



STAFF REPORT SAN CLEMENTE ZONING ADMINISTRATOR

Meeting Date: April 20, 2016

PLANNER: Adam Atamian, Associate Planner 

SUBJECT: Minor Conditional Use Permit (MCUP) 16-066, Lost Winds Brewery Tasting Room, a request to consider a 1,054 square-foot tasting room at a new brewery facility.

LOCATION: 924 Calle Negocio, Suite C

ZONING/GP: Business Park in the Rancho San Clemente Specific Plan (RSCSP-BP)/ Light Industrial

BACKGROUND:

- Lost Winds Brewing is a new light manufacturing use, a beer brewery, which occupies one building within the Rancho San Clemente Business Park. The project site is a 2.4-acre lot with two multi-tenant buildings. The proposed use is located in a 2,804 square-foot suite centrally located in the northern building (see attachment 2).
- The applicant is requesting a Minor Conditional Use Permit (MCUP) to establish a 1,054 square-foot tasting room. 452 square feet of the tasting room area would be located on the first floor adjacent to the main manufacturing equipment, with the remaining 602 square feet located on a mezzanine level. These areas would provide for space for up to 48 customers (see attached plans for floor layout). All sales and consumption would remain indoors.
- According to the Rancho San Clemente Specific Plan, the sale of alcoholic beverages for consumption on-site is regulated by the City's Zoning Ordinance. Section 17.36.020 of that document requires the approval of a MCUP to sell beer for on-site, indoor consumption.
- In addition to a MCUP, a type 23 license has been obtained from the California Department of Alcohol Beverage Control to allow the proposed use. A type 23 license allows the sale of beer with on-site consumption in a "small beer manufacturer."
- There are two other brewery tasting rooms located within the Business Park or Light Industrial zones in the City of San Clemente. The closest of these is the Artifex Brewery located at 919 Calle Amanecer, approximately 950 feet to the south.
- The project site is significantly buffered from the nearest residential area by other buildings, and steep landscaped slopes. The closest residence is approximately 1,000 feet from the subject building.
- The proposed hours of operation of the tasting room are Sunday through Thursday, 11:00 a.m. to 11:00 p.m., and Friday through Saturday, 11:00 a.m. to 1:00 a.m. The MCUP is conditioned to provide both the Police Services Department and the Code

Compliance Division with the authority to revise operating hours to mitigate any impacts to neighboring properties.

- Per the Zoning Ordinance, the brewery tasting room requires 12 parking spaces due to the maximum occupancy of 48 customers (one parking space is required per four customers) and the manufacturing and office space that comprise the rest of the building requires 3.5 parking spaces. The site is regulated by a reciprocal parking agreement that includes the property to the north (930 Calle Negocio) which has two mutli-tenant buildings. Based on the amount of parking provided (242 spaces) and the amount required for the proposed use and all other uses on the site (183), there will be a parking surplus of 59 parking spaces. This surplus is due to the fact that the development was planned for each suite occupied by a manufacturing business. However, most of these suites have converted the manufacturing areas into warehouse space, which requires substantially less parking (1 space per 500 square feet for manufacturing vs. 1 space per 2000 square feet for warehouse). For a complete parking analysis, please refer to Attachment 4.
- Staff contacted the City's Police Services Department, Code Enforcement Division, and the California Department of Alcoholic Beverage Control to determine if there have been issues with the use and get their input on the request. They did not have concerns with the applicant's request as the City's tasting rooms have not generated significant complaints in the past.
- This proposal complies with the required findings for a MCUP for the following reasons:
 - The Zoning Ordinance allows the service of alcohol, which is an accessory use to the brewery, with the approval of a MCUP.
 - There is ample on-site parking available for the proposed use.
 - The project has been conditioned to ensure that the project complies with all applicable codes and incorporates best management practices including the safety and responsibilities of alcohol beverage service.
 - The proposed use will not negatively impact surrounding uses in that the use must comply with the City's Noise Ordinance and the closest residence is approximately 1,000 feet from the building and separated by buildings and steep landscaped topography.
- Staff has not received public comments on the project to-date.

