
ADMINISTRATIVE PERMIT
CITY OF DANA POINT

HEARING DATE: MAY 6, 2019

TO: MATT SCHNEIDER, DIRECTOR OF COMMUNITY DEVELOPMENT

FROM: DANNY GIOMETTI, ASSOCIATE PLANNER

SUBJECT: CONDITIONAL USE PERMIT (CUP19-0003(M))

APPLICANT: Station Crafts Inc.

PROPERTY OWNER: Vala Properties, LLC.

LOCATION: 34150 Pacific Coast Highway (APN: 682-272-32)

REQUEST: A request to change and expand an existing alcoholic beverage outlet to allow brewing, tasting and the sale of alcoholic beverages for both on- and off-site consumption, in association with a new restaurant, located at 34150 Pacific Coast Highway (PCH).

NOTICE: Notice of the public hearing was mailed to property owners within a 300-foot radius of the subject site and posted pursuant to Section 9.26.010(f) of Dana Point Town Center Plan (DPTCP) on the City of Dana Point official website, both on April 19, 2019.

ENVIRONMENTAL: Pursuant to the California Environmental Quality Act (CEQA), the project is found to be categorically exempt per Section 15301 (Class 1 – Existing Facilities).

BACKGROUND:

The subject site is located on Pacific Coast Highway (PCH) between El Encanto Avenue and Violet Lantern within the City's Town Center Mixed-Use District (TC-MU). The lot abuts retail businesses to the south across PCH, and an office building to the north, and backs up to a mixture of residential development. The site contains a 6,410 square foot, two-story commercial building with surface parking and was previously occupied by a retail business (Bike Religion) and a take-out restaurant (Crank and Grind coffee shop) which was previously approved for the sale of beer and wine for on-site consumption (Type 41 ABC License).

The project applicant (Station Crafts Inc.), has filed a request for a Minor Conditional Use Permit (CUP(M)) to change the type of alcoholic beverage outlet to the brewing and tasting of beer on-site, and the sale of beer, wine and ciders for consumption, on- and off-site the manufacturer's licensed premises in conjunction with a new restaurant offering dine-in and take-out (Coffee Shop) service within the existing building.

Pursuant to Section 9.07.040(a) and (b)(2)(B) of the Dana Point Zoning Code (DPZC), a CUP(M) is required to expand and/or change the type of alcoholic beverage outlet within 100 feet of any area zoned or used for residential purposes. Since the applicant is proposing to change the State of California Alcoholic Beverage Control (ABC) license from a Type 41 to a Type 23 license (Small

Beer Manufacturer), as well as expand the alcoholic beverage service area on a site less than 100 feet from a residential district, a CUP(M) is required.

DISCUSSION:

The applicant has applied to change the existing ABC license from a Type 41 (On Sale Beer & Wine) to a Type 23 ABC license (Small Beer Manufacturer), which authorizes the same privileges and restrictions as a Type 01 License: authorizes the sale of beer to any person holding a license authorizing the sale of beer, and to consumers for consumption on or off the manufacturer's licensed premises. The sale of wine and hosting of beer tastings is also allowed under a Type 23 license. Furthermore, the Small Beer Manufacturer license may also include a restaurant or pub component in conjunction with the tasting and sale of beer and wine.

Station Crafts Inc., proposes a change in license type in conjunction with a new restaurant offering dine-in restaurant and a take-out Coffee Shop, with all uses open simultaneously on a daily basis. The first floor of the building will be dedicated to the brewing of beer and storage of brewing ingredients, and food, with the primary tasting and beer service areas located on the second floor. At no time will the on-site consumption of alcoholic beverages be permitted outside of the ABC license premise areas.

The associated restaurant will offer a variety of small and shared plate options, which will complement the beer offerings, and will include a distinct coffee shop component/area serving a variety of coffee and tea drinks, smoothies, packaged beer for off-site consumption and grab-and-go style pastries and sandwiches.

Station Crafts Inc. has submitted preliminary architectural plans identifying major tenant improvements including a first floor addition within the existing building footprint, and a full interior remodel of both floors. The project proposes to locate the brewing and storage areas on the first floor of the building, and the alcoholic beverage tasting and on-site consumption areas, restaurant, and coffee shop on the second floor.

