ACTION: Request a Use Permit to allow a secondhand store for ONCE UPON A CHILD STORE, located at 1628 East Southern Avenue, Suite No. 1. The applicant is Elea Capital Venture, LLC.

FISCAL IMPACT: N/A

RECOMMENDATION: Staff – Approve, subject to conditions

BACKGROUND INFORMATION: ONCE UPON A CHILD STORE (PL190073) is a franchise retail resale store proposing to operate within the Southern Palms Shopping Center, located on the northwest corner of South McClintock Drive and East Southern Avenue in the PCC-2, Planned Commercial Center General District. The store will specialize in selling and buying used apparel, furniture, toys, equipment, and other children products. The business will staff approximately 15 employees. The request includes the following:

ZUP190028 Use Permit to allow a secondhand store.

<table>
<thead>
<tr>
<th>Property Owner</th>
<th>Southern Palms Station, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Applicant</td>
<td>Gabriel Tritt, Elea Capital Venture, LLC</td>
</tr>
<tr>
<td>Zoning District</td>
<td>PCC-2</td>
</tr>
<tr>
<td>Site Area</td>
<td>749,453 s.f.</td>
</tr>
<tr>
<td>Building Area</td>
<td>210,272 s.f.</td>
</tr>
<tr>
<td>Suite Area</td>
<td>5,857 s.f.</td>
</tr>
<tr>
<td>Vehicle Parking</td>
<td>No Change in Demand</td>
</tr>
<tr>
<td>Bicycle Parking</td>
<td>No Change in Demand</td>
</tr>
<tr>
<td>Hours of Operation</td>
<td>10 a.m. to 8 p.m., M-Sa; 12 p.m. to 5 p.m., Su</td>
</tr>
</tbody>
</table>

ATTACHMENTS: Development Project File

STAFF CONTACT(S): Lee Jimenez, Senior Planner (480) 350-8486

Department Director: Chad Weaver, Community Development Director
Legal review by: N/A
Prepared by: Lee Jimenez, Senior Planner
Reviewed by: Steve Abrahamson, Principal Planner
COMMENTS
In addition to requiring a Use Permit to allow a secondhand store operation, the Tempe City Code also requires secondhand operators to obtain a secondhand dealer regulatory license from the City of Tempe Tax and License Division. Pursuant to Section 16A-1 of the City Code, a secondhand dealer means any person(s) engaged in conducting, managing or carrying on the business of buying, selling, trading or exchanging, or otherwise dealing in secondhand goods, wares, merchandise or articles, coins, jewelry, precious metals, semiprecious stones and similar items, whether such business is the principal or sole business so carried on, managed or conducted or is merely incidental to, in connection with or a branch or a department of some other business. The term “secondhand dealer” shall not be construed to include dealers or auctioneers in articles of property the transfer of title to which is required by the laws of the state. Such is evidenced by written instrument and recorded in the appropriate department of the state or county government.

PUBLIC INPUT
To date, staff has not received any public comment.

USE PERMIT
The proposed use requires a Use Permit to allow a secondhand store operation within the PCC-2, Planned Commercial Center General District.

Section 6-308(E) Approval criteria for Use Permit (in italics):

1. Any significant increase in vehicular or pedestrian traffic; the proposed operation is consistent with traffic generated by general retail & service uses and is not expected to increase vehicular or pedestrian traffic.

2. Nuisance arising from the emission of odor, dust, gas, noise, vibration, smoke, heat or glare at a level exceeding that of ambient conditions; the proposed operation is conducted within the confines of the leased suite and is not expected to generate emissions that would otherwise cause a nuisance.

3. Contribution to the deterioration of the neighborhood or to the downgrading of property values, which is in conflict with the goals, objectives or policies for rehabilitation, redevelopment or conservation as set forth in the city’s adopted plans or General Plan; the proposed store will reduce the vacancy rate of the shopping center and provide a new retail & service not currently provided in the shopping center, which is not in conflict with the City’s adopted plans.

