

Meeting Date: December 4, 2023

Item Number: 2

# ADMINISTRATIVE HEARING AGENDA REPORT

SUBJECT: Request for a Minor Use Permit to allow beer service as accessory to an existing

personal service use (i.e., barbershop). The project is categorically exempt from environmental review under Section 15301 (Existing Facilities) of the CEQA

Guidelines.

**PROJECT ADDRESS:** 1459 Monterey Street **BY:** Monserath Casillas-Rios, Intern

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**RECOMMENDATION:** Approve the Minor Use Permit to allow beer service as accessory to an existing personal service use (i.e., barbershop), based on the findings and subject to the conditions of approval.

### SITE DATA

| Applicant               | Whitney Winsor of Clippers<br>Barbershop | 1401 1507 1507 1507 1508 1500 1500 1500 1500 1500 1500 1500 |
|-------------------------|--|---|
| Land Use<br>Designation | Retail Commercial                        | 1590 1590 1590 1590 1590 1590 1590 1590                     |
| Zoning                  | Retail Commercial                        | 100 100 100 100 100 100 100 100 100 100                     |
| Project Area            | 1,968 square feet                        | 1400 1401 1105 11122 11134                                  |
| <b>Environmental</b>    | Categorically exempt from                | 1427 1425 1455  |
| Determination           | environmental review under               | 1332 1420   |
|                         | CEQA Guidelines section                  | 1401 1401   |
|                         | 15301, Class 1 (Existing                 | 1337  |
|                         | Facilities).                             | Figure 1 – Project Site                                     |

## 1.0 SUMMARY

Whitney Winsor of Clippers Barbershop (Applicant) has applied for a Minor Use Permit to allow beer service as accessory to an existing personal service use (i.e., barbershop) at 1459 Monterey Street. The Applicant is requesting to acquire a Type 40 (On-Sale Beer) Alcoholic Beverage Control (ABC) license and provide a maximum of two (2) beers per patron of the barbershop. Alcohol service would only be provided during hours of operation for the barbershop from 10:00 a.m. to 6:30 p.m. on Mondays through Sundays.

## 2.0 PROJECT INFORMATION

### **Site Information**

| Present Use &<br>Development | Developed property with existing multi-tenant building and site improvements such as access and parking  |  |
|------------------------------|--|--|
| Topography                   | Relatively flat  |  |
| Access                       | Monterey Street for storefront and Higuera Street for rear parking area  |  |
| Zones &<br>Surrounding Uses  | North: C-R, R-2; office and residential uses South: O; residential uses East: C-T, O; hotel, restaurant, and office uses West: C-R; retail and personal service uses |  |

# **Project Description**

The Applicant has applied for a Minor Use Permit to allow beer service as accessory to an existing personal service use (i.e., barbershop) at 1459 Monterey Street. The Applicant is requesting to acquire a Type 40 (On-Sale Beer) ABC license and provide a maximum of two (2) beers per patron of the barbershop. No wine or distilled spirits service is requested.

The project would operate with a total of seven (7) employees with one (1) employee acting as both the receptionist and alcohol server. Accessory alcohol service would only be provided during the hours of operation for the barbershop from 10:00 a.m. to 6:30 p.m. on Mondays through Sundays.

## 3.0 PROJECT EVALUATION

Per <u>Section 17.156.012</u> (E Definitions), a business that sells alcoholic beverages for onsite consumption and is applying for a public premises license from ABC is defined as a "bar/tavern" use. <u>Table 2-1</u> (Uses Allowed by Zone) states the establishment of a bar/tavern requires approval of a Minor Use Permit in the C-R Zone, and accessory alcohol service, unrelated to food service, may be permitted with a Minor Use Permit as described in <u>Section 17.10.020(C)</u> (Primary and Accessory Uses). As proposed, the project will primarily be operating as a personal service use with accessory beer service.

Approval of the Use Permit is subject to requirements, outlined in <u>Section 17.110.060</u> (Criteria for Approval) and <u>Section 17.110.070</u> (Required Findings), for consistency with applicable standards and limitations of the General Plan and Zoning Regulations. Staff has evaluated the project against relevant standards and guidelines and found it to be in compliance as discussed in the following analysis.

