

# STAFF REPORT 6/2/2021

To: Planning Commission Chair and Commissioners

**FROM:** Luis Lopez, Development Services Director

SUBJECT: Paradise Liquor – Alcohol Sales Request

**SPECIFICS:** Conditional Use Permit No. 338 to allow liquor sales as part of a proposed 2,500

square foot convenience store (ABC Type 21, Off-Sale General) in an existing commercial building located at 50-223 Cesar Chavez Street, Suite "B" in the C-G

(General Commercial) zone. Paradise Liquor, Inc. (Applicant)

### STAFF RECOMMENDATION:

Staff recommends that the Planning Commission adopt Resolution No. PC 2021-08 approving Conditional Use permit No. 338 and Variance No. 21-02 to allow a liquor sales license (Type 21, Off-Sale, General) at "Paradise Liquor" located at 50-223 Cesar Chavez Street, Suite "B" 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.

### **DISCUSSION/ANALYSIS:**

The applicant, Paradise Liquor, Inc. has submitted a request for Conditional Use Permit to allow the off-sale of liquor (beer, wine and spirits) in conjunction with a new 2,500 square foot convenience grocery market. The owner has stated that this will allow local residents to have "grab and go" capabilities without having to go to the larger markets for their grocery items (i.e., Cardenas, 99 Cents Store, Smart & Final, etc.). 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.

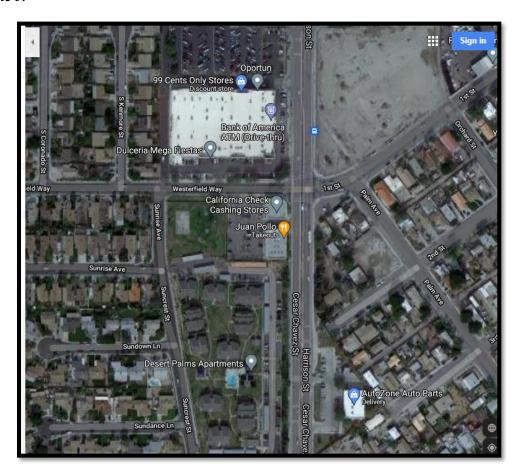
The zoning designation of the commercial center where the store is proposed is within the C-G (General Commercial) and allows retail sales and grocery stores by right. Several years ago the City adopted an ordinance requiring a conditional use permit for any off-sale alcohol sales

establishment, with additional land use regulations contained in Section 17.74.015 of the Zoning Code. The additional land use regulations state as follows:

Section 17.74.015C-2

- a. The establishment does not fall within seven hundred (700) feet, measured from property line to property line, of a use for religious worship, school (public or private), park, playground, residential or any similar sensitive use; and
- b. The establishment does not fall within seven hundred (700) feet, measured from property line to property line, of an existing liquor, off-sale use.

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 is one off-sale alcohol license within 700 feet located at the "99 Cent Store" at 50-249 Cesar Chavez Street. Suite J.



Paradise Liquor (next to Juan Pollo and CA Check Cashing)

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 Paradise Liquor business is shown to the right. The floor plan shows a large walk-in cooler along the long side of the tenant space. 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 packaged foods, canned food items, dry goods, and similar convenience store items.

In order to allow the proposed liquor sales within 700 feet of the existing playground, residential uses, and 99-Cent Store off-sale alcohol establishment, the Planning Commission must make the above special findings, in addition to the normal CUP findings of fact.

Staff believes that this store will provide a convenient "grab and go" option 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 prepared findings for approval of the CUP as proposed.

# Unit "B" PROPOSED Proground Daughty/ Strabing Proground Washing Cooker And Annual Control A

### 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, per se. 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 7:00 am to 10:00 pm Sunday through Wednesday, and 7:00 am to 11:00 pm Thursday through Saturday.

### **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.

### **CONCLUSIONS AND RECOMMENDATIONS**

Based on the analysis contained herein and the findings listed below, staff is recommending that the Planning Commission approve Conditional Use Permit No. 338 with the findings and conditions listed below, and in the attached resolution.