4. Compatibility with existing surrounding structures and uses; the proposed store is compatible with the existing tenant mix of the shopping center which mostly consists of general retail & service and restaurant businesses.

5. Adequate control of disruptive behavior both inside and outside the premises which may create a nuisance to the surrounding area or general public; the operator is required to obtain a Secondhand Dealer regulatory license through the City of Tempe Tax and License Division.

REASONS FOR APPROVAL:
Based on the information provided by the applicant, the public input received and the above analysis staff supports approval of the requested Use Permit. This request meets the required criteria and will conform to the conditions.

SHOULD AN AFFIRMATIVE ACTION BE TAKEN ON THIS REQUEST, THE FOLLOWING NUMBERED CONDITIONS OF APPROVAL SHALL APPLY, BUT MAY BE AMENDED BY THE DECISION-MAKING BODY.

CONDITION(S) OF APPROVAL:

1. The Use Permit is valid only after a Building Permit has been obtained, the required inspections have been completed and a Final Inspection has been passed.

2. The Use Permit is valid for the plans as submitted within this application. Any additions or modifications may be submitted for review during the building plan check process.
3. All required Federal, State, County, and Municipal permits, regulatory licenses, and clearances shall be obtained or the Use Permit is void.

4. If there are any complaints arising from the Use Permit that are verified by a consensus of the complaining party and the City Attorney’s office, the Use Permit will be reviewed by City staff to determine the need for a public hearing to re-evaluate the appropriateness of the Use Permit, which may result in termination of the Use Permit.

CODE/ORDINANCE REQUIREMENTS:
The bulleted items refer to existing code or ordinances that planning staff observes are pertinent to this case. The bullet items are included to alert the design team and assist in obtaining a building permit and are not an exhaustive list.

- The Use Permit is valid for **ONCE UPON A CHILD STORE (PL190073)** and may be transferable to successors in interest through an administrative review with the Community Development Director, or designee.

- Specific requirements of the **Zoning and Development Code** (ZDC) are not listed as a condition of approval, but will apply to any application. To avoid unnecessary review time and reduce the potential for multiple plan check submittals, become familiar with the ZDC. Access the ZDC through [https://library.municode.com/az/tempe/codes/zoning_and_development_code](https://library.municode.com/az/tempe/codes/zoning_and_development_code) or purchase from Community Development.

- All business signs shall receive a Sign Permit. Contact sign staff at 480-350-8435.

- Any intensification or expansion of use shall require a new Use Permit.

- All required regulatory licenses, permits and clearances shall be obtained from the Building Safety Division and the Tax and Licensing Division of the City of Tempe prior to the Use Permit becoming effective.

HISTORY & FACTS:

**April 19, 2005**
Hearing Officer approved a Use Permit to allow a resale clothing store for Sunset Clothing Xchange (BA050044), located at 1628 East Southern, Suite No. 7, in the PCC-2, Planned Commercial Center General District.

**March 28, 2006**
Planning & Zoning Commission approved a Use Permit to allow a charter school for Imagine Charter School (SIP-2006.20 / CC060011), located at 1628 East Southern, in the PCC-2, Planned Commercial Center General District.

**February 6, 2018**
Hearing Officer approved a Use Permit to allow resale items for Habitat for Humanity Restore (PL180004), located at 3210 South McClintock Drive in the PCC-2, Planned Commercial Center General District.

**September 4, 2018**
Hearing Officer approved a Use Permit to allow a vocational school (holistic healthcare) for Southwest Institute of Healing Arts (PL180217), located at 1538 East Southern, in the PCC-2, Planned Commercial Center General District.