# **Consistency with the General Plan**

The project site is located in the General Retail land use designation, which the <u>Land Use Element</u> (LUE) describes as intended for providing goods and services adequate to meet most of the needs of City and nearby County residents (Table 1 – General Plan Land Use Designations). The project site is also located in the Upper Monterey Special Focus Area, which has an emphasis on revitalization and enhancement (LUE Policy 8.2.2). As proposed, the project is consistent with the intent of the land use designation and would advance the preceding policy by proposing beer service as accessory to a barbershop (i.e., personal service use) that is allowed in the underlying land use designation and promotes enhancement in the Upper Monterey Special Focus Area.

# **Consistency with the Zoning Regulations**

The project site is located in the Retail Commercial zone, which the <u>Zoning Regulations</u> describe as intended to accommodate a wide range of retail sales; business, personal, and professional services; recreation; entertainment; transient lodging; and limited residential uses. As proposed, the project is consistent with the intent of the zone as it is an existing personal service use that proposes to provide alcohol service as a feature to enhance its operations.

## Alcohol Service

The project shall comply with applicable provisions outlined in <u>Section 17.86.050</u> (Alcoholic Beverage Sales – Bars and Restaurants with Late Night Alcohol Service), and the relevant operational requirements apply, or are amended, as follows:

- *Hours of Operation* Accessory beer service is limited to hours of operation for the barbershop from 10:00 a.m. to 6:30 p.m. on Mondays through Sundays (Condition No. 3).
- *Menu Service* The project is not required to provide full meals or restaurant service as it is limited to accessory beer service for a personal service use. Patrons of the barbershop are limited to a maximum of two (2) alcoholic beverages (Condition No. 4).
- Employee Training All employees shall attend ABC LEAD Training or equivalent training. The property management shall be responsible for ongoing security/safety training to accommodate changes in personnel. The property management is responsible at all times for verifying the legal age of patrons, for monitoring patrons' on-site alcohol consumption, and for declining to serve alcohol to patrons who demonstrate signs of intoxication or impairment associated with alcohol consumption, based on training provided to all staff. The property management shall not permit its patrons to leave the licensed premises with any alcoholic beverage or to consume alcoholic beverages on any property adjacent to the licensed premises under the control of the licensee(s) (Condition No. 5).
- Alcohol License Business shall be conducted in a manner that will not violate any provisions of the California Alcoholic Beverage Control Act, prohibiting the sale of

alcohol to minors; maintaining the public health, morals, convenience, and safety; and taking reasonable steps to correct any objectionable conditions on the premises and immediately adjacent to the premises (Condition No. 6).

# Parking Requirements

Since the project is a request to allow accessory alcohol service for patrons of an existing personal service use, there would be no changes to parking requirements.

## 4.0 ENVIRONMENTAL REVIEW

The project is categorically exempt from provisions of the California Environmental Quality Act (CEQA) described in Section 15301 (Existing Facilities) of the CEQA Guidelines because it consists of the operation, permitting, leasing, licensing, and minor alteration of an existing private structure that involves no expansion of the existing personal service use. The project is limited to the provision of alcohol service for patrons of the existing use.

## **5.0 ATTACHMENTS**

- A. Project Description
- B. Project Plans

## 6.0 ACTION

| 0.0 110 110 11                  |                          |  |
|---------------------------------|--------------------------|--|
| ☐ Approve                       |                          |  |
| ☐ Approve as modified           |                          |  |
| □ Deny                          |                          |  |
| ☐ Continue to:                  | to allow                 |  |
|                                 |                          |  |
|                                 |                          |  |
| ☐ Continue indefinitely to allo | ow:                      |  |
|                                 |                          |  |
|                                 |                          |  |
|                                 |                          |  |
|                                 |                          |  |
| Tyler Corey, Deputy Director    | of Community Development |  |
| Hearing Officer                 |                          |  |