### FINDINGS OF APPROVAL FOR CONDITIONAL USE PERMIT NO. 338:

1. The proposed use will not be in conflict with, but will be in harmony with and in accordance with the objectives of the general plan because the proposed restaurant use with alcohol sales is within the Neighborhood Center land use designation according to the General Plan 2035,

- which allows the intended physical character to provide a comfortable, walkable environment for shoppers and diners and envisions neighborhood commercial uses mixed with high-density residential uses. The liquor sales establishment will be part of a convenience store that will provide for the sale of grocery items to serve adjoining residents.
- 2. The proposed use will be located, designed, constructed, operated and maintained so as to be compatible with the existing character of the general vicinity and shall not change the essential character of the same area because the proposed use is within a zoning designation of 'C-G' (General Commercial) which permits grocery stores subject to obtaining a conditional use permit to sell alcoholic beverages. The proposed use is on a major commercial thoroughfare street within a multi-tenant site that is compatible with the adjoining commercial uses and the conditional use permit can be revoked if any of the conditions of approval are violated.
- 3. Consideration has been given to harmony in scale, bulk, coverage and density, to the availability of public facilities and utilities, to harmful effect, if any, upon desirable neighborhood character, to the generation of traffic and the capacity of surrounding streets, and to any other relevant impact of development, because the existing commercial tenant space is within an existing commercial center with all infrastructure available on-site for the proposed grocery convenience store. Additionally, there is adequate ingress and egress into and out of the existing center to maintain the adequacy of the traffic circulation system serving the proposed use.
- 4. Where the proposed use may be potentially hazardous or disturbing to existing or reasonably expected neighboring uses, it must be justified by the common public interest as a benefit to the community as a whole. As conditioned, the proposed use will provide for the sale of alcoholic beverages in conjunction with a convenience grocery store with limitations on hours of operation. As such, there will be no hazardous or disturbing effects to the existing and neighboring uses.
- 5. The proposed use provides vehicular approaches to the property designed for reasonable minimal interference with traffic on surrounding public streets or roads, because all approaches are in full use for the patrons of the commercial center and no alterations are proposed as part of the request to sell and/or serve alcohol at the existing 944 square foot restaurant and no negative effects exists.
- 6. The City of Coachella has determined that the proposed project is categorically exempt from environmental review pursuant to the guidelines of the California Environmental Quality Act as an "Existing Facilities" project (CEQA Guidelines, Section 15301a). The project involves minor alterations to interior partition walls, and existing electrical, plumbing, and mechanical systems within an existing commercial building.

### CONDITIONS OF APPROVAL FOR CONDITIONAL USE PERMIT NO. 338:

- 1. Conditional Use Permit No. 338 is an approval for the sale of alcohol in conjunction with a proposed 2,500 square foot convenience grocery store. This approval is based on the floor plan submitted for the proposed project. Violation of any of the conditions of approval shall be cause for revocation of the Conditional Use Permit.
- 2. Alcohol sales must be commenced within 12 months of the effective date of this Conditional Use Permit unless a request for an extension of time is reviewed by the Planning Commission. A request for time extension shall be filed in a timely manner with applicable fees.
- 3. Any break in service, meaning the closure of the convenience grocery store use for a period of 180 consecutive days, will result in the expiration of this CUP.

