City of Huntington Beach Planning Department

STAFF REPORT

TO: Planning Commission
FROM: Howard Zelefsky, Director of Planning
BY: Paul Da Veiga, Associate Planner
DATE: March 9, 2004

SUBJECT: **COASTAL DEVELOPMENT PERMIT NO. 03-28/CONDITIONAL USE PERMIT NO. 03-63 (HB Billiards @ Pierside Pavilion)**

APPLICANT: Alan Knebel, 14971-J Chestnut Street, Westminster, CA 92683
PROPERTY OWNER: Joe Daichendt, 300 Pacific Coast Highway, Huntington Beach, CA 92648
LOCATION: 300 Pacific Coast Highway Ste. 112, Huntington Beach, CA 92648 (Northeast corner of Main St. and Pacific Coast Hwy.)

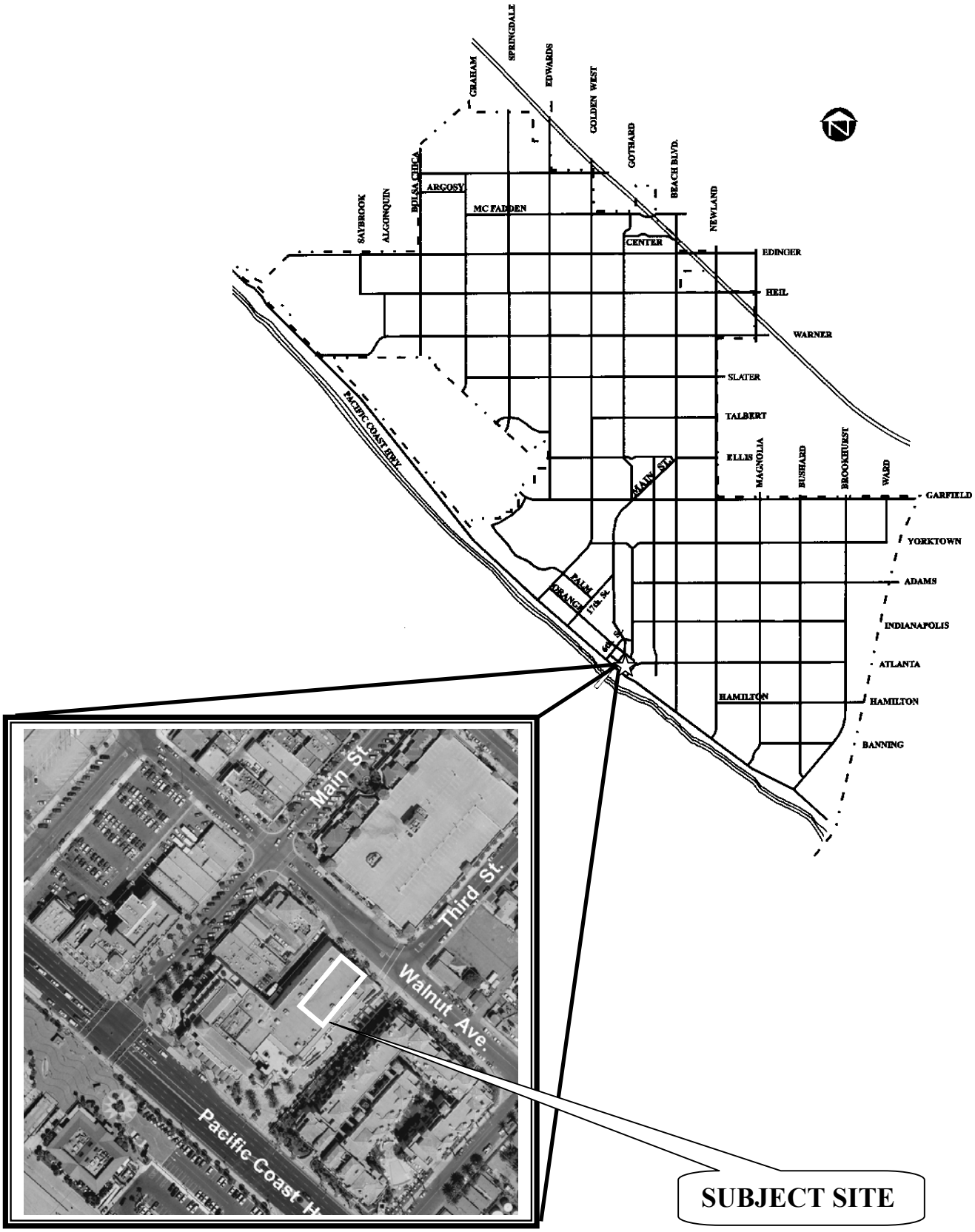
STATEMENT OF ISSUE:

- Coastal Development Permit No. 03-28/Conditional Use Permit No. 03-63 request:
  - Permit the establishment of a billiards facility with ancillary bar and grill within an existing 5,000 square foot tenant suite.
  - Permit the on-site sale and consumption of beer and wine.
- Staff's Recommendation: Approve Coastal Development Permit No. 03-28/Conditional Use Permit No. 03-63 with modifications based upon the following:
  - Proposed billiards facility with ancillary bar and grill will comply with the Downtown Specific Plan and Downtown Parking Master Plan.
  - Provides a unique visitor-serving commercial use within the Downtown, which increases the commercial viability of the area.
  - The billiards facility with ancillary bar and grill is consistent with the Mixed Use General Plan Land Use designation.
- Staff's Suggested Modifications:
  - Modify the proposed hours of operation.

RECOMMENDATION:

Motion to:

"Approve Coastal Development Permit No. 03-28/Conditional Use Permit No. 03-63 as modified with findings and suggested conditions of approval (Attachment No. 1)."



VICINITY MAP

Coastal Development Permit No. 03-28/Conditional Use Permit No. 03-63
300 Pacific Coast Highway, Suite 112
THE CITY OF HUNTINGTON BEACH

ALTERNATIVE ACTION(S):

The Planning Commission may take alternative actions such as:

A. "Approve Coastal Development Permit No. 03-28/Conditional Use Permit No. 03-63 with findings and conditions of approval." **(Applicant's Request)**

B. "Deny Coastal Development Permit No. 03-28/Conditional Use Permit No. 03-63 with findings for denial."

C. "Continue Coastal Development Permit No. 03-28/Conditional Use Permit No. 03-63 and direct staff accordingly."

PROJECT PROPOSAL:

Coastal Development Permit No. 03-28/Conditional Use Permit No. 03-63 represents a request for the following:

A. To establish a billiards facility with ancillary bar and grill within an existing 5,000 square foot suite pursuant to Section 4.5.01(a) Permitted Uses of the Downtown Specific Plan (SP-5) District 3.

B. To permit the sale of beer and wine pursuant to Section 4.5.01(b) Permitted Uses of the Downtown Specific Plan (SP-5) District 3.

The proposed use consists of an ancillary bar and grill with a seating lounge at the entrance of the establishment occupying approximately 1,250 square feet. The remaining 3,750 square feet will be occupied with approximately 20 billiards tables, five of which will be located in a 1,025 square foot VIP area located at the rear of the establishment. The subject suite was formerly occupied by Mr. K's Karaoke, which had live entertainment consisting of karaoke music and dancing. The remainder of the suite was formerly occupied by an office use. The applicant is proposing an audio and video system throughout the establishment that will continually play music videos, surf videos, sporting events, and concerts. The ancillary bar and grill will offer a selection of beer and wine as well as appetizers, sandwiches, and salads.

The proposed hours of operation are Sunday through Thursday from 10 a.m. to 1 a.m., and Friday and Saturday from 10 a.m. to 3 a.m. The applicant's narrative indicates that a total of five employees will be required for the busiest hours.

