



**City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Planning Commission Staff Report
April 28, 2025**

Topic: Conditional Use Permit No. 2025-07 – Santa Ana River Brewing Company (501 N. French Street)

RECOMMENDED ACTIONS

Adopt a resolution approving Conditional Use Permit No. 2025-07 for the sale of beer for on-premises and off-premises consumption as conditioned.

EXECUTIVE SUMMARY

Geoff Brand with Santa Ana River Brewing Company (Applicant), and on behalf of the Chase Family Trust (Property Owner), is requesting approval of Conditional Use Permit (CUP) No. 2025-07 to allow the sale of beer for on-premises and off-premises consumption through a Type-23 (Small Beer Manufacture) license from the Department of Alcoholic Beverage Control (ABC) at a proposed brewpub at 501 N. French Street (Project). Pursuant to Section 41-196 of the Santa Ana Municipal Code (SAMC) and Section 41-2007 of the Transit Zoning Code / Specific Development No. 84 (SD-84), establishments wishing to sell alcoholic beverages for on-premises and/or off-premises consumption require approval of a CUP. Staff is recommending approval of the Applicant's request due to the site's location in Downtown and surrounded by similar uses and the applicant/operator's history of compliance with City and ABC regulations. In addition, applicable operational standards and proposed conditions of approval will ensure that the sale of beer for on-premises and off-premises consumption will not negatively affect the surrounding community.

DISCUSSION

Project Description

The proposed brewpub will be operated and managed as a "satellite" location by the Santa Ana River Brewing Company (SARBC), which has an established micro-brewery location at 3480 W. Warner Avenue, Unit B. However, no on-site brewing will occur at this location. The brewpub will occupy an existing 2,024-square-foot building, which has been previously occupied by the Property Owner as an office. The SARBC operations at this site will be a bona fide eating establishment with on-site consumption of beer through a satellite tasting room, to-go beer in manufacturer-sealed containers (e.g., sealed cans, bottles, or growlers), and merchandise sales. SARBC is in the process of finalizing its

menu and food offerings for this location, but will serve the necessary hot meals to comply with ABC regulations pertaining to bona fide eating establishment requirements.

Pending approval of the CUP, the Applicant would submit tenant improvement plans that would include demolition of the interior walls and construction of a kitchen for meal service, restrooms, storage rooms, beer taps and bar, and a new building entry at the northeast corner of French Street and Fifth Street. Exterior improvements would include construction of an outdoor patio, in accordance with the regulations set forth in Article XXI (Outdoor Dining on Private Property) of Chapter 41 (Zoning) of the SAMC, and a new roll-up door for deliveries, as well as restriping of the surface parking lot. As part of the conditions of approval and to enhance the site's overall condition, staff is recommending that the existing landscape planters along French Street and Fifth Street be rehabilitated with new landscape, that the nonconforming chain-link fence along the west and north property lines be removed, that all barbed wires be removed from the property, that the east block wall be repaired, as needed, and repainted with an anti-graffiti coating, and that the existing trash enclosure be altered to meet current code requirements per Section 41-623 of the SAMC.

Once constructed, the brewpub will accommodate approximately 60 patrons within the indoor and outdoor dining areas. The indoor area will operate daily from 12:00 p.m. (noon) to 12:00 a.m. (midnight) while staff is recommending that the outdoor patio cover be conditioned to only be operational Sunday to Thursday from 8:00 a.m. to 9:00 p.m. and Friday and Saturday from 8:00 a.m. to 10:00 p.m. All alcoholic beverages will be stored and displayed in accordance with Section 41-196 of the SAMC. The Applicant is not requesting approval of after-hours operation nor live entertainment at this time. Should the Applicant seek these additional operations in the future, the Applicant will need to submit a new CUP application for after-hours operation and an entertainment permit application pursuant to Section 11-6 of the SAMC.

Table 1: Project and Location Information

Item	Information	
Project Address and Council Ward	501 N. French Street – Ward 6	
Nearest Intersection	French Street and Fifth Street	
General Plan Designation	District Center – Medium High (DC-3)	
Zoning Designation	Downtown District (DT) of SD-84	
Surrounding Land Uses	North	Laundromat
	East	Live/work building
	South	Vacant lot
	West	Multi-family residences
Existing Site Development	The subject site is developed with a 2,024-square foot commercial building and associated surface lot.	
Tenant Size	2,024 square feet	
Use Permissions	Allowed with a conditional use permit (CUP)	
Zoning Code Sections Affected	Uses	Section 41-2007 of SD-84 Section 41-196 of the SAMC
	Operational Standards	Section 41-196(g) of the SAMC

Item	Information	
Census Tract and ABC License Information	Census Tract No.	744.05
	No. of Allowed and Existing Licenses	Eight (8) on-premises licenses are allowed and currently there are five (5) while three (3) off-premises licenses are allowed and currently there are two (2). However, Type-23 ABC licenses are not subject to ABC's concentration limits.