# **Findings**

### Minor Use Permit

- 1. The project is consistent with the General Plan because the proposed alcohol service is consistent with the intent of the General Retail land use designation and Upper Monterey Special Focus Area as it is a personal service use that would provide alcohol service as an accessory feature to enhance its operations.
- 2. The proposed alcohol service is permitted in the Retail Commercial zone and has been designed, or conditioned, to comply with all applicable provisions of the Zoning Regulations and Municipal Code.
- 3. The design, location, size, and operating characteristics of the project will be compatible with existing and future land uses in the vicinity because the proposed alcohol service is accessory to an existing personal service use and would be compatible with neighboring restaurant, retail, office, and residential uses.
- 4. As conditioned, the site is physically suitable in terms of (a) its design, location, shape, size, and operating characteristics of the proposed alcohol service, (b) traffic generation and provision of public and emergency vehicle (e.g., fire and medical) access, (c) public protection services (e.g., fire protection, police protection, etc.), and (d) the provision of utilities (e.g., potable water, schools, solid waste collection and disposal, storm drainage, wastewater collection, treatment, and disposal). The project site is surrounded by other developed properties, has access to the City's circulation system, and will be served by existing utility services. Additionally, the project is sufficiently served by parking onsite and does not include activities that generate additional parking demand.
- 5. As conditioned, the establishment and subsequent operation or conduct of the use will not, because of the circumstances and conditions applied in the particular case, be detrimental to the health, safety, or welfare of the general public or persons residing or working in the neighborhood of the use, or be detrimental or injurious to property of improvements in the vicinity of the use because the accessory alcohol service is limited to two (2) beverages per patron of the barbershop during limited hours of operation.

## Alcoholic Beverage Sales

6. As conditioned, the project shall be consistent with the Zoning Regulations and 2012 Alcohol Outlet Regulations to reduce public safety problems associated with alcoholic beverage sales and provide for properly maintained alcohol outlets so that negative impacts generated by these activities are not harmful to the surrounding environment.

- 7. As conditioned, the project will not result in adverse effects to the health, peace, or safety or in the jeopardization or endangerment of the public health or safety of persons residing or working in the surrounding area.
- 8. As conditioned, the project will not result in violations to any applicable provision of any other city, state, or federal regulation, ordinance, or statute.
- 9. As conditioned, the project is compatible with and will not adversely affect the livability or appropriate development of abutting properties and the surrounding neighborhood.

## Environmental Determination

10. The project is categorically exempt from provisions of the California Environmental Quality Act (CEQA) described in Section 15301 (Existing Facilities) of the CEQA Guidelines because it consists of the operation, permitting, leasing, licensing, and minor alteration of an existing private structure that involves no expansion of the existing personal service use. The project is limited to the provision of alcohol service for patrons of the existing use.

# **Conditions of Approval**

Planning Division – Community Development Department

- 1. The Minor Use Permit shall be reviewed by the Community Development Director for compliance with the conditions of approval, or to determine whether a modification of the Minor Use Permit is necessary upon significant change to the project description, approved plans, and other supporting documentation submitted with this application or in the event of a change in ownership which may result in deviation from the project description or approved plans. Minor changes to the project description or approved plans may be authorized by the Community Development Director and substantial modifications shall require modification of the Minor Use Permit.
- 2. The Minor Use Permit shall be reviewed by the Administrative Hearing Officer if the City receives substantiated written complaints from any citizen, Code Enforcement Officer, or regulatory agency, which contain information and/or evidence supporting a conclusion that a violation of this Use Permit, or of City Ordinances or regulations has occurred. At the time of Minor Use Permit review, conditions of approval may be added, modified, or removed, or the Use Permit may be revoked to ensure ongoing compatibility with nearby uses. The Administrative Hearing Officer may refer to the complaint to the Planning Commission at the Hearing Officer's discretion.
- 3. Accessory beer service is limited to hours of operation for the barbershop from 10:00 a.m. to 6:30 p.m. on Mondays through Sundays.
- 4. Patrons of the barbershop are limited to a maximum of two (2) alcoholic beverages.

- 5. All employees shall attend ABC LEAD Training or equivalent training. The property management shall be responsible for on-going security/safety training to accommodate changes in personnel. The property management is responsible at all times for verifying the legal age of patrons, for monitoring patrons' onsite alcohol consumption, and for declining to serve alcohol to patrons who demonstrate signs of intoxication or impairment associated with alcohol consumption, based on training provided to all staff. The property management shall not permit its patrons to leave the licensed premises with any alcoholic beverage or to consume alcoholic beverages on any property adjacent to the licensed premises under the control of the licensee(s).
- 6. Business shall be conducted in a manner that will not violate any provisions of the California Alcoholic Beverage Control Act, prohibiting the sale of alcohol to minors; maintaining the public health, morals, convenience, and safety; and taking reasonable steps to correct any objectionable conditions on the premises and immediately adjacent to the premises.
- 7. The site shall be maintained in a clean and orderly manner at all times to the satisfaction of the Community Development Director.

