



**STAFF REPORT
HOLLISTER PLANNING COMMISSION
MEETING DATE: September 25, 2025
REPORT # Community Development-2025-60**

AGENDA ITEM: 89 THIRD STREET SITE & ARCHITECTURAL REVIEW 2025-6

DEPARTMENT HEAD: Rod Powell, Assistant City Manager
STAFF CONTACT: Brendon Coye, Associate Planner

RECOMMENDED ACTION: Adopt a resolution denying Site & Architectural Review 2025-6 for APN: 054-162-001 located at 89 Third Street in the Neighborhood Mixed-Use Zoning District.

CEQA: The project is categorically exempt from CEQA pursuant to Section 15301, Existing Facilities.

PROJECT DESCRIPTION:

The applicant is proposing to develop the property at 89 Third Street for use as an agricultural feed and supply retailer. The project proposes to improve the existing buildings through the refinishing of paint and the installation of lighting while proposing the development of a new construction canopy to function as feed supply storage. Additional improvements include a fence surround, landscaping, the development of an internal pedestrian pathway, parking lot surface regrading and striping. The parking lot will include accessible and EV parking with the availability of EV charging stations. The parcel is located at the corner of Third Street and McCray Street in the Neighborhood Mixed-Use Zoning District. The project plans are included as Attachment 3.

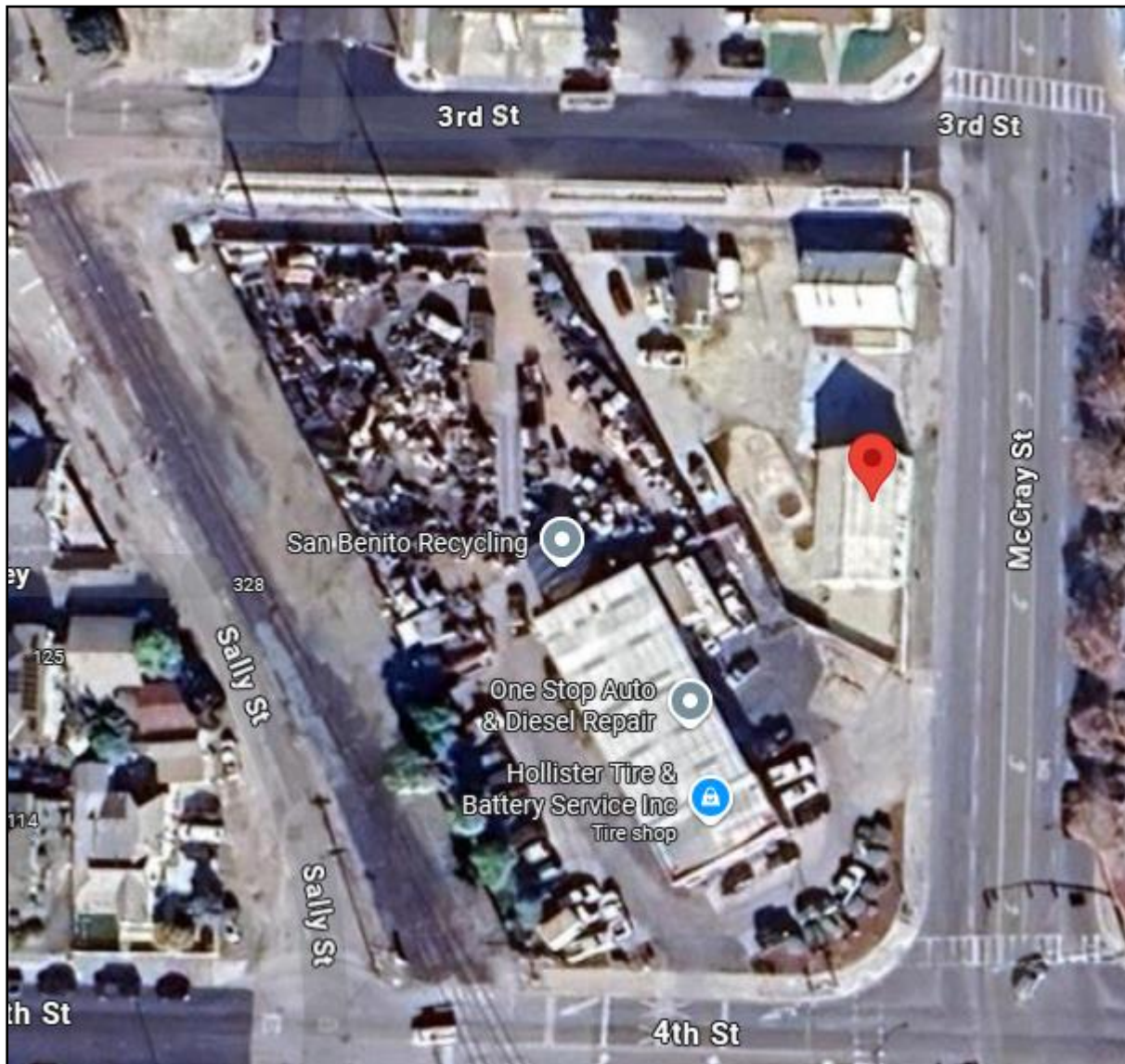
ANALYSIS:

