



STAFF REPORT
7/17/2024

TO: Planning Commission Chair and Commissioners

FROM: Gabriel Perez, Development Services Director

SUBJECT: A & G Mart – Alcohol Sales Request

SPECIFICS: Conditional Use Permit No. 382 to allow liquor sales as part of a proposed 2,625 square foot convenience store (ABC Type 20, Off-Sale Beer and Wine) in an existing commercial building located at 50-223 Cesar Chavez Street, Suite “B102” in the N-C (Neighborhood Commercial) zone. A & G Mart (Applicant)

STAFF RECOMMENDATION:

Staff recommends that the Planning Commission adopt Resolution No. PC 2024-18 approving Conditional Use Permit (CUP) No. 382 to allow a liquor sales license (Type 20, Off-Sale Beer and Wine) at the proposed A & G Mart located at 50-223 Cesar Chavez Street, Suite “B102” pursuant to the findings and conditions of approval contained in the staff report and attached resolution.

BACKGROUND:

The subject site is a vacant commercial tenant space located within a 1.08-acre neighborhood commercial center located at the southwest corner of Westerfield Way and Cesar Chavez Street. The tenant space was previously occupied by “Radio Shack” for many years, but has remained empty for several years. The parking lot serving this commercial center is located in the rear portion of the site which is adjacent to an existing multifamily residential apartments complex. A CUP application (CUP No. 388) for Type 21 Off-Sale General for beer, wine and spirits for Paradise Liquor was considered by the Planning Commission on June 16, 2021 and denied due to concerns of a liquor store in close proximity to the multifamily residential complex and playground to the east and the availability of off-sale alcohol in the vicinity. The City Council considered an appeal of the decision on July 14, 2021 and upheld the Planning Commission’s decision to deny the CUP.

A new applicant, A & G Mart, proposes to open a convenience store/market in the same tenant space. A & G Mart currently operates in two other locations in Desert Hot Springs (66425 Pierson Blvd) and Palms Springs (19345 N Indian Canyon Dr). The applicant proposes to offer goods similar to a convenience store such as snacks, slushies, soft drinks, deli foods, dairy, eggs and fresh produce. The applicant communicated to staff that the sale of beer and wine is an important sales generator for the business.

DISCUSSION/ANALYSIS:

The applicant, A & G Mart, submitted a CUP request to allow the off-sale of liquor (beer and wine) in conjunction with a new 2,625 square foot convenience grocery market. The owner stated that the business intends to differentiate itself from a conventional liquor store by offering locally sourced item and a sizable selection of fresh produce and grab n go items. As such, they envision that the store will serve the neighborhood commercial use of the immediate neighborhoods to the east and west of the property.

The zoning designation of the commercial center where the store is proposed is within the C-N (Neighborhood Commercial) and allows retail sales and grocery stores by right. In December of 2016, the City adopted an ordinance requiring a conditional use permit for any off-sale and on-sale alcohol sales establishment, with additional land use regulations contained in Section 17.74.015 of the Zoning Code. The Conditional Use Permit findings are required to be made by the Planning Commission.

The subject site is located within Census Tract 457.07 with 6 active off-sale licenses. When it is determined by California Department of Alcohol Beverage Control (ABC) that there is an undue concentration of on-sale licenses, the Planning Commission must make findings that the public convenience or necessity justifies the issuance of the liquor license to the establishment.

Table 1 – Off-Sale Alcohol Licenses

Off-Sale Alcohol License within Census Tract 457.07			
Business Name		Address	License Type
1	Walgreens	50040 Harrison St	20 (Beer and Wine)
2	99 Cents Only Store	50249 Harrison St #J	20 (Beer and Wine)
3	Cardenas Market	50037 Harrison St	21 (General)
4	Coachella Power Group	50980 Harrison St	21 (General)
5	Aldi	50180 Cesar Chavez St	20 (Beer and Wine)
6	Super Rancho Meat Market	1632 6 th Street	20 (Beer and Wine)

Additionally, off-sale establishments may not fall within 700 feet of a church, school, park, playground, residence or another exiting off-sale use as measured from property line to property line. The proposed liquor sales store is located within 200 feet away from the playground located on the west side of the parking lot, and within 700 feet away from other residential uses on the east side of Cesar Chavez Street. The aerial photograph below shows the location of the commercial center at the southwest corner of Westerfield Way and Cesar Chavez Street. Currently there are two off-sale alcohol licenses within 700 feet located at the “99 Cent Store” (214 ft) and “Aldi” (621 ft). A Circle K convenience store and gas station will begin construction and has an active CUP but has not obtained an ABC license.

Staff contacted the Lieutenant Vasquez with the Riverside County Sheriff regarding any concerns for the proposed business that the Planning Commission may want to consider when making findings or including conditions of approval for the CUP. Lieutenant Vasquez did not identify any concerns with the business and does not recommend any conditions of approval. No

comments have been received from the public with any concerns about approval of the proposed conditional use permit for Type 20 alcohol sales.