RECOMMENDATION

STAFF RECOMMENDS THAT the Zoning Administrator approve MCUP 16-066, Lost Winds Brewery Tasting Room, subject to the attached Resolution and Conditions of Approval.

Attachments:

1. Resolution ZA 16-013
 Exhibit 1 – Conditions of Approval
2. Vicinity Map
3. Site Photos
4. Parking Analysis
Plans

ATTACHMENT 1

RESOLUTION NO. ZA 16-013

A RESOLUTION OF THE ZONING ADMINISTRATOR OF THE CITY OF SAN CLEMENTE, CALIFORNIA, APPROVING MINOR CONDITIONAL USE PERMIT 16-066, LOST WINDS BREWERY TASTING ROOM, A REQUEST FOR A 1,054 SQUARE FOOT TASTING ROOM USE WITH ON-SITE SALE AND CONSUMPTION OF BEER AND WINE ASSOCIATED WITH A BREWERY FACILITY, LOCATED AT 924 CALLE NEGOCIO, SUITE C

WHEREAS, on February 16, 2016 an application was submitted, and on March 17, 2016, deemed complete, by Tim Thralls, 924 Calle Negocio, Suite C, San Clemente, CA 92673, a request for a 1,054 square foot tasting room use with on-site sale and consumption of beer and wine associated with a brewery facility, located at 924 Calle Negocio, Suite C, the legal description being Lot 3, of Tract 12402, Assessor's Parcel Number 688-031-06; and

WHEREAS, the Planning Division completed an initial environmental assessment for the project in accordance with the California Environmental Quality Act (CEQA) and recommends the Zoning Administrator determine this project is categorically exempt from CEQA as a Class 3 exemption pursuant to CEQA Guidelines Section 15303 because the project consists of the conversion of an existing small structure from one use to another with minor modifications to the interior of the structure; and

WHEREAS, on March 8, 2016, the City's Development Management Team reviewed the application for compliance with the General Plan, Zoning Ordinance, and other applicable requirements, and support the proposed project subject to the conditions of approval; and

WHEREAS, on April 20, 2016, the Zoning Administrator held a duly noticed public hearing on the subject application, and considered evidence presented by the applicant, City Staff, and other interested parties.

NOW, THEREFORE, the Zoning Administrator of the City of San Clemente hereby resolves as follows:

Section 1: The project is categorically exempt from the California Environmental Quality Act (CEQA) as a Class 3 exemption pursuant to CEQA Guidelines Section 15303 because the project consists of the conversion of an existing small structure from one use to another with minor modifications to the interior of the structure.

Section 2: The proposed on-site sale and consumption of beer as an incidental use to the proposed small brewery is permitted within the Rancho San Clemente Specific Plan, Business Park Land Use designation pursuant to the approval of a Minor Conditional Use Permit (MCUP) and complies with all the applicable provisions of the Rancho San Clemente Specific Plan, the Municipal Code, the San Clemente General Plan and the purpose and intent of the zone in which the use is being proposed in that

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the on-site sale and consumption of beer is consistent with past approvals in the business park and is ancillary to the manufacturing use of the site.

Section 3: The site is suitable for the type and intensity of use that is proposed, in that the project site meets the development standards and requirements of the Rancho San Clemente Specific Plan and the Zoning Ordinance. There is sufficient parking, with a surplus available, on-site for the proposed use and all other uses currently occupying other suites on the property. The site is suitable for the type and intensity of the on-site sale of beer in that the alcoholic beverage will be purchased and consumed on-site, and the tasting room is an ancillary component to the primary manufacturing use of the subject suite. No concerns were identified by the Sheriff's Department or the City's Code Compliance Division about the proposal.