- 4. The applicant will agree to defend and indemnify the City of Coachella against all claims, actions, damages, and losses, including attorney fees and costs, in the event that anyone files legal challenges to the approval of this project on the basis of the California Environmental Quality Act (CEQA). Prior to the issuance of building permits, the applicant shall execute a standard indemnification agreement subject to review by the City Attorney.
- 5. All plan submittals for interior renovations of the proposed convenience grocery store shall be the responsibility of the applicant; this includes plan submittals to the City of Coachella Building Division, and the Riverside County Fire Marshall's Office.
- 6. The applicant shall be responsible for informing all subcontractors or other business entities providing services related to the project of their responsibility to comply with all pertinent requirements in the Coachella Municipal Code, including the requirement that a business license be obtained by all entities doing business in the City.
- 7. The use shall meet the standards within the limits established by the Coachella Municipal Code as related to emissions of noise, odor, dust, vibration, wastes, fumes, or any public nuisances arising or occurring incidental to the establishment or operation.
- 8. The applicant shall pay all fees at the time fees are due and comply with all requirements of other outside agencies.
- 9. Any sign approval for the project is a separate process requiring the issuance of a sign permit and building permit and it is subject to review and approval by the Development Services Department and Building and Safety. The applicant shall not place any signs on west side of the building facing the playground adjacent to the parking lot serving the business, such that any brands of alcohol are visible from the playground.
- 10. The sale of alcoholic beverages is approved under this CUP is for a 2,500 square foot convenience store that provides a variety of grocery food items and dry goods. The operator shall work with the City's Police Department to deter theft of beer and wine items from the refrigerated display areas.
- 11. Hours of operation for the convenience store may be from 7:00 a.m. to 10:00 p.m. Sunday thru Wednesday and from 7:00 am to 11:00 pm Thursday through Saturday. The business shall offer the sale of prepared meals at all hours of operation. The last call for alcohol sales shall be 30 minutes before closing time.
- 12. The applicant shall comply with all requirements imposed by the State Department of Alcoholic Beverage Control and a review of this conditional use permit will be required if the business results in an increase in floor area.

Attachments: Resolution No. PC 2021-08

Applicant Memo Correspondence

### RESOLUTION NO. PC 2021-08

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF COACHELLA, CALIFORNIA APPROVING CONDITIONAL USE PERMIT NO. 338 AND VARIANCE NO. 21-02 TO ALLOW A 2,500 SQUARE FOOT CONVENIENCE STORE WITH LIQUOR SALES (ABC LICENSE TYPE 21 – OFF-SALE GENERAL) WITHIN 700 FEET OF PROPERTY USED FOR RESIDENTIAL PURPOSES (TO THE SOUTH AND EAST OF THE PROPOSED CONVENIENCE STORE), IN AN EXISTING COMMERCIAL BUILDING LOCATED AT 50-223 CESAR CHAVEZ STREET, SUITE "B" (APN 768-050-003); PARADISE LIQUOR, INC., APPLICANT.

**WHEREAS**, Paradise Liquor, Inc. filed an application for Conditional Use Permit No. 338 (CUP 339) and Variance No. 21-02 (VAR 21-02) to allow a 2,500 square foot convenience market/store with liquor sales (ABC License Type 21 – Off-Sale General) within 700 feet of property used for residential purposes (to the east and south of the proposed convenience store) in an existing commercial building located at 50-223 Cesar Chavez Street, Suite "B"; Assessor's Parcel No. 768-050-003 ("Project"); and,

**WHEREAS**, the Planning Commission conducted a duly noticed public hearing on CUP No. 338 and VAR 21-02 on June 2, 2021 at the Coachella Permit Center, 53-990 Enterprise Way, Coachella, California regarding the proposed Project; and,

**WHEREAS**, at the Planning Commission hearing, the Applicant and members of the public were present and were afforded an opportunity to testify regarding the Project; and,

**WHEREAS**, the Project is permitted pursuant to Chapter 17.26 of the Coachella Municipal Code, subject to the attendant application for Variance No. 21-02 to allow the Project; and,

**WHEREAS**, the proposed use is necessary or desirable for the development of the community, is consistent with the objectives of the City's General Plan, and is not detrimental to the existing uses or the uses specifically permitted in the zone in which the proposed use is to be located; and,

**WHEREAS**, the proposed site is adequate in size and shape to accommodate the proposed development; and,

**WHEREAS**, the site for proposed use relates properly to streets which are designed to carry the type and quantity of traffic to be generated by the proposed use; and,

**WHEREAS**, the proposed project is exempt from the California Environmental Quality Act, as amended; and,

**WHEREAS**, the conditions as stipulated by the City are necessary to protect the public health, safety and welfare of the community.

**NOW, THEREFORE, BE IT RESOLVED**, that the Planning Commission of the City of Coachella, California does hereby approve Conditional Use Permit No. 338 and Variance No. 21-02, subject to the findings and conditions of approval listed below.