A portion of the subject suite was formerly occupied by "On the Break", which was also a billiards establishment and restaurant with alcohol sales (CUP No. 91-49). The former billiards facility occupied approximately 8,000 square feet of the subject building from approximately June 1992 to 1994. The former establishment provided 19 pool tables and included an interior and outdoor dining area. The hours of operation were 9 a.m. to 12 a.m. on Monday through Thursday and 9 a.m. to 2 a.m. on Friday and Saturday.

ISSUES:

Subject Property And Surrounding Land Use, Zoning And General Plan Designations:

LOCATION	GENERAL PLAN	ZONING	LAND USE
Subject Property:	MV-F12-sp-pd (Mixed Use Vertical)	Downtown Specific Plan District 3/Coastal Zone	Retail/Office/ Restaurants
North of Subject Property (across Walnut):	MV-F6/25-sp-pd (Mixed Use Vertical)	Downtown Specific Plan District 5/Coastal Zone	Main Promenade/ Parking Structure
East of Subject Property:	MV-F12-sp-pd (Mixed Use Vertical)	Downtown Specific Plan District 3/Coastal Zone	Pier Colony– Residential Condominiums
South of Subject Property: (across PCH)	CV-d (Commercial Visitor-Serving)	Downtown Specific Plan District 10/Coastal Zone	Pier/Restaurants/Beach
West of Subject Property: (across Main)	MV-F12-sp-pd (Mixed Use Vertical)	Downtown Specific Plan District 3/Coastal Zone	Ocean View Promenade Retail/Office

General Plan Conformance:

The General Plan Land Use Map designation on the subject property is Mixed Use –Vertical. The proposed project is consistent with this designation and the goals and objectives of the City's General Plan as follows:

A. *Land Use Element*

Policy LU 7.1.1 Accommodate existing uses and new development in accordance with the Land Use and Density Schedules.

Objective LU 7.1 Accommodate the development of a balance of land uses that (a) provides for the housing, commercial, employment, cultural, entertainment, and recreation needs of existing and future residents, (b) provides employment opportunities for residents of the City and surrounding subregion, (c) captures visitor and tourist activity, and (d) provides open space and aesthetic relief from urban development.

Goal LU 11 Achieve the development of projects that enable residents to live in proximity to their jobs, commercial services, and entertainment, and reduce the need for automobile use.

The proposed use will provide a new visitor-commercial venue within the Downtown that is consistent with the Land Use Density Schedules for the Downtown and is compatible with surrounding mixed-use development.

B. *Coastal Element*

Policy C 3.2.3 Encourage the provision of a variety of visitor-serving commercial establishments within the Coastal Zone, including but not limited to, shops, restaurants, hotels and motels, and day spas.

The proposed use increases the commercial viability of Pierside Pavilion, allowing for its continued success within the Downtown. The proposed establishment will expand the available visitor-serving commercial uses within the Coastal Zone available to its patrons.

Zoning Compliance:

This project is located in the Downtown Specific Plan, District No. 3 and complies with all of the requirements of that zone. There is no physical expansion proposed as part of this request. The proposed use will occupy 3,000 square feet of a former restaurant use and 2,000 square feet of a former office use. The proposed use requires no additional parking based on compliance with the Downtown Parking Master Plan (DPMP). The proposed use is adequately parked within the existing 296-space two level parking garage beneath Pierside Pavilion based on the mix of land uses. A detailed discussion of parking is provided in the Analysis section of the staff report.

Environmental Status:

The proposed project is Categorically Exempt pursuant to Class 1, Existing Facilities, Section 15301 of the California Environmental Quality Act that states that minor alterations and operation to existing structures are exempt from further environmental review.

Coastal Status:

The proposed project is located within a non-appealable portion of the Coastal Zone and is subject to a coastal development permit based on the proposed use of a portion of the site as a bar and grill and billiards facility. Coastal Development Permit No. 03-28 is being processed concurrently with Conditional Use Permit No. 03-63 pursuant to Chapter 245 of the ZSO.

***Redevelopment Status*:**

The project is located in the Huntington Beach Redevelopment Project, Main-Pier subarea. The Economic Development Department has reviewed the proposal and supports the request to establish a billiards use with on-site sales and consumption of beer and wine.