Section 4: The proposed use will not be detrimental to the public health, safety or welfare or materially injurious to properties and improvements in the vicinity, in that the development must comply with all code requirements including but not limited to Fire Code, California Building Code, Alcoholic Beverage Control, and the San Clemente Municipal Code. Occupancy of the site is restricted to maintain compatibility with surrounding businesses, which include office, warehouse, and manufacturing uses.

Section 5: The proposed use will not negatively impact surrounding land uses in that the use must comply with the City's Noise Ordinance and the closest residence is approximately 1,000 feet from the building. The use of the tasting room is conditioned with hours of operation that will not negatively impact surrounding uses, and occupancy restrictions that maintain an adequate parking surplus on-site. There is sufficient parking, with a surplus available, on-site for the proposed use and all other uses currently occupying other suites on the property.

Section 6: The Zoning Administrator hereby approves the categorical exemption and Minor Conditional Use Permit No. ZA 16-066, Lost Winds Brewery Tasting Room, subject to the above Findings, and the Conditions of Approval attached hereto as Exhibit 1.

PASSED AND ADOPTED at a regular meeting of the Zoning Administrator of the City of San Clemente on April 20, 2016.

SAN CLEMENTE ZONING ADMINISTRATOR

Jim Pechous, Zoning Administrator

CONDITIONS OF APPROVAL*
MINOR CONDITIONAL USE PERMIT (MCUP) 16-066
LOST WINDS BREWERY TASTING ROOM

1. The applicant or the property owner or other holder of the right to the development entitlement(s) or permit(s) approved by the City for the project, if different from the applicant (herein, collectively, the "Indemnitor") shall indemnify, defend, and hold harmless the City of San Clemente and its elected city council, its appointed boards, commissions, and committees, and its officials, employees, and agents (herein, collectively, the "Indemnitees") from and against any and all claims, liabilities, losses, fines, penalties, and expenses, including without limitation litigation expenses and attorney's fees, arising out of either (i) the City's approval of the project, including without limitation any judicial or administrative proceeding initiated or maintained by any person or entity challenging the validity or enforceability of any City permit or approval relating to the project, any condition of approval imposed by City on such permit or approval, and any finding or determination made and any other action taken by any of the Indemnitees in conjunction with such permit or approval, including without limitation any action taken pursuant to the California Environmental Quality Act ("CEQA"), or (ii) the acts, omissions, or operations of the Indemnitor and the directors, officers, members, partners, employees, agents, contractors, and subcontractors of each person or entity comprising the Indemnitor with respect to the ownership, planning, design, construction, and maintenance of the project and the property for which the project is being approved. The City shall notify the Indemnitor of any claim, lawsuit, or other judicial or administrative proceeding (herein, an "Action") within the scope of this indemnity obligation and request that the Indemnitor defend such Action with legal counsel reasonably satisfactory to the City. If the Indemnitor fails to so defend the Action, the City shall have the right but not the obligation to do so and, if it does, the Indemnitor shall promptly pay the City's full cost thereof. Notwithstanding the foregoing, the indemnity obligation under clause (ii) of the first sentence of this condition shall not apply to the extent the claim arises out of the willful misconduct or the sole active negligence of the City. *[Citation – City Attorney Legal Directive]* (PIng.)_____
2. Thirty days after project approval, the owner or designee shall submit written consent to all of these imposed conditions to the Community Development Director or designee. The owner or designee understands that the resolution will be of no force or effect unless such written consent is submitted to the City. *[Citation – City Attorney Legal Directive]* (PIng.)_____
3. The sale of beer for on-site consumption shall be limited to Sunday through Thursday between the hours of 11:00 a.m. and 11:00 p.m., and Friday through Saturday between the hours of 11:00 a.m. and 1:00 a.m. The maximum number of customers allowed in the brewery at any time is 48 people. Any proposed

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change in the hours of operation or customer-occupancy limit shall require an amendment to this Minor Conditional Use Permit (MCUP) which will require approval through the Zoning Administrator public hearing process. *[Citation – Division 9 (Alcoholic Beverages), Section 25631 to 25633 of Business & Professions Code, State of California]* ■ (PIng.)_____

