

**RESOLUTION NO. \_\_\_\_\_ (PC)**

**RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF  
WATSONVILLE, CALIFORNIA, APPROVING A SPECIAL USE PERMIT  
(APPLICATION NO. 1318) TO ALLOW THE ESTABLISHMENT OF AN  
ON-SALE BEER (TYPE 40) ABC LICENSE UNDER NEW OWNERSHIP  
FOR AN EXISTING 1,425± SQUARE FOOT BAR WITH LIVE  
ENTERTAINMENT (EL MALECON INC.) LOCATED AT 118 MAIN  
STREET, WATSONVILLE, CALIFORNIA (APN 017-681-08)**

**Project: El Malecon Inc.  
APN: 017-681-08**

**WHEREAS**, on March 12, 2021, an application for a Special Use Permit (Application No. 1318) to allow the establishment of a Type 40 ABC License under new ownership for an existing bar with live entertainment at 118 Main Street, Watsonville, California, was filed by Juana I Ortiz, applicant with El Malecon, Inc., on behalf of Reyna Sanchez, property owner; and

**WHEREAS**, the project site is designated Central Commercial (CC) on the General Plan Land Use Diagram and is within the Central Commercial (CC) Zoning District; and

**WHEREAS**, according to the Santa Cruz County Assessor's Office, the project site is developed with a 22-unit boarding house fronting Union Street and a commercial building fronting Main Street. The commercial building consists of three tenant spaces, one of which is addressed as 118 Main Street; and

**WHEREAS**, on October 1, 1975, the Department of Alcohol and Beverage Control (ABC) issued Isabel Garza a Type 40 ABC License to allow for on-site consumption of beer for a bar located at 118 Main Street; and

**WHEREAS**, on September 10, 2002, the City of Watsonville enacted WMC Chapter 14-25 on Alcohol Related Uses (Ordinance 1135-02-CM). The Ordinance details

required documentation for an alcohol related uses application, permits required for various ABC licenses, and conditions of approval for alcohol related uses; and

**WHEREAS**, WMC Section 14-25.050(b) (Time Limits) of Ordinance No. 1135-02 provided that all alcohol related establishments operating as of October 10, 2002 [the effective date of, after the adoption of Ordinance No. 1135-02 (CM) creating Chapter 14-25 of the Watsonville Municipal Code, but without a valid Use Permit approved specifically for the purpose of alcohol sales], was required to file an application to obtain a conditional use permit no later than January 1, 2003; and

**WHEREAS**, the City developed a No-Fee Special Use Permit, a one-page form that was approved without a public hearing for businesses not declared a “public nuisance” or on probationary status with ABC pursuant to WMC §14-25.050(b). To comply with this update, Isabel Garza, on behalf of El Tenampa Club Bar, obtained a No-Fee Special Use Permit (PP2002-121) on September 5, 2003; and

**WHEREAS**, on September 4, 2007, the Planning Commission of the City of Watsonville adopted Resolution No. 15-07 (PC), approving Special Use Permit (PP2007-264) to establish a Type 40 ABC License under new ownership for an existing bar located at 118 Main Street; and

**WHEREAS**, on March 4, 2008, the Planning Commission of the City of Watsonville adopted Resolution No. 03-08 (PC) to deny a Major Modification (PP2008-32) to Special Use Permit (PP2007-264) to allow for extended hours of operation and amended operational standards for El Tenampa Bar at 118 Main Street; and

**WHEREAS**, on June 11, 2019, the Council adopted Ordinance No. 1385-19 (CM) modifying WMC Chapter 14-25 on Alcohol Related Uses in the City; and

**WHEREAS**, the existing bar with a Type 40 ABC License is exempt from separation requirements provided that the only change in more or character is a change in ownership pursuant to WMC §14-25.050(a); and

**WHEREAS**, notice of time and place of the hearing to consider approval of Special Use Permit (Application No. 1318) was given at the time and in the manner where appropriate public noticing procedures have been followed and a public hearing was held according to Section 14-10.900 of the Watsonville Municipal Code; and

**WHEREAS**, the Planning Commission has considered all evidence received, both oral and documentary, and the matter was submitted for decision.