ZONING AND DEVELOPMENT CODE REFERENCE:
- [Section 3-202, Permitted Uses in Commercial and Mixed-Use Districts](https://library.municode.com/az/tempe/codes/zoning_and_development_code)
- [Section 6-308, Use Permit](https://library.municode.com/az/tempe/codes/zoning_and_development_code)

TEMPE CITY CODE REFERENCE:
- [Section 16A-1, Dealers in Used Goods](https://library.municode.com/az/tempe/codes/tempe_city_code)
DEVELOPMENT PROJECT FILE
for
ONCE UPON A CHILD STORE
(PL190073)

ATTACHMENTS:

1. Location Map
2. Aerial
3-8. Letter of Explanation
9. Site Plan
10. Floor Plan
ONCE UPON A CHILD STORE

PL 190073

SITE
PCC-2

E SOUTHERN AVE

SUPERSTITION FWY

City of Tempe, Community Development Department, Enterprise GIS Group

General Industrial District (GID)
Commercial Shopping and Services (CSS)
Planned Commercial Center Neighborhood (PCC-1)
Planned Commercial Center General (PCC-2)
Residential/Office (RO)
Agricultural (AG)
Single-Family Residential (R1-6)
Single-Family Residential (R1-4)
Multi-Family Residential (R-2)
Multi-Family Residential Limited (R-3)
Multi-Family Residential General (R-3R)
Multi-Family Residential Restricted (R-3R)

Attachment 1
Elea Capital Venture LLC is a franchise owner of the popular brand Once Upon a Child. The owner & store manager, Gabriel Tritt has selected Southern Palms Shopping Center in Tempe to open his location. The store address is located at 1628 E Southern Ave, Suite #1, Tempe, AZ 85282.

The use of this location is for retail purposes, with the intention of selling used apparel, furniture, toys, equipment, and other products for children. This concept is dependent on the community to sustain itself. Our target customer are mothers between ages 24 to 45.

We will be using digital marketing strategies to bring awareness and traffic to our store. The mediums that have proven success according to the Franchisor has been Social Media advertising, Loyalty programs and gift card promotions. The ongoing marketing will drive traffic to our store and also provide the neighboring tenants access to new and returning customers to drop in. The shopping Center has many retailers geared towards to women, offering products & services , to which they too will benefit from the added traffic.

This business model is a niche business model, as a result, there shouldn't be a huge increase in traffic that the Center wouldn't be prepared to handle. The store will not contribute to any nuisances that would affect the experience of the Center. Considering that this is a new location, we are implementing all new franchise designs, resulting in a warm and welcoming environment to our customers.

The build out to the location is only changing the internal structure of the sales floor and backroom. These changes are minor and won't affect the structure & uses.

The store will always have a manager on duty to insure that the store is operating within the guidelines of the city and the Center rules & regulations. The store will operate seven days a week, Monday - Saturday from 10AM to 8PM and Sunday from 12PM to 5PM. To successfully service the forecasted customers, the business model suggests we staff the store with 15 employees.

Should the city provide us with the use permit to advance with the business, then the five year goals are listed below for the following five years:

**Short-Term Goals (i.e. Pre-Launch)**

- Complete build-out of the premises
● Hire a team of talented staff
● Begin purchasing a substantial amount of inventory
● Design and develop content for the website and marketing materials
● Develop and refine a comprehensive marketing plan in order to leverage the Once Upon A Child brand and to target key demographics

**Mid-Term Goals (Launch – 2 years)**

● Promote the business by leveraging the Company’s social media and various other marketing channels
● Execute and refine a series of social media marketing campaigns
● Continue monitoring the job performance of staff to ensure an optimal product is being delivered to customers

**Long-Term Goals (3 – 5 years)**

● Evaluate and modify the advertising, sales and marketing strategy, as needed
● Continue to monitor the Company’s financial performance
● Grow the Company’s gross revenue to $816,750 in Year 3 and $988,268 in Year 5. These sales goals are based on the average financial performance of new Once Upon A Child stores, and on the successful implementation of the strategies outlined in this plan in order to grow the business. Please refer to the Financial Plan section of this document for a more detailed outline of the Company’s projected financial performance.

We hope the above information satisfies the cities requirements to accept us within the center.

Thank you

Gabriel Tritt
The current space is an empty store as shown below.

With the flooring, carpet and furniture, it will look like the images shown below.

Cash Register
Baby Strollers and related accessories
Clothes