

November 18, 2015 Item 5.a.

SUBJECT:	P15-0223
APPLICANT:	Matt DeLima
PROPERTY OWNER:	FFHA Associates
PURPOSE:	Application for a Conditional Use Permit to operate a bar/lounge (Pick 6 Sports Lounge and Mavericks Country Lounge) within an existing, approximately 10,746-square-foot tenant space in the Gateway Square Shopping Center.
GENERAL PLAN:	Business Park (Industrial / Commercial and Office) and Mixed Use
ZONING:	PUD-I/C-O (Planned Unit Development- Industrial/ Commercial – Office) District
	4825 Hopyard Road, Suites 4-10
EXHIBIT:	 A. <u>Draft Conditions of Approval</u> B. <u>Floor Plans, Narratives, Security Plan</u>, and <u>Food</u> <u>and Drink Menus</u> C. <u>Hacienda Business Park Letters of Approval</u> D. <u>Location and Noticing Map</u>

BACKGROUND

The 88,589-square-foot Gateway Square Shopping Center was approved by City Council in 1986 (PUD-81-30-35D). In 1990, the Planning Commission approved a Conditional Use Permit (CUP) for ShBoom (UP-90-43), a 1950's-themed dance club with alcohol service, to be operated in a 10,746-square-foot tenant space within the shopping center (currently known as Suites 4-10). Between 2004 and 2012, other clubs occupied the tenant space that is the site of the subject CUP application.

In December 2012, a CUP application (P12-1821) was filed for a restaurant and bar/night club (Coconuts Beach Bar and Seafood Grill) to replace a previous club and occupy the tenant space. The business included events for various age groups. The Planning Commission held a public hearing on February 27, 2013 and approved the

application subject to conditions of approval. The business later changed its name to Hex Southern Grill and Voodoo Room. It opened in December 2013 and was in business for approximately one year.

The current applicant, Matt DeLima, filed a CUP application in April 2015, proposing to operate a bar/lounge establishment within the existing tenant space. The bar/lounge establishment includes a sports bar/lounge (Pick 6 Sports Lounge) and a country-themed bar/lounge (Mavericks Country Lounge). The sports bar/lounge portion of the establishment opened in May 2015 under the previous CUP approval for Coconuts Beach Bar (P12-1821), and it occupies the southern portion of the tenant space. The northern portion of the tenant space is currently vacant except for the kitchen area which is currently occupied and used by the sports bar/lounge, and would be occupied by the country bar/lounge portion of the establishment if approved.

As both the sports and country bars/lounges would be operated as one establishment and share the tenant space, a new CUP is required for the entire, combined use/business operation. The Pleasanton Police Department also recommends that both bars/lounges be operated under one security plan. As such, this CUP application includes both sports and country bars/lounges.

SITE DESCRIPTION

The subject property is a 9.7-acre parcel, known as Gateway Square, located at the northeast corner of Hopyard Road and Stoneridge Drive in Hacienda Business Park. There are six buildings in the shopping center. The proposed use would be located in an approximately 27,766-square-foot, one-story, multi-tenant building located at the southeast portion of the property. A 432-space parking lot serves the existing buildings. The proposed use would occupy an approximately 10,746-square-foot tenant space.

Gateway Square Shopping Center contains a variety of tenants such as: Chili's, Eddie Papa's, Hacienda Park Optometry, Huntington Learning Center, Ume Sushi, and the recently opened The Organic Coup. Other uses in the general area include offices and hotels. The nearest residential uses are located to the southwest, across Hopyard Road, approximately 600 feet away.

Access to the site is provided by four driveway entrances (one off of Hopyard Road, one off of Stoneridge Drive, and two off of Chabot Drive). There are parking spaces in front of the south and east sides of the tenant space. The front entry of the existing establishment faces Chabot Drive and the secondary entrance faces Stoneridge Drive. Figure 1 on the following page shows the project location.





PROJECT DESCRIPTION

The proposed bar/lounge establishment includes Pick 6 Sports Lounge (Pick 6) and Mavericks Country Lounge (Mavericks).

Operations

Pick 6. The sports bar/lounge includes several televisions mounted on the walls to allow patrons to watch sporting events while eating and drinking. Pick 6 opens at 8:00 a.m. and closes at 2:00 a.m. Between 8:00 a.m. and 9:00 p.m., it operates as a restaurant, serving breakfast, lunch, and dinner to patrons of all ages. It becomes a 21 years and older bar/lounge after 9:00 p.m. Pick 6 currently does not have live or disc jockey (DJ) music. The applicant proposes to have live music/band or a DJ Thursday through Saturday. When there is live music or a DJ, tables near the single door on the east side of the building would be removed and this area would be used as a stage/DJ booth. The facility currently has a jukebox. No dancing is proposed at Pick 6.

