

Item # xx

# City of Santa Ana 20 Civic Center Plaza, Santa Ana, CA 92701 Planning Commission Staff Report August 28, 2023

**Topic:** Conditional Use Permit No. 2023-13 – Loosies Pizza ABC License – 300 East Fourth Street, Unit 103

# RECOMMENDED ACTION

Adopt a resolution approving Conditional Use Permit No. 2023-13 as conditioned.

# EXECUTIVE SUMMARY

Daniel Anguiano, business owner of Loosies Pizza (Applicant) and on behalf of Raymond A. Rangel Trust (Property Owners), is requesting approval of Conditional Use Permit (CUP) No. 2023-13 to allow the sale of beer and wine for on-premises consumption, through a Type 41 license from the Department of Alcoholic Beverage Control (ABC), at an existing eating establishment located at 300 East Fourth Street, Unit 103. Pursuant to Section 41-196 of the Santa Ana Municipal Code (SAMC), establishments wishing to sell alcoholic beverages for on-premises consumption require approval of a CUP. Staff is recommending approval of the applicant's request because the site is located within the Transit Zoning Code (SD-84), which is intended for such uses, and because the site is located away from sensitive land uses. Moreover, the property has a history of compliance with City codes and regulations, and the operational standards and proposed conditions of approval will ensure that the sale of beer and wine for on-premises consumption will not negatively affect the surrounding community.

# DISCUSSION

# Project Description

The applicant is requesting to sell beer and wine for on-premises consumption, through a Type 41 ABC license, at an existing eating establishment. Loosies Pizza occupies an existing 715-square foot indoor tenant space within a 16,117-square foot commercial building and a 328-square foot outdoor dining patio located near the southeast corner of Fourth Street and French Street. As part of the conditions of approval for this application, the applicant will be required to legalize or remove the unpermitted patio extension and wall sign that were installed without permits.

The eating establishment accommodates up to 14 patrons within the indoor dining area and 16 patrons within the outdoor dining patio. If the CUP request is approved, the

alcoholic beverages may be served with the indoor and patio dining areas and will be stored inside a beverage cooler behind the front counter and a small display area located in front of the front counter. The restaurant will contain an overall alcohol storage area of approximately 35 square feet, which is less than five percent of the gross floor area of the tenant space as allowed by Section 41-196(g) (25) of the SAMC.

The current hours of operation are Monday through Thursday from 12:00 p.m. (noon) to 10:00 p.m., Friday and Saturday from 12:00 p.m. (noon) to 12:00 a.m. (midnight), and Sunday from 12:00 p.m. (noon) to 8:00 p.m. The sale of alcoholic beverages for afterhours operations and live entertainment are not being requested at this time. Should the applicant seek to sell alcoholic beverages between 12:00 a.m. (midnight) and 7:00 a.m., a separate CUP will be required in accordance with Section 41-196(g)(3) of the SAMC. In addition, an entertainment permit would be required for on-site entertainment pursuant to Section 11-6 of the SAMC.

Item	Informatio	n		
Project Address and Council Ward	300 E. Fou	300 E. Fourth St., Unit 103 - Ward 6		
Nearest Intersection	Fourth Stre	Fourth Street and French Street		
General Plan Designation	District Cer	District Center – Medium High (DC-3)		
Zoning Designation	Downtown	Downtown District (DC) of SD-84		
Surrounding Land Uses	North	Comme	rcial	
	East	Comme	rcial	
	South	Comme	rcial	
	West	Comme	rcial	
Property Size	0.37 acres	0.37 acres (16,117 square feet)		
Existing Site Development	The subject site contains a two-story, 16,117 square foot,			
• ·	multi-tenant building.			
Tenant Size		715 square feet and a 328-square foot outdoor dining patio		
Use Permissions	Allowed wi	Allowed with a conditional use permit (CUP)		
Zoning Code Sections Affected	Uses		Section 41-2007 TZC, DT Zone Table 2A	
	Operational Standards		Section 41-196(g) of the SAMC	
Census Tract and ABC License Information	Census Tra	act No.	750.02	
	No. of Allow	wed and		
	Existing Licenses (on- sale)		10 Allowed & 60 Existing	

#### Table 1: Project and Location Information

#### Table 2: Operational Standards

Standards	Permissible by SAMC	Provided
Eating Establishment Type	Bona-Fide	Bona-Fide
Hours of Operation for ABC	7:00 a.m. to 12:00 a.m.	MonThurs.: Noon - 10 p.m.
Sales	(midnight), unless extended by a	FriSat.: Noon-12
	separate after-hours CUP	a.m.(midnight)
		Sunday: Noon to 8 p.m.
Window Display	25% of Window Coverage	Complies
Alcohol Storage and Display	5% of G.F.A.	4.90% of G.F.A.

### Project Background

The subject site was developed in 1986 as the Fourth Street Fiesta Market and has since been occupied by various retail, office, and restaurant tenants. Loosies Pizza occupies Unit 103 inside the building, which is located on the western side of the building with pedestrian access off of Fourth Street and the Plaza de Santa Ana. The existing layout will remain, and the applicant will modify the front counter on the interior of the space to ensure proper operations in accordance with ABC and Orange County Health Care Agency regulations.

