STAFF REPORT

City of Lancaster, California

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MVB

Date: January 22, 2008

To: Mayor Hearns and City Council Members

From: Brian S. Ludicke, Planning Director

Subject: 1. Amendment of Title 17 of the City of Lancaster Municipal Code (Zoning Ordinance) revising the requirements for alcohol sales establishments

2. Adoption of the policies on "in-progress" bona fide restaurants and administration of conditional use permits for alcohol sales establishments

Recommendation:

- 1. Introduce Ordinance No. 896, amending Title 17 of the City of Lancaster Municipal Code (Zoning Ordinance) revising the requirements for alcohol sales establishments through the addition of Chapter 17.42, associated amendments within Chapters 17.12, 17.16, 17.32.
- 2. Adopt the policies on "in-progress" bona fide restaurants and administration of conditional use permits for alcohol sales establishments.

Discussion:

In 1992 the City of Lancaster adopted regulations regulating the location and operation of certain uses that engage in the sale of alcohol. Under these provisions, certain uses, such as liquor stores, mini-marts, bars, and nightclubs are required to obtain a conditional use permit. However, other uses such as drug stores, supermarkets, and restaurants do not currently require a conditional use permit for the sale of alcohol. Over the past several years, concerns have been expressed by various members of the community and the City Council as the whether the current alcohol regulations should be expanded. The Council directed staff to review the current ordinance and, if necessary, propose changes.

A draft ordinance was prepared by staff and reviewed by the Planning Commission in July 2007. At that time the Commission directed the ordinance to undergo further public review and comment, including a public workshop on September 10, 2007. Staff prepared revisions to the ordinance to address some of the concerns raised by community members; certain other requested changes were not made based on either legal or administrative grounds. The revised ordinance, as well as memorandum from the City Attorney's office describing various legal issues with regards to the proposed changes, was presented to the Planning Commission on November 19, 2007. The Commission reviewed the revised ordinance and, with some minor additional changes, voted to recommend adoption to the City Council. Included in the recommendation was a proposed policy regarding the administration and application

requirements that would be established by the ordinance and a policy regarding "in-progress" bona fide restaurants.

The proposed ordinance would require, with certain exceptions related to wineries and associated wine-tasting facilities, the approval of a conditional use permit for any use that engages in the on-site or off-site sale of alcohol. The ordinance would establish the criteria for review of alcohol sales requests, required separation distances for certain alcohol sellers from sensitive uses, and conditions of approval for both on- and off-site sales establishments. In addition, the ordinance would establish criteria for when a "deemed approved' (pre-existing) alcohol sales establishment can come under the review provisions of the ordinance, and would establish a procedure for an applicant to request waiver of the separation distance requirements. The attached Planning Commission staff report provides greater detail regarding the proposed ordinance. Staff is recommending approval of the ordinance as proposed.

Staff is also recommending Council approval of both Exhibit "B" and "C", which were reviewed by the Planning Commission as previously noted. Exhibit "B" is a policy that would grant a limited time frame (60 days) for "in-progress" bona fide restaurants to submit plans without being subject to the ordinance requirements. Both staff and the Commission feel that this is an appropriate approach to prevent the ordinance from creating an unreasonable burden on restaurant uses that are currently processing construction or tenant improvement plans. Exhibit "C" outlines the proposed application process and fees for various types of conditional use permit applications that could be filed under the proposed ordinance. It is staff's intent to return to the City Council at the next meeting with the necessary resolutions to establish the fees as presented in this exhibit.