Table 2: Operational Standards

Standards	Permissible by SAMC	Provided
Eating Establishment Type	Bona-Fide	Bona-Fide
Hours of Operation for ABC Sales	7:00 a.m. to 12:00 a.m. (midnight), unless extended by a separate after-hours CUP	Monday through Sunday from 12:00 p.m. (noon) to 12:00 a.m. (midnight). Outdoor patio cover be conditioned to only be operational Sunday to Thursday from 8:00 a.m. to 9:00 p.m. and Friday and Saturday from 8:00 a.m. to 10:00 p.m.
Window Display	25% of Window Coverage	Will comply
Alcohol Storage and Display	5% of G.F.A.	Will comply

Project Background

The commercial building and associated surface parking were constructed in 1981. Over the years the building has been occupied by various businesses and is currently being occupied as an office by the Property Owner. In 2019, CUP Nos. 2019-26, -27, and -28 were approved by the Planning Commission to allow the operation of a micro-brewery with on-premises and off-premises sale of beer and after-hours operations for Nobel Ale Works. However, Nobel Ale Works never moved forward with the micro-brewery improvements, and the entitlements expired in 2022.

In 2022, AB 2307 was signed into state law and increased the number of authorized branch office locations for a licensed beer manufacturer from six to eight. In addition, it increased the number of branch office locations that are authorized to be a bona fide eating establishment owned by the beer manufacturer from two to four. Beer manufacturing is classified under two ABC categories, small and large beer manufacturers. The Type-23 license is issued to small beer manufacturers, which produce less than 60,000 barrels of beer annually. These establishments are also granted the privilege to sell beer produced to consumers for on-sale and off-sale consumption at the licensed premises of production or at location holding duplicate licenses (known as a “satellite” location). These satellite locations can be used for self-distribution, warehousing, tastings, and direct-to-consumer sales of their beer.

In addition, in 2022, SB 389 was signed into state law, which made permanent temporary regulatory reliefs offered during the COVID-19 pandemic. SB 389 authorizes certain restaurant and alcohol manufacturer license types to sell alcohol in manufacturer-sealed containers (e.g., sealed cans or bottles) for off-site consumption, as long as the alcohol is physically picked up from the premises by the consumer and proper identification is displayed.

The Applicant submitted the requested CUP application on March 6, 2025. Since 2016, SARBC has been operating a microbrewery with a tasting room pursuant to CUP No. 2016-34 at 3480 W. Warner Avenue, Unit B lawfully with no complaints to date. The proposed brewpub will be their second establishment in Santa Ana.

Project Analysis

CUP requests are governed by Section 41-638 of the SAMC. CUPs may be granted when it can be shown that the proposed project will not adversely impact the community. If these findings can be made, then it is appropriate to grant the CUP. Conversely, the inability to make these findings would result in a denial. The purpose of regulating establishments that sell alcoholic beverages is to set forth operating practices and procedures and to minimize impacts to surrounding areas. Staff has reviewed the applicant's request and has determined the proposed CUP will not be detrimental to the health, safety, and welfare of the community.

SARBC has a record of operating lawfully in accordance with City and ABC regulations. The proposed brewpub, if approved, will be SARBC second establishment in Santa Ana and will provide a unique establishment in Downtown Santa Ana. In addition to food, patrons of the brewpub will have the ability to purchase beer with their meal that is locally produced. The brewpub is located within Downtown Santa Ana and within the Downtown District of SD-84 which is a pedestrian-oriented area of the City that consists of multi-story urban buildings that accommodate a mixture of retail, office, light service, and residential uses and will be compatible with nearby commercial uses in Downtown Santa Ana that offer similar services and will be economically beneficial to the surrounding area.

The subject site is not adjacent to any schools, parks, and religious institutions. The closest religious institution (Alcance Victoria Santa Ana) is approximately 200 feet away and Mariposa Park and James A. Garfield Elementary School are approximately 1,000 feet away. However, the property is next to a live/work building and multi-family residences across French Street. To ensure the use does not become a nuisance to the adjacent residential uses, the outdoor patio area will be design to comply with Article XXI (Outdoor Dining on Private Property) of Chapter 41 (Zoning) of the SAMC which requires additional mitigation measures to address to noise, light, and odor impacts that will be addressed during the Building plan check process. Furthermore, as a condition of approval, staff is recommending that the outdoor patio area only be operational Sunday to Thursday from 8:00 a.m. to 9:00 p.m. and Friday and Saturday from 8:00 a.m. to 10:00 p.m. As a result, the granting of the CUP will not negatively impact any sensitive land

uses that may be nearby. Moreover, the operational standards applicable to an ABC license and conditions of approval, such as annual review, Good Neighbor Policy, and property maintenance agreement, will mitigate any potential impacts created by the use and will ensure that the use will not negatively affect the surrounding community.

