been environmentally reviewed pursuant to the provisions of the California Environmental Quality Act (Public Resources Code Sections 21000, *et seq.*("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Sections 15000, *et seq.*), and the environmental regulations of the City. The Zoning Amendment is eligible for a Class 5 categorical exemption since the overlay zone results in minor changes in land use limitations that would allow additional types of commercial uses in commercial zones; therefore, the Zoning Amendment has been determined not to have a significant environmental impact and is exempt from the provisions of CEQA.

NOW, THEREFORE, THE COUNCIL OF THE CITY OF BEVERLY HILLS DOES ORDAIN AS FOLLOWS:

Section 1. The City's Medical Use Overlay Zone, as set forth in Article 18.5 of Chapter 3 of Title 10 of the Beverly Hills Municipal Code, is hereby applied to the property located at 300-336 North Canon Drive, and more specifically described in Exhibit A of this Ordinance.

Section 2. The City Council hereby approves this Ordinance and authorizes the Mayor to execute the Ordinance on behalf of the City.

Section 3. Publication. The City Clerk shall cause this Ordinance to be published at least once in a newspaper of general circulation published and circulated in the City within fifteen (15) days after its passage in accordance with Section 36933 of the Government Code, shall certify to the adoption of this Ordinance and shall cause this Ordinance and his certification, together with proof of publication, to be entered in the Book of Ordinances of the Council of this City."

Section 4. Effective Date. This Ordinance shall go into effect and be in full force and effect at 12:01 a.m. on the thirty-first (31st) day after its passage.

Adopted:
Effective:

_____
JULIAN A. GOLD, M.D.
Mayor of the City of Beverly Hills, California

ATTEST:

_____(SEAL)
BYRON POPE
City Clerk

APPROVED AS TO FORM:

_____
LAURENCE S. WIENER
City Attorney

APPROVED AS TO CONTENT:

_____
MAHDI ALUZRI
Interim City Manager

_____
SUSAN HEALY KEENE AICP
Director of Community Development

ATTACHMENT D

Stantec

Stantec Consulting Services Inc.
38 Technology Drive Suite 100, Irvine CA 92618-5312

March 9, 2015
File: 2073009210

Attention: Terry Halbur, Vice President
Rite Aid Corporation
30 Hunter Lane
Camp Hill, PA 17011

Dear Mr. Halbur,

Reference: Rite Aid RediClinic Beverly Hills – Trip Generation Assessment

The existing Rite Aid Pharmacy located at 300 North Canon Drive, Beverly Hills, CA, (the "Rite Aid Pharmacy") is proposing to convert approximately 500 square feet of the store's existing floor area to a convenient care clinic operating under the brand name "RediClinic." The RediClinic would provide limited basic clinic services to the store's customers. Stantec Consulting Services Inc. (Stantec) has prepared the following assessment to evaluate the traffic generation of the proposed change in use.

Stantec, founded in 1954, provides professional consulting in planning, engineering, architecture, interior design, landscape architecture, surveying, environmental sciences, project management, and project economics. Our local transportation engineering group is staffed with senior traffic engineers with over 20 years of experience in the preparation of traffic impact studies for agencies throughout southern California.

Vehicle trip generation is typically estimated using standardized trip generation rates published in the Institute of Transportation Engineers (ITE) Trip Generation Manual. The manual contains trip rate estimates for common uses, such as a pharmacy, which are derived from multiple case studies of comparable uses. The number of trips generated is determined by applying the appropriate rate to the square footage of the proposed use. Trip generation for a use such as the existing Rite Aid Pharmacy would typically be estimated using data from ITE Rate 880, Pharmacy/Drugstore without Drive-Through Window.

The ITE manual does not include rates specific to a shared pharmacy/clinic use as proposed by Rite Aid. Trip generation rates for stand-alone uses such as medical clinics (ITE Rate 630) and medical/dental office buildings (ITE Rate 720) represent the closest estimate to the proposed new use; however, it should be noted that the ITE rates are derived from case studies of buildings with much larger square footages than proposed. The proposed project would convert to clinic use approximately 500 square feet of an existing approximately 19,000 square foot pharmacy.

