

Capitola Planning Commission

Agenda Report



Meeting: July 18, 2024

From: Community Development Department

Address: 316 A Capitola Avenue

Project Description: Application #24-0133. APN: 035-181-23. Conditional Use Permit for Trestles Restaurant to include the sale of distilled spirits (Type 47 License). The restaurant is located within the MU-V (Mixed-Use Village) zoning district.

This project is in the Coastal Zone but does not require a Coastal Development Permit.

Environmental Determination: Categorical Exemption

Recommended Action: Consider Application #24-0133 and approve the project based on the attached Conditions and Findings for Approval.

Property Owner: Chuck Berg

Representative: Nick Sherman, Filed: 3/24/24

Background: In 1977, the Planning Commission approved a use permit for a new deli with the on-site consumption of beer and wine.

In 2021, Trestles Restaurant began operating at the location.

Discussion: 316 A Capitola Avenue is a restaurant with a single living unit above, located along the Capitola Village commercial corridor south of the namesake trestle. Trestles is a sit-down restaurant known for locally sourced ingredients which serves beer and wine, occupying approximately 1,400 square feet in addition to a small outdoor seating area. The restaurant is near a variety of commercial and residential uses along Capitola Avenue.

Conditional Use Permit: Based on records from the City and California Department of Alcoholic Beverage Control (ABC), a Type 41 alcohol license has been continuously active at this location since at least 1998 from the prior tenant, Bella Roma Café. In the Mixed-Use Village zoning district, the sale of alcoholic beverages for on-site consumption at a restaurant requires a conditional use permit (CUP). Existing approvals are exclusively for beer and wine, so the addition of hard alcohol sales requires an amendment to the CUP.

The restaurant currently has a Type 41 license for "On Sale Beer and Wine – Eating Place". The applicant is seeking an "On Sale General – Eating Place" Type 47 license. Type 47 licenses also allow the sale of distilled spirits for on-site consumption. Both license types allow the sale of beer and wine for on- or off-site consumption (retail), provided the establishment produces and makes substantial sales from the on-site consumption of meals. The applicant is not proposing to expand the size of the restaurant, but to include bar service for tabled patrons. Proposed service hours are between 11 am to 10 pm Wednesday through Monday, although the restaurant currently opens later and closes earlier.

Chief of Police, Andy Daly, has reviewed the application and made findings that support the approval of the CUP for a Type 47 license at the restaurant. Chief Daly provided a letter of necessity and convenience for the project, which is required by the ABC if the application is for a location in a high crime area and/or a census tract with an over-concentration of off-sale alcohol outlets (Attachment 3). In the review, Chief Daly did not recommend any additional restrictions. Staff prepared new conditions which replace the 1998 approval and reflect more recent CUP approvals for alcohol.

Parking: The modified alcohol approval is not considered an intensification of use and does not require changes to parking. The applicant is not proposing to expand the size of the restaurant.

CEQA: Section 15301 of the CEQA Guidelines exempts minor alterations to existing facilities, such as licensing, provided the project involves negligible or no expansion of use. The proposed project involves amending a conditional use permit within an existing commercial space to include the sale of distilled spirits. No adverse environmental impacts were discovered during project review by either Planning Department Staff or the Planning Commission.

Conditional Use Permit Findings:

A. The proposed use is allowed in the applicable zoning district.

Community Development Staff and the Planning Commission have reviewed the project. The general sale of alcohol for on-site consumption is categorized as a conditional use within the MU-V (Mixed-Use Village) zoning district.

B. The proposed use is consistent with the general plan, local coastal program, zoning code, and any applicable specific plan or area plan adopted by the city council.

Community Development Staff and the Planning Commission have reviewed the proposed sale of beer, wine, and distilled spirits at an existing restaurant and determined it complies with all development standards and meets the intent and purpose of the MU-V zoning district.

C. The location, size, design, and operating characteristics of the proposed use will be compatible with the existing and planned land uses in the vicinity of the property.

Community Development Staff and the Planning Commission have reviewed the proposed use and determined it is consistent with the underlying restaurant use and with existing and planned uses in the vicinity.

D. The proposed use will not be detrimental to the public health, safety, and welfare.

Community Development Staff, and the Planning Commission have reviewed the proposed Conditional Use Permit and determined it will not be detrimental to the public health, safety, or welfare.

E. The proposed use is properly located within the city and adequately served by existing or planned services and infrastructure

The proposed alcohol use is part of a longstanding restaurant use, which is located within the heavily developed Capitola Village within the city and is adequately served by existing services and infrastructure.

F. The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA).

Section 15301 of the CEQA Guidelines exempts minor alterations to existing facilities, such as licensing, provided the project involves negligible or no expansion of use. The proposed project involves amending a conditional use permit within an existing commercial space to include the sale of distilled spirits. No adverse environmental impacts were discovered during project review by either Planning Department Staff or the Planning Commission.

Conditions of Approval:

1. The project approval amends the existing Conditional Use Permit for a restaurant with on-site consumption of beer and wine in addition to beer and wine at 316 A Capitola Avenue. The proposed amendment is approved as outlined in the analysis of the staff report reviewed and approved by the Planning Commission on July 18, 2024, except as modified through conditions imposed by the Planning Commission during the hearing.

2. The applicant shall maintain an active business license with the City of Capitola. The applicant shall maintain an active license through the California Department of Alcoholic Beverage Control (ABC) so long as alcohol is sold.
3. Prior to sale of distilled spirits, all Planning fees associated with permit #24-0133 shall be paid in full.
4. Upon evidence of non-compliance with conditions of approval or applicable municipal code provisions, the applicant shall remedy the non-compliance to the satisfaction of the Community Development Director or shall file an application for a permit amendment for Planning Commission consideration. Failure to remedy a non-compliance in a timely manner may result in permit revocation.
5. This permit shall expire 24 months from the date of issuance. The applicant shall have an approved building permit and construction underway before this date to prevent permit expiration. Applications for extension may be submitted by the applicant prior to expiration pursuant to Capitola Municipal Code Chapter 17.156.
6. The planning and infrastructure review and approval are transferable with the title to the underlying property so that an approved project may be conveyed or assigned by the applicant to others without losing the approval. The permit cannot be transferred off the site on which the approval was granted.
7. Upon receipt of certificate of occupancy, garbage and recycling containers shall be placed out of public view on non-collection days.
8. Outdoor lighting shall comply with all relevant standards pursuant to Municipal Code Section 17.96.110, including that all outdoor lighting shall be shielded and directed downward such that the lighting is not directly visible from the public right-of-way or adjoining properties.

Attachments:

1. 316 A Capitola Avenue – Floor Plan
2. 316 A Capitola Avenue – Business Letter
3. 316 A Capitola Avenue – PCN Letter – 2024

Report Prepared By: Sean Sesanto, Associate Planner

Reviewed By: Austin Westly, Deputy City Clerk

Approved By: Katie Herlihy, Community Development Director