**NOW, THEREFORE, BE IT RESOLVED** by the Planning Commission of the City of Watsonville, California, as follows:

Good cause appearing, and upon the Findings, attached hereto and marked as Exhibit "A" in support of Application No. 1318, the Planning Commission of the City of Watsonville does hereby grant approval of Special Use Permit, attached hereto and marked as Exhibit "C," subject to the Conditions of Approval attached hereto and marked as Exhibit "B," to allow the establishment of an on sale beer license under new ownership at an existing bar with live entertainment at 118 Main Street (APN 017-681-08).

**I HEREBY CERTIFY** that the foregoing Resolution was introduced at a regular meeting of the Planning Commission of the City of Watsonville, California, held on the 7th day of December, 2021, by Commissioner\_\_\_\_\_, who moved its adoption, which motion being duly seconded by Commissioner\_\_\_\_\_, was upon roll call, carried and the resolution adopted by the following vote:

Ayes: Commissioners:  
Noes: Commissioners:  
Absent: Commissioners:

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Suzi Merriam, Secretary  
Planning Commission

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Jenni Veitch-Olson, Chairperson  
Planning Commission

**Application No:** 1318

**APN:** 017-681-08

**Applicant:** El Malecon, Inc.

**Hearing Date:** December 7, 2021

**SPECIAL USE PERMIT FINDINGS (WMC § 14-12.513)**

The purpose of the Special Use Permit is to allow the establishment of a bar with beer sales under new ownership, pursuant to Chapter 14-16 of the Watsonville Municipal Code (WMC).

- 1. The proposed use at the specified location is consistent with the policies embodied in the adopted General Plan and the general purpose and intent of the applicable district regulations.**

**Supportive Evidence**

Land designated Central Commercial in the City's General Plan is intended to serve a variety of retail and service needs of the community. A bar with beer sales is allowed conditionally in certain commercial zoning districts with the approval of a Special Use Permit. The existing bar is located in an existing commercial building in the CC Zoning District. The requested Special Use Permit for the establishment of a bar with a Type 40 ABC License (on-sale beer and wine) and live entertainment under new ownership has been conditioned to conform to all applicable requirements of WMC Chapter 14-25 (Alcohol Related Uses) of Title 14 (Zoning).

- 2. The proposed use is compatible with and preserves the character and integrity of adjacent development and neighborhoods and includes improvements or modifications either on-site or within the public rights-of-way to mitigate development related adverse impacts such as traffic, noise, odors, visual nuisances, or other similar adverse effects to adjacent development and neighborhoods.**

**Supportive Evidence**

Pursuant to WMC Section 14-16.1104(b) and WMC Chapter 14-25, establishing an existing Type 40 ABC License under new ownership is allowed with approval of a Special Use Permit. Standard conditions have been placed on the bar with on-sale beer sales and live entertainment to ensure adverse impacts do not occur related to alcohol sales, in accordance with WMC Sections 14-25.021 and 14-25.022. A condition of approval also requires issuance of an Entertainment Permit from the Watsonville Police Department in accordance with WMC Section 5-9.01. These conditions ensure the bar with live entertainment will be compatible with the neighborhood.

3. **The proposed use will not generate pedestrian or vehicular traffic which will be hazardous or conflict with the existing and anticipated traffic in the neighborhood.**

**Supportive Evidence**

The proposed project does not represent a change or intensification of use for the existing bar with live entertainment. The Special Use Permit to establish on sale beer sales in an existing bar with live entertainment will not generate additional pedestrian or vehicular traffic that will be hazardous or conflicting with the existing and anticipated traffic in the shopping center and surrounding neighborhood.

4. **The proposed use incorporates roadway improvements, traffic control devices or mechanisms, or access restrictions to control traffic flow or divert traffic as needed to reduce or eliminate development impacts on surrounding neighborhood streets.**

**Supportive Evidence**

No alterations to building layout or location are proposed as part of this Use Permit, and no additional traffic impacts are anticipated to occur as a result of establishing on sale beer sales under new ownership at an existing bar. As such, no additional onsite or roadway improvements or modifications are required as part of this Use Permit.