Based on the preceding analysis, findings supporting the project and the associated discretionary permit are described in the following section.

FINDINGS:

Minor Conditional Use Permit CUP19-0003(M)

- A) The proposed conditional use is consistent with the City of Dana Point General Plan and Town Center Plan (DPTCP) **in that the brewing and on- and off-site sale of alcoholic beverages in combination with establishment of a new dine-in restaurant and take-out coffee shop on a single site promotes Goal 6, Policy 6.2 of the Land Use Element of the General Plan as well as Land Use Goal, Policy 1.2 of the DPTCP which together, aim to encourage retail businesses and mixtures of land uses that help to generate positive pedestrian activity within the Town Center area.**
- B) The proposed site is adequate in size and shape to accommodate the yards, walls, fences, parking and loading facilities, landscaping and other land use development features prescribed in the Dana Point Municipal Code (DPMC) and required in order to integrate the use with existing and planned uses in the vicinity **in that there is sufficient parking on-site to accommodate the proposed mix of uses as proposed and no enlargement or**

expansions are being made beyond the perimeter of the existing building. Additionally, the proposed alcoholic beverage service areas and designated outdoor eating or drinking area will be upgraded to meet all ABC licensing provisions.

- C) **The proposed use will not be contrary to the public interest or injurious to nearby properties, and the spirit and intent of Section 9.07.040 (Alcoholic Beverage Outlets) of the DPMC will be observed in that the proposal is to change the ABC license type in combination with a proposed restaurant and coffee shop component. Customers will be able to purchase both alcoholic and non-alcoholic beverages and food items and consume them both on- and off-site. As mentioned in the discussion, packaged craft beer will also be available for purchase for off-site consumption only. Therefore, the new uses will not be contrary to the public interest or injurious to nearby properties.**
- D) **The proposed use will not enlarge or encourage the development of a “skid row” area in that the brewing, service and sales of alcoholic beverages will be located inside of a building and on the entry patio and the sale of alcoholic beverages both on- and off-site, associated with the proposed brewery. On-site consumption of alcoholic beverages shall be limited to the ABC approved areas only. The sale of alcoholic beverages for off-site consumption will be limited to exclusive pre-packaged craft beer. Therefore, the issuance of the ABC Type 23 license would not enlarge or encourage the development of a “skid row” area and serve public convenience or necessity.**
- E) **The establishment of an additional regulated use in the area will not be contrary to any program of neighborhood conservation nor will it interfere with any other City program in that the subject site and uses are not subject to any neighborhood conservation program, nor will it interfere with any other City program.**
- F) **All applicable regulations of the zoning district in which the use is permitted will be observed in that pursuant to the Land Use Matrix of the Town Center Plan, establishments which serve or sell alcohol, are conditionally permitted. Conditions of approval contained in this permit will ensure the proposed use will not result in adverse impacts to neighboring development. The first floor addition and exterior site improvements, and the minimum number of required parking stalls will meet the applicable regulations of the TC-MU district and DPZC.**
- G) **The requirements of the California Environmental Quality Act have been satisfied in that the project qualifies as a Class 1 (Section 15301 Existing Facilities) exemption pursuant to the applicable provisions of the California Environmental Quality Act (CEQA) because the project involves the establishment of an alcoholic beverage outlet within an existing structure with only minor additions and improvements proposed.**

CONDITIONS OF APPROVAL:

The City of Dana Point hereby approves Minor Conditional Use Permit CUP19-0003(M) for the referenced project. This permit is valid subject to the following conditions of approval:

A. General:

1. Approval of this application approves a request to change and expand an existing alcoholic beverage outlet to allow brewing, tasting and the sale of alcoholic beverages for both on- and off-site consumption, in association with a new restaurant, located at 34150 Pacific Coast Highway (PCH). Subsequent changes to the approved scope-of-work shall be in substantial compliance with those plans presented to the Community Development Director, and in compliance with applicable provisions of the City of Dana Point General Plan and Municipal and Zoning Codes.
2. The application is approved as a plan for the location and design of the uses, structures, features, and materials shown on the approved plans. Any demolition beyond that described in the approved plans or any relocation, alteration, or addition to any use, structure, feature or material, not specifically approved by this application, will nullify this approving action. If any changes are proposed regarding the location or alteration to the appearance or use of any structure, an amendment to this permit shall be submitted for approval by the Director of Community Development. If the Director of Community Development determines that the proposed change complies with the provisions and the spirit and intent of this approval action, and that the action would have been the same for the amendment as for the approved plot plan, he may approve the amendment without requiring a new public hearing.
3. This discretionary permit(s) will become void two (2) years following the effective date of the approval if the privileges authorized are not implemented or utilized or, if construction work is involved, such work is not commenced within such two (2) year time period or; the Director of Community Development or the Planning Commission, as applicable grants an extension of time. Such time extensions shall be requested in writing by the applicant or authorized agent prior to the expiration of the initial two-year approval period, or any subsequently approved time extensions.
4. Failure to abide by and faithfully comply with any and all conditions attached to the granting of this permit shall constitute grounds for revocation of said permit.
5. The applicant or any successor-in-interest shall defend, indemnify, and hold harmless the City of Dana Point ("CITY"), its agents, officers, or employees from any claim, action, or proceeding against the CITY, its agents, officers, or employees to attack, set aside, void, or annul an approval or any other action of the CITY, its advisory agencies, appeal boards, or legislative body concerning the project. Applicant's duty to defend, indemnify and hold harmless the city shall include paying the CITY's attorney fees, costs and expenses incurred concerning the claim, action or proceeding.

The applicant or any successor-in-interest shall further protect, defend, indemnify and hold harmless the City, its officers, employees, and agents from any and all claims, actions or proceedings against the City, its officers, employees, or agents arising out of or resulting from negligence of the applicant or the applicant's agents, employees or contractors.

Applicant's duty to defend, indemnify and hold harmless the City shall include paying the CITY's attorney fees, costs and expenses incurred concerning the claim, action, or proceeding.

The applicant shall also reimburse the City for City Attorney fees and costs associated with the review of the proposed project and any other related documentation.

6. The applicant and applicant's successors in interest shall be fully responsible for knowing and complying with all conditions of approval, including making known the conditions to City staff for future governmental permits or actions on the project site.
7. The applicant and applicant's successors in interest shall be responsible for payment of all applicable fees along with reimbursement for all City expense in ensuring compliance with these conditions.
8. The construction site shall be posted with signage indicating that construction not commence before 7:00 AM and must cease by 8:00 PM, Monday through Saturday. No construction activities shall be permitted on Sundays or Federal holidays.
9. The applicant shall obtain all applicable permits for the proposed improvements.
10. The applicant shall be responsible for coordination with water district, sewer district, SDG&E, AT&T California and Cox Communication Services for the provision of water, sewer, electric, telephone and cable television services.
11. The hours of operation shall be as follows:

Restaurant, brewery and tasting room: Monday through Thursday from 11:00 A.M. to 10:00 P.M.; Friday and Saturday from 11:00 A.M. to 11:00 P.M. and Sunday 9:00 AM to 10:00 P.M.

Coffee shop: Monday through Sunday 6:00 A.M. to 3:00 P.M.

Subsequent changes to the approved scope-of-work shall be in substantial compliance with those plans presented to the Community Development Director, and in compliance with applicable provisions of the City of Dana Point General Plan and Municipal and Zoning Codes.

12. There shall be no advertisement of alcoholic beverages outdoors, in windows, or at the front of the building.
13. The sale of alcoholic beverages for off-site consumption sized less than 12 ounces for beer & cider and 750 milliliters for wine is prohibited. Beer containers (bottle or can) shall not be sold individually, and shall be packaged for sale with no less than three (3) containers per item. Additionally, the sale for off-site consumption of single 40-ounce bottles are prohibited.
14. Any employee selling alcoholic beverages shall be 21 years of age or over and complete a Licensee Education on Alcohol and Drugs (LEAD) training program and receive a certificate prior to selling alcohol.
15. The proposed use shall comply with the provisions of the City's Noise Ordinance at all times.