Location

The proposed project site is located at the corner of Third Street and McCray Street on a .457-acre semi-developed parcel. The project site lies within the Neighborhood Mixed-Use Zoning District surrounded by high density residential uses to the north with commercial uses surrounding all other sides of the property. The project site abuts a scrap metal recycling yard to the east and a mechanic shop to the south.

The location of the project site is shown below:

Figure 1: Project Site and the Surrounding Area



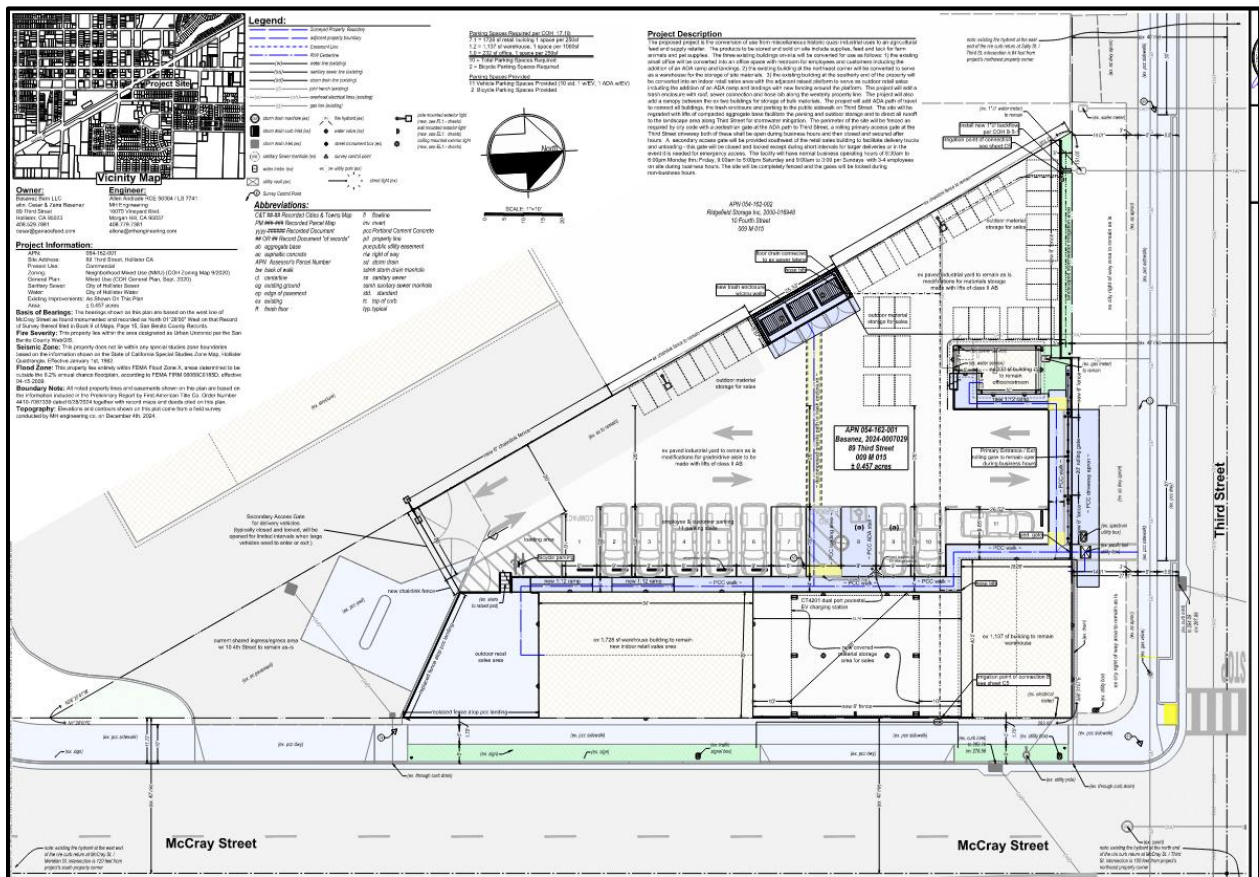
Site Plan

The applicant is proposing to develop an agricultural feed and supply retailer on a semi developed property at 89 Third Street in the Neighborhood Mixed-Use Zoning District. The following is an itemized list of improvements included with the proposal:

- Improve the buildings to be suitable for the purposes of retail, storage and office uses.
- New paint and exterior finishings for all existing and proposed structures.
- New construction canopy for feed supply storage
- Portland Concrete Cement walkway and ramp
- Regrading of Class II Aggregate Base (AB) parking surface
- Restriping for eleven parking spaces adding both accessible and electric vehicle

- parking.
- Two bicycle parking spaces
- Internal vehicle circulation with deliveries entering from Third Street and exiting on McCray Street
- Landscaping
- Three waste stream trash enclosure
- Lighting

Figure 2: Site Plan



Architecture:

The project will improve three existing buildings while developing a new construction canopy structure. The 1,728 SF building along McCray Street will be improved for use as retail sales space. The 1,137 SF building at the corner of Third Street and McCray Street will