

'Big box' stores face new hurdle

Council wants more say on fate of Home Depot

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SANTA CRUZ — The City Council could soon give itself — and the public — more of a say on the fate of Home Depot, the home-improvement giant with designs on the former Lipton Co. building.

The City Council voted unanimously late Tuesday night to have its administrative staff look into a possible amendment to city zoning rules.

The change would require Home Depot, and other "big box" garden/home-improvement retailers, to get a special use permit from the city before setting up shop in town.

The proposed ordinance change is set to go before the Planning Commission in June and the City Council in July.

To qualify for a special use permit, the business would face a battery of public hearings and City Council debate on the store's impact, and whether it would be beneficial or harmful to the city.

Public comment, council review, environmental review and traffic studies would all be used in the process.

The council's action comes in response to local concerns that the city's zoning is far too lax when it comes to large home-improvement stores moving into areas zoned for industrial use.

Critics of the project, particularly Westside residents, complain that Home Depot and similar garden/home-supply stores could simply be approved "over the counter" by a city zoning administrator because of an old fluke in zoning regulations for industrial lands, apparently dating back to the 1960s.

But it's unclear if this potential rule change will make much of a difference in deciding Home Depot's fate. Mayor Scott Kennedy pointed out that if a zoning administrator signed off on the home-improvement superstore, chances are extremely high the decision would be appealed to the City Council anyhow.

But he said the council needed to respond to worries that it would "look the other way" or "push through" a Home Depot proposal without giving local residents plenty of opportunity for public discussion.

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Kennedy said that some Santa Cruzans may regard the proposed use-permit requirement as a "tool to block Home Depot," but insisted he does not view it that way.

"It's a tool of assuring the public of a full community process. It would be inappropriate if the city simply tried to obstruct that application before we received any of the studies."

The council, so far, has not settled on an exact definition of a "big box" store. Is it 30,000 square feet, 50,000 square feet or larger?

To resolve this question, the council asked its staff to develop a clearer definition of "big box retailer," using size

as main criteria.

The flap over the proposed 150,000-square-foot Home Depot recalls a previous City Council enacting an ordinance to give itself authority to block ground-floor businesses bigger than 16,000 feet.

Critics of the corporate chain Borders Bookstore viewed that provision as a means to block the company from opening downtown.

In both cases, the city government was caught off guard by the proposals.

However, in the case of Borders, the new rules kicked in too late to stop the store from opening on Pacific Avenue in 1999.

Regardless of the outcome in Santa Cruz, Home Depot will soon have a presence in the county; grading and site preparation for a store in Watsonville is ongoing in the face of a pending law

suit.

It is not hard to find local governments, or citizens' groups, trying to fight off the "big box" stores in other parts of California. But Santa Cruz's approach is unusual, according to the California League of Cities. For one thing, most of the battles in other communities centers on proposed Wal-Mart stores and not big home-improvement chains.

Recently, residents of Inglewood in Southern California blocked a Wal-Mart from opening there. San Francisco supervisors are now considering a box store initiative that would keep out Wal-Mart, but apparently wouldn't apply to Home Depot. Contra Costa County residents recently attempted to float a box store initiative, but the measure failed.

Kathryn Gallagher, a Home Depot spokeswoman, said she was unsure if the City Council's potential actions

"would really affect us at all," but she added: "Whenever we do go into a community we always meet with the city to ensure the architecture fits the community, that residents communities are happy with it. ...

"We go above and beyond to ensure that everybody's happy that you won't just get a big orange ugly box that won't blend in with the community."

In recent weeks City Council has been hearing a variety of proposals regarding the Westside's future. Among them: requests for moratoriums on large retail and large home-improvement stores, at least until the city revises its outdated general plan.

So far, the council has not embraced a moratorium.

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