5. **The proposed use incorporates features to minimize adverse effects, including visual impacts and noise, of the proposed special use on adjacent properties.**

**Supportive Evidence**

As stated previously, standard conditions have been placed on the bar with on sale beer sales to ensure adverse impacts do not occur related to alcohol sales, in accordance with WMC Sections 14-25.021 and 14-25.022. Additionally, a condition of approval requires the applicant to obtain an Entertainment Permit from the Watsonville Police Department in accordance with WMC Section 5-9.01. These conditions ensure the bar with live entertainment will continue to be compatible with adjacent businesses and surrounding neighborhood.

Establishing a bar with live entertainment and Type 40 ABC License under new ownership will not result in additional noise impacts.

6. **The proposed special use complies with all additional standards imposed on it by the particular provisions of this chapter and all other requirements of this title applicable to the proposed special use and uses within the applicable base zoning district.**

**Supportive Evidence**

As stated previously, the proposed use is required to comply with standard operational conditions for a bar with on sale beer sales, which prohibits the drive-through service of alcohol and compliance with entertainment and amplified noise permits issued by the Watsonville Police Department. The bar has been

conditioned to require that all managers and employees attend LEAD training within 90 days of approval of this Use Permit and/or employment at the bar.

7. **The proposed special use will not be materially detrimental to the public health, safety, convenience and welfare, and will not result in material damage or prejudice to other property in the vicinity.**

**Supportive Evidence**

The change in ownership for an existing Type 40 ABC License does not involve a change in or expansion of use for the existing bar. The existing bar with on sale beer sales would continue to be compatible with the adjacent commercial uses. As conditioned, the bar will continue to be required to comply with all requirements of an establishment with on sale beer sales as outlined in WMC Chapter 14-25 and Entertainment Permit provisions in WMC Chapter 5-9.

The applicant will be required to implement a neighborhood compatibility plan to mitigate adverse impacts associated with an alcohol related use and comply with operational standards for an alcohol establishment with on-sale beer sales. As conditioned, the existing bar with live entertainment will not be detrimental to the public health, safety, convenience and welfare, and will not result in material damage or prejudice to other property in the vicinity.

## **ALCOHOL-RELATED USE FINDINGS (WMC § 14-25.013)**

- 1. The proposed use received the minimum score necessary to issue a conditional use permit.**

### **Supportive Evidence**

The application received a passing score of 1,285, exceeding the minimum score of 1,100 points.

- 2. The proposed use will not cause adverse noise, litter, crowd control, or parking impacts.**

### **Supportive Evidence**

The subject site is developed with an existing commercial building with three tenant spaces fronting Main Street and a 22 unit boarding house to the rear of the site fronting Union Street. A parking lot provides adequate parking for all uses within the center. The parking lot is accessed from East Front Street and Union Street provides adequate parking for all the uses on the site. The project is conditioned to provide signage will be posted both inside and outside the existing business, altering patrons to keep noise to a minimum while on the premises. The location of existing lighting and security cameras provides adequate security for the bar with live entertainment. As conditioned, the proposed use will not cause adverse noise, litter, crowd control, or parking impacts for the surrounding development.

- 3. The proposed use will not create objectionable conditions that constitute a nuisance, as defined in California Business and Professions Code Section 24200(f)(2).**

### **Supportive Evidence**

The proposed use, as conditioned with minimum operation standards for alcohol related uses pursuant to WMC Sections 14-25.021, 14-25.022, and 14-25.030, will not create objectionable conditions that constitute a nuisance, as defined in California Business and Professions Code Section 24200(f)(2).

- 4. The proposed use will maintain all levels of service, including but not limited to the provision of security, maintenance of premises, LEAD training, and professional management as identified in the original application.**

### **Supportive Evidence**

The proposed use, as conditioned with minimum operation standards for alcohol related uses, will maintain all levels of services, including but not limited to provisions of security cameras, maintenance of premises, LEAD training, and professional management as identified in the original application.



