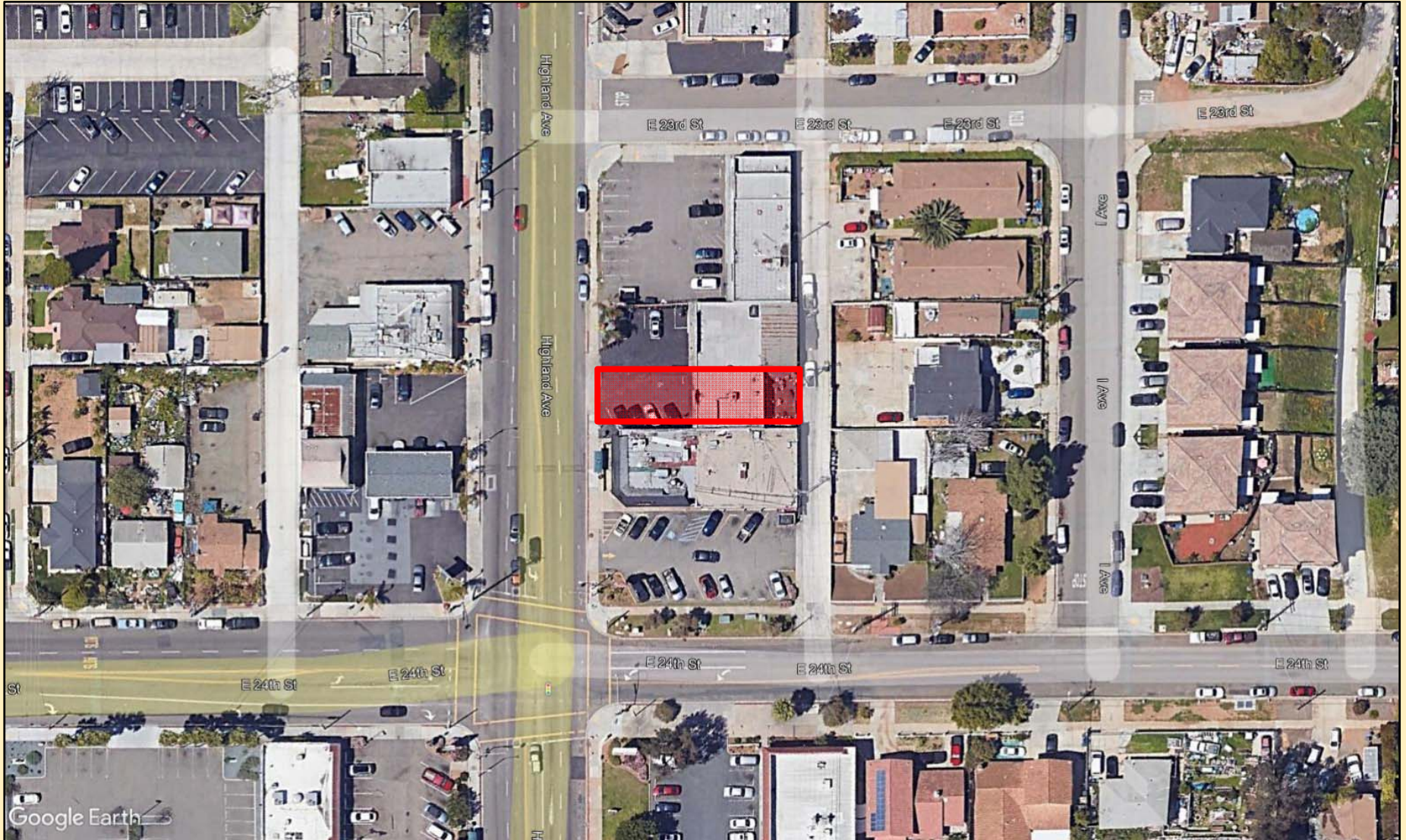




Public Hearing
Conditional Use Permit
for on-site distilled spirits and live
entertainment at an existing beer and
wine bar (Machete Beer House)
located at 2325 Highland Ave.
2022-08 CUP

