

Item no. 5 November 7, 2022

COMMUNITY DEVELOPMENT DEPARTMENT - PLANNING DIVISION 1243 NATIONAL CITY BLVD., NATIONAL CITY, CA 91950

PLANNING COMMISSION STAFF REPORT

Title: CONDITIONAL USE PERMIT FOR OFF-SALE BEER AND

WINE (ABC TYPE 20) AT AN EXISTING CONVENIENCE STORE (REAL STAR MARKET) LOCATED AT 925 EAST

PLAZA BOULEVARD SUITE 103

Case File No.: 2022-30 CUP

Location: 925 East Plaza Boulevard- Plaza Village Center

Assessor's Parcel Nos.: 556-590-63

Staff report by: Adan Pacheco – Planning Technician

Applicant: Maria Onisemo

Zoning designation: MXD-2 (Major Mixed-Use District)

Adjacent use and zoning:

North: Single-family residences / MXD-2

East: AT&T retail outlet / MXD-2 (Major Mixed-use District)

South: South Bay Plaza / MXD-2

West: AutoZone / MXD-2

Environmental review: The proposed project has been reviewed in compliance with

the California Environmental Quality Act (CEQA) and has been determined to be categorically exempt from environmental review pursuant to Class 1, Section 15301 (Existing Facilities) for which a Notice of Exemption will be filed subsequent to approval of this Conditional Use Permit.

Staff recommendation: Approve with conditions

ATTACHMENT 2

Staff Recommendation

Staff recommends approval of the request for off-sale of beer and wine, subject to the attached recommended conditions. The sale of alcohol is a conditionally-allowed use in MXD-2 and would contribute to the diversity of commercial offerings in the area.

Executive Summary

The applicant is proposing to sell beer and wine for off-site consumption (ABC Type 20) in an existing 1,276 square-foot convenience store. The business (Real Star Market) proposes a display area of 8.5 linear feet, which is less than 1% of the total sales area. Proposed operation hours are 9:00 am to 9:00 pm daily.

Site Characteristics

The project location is an existing 1,276 square-foot commercial suite in the Plaza Village Center on the north side of east Plaza Boulevard, between Highland Avenue and 'L' Avenue. The market currently exists within the suite, which was most recently occupied by a hair salon. No interior improvements are proposed with this project. The shopping center is served by an existing parking area.

The Plaza Village Center is mostly occupied by commercial businesses. The market is on the northwest corner of the shopping center and faces the parking lot. Single-family homes border the site to the north and are separated by a retaining wall. Taco Salsa restaurant and Subway restaurant are located next to Real Star Market.

Proposed Use

The applicant proposes to sell beer and wine for off-site consumption with an alcohol display area of 8.5 linear feet. The applicant currently sells a variety of grocery products and goods such as, candies, drinks, snacks, and cold beverages. The market employs one person.

Analysis

Section 18.30.050 of the Land Use Code allows for off-site alcohol sales with an approved Conditional Use Permit (CUP). Additional requirements for alcohol CUPs include expanded notification, a community meeting, and distance requirements. There are also specific conditions required as part of City Council Policy 707, which regulates alcohol licenses.

<u>Mailing</u> – All property owners and occupants within a distance of 660 feet are required to be notified of a public hearing for alcohol-related CUP applications. Notice of this public hearing was sent to 358 occupants and owners.

Community Meeting - Pursuant to Section 18.30.050(C) of the National City Zoning Code, a community meeting was held Friday, September 23, 2022 from 2:00 p.m. to 3:00 p.m. at the subject property. The meeting advertisement is attached (Attachment 8); There were twenty-five community members in attendance. The applicant stated that the same owners and occupants who were notified of the planning commission meeting were also notified of the community meeting. The applicant also stated that no guests expressed any concerns about the sale of alcohol at the existing convenience store.

Distance Requirements

Businesses that sell alcohol must adhere to certain distance requirements set forth in Chapter 18.030.050(D). There are no minimum distance requirements for grocery stores, convenience stores, or other retail establishments that sell alcohol for consumption as an accessory use. The existing market is primarily a convenience store as more than 75% of sales come from snacks, beverages, and other items.

Alcohol Sales Concentration/Location

Per the California Department of Alcoholic Beverage Control (ABC), there are currently 9 off-sale licenses in this census tract (117) where a maximum of four is recommended, meaning that the census tract is considered by ABC to be over-saturated with regard to alcohol sales outlets. In addition, another recent CUP for off-sale alcohol (ABC Type 20) was approved for the 99 Cent Store at 1320 Highland Avenue.

Name	Address	License Type*	CUP
Tahona Mercado	802 B Avenue	21	Υ
Seafood City Supermarket	1420 E. Plaza Blvd. Suite C	21	Υ
Big Ben Market	108 E. 8 th St.	21	Υ
Walmart Supercenter	1200 Highland Ave.	20	Υ
Smart & Final Extra!	1220 E. Plaza Blvd. Suite 510	21	Υ
CVS Pharmacy	1201 E. Plaza Blvd.	21	Υ
7 Eleven	1539 Highland Ave.	20	Υ
Wilson's Liquor	916 E. 8 th St.	21	Υ

Bottles & More Liquor	1535 E. 18 th St.	21	-	l
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^{*} Type 20 - Off-Sale of Beer and Wine.

Census tract 117 includes the area between National City Boulevard and "N" Avenue, and between East 8th Street and East 18th Street. The attached census tract map shows the location of the subject tract (Attachment 6).