Figure 1: Proposed A & G Mart (next to Juan Pollo and AT&T Store)



Section 17.74.015C of the Zoning Code allows the City to allow off-sale liquor establishments (liquor stores) that are less than 700 feet from playgrounds, residential property, and other liquor stores, provided the following additional findings are made:

- i. *The planning commission may find that the public benefit outweighs the distance restrictions of subsections (a) and/or (b) above, upon additional findings that:*
 - (A) *The establishment provides a substantial benefit to the immediate neighborhood not provided by another existing establishment within the restricted distance; and*
 - (B) *Not greater than five percent of the sales floor area or one thousand (1,000) square feet, whichever is less, shall be used for the display or sale of alcoholic beverages;*
- c. *That the requested establishment at the proposed location will not adversely affect the economic welfare of the nearby community; and*
- d. *That the exterior appearance of the structure of the proposed establishment will not be inconsistent with the exterior appearance of commercial structures already constructed or under construction within the immediate neighborhood so as to cause blight or deterioration, or substantially diminish or impair the property values within the neighborhood.*

The floor plan for the A & G Mart business is included as Exhibit B of Attach #1. The floor plan shows a large cooler for soft drinks and alcohol along the north wall of the tenant space of approximately 120 square feet. The display area for alcohol will need to be reduced to 94 sq. ft. for compliance with the 5% maximum display area for alcohol. The owner has stated that a variety of non-alcoholic beverages and food items will be displayed for sale, in addition to alcoholic beverages, in the coolers. Additionally, there will be several gondolas in the open sales area of the store to display sweets, packaged foods, canned food items, dry goods, health and wellness items and similar convenience store items. A fountain drink and coffee bar is proposed along the south wall. Upon a staff visit to the Desert Hot Springs A & G Mart, it was observed that the produce and fresh grab and go options were very limited and that the business would offer less fresh options than other known convenience stores such as Circle K, Tower Market and AM PM. The owner, Alma Prather, expressed that the proposed Coachella would have double the customer area than the Desert Hot Springs location that allows her to offer a greater selection and quantity of fresh produce including fruit and vegetables, dairy including cheese, yogurt, milk, heavy whipping cream, half and half, almond, and oat milk, ground beef, bacon, ham and turkey deli meat, varieties of chorizo, eggs, and 100% juices, canned foods, dried foods like rice, legumes, and beans, soups, spices and condiments. Ms. Prather also expressed that she has partnered with Miguel's Produce to stock local produce twice a week.

Staff believes that this store with a commitment to provide a wide selection and large quantity of fresh food and produce for many residents in the vicinity that do not wish to travel and take extra time to go into the larger supermarkets in the larger vicinity. Accordingly, staff has added conditions of approval to ensure that fresh food and produce are maintained as a sizeable offering within the store concurrent with the offerings of alcohol. The owner has provided a letter from Desert Hot Springs confirming that the business is operated safely and would make a good community partner.

Figure 2: Example of Proposed Fresh Produce/Food offerings



Hours of Operation:

The applicant has not indicated specific hours of operation for the convenience store. The City Municipal Code does not legislate any hour of operation restrictions. However, staff is concerned that the late evening hour sale of alcoholic beverages could have an adverse effect on the adjoining residential uses to the west. Accordingly, staff recommends that the hours of operation for the business be limited to no earlier than 6:00 am and no later than 11:00 pm daily.

Environmental Setting:

The subject site is a small commercial center located at the southwest corner of Westerfield Way and Cesar Chavez Street and is substantially surrounded by urban uses, with adjoining zoning and land uses as follows:

North: Cardenas Shopping Center, multi-tenant uses / (C-G, General Commercial)

South: Multifamily Residential / (R-M, Residential Multifamily)

East: Single-family residential / (C-G, General Commercial)

West: Playground/ Single Family Residential / (R-M, Multifamily Residential)

Site Plan / Parking and Circulation:

The site is fully developed with one driveway access from Westerfield Way and an additional driveway along Cesar Chavez Street. The site provides ample parking spaces for all the existing uses at the commercial center.

ENVIRONMENTAL REVIEW:

Staff has determined that the proposed project is categorically exempt from environmental review pursuant to the guidelines of the California Environmental Quality Act as “Existing Facilities” (CEQA Guidelines, Section 15301). The proposed project consists of the operation, licensing and minor alteration of an existing private commercial structure involving no expansion of existing or former commercial use on the property. The subject site has been used for commercial retail establishments and no expansions of floor area are proposed.

ALTERNATIVES:

- 1) Adopt Resolution No. PC2024-18 approving CUP No. 382 with the findings and conditions as recommended by Staff.
- 2) Adopt Resolution No. PC2024-18 approving CUP No. 382 with the findings and conditions as recommended by Staff with modifications.

- 3) Not approve Resolutions No. PC2024-18.
- 3) Continue this item and provide staff and the applicant with direction.

RECOMMENDATIONS

Based on the analysis contained herein and the findings listed below, staff is recommending that the Planning Commission approve Conditional Use Permit No. 382 with the findings and conditions listed in Resolution No. PC 2024-18.

Attachments:

1. Resolution No. PC2024-18 (CUP No. 382)
Exhibit A – Conditions of Approval for CUP No. 382
Exhibit B – Floor Plan
2. Vicinity Map
3. A & G Mart Letter
4. Proposed Produce and Fresh Food Cooler
5. Desert Hot Springs Police Letter
6. Photos of A & G Mart – Desert Hot Springs
7. June 2, 2023 Planning Commission meeting minutes