be improved for use as warehouse storage space while the third building will be improved for use as an office. A fourth canopy structure will be constructed providing outdoor covered storage for feed supply materials. Pedestrian access to all structures will be via an interconnected walkway.

All buildings and structures will be finished in a matching paint scheme with a mural displayed on the McCray Street facing exterior wall of the retail sales building. In addition to the mural, signage is proposed for the north facing exterior wall of the warehouse building and the south facing wall of the retail sales building. Other architectural features include the development of a 6- and 9-foot high barnwood style fence along the McCray Street and Third Street property lines. A vehicle access gate will be developed at the main entry from Third Street. All fencing and gates are aesthetically pleasing while providing the necessary screening. Elevations can be viewed on Sheet A-4 of the project plans.

The overall height of the tallest structure is 24' – 6." Well below the 50-foot maximum height limit for the Neighborhood Mixed-Use Zoning District.

Lighting for the project site is provided via a combination of wall mounted barn style lighting, sconces, hanging pendent lights, flood lighting for security a bar light for the trash enclosure and light poles for illuminating the parking lot. The barn-style lights and flush mounted wall sconces will provide lighting for the building faces and internal pedestrian pathways while the pole lights will illuminate the parking lot. All lighting will be LED based.

The following elevations show all sides of proposed structures.

Figure 3 – North Elevations



Figure 4 – North Elevations Cont.