**Application No:** 1318  
**APN:** 017-681-08  
**Applicant:** El Malecon Inc  
**Hearing Date:** December 7, 2021

**SPECIAL USE PERMIT  
CONDITIONS OF APPROVAL**

**General Conditions:**

1. **Approval.** This approval applies to the application submitted on March 12, 2021 and revised July 29, 2021 by El Malecon, Inc., and identified as "Special Use Permit" for the establishment of an existing bar with live entertainment under new ownership, received by the Community Development Department on March 12, 2021 and revised on July 29, 2021 (CDD-P)
2. **Conditional Approval Timeframe.** This Special Use Permit (Application No. 1318) shall be null and void if not acted upon within **24 months** from the effective date of the approval thereof. Time extensions may be considered upon receipt of written request submitted no less than forty-five (45) days prior to expiration and in accordance with the provisions of Section 14-10.1201 of the Watsonville Municipal Code (WMC). (CDD-P)
3. **Modifications.** Modifications to the project or conditions imposed may be considered in accordance with WMC Section 14-10.1305. (CDD-P)
4. **Compliance.** The proposed use shall be in compliance with Use Permit Conditions of Approval, all local codes and ordinances, appropriate development standards, and current City policies. Any deviation will be grounds for review by the City and may possibly result in revocation of the Use Permit, pursuant to Part 13 of WMC Chapter 14-10. (CDD-P)
5. **Grounds for Review.** The project shall be in compliance with the conditions of approval, all local codes and ordinances, appropriate development standards, and current City policies. Any deviation will be grounds for review by the City and may possibly result in revocation of the Special Use Permit, pursuant to Part 13 of WMC Chapter 14-10, or other code enforcement actions, pursuant to WMC Chapter 14-14. (CDD-P)
6. **Appeal Period/Effective Date.** This Special Use Permit shall not be effective until **14 days** after approval by the decision-making body or following final action on any appeal. (CDD-P)

### **Project Specific Conditions:**

7. **Site Inspection.** Prior to issuance of a business license, Staff from the Community Development Department and the Watsonville Police Department shall conduct a site inspection to review security camera locations, interior/exterior lighting, and any modifications to accommodate El Malecon. (CDD-P, WPD)
8. **Residential Neighbors Signage.** Prior to site inspection, the applicant shall install signage inside the bar and to the exterior at the rear of the business notifying patrons to mindful of residential neighbors (CDD-P).

### **Ongoing Conditions:**

9. **ABC Conditions.** Any and all conditions of the Department of Alcohol and Beverage Control (ABC) are incorporated by reference as conditions of approval for this Use Permit. (CDD-P)
10. **Neighborhood Compatibility Plan.** The applicant shall implement their Neighborhood Compatibility Plan to ensure the liquor store with beer, wine, and distilled spirit sales will not create objectionable conditions that constitute a nuisance and will be compatible with existing and potential uses within the general area. Specific measures include:
  - The parking lot has four lighting posts with two lighting fixtures each, which were recently replaced and help keep the parking lot well lit. The applicant has also installed new lighting fixtures within the facility to keep it well lit.
  - The business manager will provide his personal contact information to surrounding neighbors should any noise complaints arise. During nights with live entertainment, the live entertainment will take place inside the establishment to limit noise to inside the bar. The applicant expressed that they would install noise attenuation material should complaints arise related to the live events. Staff will be trained to contact Watsonville Police Department should any crime or issues with patrons occur.
  - In terms of closing operations, on nights with live entertainment, security guards will maintain the front and rear of the property. On nights without live entertainment, management staff will maintain the front and rear of the property. As the business closes, patrons are required to vacate as soon as possible. After all customers have left the facility, staff will pick up garbage and secure the premise. El Malecon wants to have a good relationship with neighbors and do not want to create any nuisances for surrounding properties/businesses.
11. **Food Availability.** As noted in El Malecon's Business Plan (received 7/29/2021), the business shall make food available all hours that the establishment is open for business. (CDD-P)