The facility currently is and would continue to be used by businesses to conduct industry mixers, trainings, corporate events, or meetings.

Pick 6 is currently allowed a maximum occupancy of 140 persons (patrons and employees combined). The applicant proposes a maximum capacity of 120 persons (patrons and employees combined) with this CUP.

Mavericks. The proposed country-western themed bar/lounge would have live music, line dancing and line dancing lessons. A mechanical bull would be available for patrons Thursday through Saturday from 6:00 p.m. to 1:00 a.m. In addition, the applicant proposes to have special events twice a month. Special events include: companies hosting meetings/trainings/gatherings; individuals hosting special occasions; and scheduled appearances by entertainers. During a special event, tables in the middle of the tenant space may be removed to accommodate additional seating. The five tables against the eastern wall would remain. The applicant proposes a maximum capacity of 500 persons (patrons and employees combined).

Similar to Pick 6, Mavericks would open at 8:00 a.m. and close at 2:00 a.m. It would serve breakfast, lunch, and dinner. The establishment would become a 21 years and older bar/lounge after 9:00 p.m.

Table 1: Business Operation		
	Pick 6 Sports Lounge	Mavericks Country Lounge
Hours	8:00 a.m. – 2:00 a.m. daily 21 & up after 9:00 p.m.	
Happy Hours	3:00 p.m. – 7:00 p.m. daily	
Last Alcoholic Beverage Service	1:30 a.m.	
Entertainment		
Line Dancing Lessons Line Dancing		7:00 p.m. – 9:00 p.m. 9:00 p.m. – 1:00 a.m.
Music	<u>9:00 p.m. – 1:00 a.m.</u> Monday Jukebox Tuesday – DJ Wednesday – Jukebox Thursday – Jukebox Friday –DJ/Band Saturday – DJ/Band Sunday – Jukebox	<u>9:00 p.m. – 1:00 a.m.</u> Monday – none Tuesday – none Wednesday – none Thursday – DJ/band Friday – DJ/Band Saturday – DJ/Band Sunday none
Special Events	Business mixers, corporate events or meetings.	Comedian, wedding reception, company party or similar entertainer. Maximum of twice a month with a two- week prior notice to Pleasanton Police
Maximum Capacity (special events and regular business combined)	120 persons (patrons and employees combined)	500 persons (patrons and employees combined)

Table 1 below summarizes the proposed operation of both businesses.

Table 1: Business Operation

The applicant indicates that although both Pick 6 and Mavericks would have live music, jukebox, or a DJ between 9:00 p.m. and 1:00 a.m., Thursday through Saturday, there would not be two music sources playing at the same time. The applicant further states that, in most cases, live music or a DJ would be stationed at Mavericks.

A full service menu would be available to patrons from opening to midnight; a limited menu would be available until closing at 2:00 a.m.

Floor Plan

Pick 6 is located in the southern portion of the tenant space with the kitchen located in the opposite (northern) end of the tenant space. Entrances to Pick 6 are located at the east side and southeast corner of the tenant space. No tenant improvement is proposed for Pick 6.

Mavericks would be located between Pick 6 and the kitchen. An internal opening provides direct access between Pick 6 and Mavericks. Both businesses would share the kitchen and restrooms.

The applicant proposes the following modifications:

- a mechanical bull pen would be installed against the southern wall
- a stage area for live music would be installed at the northwest corner of the tenant space
- a dance floor would be installed in front of the stage
- a DJ booth would be installed to the east of the stage
- the existing main entrance on the east side would be removed and replaced with storefront windows matching the existing windows
- the new main entrance would be shifted to the north

Figure 2 below shows the existing and the proposed floor plans.



Figure 2: Existing and Proposed Floor Plans

The applicant indicated to staff that the VIP area shown on the plan would be removed, and this area would become part of the dance floor.

The establishment also contains separate restroom facilities for employees. The employee restrooms are located by the kitchen and office area off of a corridor with an access-restricted door.

Security Plan

A security plan is included in the submittal. The security plan specifies routine security patrols inside and outside the establishment, ID check, procedures to handle conflicts between patrons, and procedures to prevent over-intoxication. The security plan has been reviewed and approved by the Pleasanton Police Department.

Please refer to the submittal materials (Exhibit B) for a detailed description of the proposal and tenant space layout.