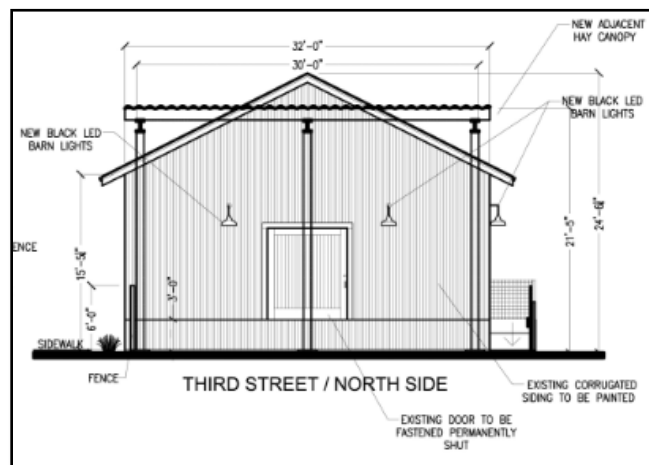


Figure 5 – South Elevation

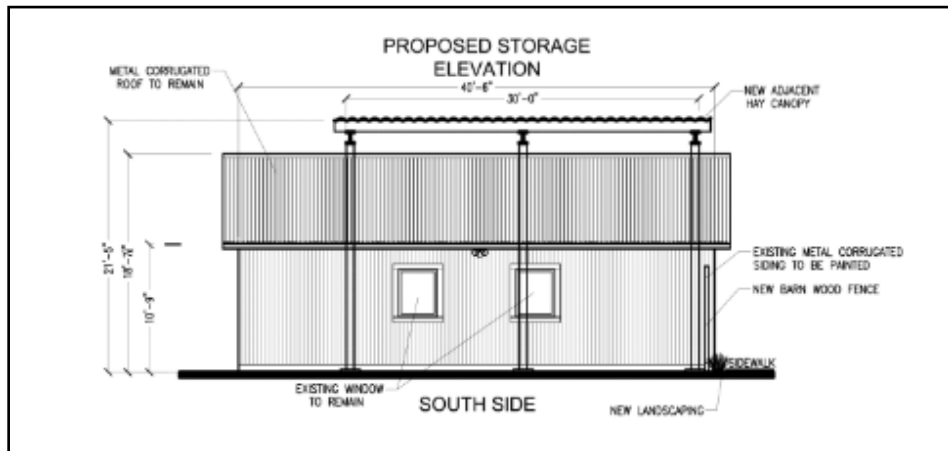


Figure 6 – South Elevation Cont.