Overhead



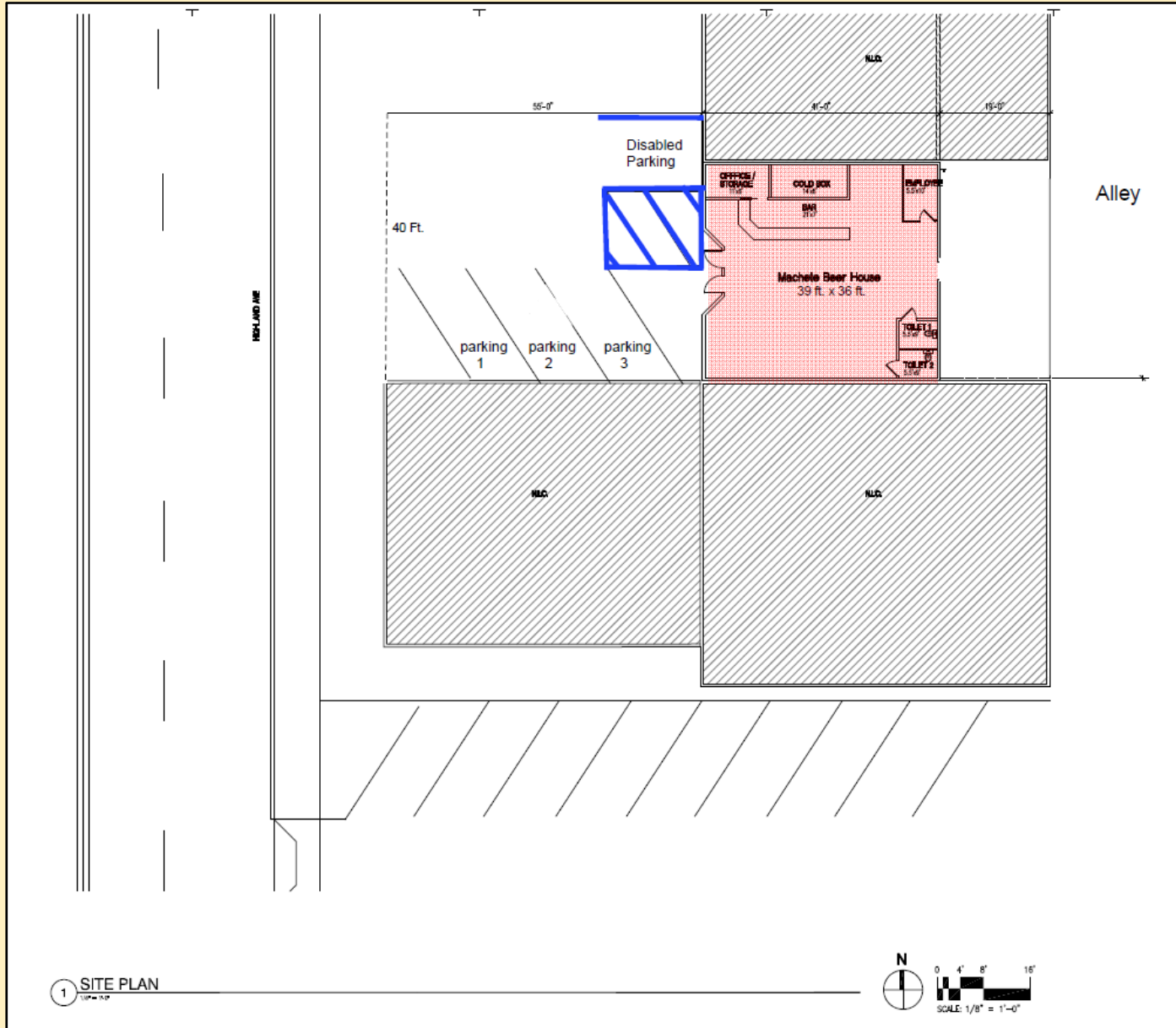
Site Characteristics:

- Subject property is 0.19 acres developed with a 2,800 sq. ft. commercial building
 - Machete Beer House occupies approximately half of the building in a 1,400 sq. ft. suite
 - Bar currently holds ABC Type 42 license
 - El Cubilete Tires occupies other half of building/property
 - Four parking spaces existing for the bar
- Area is mostly commercial in nature with single-family properties to the east across the alley

Proposed Use:

- Type 48 license (On-Sale General – Public Premises) – upgrade from Type 42 to allow distilled spirits
- Current business hours are 6:00 a.m. to 2:00 a.m. daily.
 - Only a coffee window operates until 2:00 p.m.
 - No change requested
- Applicant is also proposing to offer live entertainment in the form of jazz, mariachi, and DJs. All live entertainment will be indoors.
- The bar has an occupancy of 49 persons, inclusive of employees, patrons, and performers.