## Indemnification

8. The applicant shall defend, indemnify and hold harmless the City and/or its agents, officers and employees from any claim, action or proceeding against the City and/or its agents, officers or employees to attack, set aside, void or annul, the approval by the City of this project, and all actions relating thereto, including but not limited to environmental review ("Indemnified Claims"). The City shall promptly notify the applicant of any Indemnified Claim upon being presented with the Indemnified Claim and City shall fully cooperate in the defense against an Indemnified Claim."



#### **PROJECT STATISTICS**

Location: 1459 Monterey Street, San Luis Obispo, CA 93401

Business hours: Monday - Sunday 10 AM - 630 PM

Employees: 7 employees, one acting as front desk receptionist/server everyday

Zoning: Commercial

Current uses of the site: Barbershop

Years in business: 16+

Businesses in center: 4

Square footage: 1968

Number of cutting stations: 7

Number of Bathrooms: 1

Number of Rooms: 3 (Office, Break room, Storage room)

Parking: Business has a full parking lot behind the building accessible from Higuera street, business is provided three dedicated spots, street parking is also available on Monterey Street.

### **Alcohol Information**

ABC License Type 40, On-sale-beer

Alcohol sales: Maximum of 20% of total sales

Maximum consumption per customer: 2

#### **Business Location**

The new business location is within walking distance of other businesses where alcohol is consumed.

- 1. Splash Cafe
- 2. Taquería Santa Cruz
- 3. Benny's Pizza
- 4. Hoagies (Sandwich shop)
- 5. Central Coast Brewery (Was originally located across the street, recently relocated to upper Monterey)



### **PROJECT DESCRIPTION**

I am applying for this permit so that I may transfer my existing Type 40 ABC license at 1351 Monterey Street, San Luis Obispo to our new location at 1459 Monterey Street, San Luis Obispo. Below you will find information about the business, Clippers Barbershop, as well as the terms of our beer service, how we operated pre-covid, and how we plan to operate once the license transfer has been completed.

#### **ABOUT CLIPPERS BARBERSHOP**

Clippers Barbershop is a full-service men's salon & barbershop located at 1459 Monterey Street in San Luis Obispo. We provide quality haircuts in a modern atmosphere, primarily to men but all are welcome. The original owners opened the shop in 2007 at 1351 Monterey Street. In 2008 they obtained a Type 40 ABC license, for On-Sale-Beer. To the delight of their customer base, they became the first barbershop in SLO to serve beer or "The barbershop that sells beer!" without any negative impact to the community from 2008-2019.

In 2019 the original owners sold the business and transferred their ABC license to the new and current owner of Clippers Barbershop, Whitney Winsor, who was a long-time employee and Manager of the business. The new owner utilized the license and sold beer in the business with no issue until March of 2020 then discontinued the sale of beer due to COVID-19 restrictions. The new owner maintained the beer license and stayed up today date with the annual fees despite not using the license from 2019-2023. In 2022 the business moved to a new location up the street from its original location and has not sold, served or kept beer on the property since.

The business has overcome many hurdles and hardships over the last four years due to the COVID-19 pandemic and has held off on transferring the license to the new location until now because of the financial strain it has incurred. We have slowly been recovering and feel now is the appropriate time to return to offering, selling, and serving beer to our clientele.

#### **TERMS OF BEER SERVICE**

We limit two beers per client, ID is required for any person purchasing a beer. Any person purchasing a beer is also required to purchase a service, as we are primarily a salon/barbershop and not a bar or brewery. These restrictions help prevent our customers from becoming intoxicated while in our care. We will not serve beer to clients who appear to have arrived intoxicated to their service. No wine or distilled spirits are kept on the premises or will be available for purchase. Full meals are not offered; however, we will provide bagged snacks as required by our license. Minors are allowed on the premises.