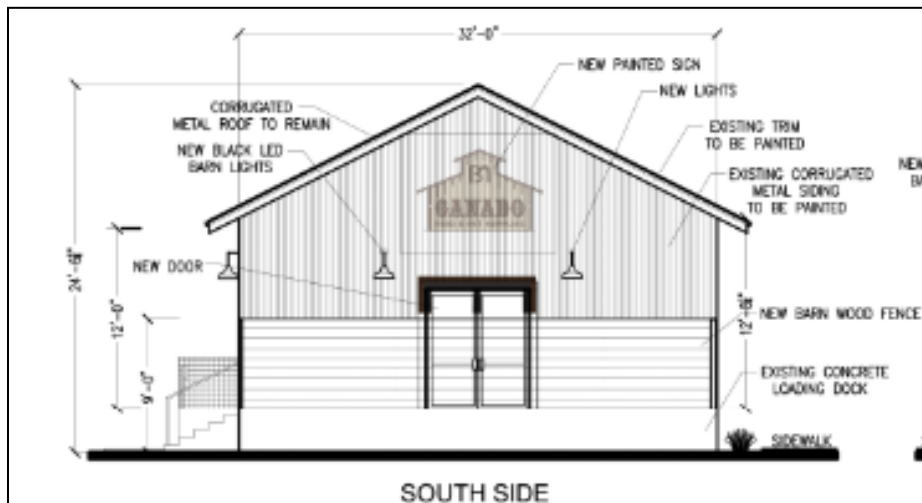
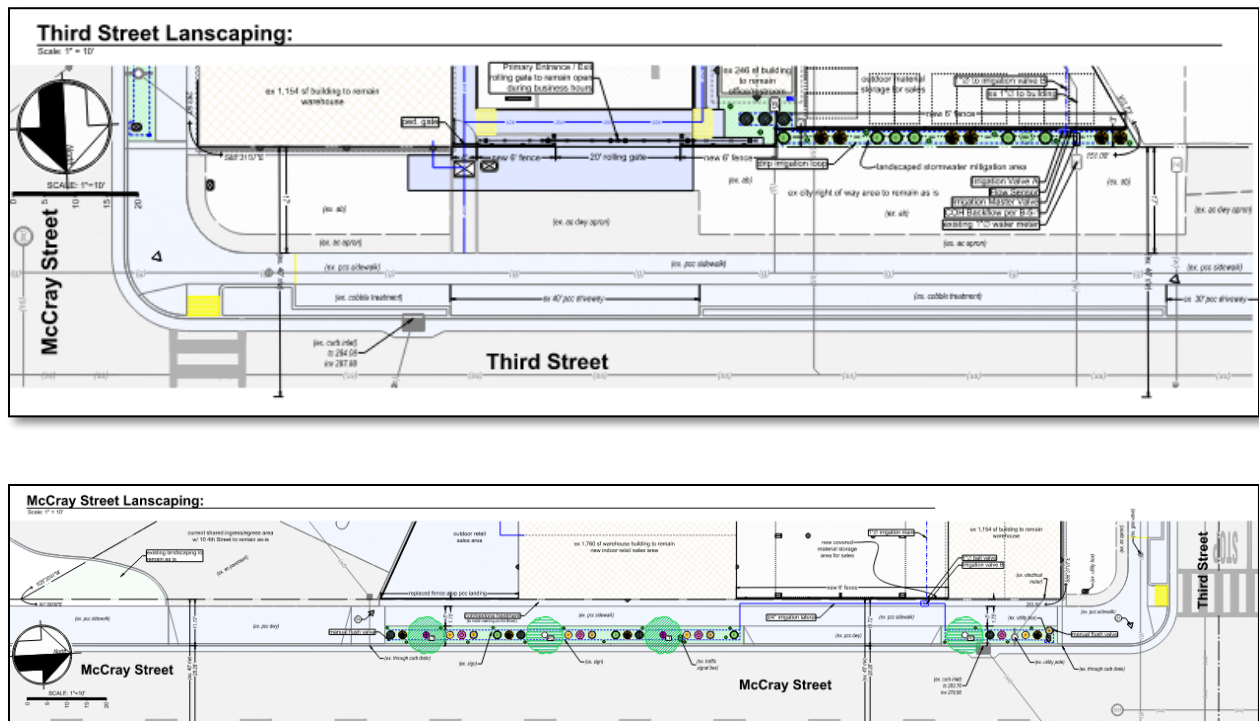


Figure 7 – South Elevation Cont.

environment. The landscaping proposed is drought-tolerant and acts to provide a transition between neighboring properties while softening the edge between structures and the public right-of-way.

The landscaping will be designed to create and enhance the visual quality and natural settings for the project complimenting other commercial developments within the Neighborhood Mixed-Use Zoning District. All landscaping will meet the requirements set forth in Chapter 17.16.080 – Landscaping design and standards.

Figure 7 -- Landscape



General Plan Compliance:

The Mixed Use Commercial and Residential designation is intended to promote a vertical or horizontal combination of residential and commercial uses within a single building or site. The designation is intended to encourage retail sales, services, office, and public uses on the ground floor with upper floors of office and residential uses. The Mixed-Use Commercial and Residential category applies to commercial activity that includes government and professional offices, neighborhood-oriented retail, community shopping centers, specialty stores, arts and crafts, woodworking, and assembly processes. As such, the project will provide the ease of access and convenience of neighborhood-oriented retail to the adjoining communities.

