



STAFF REPORT SAN CLEMENTE PLANNING COMMISSION

Date: January 9, 2013

PLANNER: Amber Gregg, Associate Planner 

SUBJECT: Interpretation 12-434, Microbrewery Interpretation, a request for an interpretation from the Planning Commission regarding small microbreweries with limited production, with a tasting room and retail sales, as being considered the same as a “Bar” use in the Municipal Code and requires a Conditional Use Permit to establish such a facility.

REQUIRED FINDINGS

Prior to approval of the proposed project, the following findings shall be made. The draft Resolutions, provided as Attachment 1, and analysis section of this request provide an assessment of the project’s compliance with these findings.

Interpretation, to interpret microbreweries being the same as a bar use (Section 17.04.040G)

- a. The proposed use is similar in nature to the listed use in terms of its function; and
- b. The proposed use is as restrictive as the use to which it is being compared in terms of impacts to traffic, parking, dust, noise, or other negative impacts.

BACKGROUND

The applicant has proposed a new business in North Beach at 1640 North El Camino Real where they would like to establish a microbrewery whose main purpose is to serve as a tasting room. Microbrewery is not an identified use within the Municipal Code. In order to establish what the proposed use is most similar to, the applicant has requested an interpretation by the Planning Commission.

At the time this staff report was completed, staff did not receive any public comments regarding the project.

PROJECT DESCRIPTION

The applicant, Tom Cordato, is proposing to establish a microbrewery in North Beach at 1640 North El Camino Real. The applicant feels that their proposed use is similar in nature to a “Bar”, which is permitted in the Mixed Use zoning district with a Conditional Use Permit, and is asking the Planning Commission to make this interpretation as well. There are other micro-brewing companies in San Clemente, most are located in the business parks and have larger production operations than what is proposed here. There is one microbrewery located in the Downtown, Pizza Port, which included food service in addition to the microbrews. The applicant is putting more focus on the tasting room, and related tasting room retail sales, rather than being primarily a production facility. The applicant is also not proposing to have any type of bottling facility onsite. The applicant proposes the beer will go directly into kegs, and will be stored onsite.

PROJECT ANALYSIS

The proposed request is unique as there are a few microbreweries that exist in the City. The ones that are here are mainly located in the industrial areas and are more focused on production rather than the tasting room experience. The applicant has stated that they do not intend to sell food, and that their primary focus is the sale and promotion of their beer in the tasting room. In the tasting room the applicant is proposing to serve, for on-site consumption, only their beer and have it available for purchase for off-site consumption as well. Additional manufactured beers will be available for purchase in bottles. To try to classify this use staff utilized Municipal Code definitions, Alcoholic Beverage Control definitions, reviewed state definitions of microbreweries, and reviewed the operation of existing facilities in San Clemente.

The definition of a restaurant pursuant to the Municipal Code Section 17.88.030 is:

"Restaurants" means an establishment which prepares and sells foods and/or beverages for immediate consumption, including but not limited to, dining rooms, cafes, cafeterias, coffee shops, and pizza parlors.

Under the Mixed Use and Commercial zoning designations of the Municipal Code a “Bar” is a type of restaurant and requires a Conditional Use Permit to be established.

According to the Department of Alcoholic Beverage Control (ABC) a Microbrewery is “a small scale brewery operation that typically is dedicated solely to the production of specialty beers; may have a restaurant or pub on their manufacturing plant.” A type 23 license (Small Beer Manufacturer, Beer Pub or Micro-Brew) must be obtained from ABC prior to operation.

Staff also found that microbreweries are typically limited to 5,000 to 15,000 production barrels a year.

Based on the above definitions, and the requirement of ABC, staff believes that a Microbrew would fall under the “Bar” use as it prepares and sells beverages and is a small scale brewery operation that will produce less than 5,000 barrels a year.

ANALYSIS

Because the applicant does not propose to have food, but does propose to prepare and serve beer on-site, staff supports the proposed microbrewery use as being consistent with a “Bar” type use, and recommends that a Conditional Use Permit be required for this type of application to review each proposal individually. This will allow staff to review projects individually and craft specific conditions to ensure there are no adverse negative impacts to the surrounding area. This reasoning supports the required findings that the proposed use is similar in nature to the listed use in terms of its function and that the proposed use is as restrictive as the use to which it is being compared in terms of impacts.

Staff’s position is that the 15,000 barrels is too large of a scale production for what would be appropriate for the Mixed Use and Commercial zones, especially adjacent to residential uses. Based on discussions with the applicant and researching the production of other microbreweries, staff recommends the Planning Commission also find that microbreweries which propose to establish small productions and tasting rooms under the “Bar” category use in the Mixed Use and Commercial zones be limited to 5,000 barrels a year. This restriction should also include not allowing any type of bottling devices to be used within the Mixed Use and Commercial zones other than what is needed to transfer the beer into individual kegs. This will ensure that the production stays small, will reduce potential noise conflicts with adjacent uses, and ensure emphasis on the tasting room and retail sales.

GENERAL PLAN CONSISTENCY

Staff reviewed the goals of the existing, and Draft Centennial General Plan, to determine if the proposed interpretation is consistent with the goals of the North Beach area. The existing General Plan states the following:

“The revitalization of the North Beach area to a community and visitor serving mixed-use, high activity center of the City. This is intended to capitalize on the area’s adjacency to the beachfront and emphasize the significant historic structures. It is further intended that the provisions of the coastal-related uses offer an opportunity to lessen the demands to intensify development at the Pier Bowl. Retail shops, gift stores, restaurants, hotels/motels, entertainment, and residential units above lower commercial would be accommodated to establish a pedestrian-oriented “Village” environment.”

The Draft Centennial General Plan states:

“The North Beach/North El Camino Real Focus Area is a unique, community- and visitor-oriented entertainment hub and recreation area that serves as a gateway along the historic El Camino Real/Pacific Coast Highway from beach cities to the north. The area’s ongoing revitalization is based on the community’s desire to preserve and enhance its key assets: views of the ocean, access to the beach, a rich inventory of historic assets, access to passive and active recreation and numerous commercial retail and service opportunities for locals and visitors alike.”

Based on the above, a micro-brewery would seem to promote the North Beach’s “visitor-oriented entertainment” role.

ALTERNATIVES; IMPLICATIONS OF ALTERNATIVES

1. The Planning Commission can concur with staff recommendation and approve the Interpretation.

Would result in the Planning Commission making an interpretation that allows small scale microbreweries with tasting rooms to be established in the Mixed Use and Commercial zoning designation to be classified the same as a “Bar” use under “Restaurants” requiring a Conditional Use Permit. Additionally, identifying the limits in production, as specified above, within these zones will ensure compatibility with surrounding uses, and make the emphasis on the tasting room and retail sales.

2. The Planning Commission can at its discretion make other interpretations of the microbrewery use within the Mixed Use and Commercial zoning districts.

Another interpretation could be made that microbrewing facilities are not consistent with a “Bar” use, and thus not appropriate for the Mixed Use or Commercial zoning districts. The applicants could choose a facility within the various Industrial areas of the community, where the other larger microbreweries are located, and apply for the necessary discretionary approvals for the sale of beer for both onsite and offsite consumption.

RECOMMENDATION

STAFF RECOMMENDS THAT the Planning Commission approve Interpretation 12-434, that a microbrewery with limited production and tasting room is consistent with a “Bar” use and shall be permitted within the Mixed Use and Commercial zoning designations with the approval of a CUP.