4. If it is found that the permitted hours of operation are not appropriate to mitigate impacts on neighboring properties, at the discretion of the Sheriff's Department or Code Compliance Division, the permitted hours of operation may be revised. ■■ (PIng.) _____
5. The business owner shall use her/his best judgment and best management practices to ensure activities on the premises will be conducted in a manner that will not be disruptive to other commercial or residential neighbors. The property owner, applicant, or designee shall be responsible for immediately resolving any problems associated with the activity and/or issues of concern raised by neighbors. ■■ (PIng.)_____
6. The business owner shall be responsible for maintaining the common areas including, but not limited to, the parking lot, walkways, and the planter areas, surrounding the tasting room in clean order, removing all debris associated with the tasting room operations. ■■ (PIng.)_____
7. The owner or designee shall obey all rules, regulations and conditions imposed upon the project through, but not limited to, the Alcoholic Beverage Commission (ABC) and relevant State laws. Revocation of, or sale of said ABC license to another person at another location, shall render any City approved CUP for alcohol service at the subject property null and void. Prior to any sale of the ABC license, the owner or designee shall notify the Community Development Department of the sale. *[Citation – Division 9 (Alcoholic Beverages), Business and Professions Code, State of California]* (PIng.)_____
8. The owner or designee shall be responsible for ensuring that all employees receive 'Responsible Alcoholic Beverage Service' training as offered through programs established by the Orange County Health Care Agency and Alcoholic Beverage Control of the State of California. Evidence of such training and the training records of all employees shall be maintained on-site during business hours, and made available for inspection upon request. *[Citation - Section 17.16.070.K of the of the SCMC]* (PIng.)_____
9. Pursuant to Section 17.12.150(C) of the Zoning Ordinance, the on-site sale and indoor consumption of alcohol use shall be deemed to have lapsed, and MCUP 16-066 shall be deemed to have expired, ninety (90) days after the date the on-site sale and consumption of beer ceases operation and/or the business closes at such location. *[Citation - Section 17.12.150(C) of the SCMC]* (PIng.)_____

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10. In the event that noise impacts neighboring properties, the tenant must soundproof the facility, or use other best management practices as determined by the City Planner, to eliminate the problem and comply with the City's noise ordinances. ■■ (PIng.) _____
11. A separate Building Permit is required. Plans to construct new building, add or alter the existing building configuration, change in use, add or alter structural, mechanical, electrical or plumbing features of the project must be reviewed and approved through a separate building plan check / permit process. *[S.C.M.C – Title 8 – Chapter 8.16- Fire Code, Title 15 Building Construction - Chapters 15.08, 15.12, 15.16, 15.20]* (Bldg.)_____
12. Prior to issuance of building permits, code compliance will be reviewed during building plan check. *[S.C.M.C – Title 8 – Chapter 8.16- Fire Code, Title 15 Building Construction - Chapters 15.08, 15.12, 15.16, 15.20]* (Bldg.)_____
13. Building permits shall not be issued unless the project complies with all applicable codes, ordinances, and statutes including, but not limited to, the Zoning Ordinance, Grading Code, Security Ordinance, Transportation Demand Ordinance, Water Quality Ordinance, Title 24 of the California Code of Regulations as adopted by the City including, but not limited to the California Administrative, Building, Electrical, Plumbing, Mechanical, Energy, Green, and Fire Codes. *[S.C.M.C – Title 8 – Chapter 8.16 – Fire Code, Title 15 Building and Construction Chapters 15.08, 15.12, 15.16, 15.20, 15.21, Title 16 Subdivisions, Title 17 Zoning]* (Bldg.)_____
14. Prior to the issuance of building permits, the owner or designee shall submit plans that identify the intended use of each building or portion of building and obtain approval of the Building Official. *[S.C.M.C – Title 15 – Chapter 15.08]* (Bldg.)_____
15. Prior to the issuance of building permits, the owner or designee shall pay all applicable development fees in effect at the time, which may include, but are not limited to, Regional Circulation Financing and Phasing Program (RCFPP), park acquisition and development, water and sewer connection, drainage, Public Facility Construction, transportation corridor, Avenida La Pata Supplemental Road Fee and school fees, etc. *[S.C.M.C. – Title 15 Building and Construction, Chapters 15.52, 15.56, 15.60, 15.64, 15.68, 15.72]* (Bldg.)_____