Zoning Compliance & Recommendation of Denial:

While the project largely complies with the requirements of the commercial and mixed-use general development standards and mixed-use zoning district supplemental standards outlined in Hollister Municipal Code (HMC) Chapter 17.08 – Commercial Zone Land Uses and Permit Requirements of the Hollister Municipal Code, the proposed project does not comply with the requirements of HMC Section 17.18.110 – Design and Development Standards for Off-street Parking. The project proposes to surface the project site with an unspecified thickness of Class II AB material (combination of gravel/rock and rock dust in powder like form) as shown on sheets C1-C3. Per HMC Section 17.18.110(Q) *Surfacing*, “all off-street parking lots shall be surfaced with four inches of Portland Cement Concrete, or two inches of asphaltic concrete, or oil surfacing, placed on four inches of suitable base and built to a thickness which meets city street standards, subject to the approval of the Director/City Engineer.”

Furthermore, Class II AB falls under the category of “macadam surface,” according to the State Regional Water Quality Control Board, an impervious surface which impedes the natural infiltration of stormwater, the material does not comply with the requirements outlined in HMC 17.16.140. Per HMC 17.16.140(A)(1), “all new development and redevelopment post-construction drainage improvements shall be designed in accordance with the requirements of the California Regional Water Quality Control Board, Central Coast Region, Resolution R3-2013-0032 or subsequent amendments thereto, as applicable.” Per Resolution R3-2013-0032(B)(c), “the permittee shall apply the Post-Construction Requirements by March 6, 2014, to all applicable Regulated Projects that require approvals and/or permits issued under the Permittee’s planning, building, or other comparable authority.”

As the proposed project seeks to redevelop and or replace greater than 2,500 SF of impervious surface, the project meets the classification of a Regulated Project. As such, because the project seeks to regrade the existing Class II AB surface, the project does not comply with the requirements of the City of Hollister and the California Regional Water Quality Control Board Post Construction Stormwater Requirements.

The applicant was provided the City’s requirements for surfacing materials and stormwater control requirements as part of the City’s comment letters from the Engineering Division on the project, dated June 04, 2025 and August 22, 2025 (Attachments 8 & 9). The applicant provided an insufficient response to the Engineering Division’s comments on August 7, 2025 (response letter attached, Attachment 10), along with the plan set that is attached, which does not provide surface materials or the required post-construction stormwater requirement information to ensure that the project is compliant with the City’s requirements. Upon receipt of the August 22, 2025 comment letter from the Engineering Division and the August 27, 2025 Notice of Completeness Determination letter from the Planning Division, the applicant and their engineering team determined to not address the City’s requirements, and in response to the latest round of comments, requested the project be brought forth to the Planning Commission for a recommendation of denial.

The resurfacing must be shown on the plans and the preliminary stormwater post-construction stormwater requirement information submitted so that the City can perform

an adequate review and ensure that the ultimate design will meet the City's requirements and standards prior to recommending approval of the project to the Commission. The requirement cannot be conditioned on the project because the change may require additional modifications to the site plan in order to meet all requirements and standards. For this reason, staff is recommending denial of the project per the applicant's request, rather than recommending approval with a condition of approval calling for the amendments to be made at a later date (such as during improvement plan review). This is the only outstanding item that is unaddressed that is leading to staff's recommendation of denial. If the applicant were to revise their plans to address the Engineering Division's comments, staff could recommend approval of the project.

CEQA:

The proposed project is exempt from the California Environmental Quality Act pursuant to Section 15301, Existing Facilities. The proposed project has been evaluated and has been determined to be consistent with projects characterized under Class 1 as the project consists of the operation, repair, maintenance, permitting of existing private structures, facilities, mechanical equipment and topographical features involving negligible expansion of the existing use. The proposed project is consistent with a Class 1 project as it will involve the restoration of deteriorated structures and facilities to meet current standards of public health and safety.