Site Plan/Floor Plan



Analysis:

- Request consistent with Code requirements (alcohol):
 - Mailing – 660 feet owners/occupants (654)
 - Community Meeting held on March 5, 2022 with one attendee
 - Distance from schools – property has been in use as a bar prior to the requirements of the code
- Council Policy 707
 - Requires condition related to sale of food for on-sale alcohol
 - Policy does not anticipate a CUP for a bar or similar establishment
 - Machete Beer House precedes requirements of Policy 707

Analysis:

- Current hours of operation are proposed to remain:
 - 6:00 am to 2:00 am
 - Proposed for live entertainment as well

- Census tract 116.01
 - 3 on-sale licenses (less than recommended by ABC)
 - No addition of license (existing)

- PD Risk Assessment
 - 18 points (medium risk)
 - Updated attachment in staff report

Analysis (cont.):

➤ Hours of operation (alcohol sales)

Business	Address	CUP type	End time
Grill House at Big Ben	108 E 8 th St	Beer & Wine	10 p.m.
Denny's	1904 Sweetwater Rd	Beer & Wine	11 p.m.
Royal Mandarin	1132 E Plaza Blvd	Beer & Wine	10 p.m.
Chipotle	404 Mile of Cars Way	Beer	11 p.m.
Crab Pub (Hooters)	Westfield Plaza Bonita	Beer/Wine/Spirits	12 a.m.
Koi Sushi (Yi Sushi)	1430 E Plaza Blvd	Beer & Wine	11 p.m.

Analysis (cont.):

- First CUP in National City for a Type 48 license
- Machete Beer House currently sells until 2:00 am
 - Business operates a coffee window until 2:00 pm most days
- Another business, Aja Lounge, also sells until 2:00 am under a Type 48 license without a CUP

Analysis (cont.):

➤ Hours of operation (live entertainment)

Business	Address	Year	Entertainment hours
Tita's II	3421 Plaza Blvd.	2010	5 p.m. to 12 a.m. W-Sa
Big Ben Market	108 East 8 th St.	2015	12 p.m. to 10 p.m. F-Sa 12 p.m. to 9 p.m. Su
Gerry's Grill	Westfield Plaza Bonita	2021	7:30 p.m. to 10 p.m. Th 8:30 p.m. to 11:30 p.m.

- Proposed hours of 6:00 a.m. to 2:00 a.m. daily far exceed recent CUP approvals
- Poses potential noise issues for nearby residential use
- Staff suggests reduced hours, both in duration and days.

Analysis (cont.):

- 2022-18 CUP (pending City Council approval)
- Recommended 1:00 am for alcohol sales
- Recommended live entertainment inside:
 - 12:00 p.m. to 10:00 p.m. Sunday to Thursday
 - 12:00 p.m. to 11:30 p.m. Friday and Saturday
 - Modified hours for adjacent school (outside only)

Analysis (cont.):

- Hours of operation (live entertainment)
- Options: Starting later, reducing evening hours, modifying hours related to nearby school, etc.:
- Live entertainment:
 - 12:00 pm to 10:00 pm Sunday
 - 2:00 pm to 10:00 pm Monday through Thursday*
 - 2:00 p.m. to 11:30 p.m. Friday*
 - 12:00 p.m. to 11:30 p.m. Saturday
 - *From 4:00 pm while Olivewood Elementary is in session
- Generally, after the coffee window concludes operation
- Building occupancy (49)

Comments:

- No comment received from Institute for Public Strategies (IPS)
- Usually recommend Responsible Beverage Sales and Service (RBSS), which is included as a standard condition of approval.

Public Comment:

- No comments provided at the time the staff report was written
- One public comment received in opposition to the addition of live entertainment
 - Concerns over noise and other complaints such as loitering and litter

Conditions:

- Recommended conditions reflect applicant's request
 - Hours of operation for alcohol sales
 - Hours of operation for live entertainment (indoors)
- Standard City Council Policy 707 conditions apply
 - Exceptions for requirements related to the sale of food
- No off-site sales
- Live entertainment incidental to bar use (no advertised events)
- Occupancy

Conditions (cont.):

- Compliance with Title 12 (Noise) of the NCMC
- Windows and doors to remain closed after 9:00 pm
- Only tables for coffee window permitted outdoors (no alcohol consumption)

Summary:

- Proposed use consistent with General Plan
 - Alcohol sales for on-site consumption and live entertainment both conditionally-allowed in the MXC-2 zone
- Addition of live entertainment accessory to the bar
- Inclusion of conditions requiring compliance with noise standards and operating hours intended to alleviate concerns related to area impacts
- Notice of Exemption of CEQA

Options:

- Approve CUP based on attached findings / findings determined by the Commission; or
- Deny CUP based on attached findings / findings determined by the Commission; or
- Continue the item for additional information
- Staff recommending approval with appropriate conditions
- Notice of Decision to City Council