***Design Review Board*:** Not applicable.

***Subdivision Committee*:** Not applicable.

Other Departments Concerns and Requirements:

The Departments of Public Works, Fire, Police, Community Services and Building and Safety have reviewed the proposed use. No special conditions of approval were identified. The use shall comply with all code requirements and obtain all necessary permits for interior tenant improvements.

Public Notification:

Legal notice was published in the Huntington Beach/Fountain Valley Independent on February 26, 2004, and notices were sent to property owners of record and tenants within a 300 ft. radius of the subject property, individuals/organizations requesting notification (Planning Department's Notification Matrix), the applicant, and interested parties. As of March 4, 2004 no communication supporting or opposing the request has been received.

Application Processing Dates:

DATE OF COMPLETE APPLICATION:	MANDATORY PROCESSING DATE(S):
February 18, 2004	April 18, 2004

ANALYSIS:

The primary issues identified with the proposed use are land use, compatibility/noise, and parking. The following section provides a detailed discussion of these issues:

Land Use

Staff supports the proposed use based on the stated purpose of District #3 Visitor-Serving Commercial of the Downtown Specific Plan, which is to include commercial activities that serve the needs of the surrounding community while providing an off-season clientele for the District. This district is the prime visitor-serving commercial location within the Downtown and provides visitors and residents with numerous opportunities for beach-related activities as well as specialty commercial uses. Pierside Pavilion was developed consistent with this concept and provides opportunities for specialty commercial uses such as the proposed billiards establishment. The billiards facility increases the commercial viability of Pierside Pavilion by introducing a unique land use that enhances and supports other commercial establishments in the Downtown.

As required by Chapter 9.32 Pool and Billiard Halls of the Huntington Beach Municipal Code, prior to issuance of a certificate of occupancy, the applicant shall make an application in writing to the City Council for approval. This chapter regulates visibility into the establishment from public streets and walkways, prohibits practices such as card games, restricts hours of operation, and outlines the permit revocation process. The proposed use and tenant shall be in compliance with all requirements of this chapter.

Compatibility/Noise

Pierside Pavilion was developed as a 90,000 square foot entertainment complex including retail, office, and a six-plex movie theater. The development also included a 160-unit condominium project known as Pier Colony. The development concept is mixed-use horizontal where the commercial component is adjacent to the residential and not in the traditional fashion of being located above or in a mixed-use vertical design. The existing Pierside Pavilion building is adjacent to the Pier Colony residential units and separated by a 65 feet wide corridor. The subject suite is directly across from the residential units. The corridor is used as open space as well as a pedestrian walkway providing access to the movie theaters as well as Pacific Coast Highway. As with any downtown use, the proposed billiards facility is required to comply with standard noise requirements identified in the City's Municipal Code. The adherence to the Noise Ordinance will ensure that the proposed use will be compatible with the mixed-use nature of the development and not have a negative noise impact on the adjacent residential uses.

In addition, staff is recommending modifications to the applicant's requested hours of operation, which are proposed to be Monday through Thursday from 10 a.m. to 1 a.m. and Friday and Saturday from 10 a.m. to 3 a.m. Based on the close proximity of the residential uses (approx. 65 feet), staff is recommending limiting the hours of operation on Sunday through Thursday from 10 a.m. to 12 a.m. and on Friday and Saturday from 10 a.m. to 2 a.m. The 2 a.m. limitation is also consistent with the Municipal Code regulations that restrict the hours of operation for billiards facilities that also offer the sale of alcohol. Staff has determined that the modified hours of operation would be consistent with the mixed-use character of Downtown while placing reasonable limitations on the use based on its location.

Parking

In reviewing the request, staff analyzed the Downtown Parking Master Plan, which is based on a shared parking concept allowing one parking space to serve two or more individual land uses without conflict. Shared parking relies on the variations in the parking demand for different uses. In other words, parking demands will fluctuate in relationship to the mix of uses in each respective block. The proper mix will create an interrelationship among different uses and activities, which results in an overall reduction in the parking demand.