A comparison of ITE trip rates for a typical pharmacy/drugstore, a typical stand-alone clinic, and a typical medical/dental office building are provided in Table 1 on the following page. As shown, both the clinic and the medical office uses generate significantly less traffic on a per square

Reference: Rite Aid RediClinic Beverly Hills – Trip Generation Assessment

Table 1 Trip Rate Comparison

Land Use Type	Units	AM Peak Hour			PM Peak Hour			ADT
		In	Out	Total	In	Out	Total	
Pharmacy [1]	TSF[1]	1.91	1.03	2.94	4.12	4.28	8.40	90.06
Clinic [2]	TSF	n/a	n/a	n/a	n/a	n/a	5.18	31.45
Medical Office Building [3]	TSF	1.89	0.50	2.39	1.00	2.57	3.57	36.13

[1] Source: ITE Pharmacy/Drugstore without Drive-Through Window (Code 880)
[2] Source: ITE Clinic (Code 630) (note: small sample size)
[3] Source: ITE Medical-Dental Office Building (Code 720)
TSF = Thousand Square Feet
n/a = not available

footage basis than does a pharmacy/drugstore. For example a clinic is estimated to generate 31.45 daily trips per thousand square feet while a pharmacy is estimated to generate 90.06 daily trips per thousand square feet. Peak hour rates for clinic and medical office uses are also lower than the corresponding peak hour rates for pharmacy uses. As such, based on ITE trip generation data, the conversion of existing retail pharmacy space to a RediClinic use would not result in an increase to the store's vehicular trip generation. To the contrary, the ITE trip generation rate analysis demonstrates that the proposed conversion to clinic use would decrease total trips as compared to the existing use.

Moreover, Rite Aid's proposal provides for a mix of complementary uses within the same building, which is likely to result in fewer vehicular trips overall. With the traditional separation of medical offices from pharmacies, patients would first travel to their doctor's office for an examination, and would then have to make a separate trip to the pharmacy. By co-locating a clinic within the pharmacy, the need for a separate trip from one use to the other is eliminated, thereby further reducing the overall amount of traffic being generated.

In conclusion, as shown by the ITE trip generation analysis, the conversion of existing floor space in the Rite Aid Pharmacy to a RediClinic would result in a decrease in vehicular trips as compared to existing uses. In addition, by providing these complimentary uses together in the same building, overall traffic volumes will be reduced even further.

Reference: Rite Aid RediClinic Beverly Hills – Trip Generation Assessment

Thank you for requesting our assistance with this project. If you have any questions on the above data please feel free to contact me to discuss.

Sincerely,

STANTEC CONSULTING SERVICES INC.

Daryl Zerfass, PE, PTP
Principal, Transportation Planning and Traffic Engineering
Phone: (949) 923-6058
Daryl.Zerfass@stantec.com

c. Bob Superneau, Stantec

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ATTACHMENT E

ELIZABETH A. CAMACHO
Senior Counsel

10100 Santa Monica Blvd.
Suite 2200
Los Angeles, CA 90067

Direct 310.282.2075
Main 310.282.2000
Fax 310.510.6735
ecamacho@loeb.com

June 17, 2015

City Planning Commission
City of Beverly Hills
455 N Rexford Drive
Beverly Hills, CA 90210

Honorable Commissioners:

We are writing on behalf of our client, Thrifty Payless, Inc. ("Rite Aid") to respectfully request that you approve Rite Aid's applications for a Medical Use Overlay Zone and a Planned Development to permit the establishment of an approximately 474 square foot convenient care clinic (the "Project") within the existing Rite Aid retail pharmacy at 300 N. Canon Drive (the "Rite Aid Store").

Introduction

Rite Aid is a longstanding member of the Beverly Hills community. Rite Aid and its predecessors have operated a full service licensed retail pharmacy at this location for decades. In 2014, Rite Aid comprehensively renovated its store to create an upscale, modern shopping experience that delivers everyday health, wellness, beauty and personal care products and pharmacy services and that has enhanced the store's contribution to residents, workers and Beverly Hills visitors. Rite Aid's current pharmacy services include dispensing prescription medication, customer consultation and assessment, vaccinations, and other clinical advice and information, all of which support the store's broad appeal, convenience, and retail sales of health and wellness products.

RediClinic Proposal

As part of its ongoing efforts to better serve the Beverly Hills community, Rite Aid now proposes to introduce to its store "RediClinic," a convenient care clinic that will complement the existing pharmacy's services and further support and strengthen the store's retail sales. RediClinic will provide limited, basic primary care and wellness services in a convenient and economical walk-in format. RediClinic will offer diagnosis and treatment for common conditions such as ear, sinus and urinary tract infections, pink eye, sore throats, coughs, flu, allergies and insect bites, with services provided directly by board certified nurse practitioners or physicians assistants working under the supervision of physicians. RediClinic will also offer certain preventative and wellness services, such as basic physicals (for school, sports, camp, etc.), vaccinations, health screenings, smoking cessation and weight loss. RediClinic will not treat more complex injuries or ailments, such as broken bones or severe lacerations. No

appointment would be required, and the clinic would operate seven days a week with extended hours.