### FINDINGS FOR APPROVAL OF CONDITIONAL USE PERMIT NO. 338:

- 1. The proposed use will not be in conflict with, but will be in harmony with and in accordance with the objectives of the general plan because the proposed restaurant use with alcohol sales is within the Neighborhood Center land use designation according to the General Plan 2035, which allows the intended physical character to provide a comfortable, walkable environment for shoppers and diners and envisions neighborhood commercial uses mixed with high-density residential uses. The liquor sales establishment will be part of a convenience store that will provide for the sale of grocery items to serve adjoining residents.
- 2. The proposed use will be located, designed, constructed, operated and maintained so as to be compatible with the existing character of the general vicinity and shall not change the essential character of the same area because the proposed use is within a zoning designation of 'C-G' (General Commercial) which permits grocery stores subject to obtaining a conditional use permit to sell alcoholic beverages. The proposed use is on a major commercial thoroughfare street within a multi-tenant site that is compatible with the adjoining commercial uses and the conditional use permit can be revoked if any of the conditions of approval are violated.
- 3. Consideration has been given to harmony in scale, bulk, coverage and density, to the availability of public facilities and utilities, to harmful effect, if any, upon desirable neighborhood character, to the generation of traffic and the capacity of surrounding streets, and to any other relevant impact of development, because the existing commercial tenant space is within an existing commercial center with all infrastructure available onsite for the proposed grocery convenience store. Additionally, there is adequate ingress and egress into and out of the existing center to maintain the adequacy of the traffic circulation system serving the proposed use.
- 4. Where the proposed use may be potentially hazardous or disturbing to existing or reasonably expected neighboring uses, it must be justified by the common public interest as a benefit to the community as a whole. As conditioned, the proposed use will provide for the sale of alcoholic beverages in conjunction with a convenience grocery store with limitations on hours of operation. As such, there will be no hazardous or disturbing effects to the existing and neighboring uses.

- 5. The proposed use provides vehicular approaches to the property designed for reasonable minimal interference with traffic on surrounding public streets or roads, because all approaches are in full use for the patrons of the commercial center and no alterations are proposed as part of the request to sell and/or serve alcohol at the existing 944 square foot restaurant and no negative effects exists.
- 6. The City of Coachella has determined that the proposed project is categorically exempt from environmental review pursuant to the guidelines of the California Environmental Quality Act as an "Existing Facilities" project (CEQA Guidelines, Section 15301a). The project involves minor alterations to interior partition walls, and existing electrical, plumbing, and mechanical systems within an existing commercial building.

### **CONDITIONS OF APPROVAL FOR CONDITIONAL USE PERMIT NO. 338:**

- 1. Conditional Use Permit No. 338 is an approval for the sale of alcohol in conjunction with a proposed 2,500 square foot convenience grocery store. This approval is based on the floor plan submitted for the proposed project. Violation of any of the conditions of approval shall be cause for revocation of the Conditional Use Permit.
- 2. Alcohol sales must be commenced within 12 months of the effective date of this Conditional Use Permit unless a request for an extension of time is reviewed by the Planning Commission. A request for time extension shall be filed in a timely manner with applicable fees.
- 3. Any break in service, meaning the closure of the convenience grocery store use for a period of 180 consecutive days, will result in the expiration of this CUP.
- 4. The applicant will agree to defend and indemnify the City of Coachella against all claims, actions, damages, and losses, including attorney fees and costs, in the event that anyone files legal challenges to the approval of this project on the basis of the California Environmental Quality Act (CEQA). Prior to the issuance of building permits, the applicant shall execute a standard indemnification agreement subject to review by the City Attorney.
- 5. All plan submittals for interior renovations of the proposed convenience grocery store shall be the responsibility of the applicant; this includes plan submittals to the City of Coachella Building Division, and the Riverside County Fire Marshall's Office.
- 6. The applicant shall be responsible for informing all subcontractors or other business entities providing services related to the project of their responsibility to comply with all pertinent requirements in the Coachella Municipal Code, including the requirement that a business license be obtained by all entities doing business in the City.
- 7. The use shall meet the standards within the limits established by the Coachella Municipal Code as related to emissions of noise, odor, dust, vibration, wastes, fumes, or any public nuisances arising or occurring incidental to the establishment or operation.