General Plan Consistency

The approval of the requested CUP is consistent with the General Plan land use designation of District Center – Medium High (DC-3), as commercial uses are a supported land use. This general plan designation provides for distinctly urban retail, residential mixed-use, and employment centers that are well connected to public transportation. Additionally, the Project would also be consistent with several goals and policies of the General Plan. Specifically, the Project aligns with Land Use Element (LU) Goal LU-2 and Policies LU-2.2 and LU-2.6, which aim to provide a balanced mix of land uses that meet the City's diverse needs, capture local spending, offer a range of employment opportunities, and promote rehabilitation. Additionally, the Project aligns with Economic Prosperity Element (EP) Goals EP-1, EP-2, and EP-3. Specifically, policy EP-1.2 supports efforts to strengthen and expand citywide business attraction in order to achieve the City's full employment potential, policy EP-2.11 supports economic development initiatives and land use strategies that preserve and foster an environment that allows the goods producing sector to thrive, and policy EP-3.4 encourages development of "complete communities" that provide a range of housing, services, amenities, and transportation options to support the retention and attraction of a skilled workforce and employment base. The Project would provide for a unique brewpub in Downtown Santa Ana that would provide an additional dining and drinking option to Santa Ana residents, workers, and visitors and would promote local spending and offer employment opportunities.

Police Department Analysis

The Police Department has reviewed this request and has no concerns, as the operational standards applicable to an ABC license and the proposed conditions of approval will mitigate any potential impacts to the surrounding community. The Police Department reviews such applications for the sale and service of alcoholic beverages in order to ensure that the potential crime and nuisance behaviors associated with alcohol consumption are mitigated to the greatest extent possible. The Police Department analyzes the crime rate in the area using the standards and definitions contained in the Business and Professions Code Section 23948.4(c)(2), which are also utilized by ABC. This section defines "reported crimes" as criminal homicide, forcible rape, robbery, aggravated assault, burglary, larceny theft, and motor vehicle theft, combined with all arrests for other crimes, both felonies and misdemeanors, except traffic citations.

The Police Department then compares the number of such crimes in the reporting district as compared to the number of crimes in other reporting districts. In keeping with the standard used by ABC and the Business and Professions Code, should the Police Department determine that the reporting district has a 20 percent greater number of

reported crimes than the average number found in all reporting districts, the Police Department will consider this information in making its recommendation. From March 25, 2025 to date, there has been a total of 498 calls for service within 500 feet of the subject site, of which, 198 have resulted in reports ranging from domestic violence, hit and run collision, malicious mischief, child/spouse abuse, and battery.

Although the property falls within the 20-percentile high crime threshold, the Police Departments has reviewed the Applicant's request for sale of beer for on-premises and off-premises consumption and has no prejudicial concerns, as the operational standards applicable to the ABC license and proposed conditions of approval will mitigate the potential impacts to the surrounding community.

Based on its review, the Police Department is satisfied with applicable operational standards and proposed conditions and does not object to the granting of the CUP.

Table 3: Police Department Analysis and Criteria for Recommendation

Police Department Analysis and Criteria for Recommendation	
Police Grid No. and Rank	Police Grid No. 185; ranked 3 out of 102 Police Reporting Grids (2nd Percentile).
Threshold for High Crime	This reporting district IS within the 20 percent threshold established by the State for high crime.
Police Department Recommendation	<p>As part of the review approval process, this application was analyzed by the Santa Ana Police Department. Based its our review, the Police Department has no issues of concern regarding this application.</p> <p>Although the property falls within the 20-percentile high crime threshold, the Police Departments does not foresee the proposed operations contributing to the overall crime of the area. The Police Department is satisfied that the operational standards applicable to on premise Type 23 ABC license, and conclude that the conditions set forth will mitigate any potential negative impact to the surrounding community and therefore, does not oppose the granting of a CUP.</p>

Public Notification and Community Outreach

Project notifications were posted, published, and mailed in accordance with City and State regulations. Copies of the public notice, including a 1,000-foot notification radius map, and the site posting are provided in Exhibit 6. The site is located within the boundaries of the Lacy Neighborhood, and adjacent to the French Park and Downtown neighborhoods. These neighborhood association representatives were contacted to identify any areas of concern due to the proposed application request. At the time this report was printed, no issues of concern were raised regarding the proposed CUP.

ENVIRONMENTAL IMPACT

In accordance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines, the Project is categorically exempt from further review per Section 15301 (Class 1 – Existing Facilities) of the CEQA Guidelines. Class 1 exemption applies to the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. The Project proposes to allow the sale of beer for on-premises and off-premises consumption at a proposed brewpub. As such, a Notice of Exemption, Environmental Review No. 2025-24, will be filed for this project.

FISCAL IMPACT

There is no fiscal impact associated with this action.

EXHIBITS

1. Resolution for CUP No. 2025-07
2. Vicinity Zoning and Aerial View Map
3. Site Photo
4. Architectural Plans
5. Map of ABC Licenses in Project Vicinity
6. Copy of Public Notices

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