Pierside Pavilion is located within Block B of the Downtown Parking Master Plan. As part of the parking analysis, staff requested an updated tenant roster to identify the current mix of uses. The current mix of uses within Block B has changed from projected buildout square footages identified for the year 2005 in the DPMP (See Attachment 4). This change in the mix of uses results in an increased availability of parking based on a shift of restaurant uses to office uses which have a much lower parking demand. The new mix of uses in Pierside Pavilion will result in changes made during the annual review of the DPMP.

The shift in square footage from restaurant use to office use results in a surplus of parking based on the lesser number of parking required for office uses in comparison to restaurant uses. Based on the current mix of uses within Pierside Pavilion, and the availability of 296 parking spaces within the two-level parking garage, the proposed use will not exceed established thresholds for parking as identified in the DPMP. Staff has annually conducted on-site field reviews of the parking demand at the site. The field visits have identified that the second level of the parking structure is underutilized and the demand for the mix of uses does not exceed the available number of parking spaces. Staff is recommending approval of the billiards facility with ancillary bar and grill based on compliance with the DPMP and the availability of parking within Block B.

Staff recommends the Planning Commission approve the request based on the following:

- The proposed billiards establishment with ancillary bar and grill will comply with the Downtown Specific Plan and Downtown Parking Master Plan.
- The proposed billiards establishment with ancillary bar and grill will be compatible and not impact surrounding properties.
- The proposed use is consistent with the Mixed-Use General Plan Land Use designation for the site.

ATTACHMENTS:

1. Suggested Findings and Conditions of Approval –CDP No. 03-28/CUP No. 03-63
2. Site Plan and Floor Plans dated December 18, 2003
3. Narrative dated December 18, 2003
4. Land Use and Parking Analysis at Pierside Pavilion

SH:HF:PD:rl

ATTACHMENT NO. 1

SUGGESTED FINDINGS AND CONDITIONS OF APPROVAL

COASTAL DEVELOPMENT PERMIT NO. 03-28/ CONDITIONAL USE PERMIT NO. 03-63

SUGGESTED FINDINGS FOR PROJECTS EXEMPT FROM CEQA:

The Planning Commission finds that the project will not have any significant effect on the environment and is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Section 15301 of the CEQA Guidelines, which states that operation and minor alteration to existing structures involving negligible or no expansion are exempt from further environmental review.

SUGGESTED FINDINGS FOR APPROVAL – COASTAL DEVELOPMENT PERMIT NO. 03-28:

1. Coastal Development Permit No. 03-28 to establish a billiards facility with ancillary bar and grill within an existing 5,000 square foot suite, including the on-site sale and consumption of beer and wine, conforms with the General Plan and the Local Coastal Program. The project is consistent with the General Plan Land Use Element designation of Mixed-Use. The project will comply with the Downtown Specific Plan – District 3 (Commercial/Office/Residential) because the proposed use will add to the variety of visitor-serving commercial uses and will further the mixed-use objective for the downtown.

2. The project is consistent with the requirements of the CZ Overlay District, the base zoning district, as well as other applicable provisions of the Municipal Code and conforms to all development standards including parking.

3. At the time of occupancy the proposed development can be provided with infrastructure in a manner that is consistent with the Local Coastal Program. All infrastructure currently exists on the subject site and will be modified as needed to conform to the City's current standards

4. The development conforms with the public access and public recreation policies of Chapter 3 of the California Coastal Act. The development will not impact any public access or recreational opportunities.

SUGGESTED FINDINGS FOR APPROVAL – CONDITIONAL USE PERMIT NO. 03-63:

1. Coastal Development Permit No. 03-28/Conditional Use Permit No. 03-63 to establish a billiards facility with ancillary bar and grill within an existing 5,000 square foot suite, including the on-site sale and consumption of beer and wine will not be detrimental to the general welfare of persons working or residing in the vicinity or detrimental to the value of the property and improvements in the neighborhood. The proposed uses will not create adverse noise or parking impacts to the surrounding businesses and residents based on the availability of parking within the existing parking structure and limitations on hours of operation.