Loosies Pizza operates as a pizzeria, serving a curated selection of pizza and salads. The restaurant has been operation at this location for over a year. If approved the restaurant will offer unique assortments of beer and wine as an ancillary component to their dining service options.

### 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 for the sale and consumption of beer and wine, and has determined the proposed CUP will not be detrimental to the health, safety, and welfare of the community.

As a locally-based establishment, Loosies Pizza provides a unique dining experience and with approval of CUP No. 2023-13 will provide an ancillary service to customers by allowing them to purchase a variety of beer and wine beverages with their meal. Allowing the sale of beer and wine for on-premises consumption will also allow the subject establishment to be economically viable and compete with nearby full-service establishments that offer similar services to their patrons. The subject site is not located within immediate proximity to any playgrounds, schools, or religious institutions. Plaza Calle Cuatro, the nearest public park/plaza, is approximately 150 linear feet north across Fourth Street. In addition, the site is approximately 800 linear feet from the nearest singlefamily residences located to the southeast. Loosies Pizza will be compatible with other uses allowed by SD-84 and will contribute economically to the surrounding area. 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 proposed conditions of approval 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

Approval of this application will be consistent with the goals of the General Plan, specifically Goals 2, 3, 4 of the Land Use Element. The project is located in the District Center-Low (DC-1) General Plan land use designation, which allows for distinctly urban retail, residential mixed-use, and employment centers that are well connected to public transportation. This includes the city's primary activity centers and opportunities for new urban-scale development. Goal 2 of the Land Use Element (LU) encourages a balance of land uses that meet Santa Ana's diverse needs. Policy 2.2 of the LU encourages a range of commercial uses to capture a greater share of local spending and offer a range of employment opportunities. Policy 2.7 of the LU supports land use decisions that encourage the creation, development, and retention of business in Santa Ana. Goal 3 of the LU encourages the preservation and improvement of the character and integrity of the existing neighborhoods and districts. Policy 3.7 of the LU supports the promotion of a clean, safe, and creative environment for Santa Ana's residents, workers, and visitors. Goal 4 supports a sustainable Santa Ana through improvements to the built environment. Lastly, Policy 4.1 of the LU encourages the promotion of complete neighborhoods by encouraging a mix of complementary uses, community services, and people places within a walkable area. The granting of the CUP will provide an additional service to Santa Ana residents and visitors, thereby positively contributing to the economic viability of the area by promoting local spending, offering employment opportunities, and providing a safe workplace. In addition, the eating establishment is located within an existing commercial area and its operations will be compatible with the surrounding commercial businesses.

#### **Police Department Analysis**

The Police Department has reviewed this request and has no concerns, as the operational standards applicable to on-premises ABC licenses 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. For on-premises licenses, 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 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.

As part of the application process, the Police Department has reviewed the applicant's request for sale of beer and wine for on-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. The Police Department carefully evaluated a 500-foot radius for the site's vicinity and determined that there have been approximately 515 service calls in the project site's vicinity since January 1, 2023. Of those 515 calls, ninety-three (93) resulted in reports taken in, none of which were specifically attributed to this location. None of the service calls received were due to violent crimes. The reports were in result of malicious mischief, burglary (vehicle), missing persons, petty theft, domestic violence, drunk in public, and collisions. According to the Police Department, the number of calls for service is commensurate with the 500-foot radius, and it is not anticipated that approval of the requested CUP will contribute to or exacerbate these statistics. Based on its review, the Police Department is satisfied with proposed operational standards and conditions and does not object to the granting of the CUP.

Police Department Analysis and Criteria for Recommendation		
Police Grid No. and Rank	Police Grid No. 185; ranked 9 out of 102 Police Reporting Grids (8th percentile).	
Threshold for High Crime	This reporting district is within the 20 percent threshold established by the State for high crime.	
Police Department Recommendation	As part of the review approval process, this application was analyzed by the Santa Ana Police Department. Based on its review, the Police Department has no issues of concern regarding this application. Although the property falls within the 20-percentile high crime threshold, the proposed operations is not anticipated to contribute to the overall crime of the area. The Police Department is satisfied that the operational standards applicable to on premise type 41 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.	

Table 3: Police Department Ar	nalysis and Criteria for Recommendation
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#### 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 located within the boundaries of the Lacy Neighborhood Association. To ensure thorough community outreach, notices were sent to the Lacy and the Downtown neighborhood associations and their representatives were contacted to identify any areas of concerns 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 and wine for on-premises consumption at a new bonafide eating establishment. As such, a Notice of Exemption, Environmental Review No. 2023-66, will be filed for this project.

### FISCAL IMPACT

There is no fiscal impact associated with this action.

# EXHIBIT(S)

- 1. Resolution
- 2. Vicinity Zoning and Aerial View
- 3. Site Photos
- 4. Site Plan
- 5. Floor Plan
- 6. Copy of Public Notices

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Approved By: Minh Thai, Executive Director of Planning and Building Agency