ANALYSIS

Conditional uses are uses that, by their nature, require individual review to ensure that impacts associated with their use will be minimal. CUPs may be subject to appropriate conditions to ensure that any potential adverse impacts associated with the use will be mitigated. Additionally, the conditions of approval for this application have been crafted to address possible conflicts with surrounding land uses. These conditions aim to balance the request of the applicant with the public health, safety, and welfare of the neighboring area.

The discussion below provides an analysis of the proposed CUP.

Land Use

The zoning for this site is PUD-I/C-O (Planned Unit Development – Industrial/ Commercial – Office), and the site is located in the Retail/Commercial and Financial Planning District (CPD) of Hacienda Business Park, which permits land uses such as restaurants, financial institutions, and retail stores and requires Conditional Use Permit approval for uses such as bars, including bars with entertainment and dancing.

One of the primary questions in reviewing a Conditional Use Permit application is what effect the proposed application will have on the surrounding uses. The surrounding uses include office, retail, and restaurant uses. Both Pick 6 and Mavericks would operate as restaurants for patrons of all ages until 9:00 p.m. when they would become 21 years and older bars/lounges. The restaurant component of the establishment would be a compatible business with the surrounding uses. Pick 6 has been open since May 2015. Staff is not aware of any issues associated with its operation. If Pick 6 and Mavericks operate in a professional manner, and follow the protocols of the approved security plans, they should not create adverse impacts on surrounding uses. Furthermore, the subject site does not immediately abut residential property as the nearest residential neighborhood is located more than 600 feet from the tenant space, separated from the tenant space by Stoneridge Drive and Hopyard Road. Should future problems arise from either Mavericks or Pick 6, a condition allows the City to bring the use permit back to the Planning Commission for additional conditions to mitigate impacts caused by either business. Therefore, from a land use perspective, staff finds the proposed use to be acceptable, as conditioned.

Occupancy

The previous use (Hex Southern Grill and Voodoo Room) had a maximum occupancy of 500 persons (patrons and employees). The proposed use would have a maximum occupancy of 620 persons (patrons and employees combined) within the tenant space. The Police Department has reviewed the proposed occupancy and indicated that the public safety personnel staffing levels could support the maximum occupancy of 620 persons (patrons and employees combined) at this tenant space.

To ensure the maximum occupancy limit is complied with, as required by the Police Department, the number of patrons would be counted when Pick 6 and Mavericks become bars/lounges after 9:00 p.m. The applicant indicated that it would count patrons as they enter the businesses, but did not specify how it would be done. Staff has included a condition requiring the details be provided to the Police Department for review and approval. Staff believes that, as conditioned, the proposed occupancy will not produce any conflicts with the surrounding uses.

No headcount would be required between 8:00 a.m. - 9:00 p.m. when the businesses are operated as restaurants open to all ages.

Noise

The proposed establishments would be operated as restaurants between 8:00 a.m. and 9:00 p.m. Staff believes that typical restaurant operation would not generate significant noise and become a nuisance to adjoining businesses or surrounding uses. After 9:00 p.m., the establishments however would become 21 years and older bars/lounges and there would be music, dancing, and/or special events which could cause disturbances to the surrounding tenants/neighbors if not operated/managed properly.

The subject tenant space is located in the eastern portion of the building. It is separated from other tenant spaces on the west side by a hallway. This hallway would function as a noise buffer to reduce noise impacts on the adjacent tenants. In addition, the interior doors from the subject tenant space to the common hallway would need to be closed during business hours to further reduce spillover of noise. The subject tenant space shares a common wall with the tenant space(s) on the north side. The north side of the subject tenant space is the kitchen; thus, it is unlikely noise from the kitchen would be disruptive to other tenant(s).

The floor plan for Mavericks shows the stage and DJ booth would be located away from the entrance. The existing doors already operate with self-closing mechanisms. Staff has included a condition requiring the new doors to have self-closing mechanisms. In addition, all activities would be contained inside the tenant space except for area(s) designated for smoking, which would be monitored by security personnel. With the doors closed during business hours, the majority of the noise would be contained inside the tenant space except during brief moments when the doors open/close. However, the applicant proposes that the area near the eastern door of Pick 6 be used for music and a DJ. This location could be problematic in terms of noise control due to its closeness to the door. Staff has included a condition requiring the applicant to provide an alternate location within Pick 6 for music.

The applicant indicated to staff that there would not be two music sources playing at the same time in Mavericks and Pick 6. Because this is not stated in the narratives, staff has included a condition of approval which addresses this item.