* All Conditions of Approval are standard, unless indicated as follows:

- Denotes modified standard Condition of Approval
- Denotes project specific Condition of Approval



ATTACHMENT 2

LOCATION MAP

MCUP 16-066, Lost Winds Brewery Tasting Room
924 Calle Negocio, Suite C



ATTACHMENT 3

SITE PHOTOS

View from public right-of-way (Calle Negocio)



View from parking area in front of subject suite



ATTACHMENT 4

Tenant Roster/Parking Analysis

Unit	Tenant name	Square feet of suite	Square feet of suite designated as warehouse	Restaurants: # of seats and square feet of seating area	Land use (e.g. medical office, office, retail)	Parking Ratio (completed by City)	Required parking spaces (completed by City)
920A	American Qualex	5,170	3,138		Medical research	(1/300 office + 1/2000 warehouse)	8
920B	Secure Risk LLC	3,520	2,084		Office	(1/300 office + 1/2000 warehouse)	6
920C	Soaren Mgmt	3,574	1,892		Office	(1/300 office + 1/2000 warehouse)	7
920D	Mi Amore Skincare	3,188	1,980		Beauty Products	(1/300 office + 1/2000 warehouse)	5
920E	Atlantis Technologies	3,615	2,381		Research & Development	(1/500 R&D + 1/2000 warehouse)	4
920F	John Galt Chess	6,680	4,412		Office	(1/300 office + 1/2000 warehouse)	10
924A	Agregate Machinery	4,600	2,744		Office	(1/300 office + 1/2000 warehouse)	8
924B	CNG United	2,804	1,428		Research & Development	(1/500 R&D + 1/2000 warehouse)	3
924C	Lost Winds Brewing Company	2,804	1,596	48	Manufacturing/Brewery	(1/500 manufacturing + 1 per 4 cust	16
924D	Lux Inks	3,134	1,862		Apparel Wholesale	(1/300 office + 1/2000 warehouse)	5
924E	Surbelt Rentals, Inc	5,158	3,130		Machinery Rentals	(1/300 office + 1/2000 warehouse)	8
930A	4 Star Electronics, Inc	25,463	16,351		Online Sales	(1/300 office + 1/2000 warehouse)	39
930B	4 Star Electronics, Inc				Online Sales		
930C	4 Star Electronics, Inc				Online Sales		
930D	4 Star Electronics, Inc				Online Sales		
930E	4 Star Electronics, Inc				Online Sales		
930F	Focus on Souvenirs	7,688	4,618		Online Sales	(1/300 office + 1/2000 warehouse)	13
934A	Universal Press	5,624	3,582		Printing	(1/300 office + 1/500 manufacturing	14
934B	Geil Marketing	4,626	2,312		Office	(1/300 office + 1/2000 warehouse)	9
934C	Neal Parry Company	3,084	1,876		Cabinetry	(1/300 office + 1/500 manufacturing	8
934D	Global Trade	4,341	2,741		Security Systems	(1/300 office + 1/2000 warehouse)	7
934E	Vericolor, Inc.	6,464	4,410		Printing	(1/300 office + 1/500 manufacturing	16
		101,537	62,537			Parking Required	183
						Parking Provided	242
						Parking Available	59

City note:
Rounding of Numbers. When the required number of parking spaces is other than a whole number, the total number of spaces shall be rounded up to the nearest whole number, unless the Zoning Ordinance says otherwise.