Many of the issues related to off-sale licenses sales are related to the availability of smaller quantities and cheaper products, most of which are related to businesses not subject to CUPs due to legal nonconforming status. However, businesses with CUPs are limited to the quantity and size of beer bottles (e.g., no sale of single cans or bottles) and the size of wine bottles and their alcoholic content (e.g., containers less than 750 milliliters nor greater than 15% content by volume).

Police Department (PD)

The Police Department provided a Risk Assessment report, which assigns points based on the type of business, license concentration, and calls for service (among others) and ranks the business according to potential risk (low, medium, or high). In this case, Real Star Market received a score of 12, which would indicate a low risk. Low risk is considered 12 points or less.

Institute for Public Strategies (IPS)

No comments were received from IPS as of the writing of this report, although they usually recommend at least the need for Responsible Beverage Sales and Service (RBSS) training for all staff. This is a standard condition of approval and is included with this report.

Findings for Approval

The Municipal Code contains six required findings for CUPs as follows:

1. The proposed use is allowable within the applicable zoning district pursuant to a Conditional Use Permit and complies with all other applicable provisions of the Land Use Code.

The use is allowable within MXD-2 pursuant to a CUP and the proposed use meets the required guidelines in the Land Use Code for alcohol sales, including distance from sensitive uses and operating requirements.

^{*} Type 21 - Off-Sale of Beer, Wine, and Distilled Spirits.

2. The proposed use is consistent with the General Plan and any applicable specific plan.

Alcohol sales are permitted, subject to a CUP, by the Land Use Code, which is consistent with the General Plan. No specific plan exists for the area.

3. The design, location, size, and operating characteristics of the proposed activity would be compatible with the existing and future land uses in the vicinity.

No expansion of the building is proposed. The proposal involves an existing commercial building, which was previously analyzed for traffic impacts when the building was constructed.

4. The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints.

The proposed alcohol sales outlet would be consistent with other commercial businesses in the area accessory to the existing grocery and retail business.

5. Granting the permit would not constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located.

The proposed use would be subject to conditions that limit the hours and manner in which alcohol is sold, including operating hours, employee training, and type and quantity of products sold.

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

The proposed project has been reviewed in compliance with the California Environmental Quality Act (CEQA) and has been determined to be categorically exempt from environmental review pursuant to Class 1, Section 15301 (Existing Facilities) for which a Notice of Exemption will be filed subsequent to approval of this Conditional Use Permit. The reason for the exemption is that no expansion of

the building is proposed and the use would be the same as the current use and is similar to other commercial uses in the area, which are permitted by right in the MXD-2 zone ad there is no potential for a significant environmental impact.

The following two findings are also included with alcohol CUPs:

7. The proposed use is deemed essential and desirable to the public convenience or necessity.

In this case, the sale of beer and wine will contribute to the diversity of local commercial offerings in the area, an allowed use in the MXD-2 zone and is in the Low Risk category based on PD's ABC Risk Assessment.

8. Based on findings 1 through 7 above, public convenience and necessity will be served by a proposed use of the property for the on-site sales of alcoholic beverages in accordance with applicable law and the recommended conditions.

The use, as proposed and conditioned, will operate in harmony with surrounding uses, will not cause a nuisance, and will benefit the existing business customer base by increasing the type of products for sale.

Findings for Denial

If the Planning Commission were to make the following three findings, a denial would be supported as follows:

- 1. If the proposed use is not essential nor desirable to the public convenience and welfare, because there are other off-sale alcohol license outlets within half-mile of the site.
- 2. Granting the permit would constitute a nuisance or be injurious or detrimental to the public interest, health, safety, convenience, or welfare, or materially injurious to persons, property, or improvements in the vicinity and zone in which the property is located, because the census tract in which the subject property is located is currently over-concentrated with regard to off-sale alcohol outlets because eight off-sale outlets are permitted where four are recommended by the California Department of Alcoholic Beverage Control.

3. Based on findings 1 and 2 above, public convenience and necessity will not be served by an additional off-sale beer and wine alcohol license in the proposed location.

Conditions of Approval

Recommended Conditions of Approval include those specific to off-site alcohol sales per Council Policy 707 (alcohol container volume, size, and number; RBSS training, hours, accessory sales, etc.).

Summary

The proposed use is consistent with the General Plan due to alcohol sales for offsite consumption being a conditionally-allowed use in MXD-2. Beer and wine sales at a convenience store would contribute to the diversity of the commercial offerings on East Plaza Boulevard. Conditions requiring compliance with City Council Policy 707 are intended to alleviate concerns related to area impacts should the CUP be approved. The decision of the Planning Commission will be relayed to the City Council.

Options

- 1. Approve 2022-30 CUP subject to the conditions listed within, or other conditions based on the attached findings, or findings to be determined by the Planning Commission; or
- 2. Deny 2022-30 CUP based on findings to be determined by the Planning Commission; or,
- 3. Continue the item to a specific date in order to obtain additional information.

Attachments

- 1. Recommended Findings
- 2. Recommended Conditions of Approval
- 3. Overhead
- Applicant's Plans (Exhibit A, Case File No. 2022-30 CUP, dated 10/04/2022)
- 5. Public Hearing Notice (Sent to 358 property owners & occupants)
- 6. Census Tract & Police Beat Maps
- 7. Police Department Risk Assessment
- 8. Community Meeting Advertisement
- 9. Resolution

ADAN PACHECO Planning Technician ARMANDO VERGARA
Director of Community Development