The proposed use would have a maximum occupancy of 620 persons. The security plan states that security personnel would conduct routine and ongoing patrols outside the businesses including the parking lots on Friday and Saturday nights and during special events. Staff has included a condition which would require security patrols be provided at other times if found to be necessary by the Director of Community Development and the Chief of Police. No congregating or loitering would be allowed in the parking lots and people causing problems would be asked immediately to leave the premises.

As was previously mentioned, the nearest residential neighborhood is located at least 600 feet from the tenant space, separated from the tenant space by Stoneridge Drive and Hopyard Road. The main entry to Mavericks is located on the north side of the building, further away from the residential neighborhood. If the doors are closed during business hours, and the crowd outside the building is controlled, noise from the proposed bars/lounges should not create impacts.

Pick 6 has been in business since May. During the past months, patrons have gathered for televised sports games, and music (jukebox) has been played during business hours. Staff is not aware of any noise issues inside the adjacent tenant spaces or outside.

Based on the tenant space location and proposed security plan, the noise generated from Pick 6 and Mavericks should not impact the surrounding businesses or residents. In addition, the uses will be required to comply with the City's noise regulations that are designed to protect the peace, health, safety, and welfare of the citizens. Staff has recommended conditions of approval that will require the applicant to ensure that patrons are orderly when arriving/departing the building and parking areas. Therefore, staff does not expect the proposed use would be disruptive to adjacent properties.

Parking

There are a total of 432 on-site parking spaces in Gateway Square Shopping Center. The overall parking ratio for the center is one parking space for every 205 square feet of floor area. Applying this parking ratio to the 10,746-square-foot tenant space, 52 parking spaces would theoretically be allocated to the tenant space. However, there are no assigned parking spaces in this development.

The Municipal Code does not have a parking standard that precisely calculates the parking demand for a bar/lounge use which contains a relatively low number of seats (158 for both Pick 6 and Mavericks) and a high occupancy (620 for both Pick 6 and

Mavericks). The Municipal Code parking standards for restaurants and bars requires one parking space per 200 square feet of gross floor area or one space for every three seats, whichever is greater. Based on this standard, 54 spaces would be required using the size of the tenant spaces and 53 spaces would be required based on the number seats. The Municipal Code also requires dance halls to provide one space for each 50 square feet of gross floor are used for dancing. The proposed tenant space would require 62 spaces based on the approximately 1,700 square feet of dance floor (including the VIP area) and 84 seats (64 seats at Pick 6 and 20 seats at Mavericks). There is no dancing area at Pick 6.

With a maximum of 620 occupants, the parking demand for the use would exceed the parking required by the Municipal Code. In addition, staff believes that the Municipal Code parking requirement underestimates the actual parking demand that would be generated by this use. While it is difficult to determine the exact parking demand generated by the establishment, staff believes that parking demand would be alleviated by some factors, including patrons carpooling to the facility. Staff believes that the maximum parking demand would be around 207-310 spaces, depending on the number of people carpooling to the site (approximately 207 parking spaces would be used if there were three persons per vehicle and approximately 310 spaces would be used if there were two persons per vehicle). Staff notes that these are maximum parking demand that the maximum number of patrons is unlikely to be present on a consistent basis and would most likely be limited to Friday and Saturday nights.

Due to the shortfall in "allotted" parking spaces (52) compared to the estimated peak demand for the proposed uses, staff considered other factors, such as the parking demands of other uses, the hours of operation, and multiple designation vehicle trips.

Staff believes the bars/lounges would experience peak parking demand after 9:00 p.m. The majority of uses in the shopping center are closed by 6:00 p.m. As such, staff does not believe that there will be parking conflicts within the shopping center. Staff believes that the existing parking lot would provide ample parking to serve the proposed bars/lounges and other existing tenants that are open during late hours. In addition, it is also conceivable that a single vehicle may visit other businesses in the shopping center prior to arriving at the proposed establishment for evening drinks or entertainment. In this case, one parking space would serve more than one business in the shopping center.

The subject tenant building is located in Hacienda Business Park. Hacienda Owners Association supports the proposed use and stated that the parking at the shopping center should adequately support the anticipated parking demand.

Staff is also not aware of any parking problems created by the prior establishments located in this tenant space, some of which had higher occupancy limits.

Based on the estimated peak parking demand, the parking history at the shopping center, and the business hours of the other tenants in the shopping center, staff believes that the parking availability is sufficient to accommodate the proposed use and the other uses in the shopping center. However, should parking-related problems occur, staff has included a condition of approval which allows the Director of Community Development to refer the CUP back to the Planning Commission for possible mitigation measures.