16. If required by the Director of Community Development, due to noise complaints, the applicant shall retain a qualified engineer specializing in noise/acoustics to monitor the sound generated by the outdoor dining activity to ensure noise compliance with these conditions.
17. In order to reduce the noise caused by the clanking of bottles into trash/recycling containers at the close of business, all glass containers shall be properly disposed of after 7:00 A.M., the following day into appropriate trash/recycling bins.
18. Consumption of alcoholic beverages shall be prohibited anywhere except in the ABC approved tasting, service and consumption areas only. At no point may beer, wine or cider be consumed outside of the ABC approved areas on the subject site.
19. The ABC license holder/operator shall maintain, post, and enforce the current "Do Not Sell List" provided by the Orange County Sheriff Department.
20. There shall be appropriate and conspicuous postings of a notice inside the premises, indicating that consumption of alcohol outside the approved consumption areas is prohibited by law, except as may be permitted in the designated outdoor dining area. The notice shall be at least one and one-half (1.5) square feet in size.
21. No live entertainment is permitted unless approved through a separate Special Event Permit. A Special Event Permit shall be issued for any future activities which temporarily intensify the impacts (i.e., parking, traffic, noise, light and glare, etc.) of Station Crafts Inc.
22. Any proposed exterior building signage shall be reviewed and approved under a separate permit.
23. The City shall maintain the option to reconsider the Conditional Use Permit (and conditions contained herein), at any time if the Community Development Director finds it necessary to re-evaluate impacts of the use on the surrounding community.
24. The owner/operator shall install "Good Neighbor" signage on the designated outdoor eating or drinking area and in and around entrances and exits from the establishment to remind patrons to be considerate of neighboring residential areas.
25. Deliveries and refuse collection shall be prohibited between the hours of 10:00 P.M. and 8:00 A.M. daily, unless otherwise approved by the Director of Community Development.
26. The applicant/operator shall ensure that the trash dumpsters and/or containers are maintained to control odors.
27. All trash shall be stored within the building or within containers stored in the trash enclosure (three walls and self-latching gate) or otherwise screened from view of neighboring properties, except when placed for pick-up by refuse collection agencies.

B. Prior to Building Plan Check Submittal:

28. The subject "Conditions of Approval" section of this permit shall be copied in its entirety, placed directly onto a separate plan sheet behind the cover sheet of any plans submitted to

the City of Dana Point Building/Safety Division for plan check.

29. Building(s) shall comply with the 2016 editions of the Building Code with all local amendments.

30. Building plan check submittal shall include the following construction documents:

- Building and electrical/plumbing/mechanical plans (4 Sets)

All documents prepared by a registered-design-professional shall be wet-stamped & signed.

31. Health department review is required.

32. An individual Certificate-of-Occupancy is required for "Station Crafts Inc."

33. Building Code Analysis: Provide building code analysis showing conformance to Chapter 3 and 5 of the California Building Code (CBC). Specify occupancy group(s), types of construction, including fire sprinklers (if new or existing), location on property, actual and allowable floor area, and conforming existing.

34. Accessibility: Plans should clearly show compliance with CBC Chapter 11B Accessibility to Public Buildings, Public Accommodations, Commercial Buildings and Public Housing.

35. Existing Building shall provide for disabled access. Show how path of travel; parking; restrooms; entrance will comply.

C. Prior to Issuance of a Building Permit or release on certain related inspections, the applicant shall meet the following conditions:

36. Verification of all conditions of approval are required by all City Departments.

37. All approvals from outside Departments and Agencies are required.

38. All applicable supplemental development impact fees shall be paid prior to building permit issuance.

D. Prior to final project sign off, the applicant shall meet the following:

39. The applicant shall contact the Planning Division to conduct an inspection of the completed project including compliance with all conditions and installation of alcoholic beverage consumption areas, "Good Neighbor" signage, prior to contacting the Building/Safety Division for final project sign-off.

40. Building/Safety division sign off is required to finalize building permits.

DETERMINATION:

The Director of Community Development hereby:

_____ APPROVES

_____ DENIES

the requested **ENTITLEMENT (CUP19-0003(M))** described herein subject to the findings and applicable conditions above.

Matt Schneider, Director
Community Development Department

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