Relationship to the Medical Use Ordinance

RediClinic would occupy approximately 474 square feet of existing space within Rite Aid's 19,044 square foot retail pharmacy store. No square footage would be added to the building and no exterior construction would be required. As shown in the site plan attached hereto as **Exhibit A**, the proposed clinic use would consist of two clinic rooms, a restroom and associated customer receiving area. RediClinic would comprise less than 3% of the store's existing floor area, and would be located in the far rear of the store, directly adjacent to the existing pharmacy, and would not detract from the store's presentation as a primarily retail use or otherwise hinder the store's appeal to pedestrians. The vast majority of the floor area would remain dedicated to prominent product display and the overall focus and nature of the store would remain as a retail use.

RediClinic would not give rise to the adverse impacts that can be associated with the development of additional medical uses in the City and that underlie the City's adoption of the Medical Use Ordinance. The proposed clinic would not displace or downsize an existing retail use, nor would it discourage or hinder other desired uses in the City's commercial core or occupy space that might otherwise be needed for future commercial growth. The very purpose of RediClinic is to support and enhance Rite Aid's longstanding retail use in the City, to maximize its retail sales by combining clinic and pharmacy services in one location to allow for one-stop shopping and make the Rite Aid neighborhood pharmacy an even more vibrant contributor to the City's tax base. The Rite Aid Store is located in the C3 commercial zone, and has a general plan designation of low-density general commercial and the proposed clinic would not intrude into residential areas. Since RediClinic would not require the addition of any floor area, it would not materially intensify the existing use or otherwise adversely impact residential uses in the vicinity.

Nor would RediClinic cause impacts to traffic or parking. A March 9, 2015 analysis prepared by traffic consulting firm Stantec Consulting Services, Inc., attached hereto as **Exhibit B**, concluded that the conversion of 474 square feet of the store's existing floor space from retail pharmacy to convenient care clinic would result in a *decrease* in both daily and peak hour trips. Rite Aid's marketing data indicates that the store's current customers match Rite Aid's target demographic for RediClinic and therefore it will primarily serve existing customers who would otherwise make trips to the retail pharmacy. Surveys of RediClinic customers in other markets conducted from January to December, 2013, confirm that 90% of RediClinic customers are existing customers of the stores in which the convenient care clinic is located. As discussed

earlier, combining clinic and pharmacy services in one location will allow for one-stop shopping, avoiding additional trips between clinic and pharmacy services.

Rite Aid currently provides convenient and efficient on-site parking for customers at a level that far exceeds the on-site parking provided by other commercial uses in the area. The existing site contains a two-level parking facility with 106 parking spaces, which is more than sufficient to meet the site's municipal code parking requirements, including the one additional parking space required by the code for the conversion of 474 square feet from retail to medical uses.

Public Benefit

With general health care costs continuing to escalate, convenient care clinics are playing an increasingly important role in the delivery of affordable health care. RediClinic will provide a significant public benefit to the health and welfare of the Beverly Hills community and its visitors by offering certain basic primary health care services to the public on an economical and convenient basis and without an appointment. At the same time, RediClinic will diversify and strengthen Rite Aid as an existing retail use and will not displace other desired uses or create the potential adverse impacts typically associated with typical medical uses.

In addition to the intrinsic benefits of RediClinic itself, Rite Aid proposes to provide an additional public benefit, commensurate with the scope and size of the medical use proposed. Rite Aid proposes to provide landscaping in the form of potted trees on the upper level of its parking facility to enhance the existing surface parking area, create a more attractive and sustainable space, and improve the public's view from the street as well as the experience of Rite Aid customers. A conceptual depiction of the proposed landscaping is shown on **Exhibit C**, hereto. These plans will be further developed in consultation with staff as the process moves forward.

Conclusion

In conclusion, RediClinic will strengthen Rite Aid as an existing retail use, will diversify the range of health care services available to the Beverly Hills community and its visitors by providing affordable and convenient care for common needs, will not involve any new or expanded development, and will not result in material adverse impacts associated with other medical uses. The project's proposed landscaping will provide a public benefit commensurate with the size and scope of the proposed medical use. Accordingly, we respectfully request that the Commission approve Rite Aid's applications.

We look forward to answering any questions you may have at the public hearing on June 25, 2015.

Very truly yours,

Elizabeth A. Camacho

Enclosures

cc: Terry Halbur