Outdoor Smoking Area

The proposed plan does not include outdoor smoking area(s). Staff has included a condition requiring designated smoking area(s) be shown on the tenant improvement plan for Mavericks, and is subject to review and approval by the Director of Community Development.

PUBLIC NOTICE

Notices regarding the proposed application and related public hearing were mailed to property owners and tenants within 1,000 feet of the subject property. As of the publication of this staff report, staff has not received comments pertaining to this application. Staff has provided the noticing map as Exhibit F for the Commission's reference.

HACIENDA OWNERS ASSOCIATION

James Paxson, General Manager of Hacienda Owners Association, has reviewed and approved the proposed bars/lounges.

FINDINGS

The Planning Commission must make the following findings prior to granting the use permit:

A. That the proposed location of the conditional use is in accordance with the objectives of the zoning ordinances and the purpose of the district in which the site is located.

The zoning ordinance endeavors to foster a harmonious, convenient, and workable relationship among land uses, while protecting land uses from inharmonious influences and harmful intrusions; and ensuring that public and private lands ultimately are used for the purposes which are most appropriate and beneficial to the City as a whole. As conditioned, staff believes the proposed establishment would be consistent with these objectives.

The site of the subject use is located within the Hacienda Business Park's Retail/Commercial/Financial Planning (CPD) District, which permits the uses of the City's Central Commercial (C-C) and Freeway Commercial (C-F) districts. Bars, including bars with entertainment and dancing, are conditionally permitted uses in the C-C and C-F districts. The proposal is in accordance with the

purposes of the zoning district to provide locations to offer commodities and services to the residents of Pleasanton and surrounding areas. The proposed conditions of approval for the project give the City appropriate controls to ensure that the use does not have any negative impacts on surrounding businesses and properties. The proposed use permit is, therefore, in accordance with the objectives of the zoning district in which the site is located, and staff believes this finding can be made.

B. That the proposed location of the conditional use and the conditions under which it would be operated or maintained will not be detrimental to the public health, safety, or welfare, or materially injurious to the properties or improvements in the vicinity.

As conditioned, staff finds that the proposal will not have a detrimental impact to the public health, safety, or welfare, or be materially injurious to the properties or improvements in the vicinity. In particular, conditions require adherence to the security plan to mitigate possible noise impacts outside the building. Conditions also require the applicant to keep doors closed but not locked during business hours to reduce noise impacts to adjacent businesses and surrounding properties. Staff also believes the applicant would be able to control noise, loitering, or other nuisances that would otherwise occur within the parking lot. Further, if the operation of the business were to create a nuisance, the CUP application could be brought back to the Planning Commission for additional conditions to mitigate and/or prevent any nuisances that were identified. Therefore, staff believes that this finding can be made.

C. That the proposed conditional use will comply with each of the applicable provisions of the Municipal Code which apply to Conditional Uses.

The Pleasanton Municipal Code states that because of the unusual or uncharacteristic nature of some proposed land uses, conditional uses require special consideration so that they may be located properly with respect to their effects on surrounding properties. The proposed use has conditions of approval to ensure that the applicable provisions of the Pleasanton Municipal Code are met and that adjacent businesses and residences will not be adversely impacted in terms of parking, noise, or other nuisances. Therefore, staff believes that this finding can be made.

ENVIRONMENTAL ASSESSMENT

This project is categorically exempt from environmental review pursuant to California Environmental Quality Act Guidelines, Section 15301, Existing Facilities, Class 1, which allows the operation of a uses, permitted or conditionally permitted, within an existing building. Therefore, no environmental document accompanies this report.

CONCLUSION

Staff believes that the required findings for the proposal can be met. Additionally, staff believes that the proposed use, as conditioned, will be compatible with the surrounding uses. The recommended conditions of approval have been carefully considered and constructed to address potential conflicts with adjacent land uses and to maintain the safety and general welfare of the surrounding area.

STAFF RECOMMENDATION

Staff recommends that the Planning Commission approve P15-0223 by taking the following actions:

1. Make the required conditional use findings as described in the staff report; and

2. Approve P15-0223 subject to the conditions listed in Exhibit A.

Primary Author:

Jenny Soo, Associate Planner, 925-931-5615 or jsoo@cityofpleasantonca.gov

Reviewed/Approved By:

Steve Otto, Senior Planner Adam Weinstein, Planning Manager