2. The proposed billiards facility with ancillary bar and grill will be compatible with surrounding uses. The use will be required to comply with strict conditions of approval to assure that any potential impacts to the impacts to surrounding properties are minimized. In addition, the proposed use is consistent with the mixed-use character of commercial developments in the downtown. The use is subject to noise regulations such as requiring that all doors and windows remain closed during live entertainment, and regulation on the hours of operation to ensure compatibility with surrounding businesses and residents.

3. The proposed billiards establishment with ancillary bar and grill will comply with the provisions of the base district and other applicable provisions in Titles 20-25 of the Huntington Beach Zoning and Subdivision Ordinance and any specific condition required for the proposed use in the district in which it will be located. The proposed use will comply with parking in the Downtown Parking Master Plan and will be accommodated by the existing parking supply in the existing parking structure. There is no physical expansion proposed as part of the request and the use will comply with all building occupancy/exiting requirements.

4. The granting of the conditional use permit will not adversely affect the General Plan. It is consistent with the Land Use Element designation of Mixed Use on the subject property including the following policies and objectives identified in the General Plan:

   A. *Land Use Element*

   Policy LU 7.1.1 Accommodate existing uses and new development in accordance with the Land Use and Density Schedules.

   Objective LU 7.1 Accommodate the development of a balance of land uses that (a) provides for the housing, commercial, employment, cultural, entertainment, and recreation needs of existing and future residents, (b) provides employment opportunities for residents of the City and surrounding subregion, (c) captures visitor and tourist activity, and (d) provides open space and aesthetic relief from urban development.

   Goal LU 11 Achieve the development of projects that enable residents to live in proximity to their jobs, commercial services, and entertainment, and reduce the need for automobile use.

   The proposed billiards facility with ancillary bar and grill will provide a new visitor-commercial venue within the Downtown that is consistent with the Land Use Density Schedules for the Downtown and is compatible with surrounding mixed-use development.

B. *Coastal Element*

   Policy C 3.2.3 Encourage the provision of a variety of visitor-serving commercial establishments within the Coastal Zone, including but not limited to, shops, restaurants, hotels and motels, and day spas.

The proposed billiards facility with ancillary bar and grill will increases the commercial viability of Pierside Pavilion, allowing for its continued success within the Downtown. The proposed establishment will expand the available visitor-serving commercial uses within the Coastal Zone available to its patrons.

SUGGESTED CONDITIONS OF APPROVAL – CONDITIONAL USE PERMIT NO. 02-63:

1. The site plan and floor plans received and dated December 18, 2003 shall be the conceptually approved layout.

2. The hours of operation shall be as follows:
   Sunday through Thursday: 10 a.m. to 12 a.m.
   Friday and Saturday: 10 a.m. to 2 a.m.

3. The Planning Director ensures that all conditions of approval herein are complied with. The Planning Director shall be notified in writing if any changes to the site plan, elevations and floor plans are proposed as a result of the plan check process. Building permits shall not be issued until the Planning Director has reviewed and approved the proposed changes for conformance with the intent of the Planning Commission's action and the conditions herein. If the proposed changes are of a substantial nature, an amendment to the original entitlement reviewed by the Planning Commission may be required pursuant to the HBZSO.

INDEMNICATION AND HOLD HARMLESS CONDITION:

The owner of the property which is the subject of this project and the project applicant if different from the property owner, and each of their heirs, successors and assigns, shall defend, indemnify and hold harmless the City of Huntington Beach and its agents, officers, and employees from any claim, action or proceedings, liability cost, including attorney's fees and costs against the City or its agents, officers or employees, to attack, set aside, void or annul any approval of the City, including but not limited to any approval granted by the City Council, Planning Commission, or Design Review Board concerning this project. The City shall promptly notify the applicant of any claim, action or proceeding and should cooperate fully in the defense thereof.