Additionally, projects which are denied are statutorily exempt from CEQA pursuant to Section 15270, Projects Which are Disapproved, of the CEQA Guidelines.

CONCLUSION:

The applicant is proposing to develop the property at 89 Third Street for use as an agricultural feed and supply retailer. The project will improve the existing buildings through the refinishing of new paint and the installation of lighting while proposing the development of a canopy to function as outdoor feed supply storage. Additional improvements include a fence surround, landscaping, the development of an internal pedestrian pathway, and the regrading and striping of the parking lot.

The project as designed proposes the regrading of the parking lot with Class II AB surfacing material which as proposed does not comply with the City of Hollister zoning ordinance or California Regional Water Quality Control Board Stormwater Post Construction Requirements. Upon the initial application submittal package review, the application was deemed incomplete as the use of Class II AB was found to not be compliant with City and State Post Construction Stormwater Requirements.

Following the formal notification that the application submittal package was incomplete, the applicant resubmitted the application submittal package for a second review. During the second review, it was identified that the plans were not revised to show the use of a compliant surfacing material and thus the comments were not adequately addressed. While the applicant was formally notified that the project was incomplete, the applicant

chose not to update the plans accordingly, instead requesting that the Planning Commission make a determination as to the City's requirement for not using Class II AB as suitable surfacing material and condition the project approval as they deem appropriate.

As such, the project as designed does not meet requirements of the City of Hollister Zoning Ordinance or the Stormwater Post Construction Requirements. Staff must recommend denial of the project if a determination is made based on the plans as currently proposed. However, staff also recommend the applicant revise the project plans thus showing the use of a surfacing material compliant with the City of Hollister Zoning Ordinance or the Stormwater Post Construction Requirements.

PREVIOUS COUNCIL OR COMMISSION ACTION:

None

PLANNING COMMISSION OPTIONS:

The Planning Commission can choose one of the following options:

1. Adopt a Resolution denying S&A 2025-6, subject to the findings contained in the draft resolution (Attachment 1);
2. Adopt a Resolution approving S&A 2022-6, subject to findings and Conditions of Approval as identified by the Planning Commission (Attachment 2);
3. Continue the hearing, directing the applicant to revise the plans to address staff's comments, to return for a decision before the Planning Commission at a later date; or
4. Continue the hearing and direct Staff to provide additional information or clarification

Staff recommend the Planning Commission select Option 1 or Option 3 for this item.

ATTACHMENTS:

1. Resolution denying S&A 2025-6
2. Resolution approving S&A 2025-6 with findings for the commission to make and a set of standard conditions of approval
3. S&A 2025-6 project plans
4. Email from applicant requesting Planning Commission hearing
5. Email from applicant's engineer requesting Planning Commission hearing
6. Notice of Completeness Determination 1st review
7. Notice of Completeness Determination 2nd review
8. Engineering memorandum 1st DRC review
9. Engineering memorandum 2nd DRC review
10. Response letter from applicant's engineer to Engineering Division

GENERAL INFORMATION:

Applicant	Zaira and Cesar Basanez
Property Owner	89 3 rd Street Hollister, CA 95023
Location/Address	89 3 rd Street Hollister, CA 95023
Assessor Parcel Number(s)	054-162-001
General Plan Designation	Mixed-Use
Zoning District	Neighborhood Mixed-Use

SURROUNDING USES:

Location	Zoning Designation	General Plan Land Use	Current Use of Property
Project Site	NMU	Mixed-Use	Semi vacant with an automotive stereo installation on site
North	R4	High Density Residential	Residential
South	NMU	Mixed-Use	Commercial
East	NMU	Mixed-Use	Commercial
West	GC	General Commercial	General Commercial