- 8. The applicant shall pay all fees at the time fees are due and comply with all requirements of other outside agencies.
- 9. Any sign approval for the project is a separate process requiring the issuance of a sign permit and building permit and it is subject to review and approval by the Development Services Department and Building and Safety. The applicant shall not place any signs on west side of the building facing the playground adjacent to the parking lot serving the business, such that any brands of alcohol are visible from the playground.
- 10. The sale of alcoholic beverages is approved under this CUP is for a 2,500 square foot convenience store that provides a variety of grocery food items and dry goods. The operator shall work with the City's Police Department to deter theft of beer and wine items from the refrigerated display areas.
- 11. Hours of operation for the convenience store may be from 7:00 a.m. to 10:00 p.m. Sunday thru Wednesday and from 7:00 am to 11:00 pm Thursday through Saturday. The business shall offer the sale of prepared meals at all hours of operation. The last call for alcohol sales shall be 30 minutes before closing time.
- 12. The applicant shall comply with all requirements imposed by the State Department of Alcoholic Beverage Control and a review of this conditional use permit will be required if the business results in an increase in floor area.

PASSED APPROVED and ADOPTED this 2<sup>nd</sup> day of June 2021 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Stephanie Virgen
Planning Commission Chairperson

ATTEST:

Yesenia Becerril Planning Commission Secretary

<b>APPR</b>	OVED	AS TO	FORM:
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Carlos Campos City Attorney

CITY OF COACHELLA )
<b>I HEREBY CERTIFY</b> that the foregoing Resolution No. PC2021-08 was dul adopted by the Planning Commission of the City of Coachella at a regular meeting thereogened the companies of the Planning Commission:
AYES:
NOES:
ABSENT:
ABSTAIN:
Yesenia Becerril Planning Commission Secretary

## **Business Experiences**

Our family has operated businesses for twenty-one (21) years, giving us immense experience in real estate and operating regulated retail businesses. In that time, we have seen our businesses grow and prosper. Our philosophy of business operation involves hands-on management and attention to detail. We take an active role in hiring staff, training, constant supervision, and operations. We take great pride in serving our community by creating jobs and providing great services.

We own multiple shopping centers including: 1194 East Lassen Avenue, Chico CA 95173 and 5790 State Highway 38 in San Bernardino County. Both of these locations host successful, long-term tenants who provide goods, services, and jobs for their community. Our experience as both property owners and tenants serve us well in operating a nuisance-free business and looking out for the welfare of other tenants.

Currently we hold licenses for the California Department Alcoholic Beverage Control (ABC) for four retail locations in the state:

Licensed Business	Address	ABC License No.
Paradise Express Liquor, Inc.	41007 Highway 74, Unit A, Hemet, CA 92544	533920
SNR Angelus Oaks, Inc.,	37686 State Highway 38, Angelus Oaks CA 92305	594226
Hot Springs Liquor, Inc.	64949 Mission Lakes Blvd., Suite 123-125, Desert Hot Springs, CA 92240	615966

We have been model citizens in our community. The businesses proactively remove litter, prohibit loitering, and maintain open lines of communication with law enforcement. The properties are in good repair and consistent with the neighborhoods in which they are located. We take care to select and cultivate qualified managers and staff members who are committed to the community-oriented vision of the companies. This care is evident in the fact that each business operates successfully without generating complaints or nuisance activity.

# Additionally, we have had previous experience in retail business operation:

Licensed Business	Address
R N Lucky Market and Liquor INC	259 N Sanderson AVE Hemet CA,92545
Paradise 99 Market	288 E main ST San Jacinto CA 92853
Paradise Smoke Shop	2281 W Esplanade, Suite 102, San Jacinto, CA 92582
Paradise Express Smoke Shop	41007 State Hwy 74, Suite F, Hemet CA,92544