12. **Drive-through Service.** Drive-through service of alcohol is prohibited. (CDD-P, WPD)
13. **Exterior Pay Phones.** No exterior pay phones may be placed on the premises. (CDD-P, WPD)
14. **Interior Pay Phones.** Interior pay phones shall not allow incoming calls. (CDD-P, WPD)
15. **Security Cameras.** Security camera monitoring system shall be maintained in good working order and shall not be recorded over within thirty (30) days after initial recording. The system shall support slow motion and high-speed playback with zoom capability. At least two (2) 24 hour time-lapse exterior security cameras shall be installed, maintained in good working order, approved by and made available to the Police Department upon request, and operated as directed by the Chief of Police. Chief of Police may recommend additional security cameras or revised operation practices. (WPD)
16. **Lighting Maintenance.** Exterior security lighting shall be provided. All security lighting shall be shielded and downcast to ensure it does not create a glare nuisance to adjacent properties. Any broken or burned out lights shall be replaced within 72 hours. (CDD-P, WPD)
17. **Entertainment Permit.** The permittee shall (a) obtain a permit from the Watsonville Police Department before holding any entertainment, amplified music and/or specific event and (b) comply with any conditions pertaining to said permit, in accordance with WMC Section 14-23.021(4) and WMC Chapter 5-9. (CDD-P, WPD)
18. **Building Occupancy.** The number of occupants shall not exceed the maximum permitted occupant load per California Building Code and/or Fire Code requirements. (CDD-B)
19. **Hours of Operation.** Permitted hours of operation for El Malecon are 12:00PM to 12:00AM seven days a week, with last call at 11:30PM. Live entertainment shall be permitted Friday, Saturday, and Sunday with issuance of an Entertainment Permit from the Watsonville Police Department. (CDD-P, WPD)
20. **Premise Monitoring.** Business owner shall regularly police the areas under their control, including but not limited to: parking lots, restrooms, alleys, and sidewalks, to prevent the loitering of persons about the premises. (CDD-P, WPD)
21. **Window Obstructions.** Except as may be specifically allowed by the Municipal Code, no portion of the ground floor windows shall be obscured by paint, walls, window tinting, or other masking device. This requirement is intended to facilitate views of the interior from the exterior for public safety and does not prohibit neon signs, minimal window borders, or other signs or decorations that are consistent with the City's sign regulations and do not obscure views. (CDD-P)

22. **Trash Receptacles.** Permanent litter and trash receptacles shall be located at convenient locations inside and outside establishments, and operators of such establishments shall remove litter and debris on a daily basis. (CDD-P)
23. **Required Signs.** The following signs may be required to be prominently posted in a readily visible manner in English, Spanish, and the predominant language of the patrons:
- “California State Law prohibits the sale of alcoholic beverages to persons under twenty-one (21) years of age.”
  - A copy of these performance conditions, any applicable ABC or City operating conditions, and any training requirements shall be posted in at least one (1) prominent place within the interior of the establishment where it will be readily visible and legible to the employees and patrons of the establishment.
24. **Employee Age.** Employees shall be at least twenty-one (21) years of age to sell and serve alcohol. (CDD-P, WPD)
25. **Lingering Patrons.** The business shall be required to clear the storefront and the adjacent parking lots in the immediate vicinity of the establishment of any lingering patrons immediately after closing. (CDD-P, WPD)
26. **Conditions of Approval Display.** A copy of the Use Permit Conditions of Approval shall be kept conspicuously on the premises of the business and made available to any member of the public or enforcement officer wishing to review them. (CDD-P)
27. **LEAD Training.** All owners, managers and service staff shall follow responsible beverage service (RBS) practices and procedures. Owner(s), manager(s) and service staff shall attend ABC’s Licensee Education on Alcohol and Drugs (LEAD) training within ninety (90) days from the date of approval of this Use Permit and/or employment at the liquor store, and each five (5) years thereafter. Upon completion of the training, the applicant shall submit a card verifying full attendance of the three and one-half (3.5) hour training to the Community Development Department. Failure to attend training and/or retain records on file shall be reported to the Planning Commission and may be grounds for imposing additional or different use restrictions or revocation of the alcohol sales establishment use permit. (CDD-P, WPD)
28. **Permit Term.** The Use Permit shall be valid for **20 years** after the effective date of this Use Permit unless there is a change of ownership or other substantial change in mode or character of operation, at which time a new Use Permit shall be required. Unless renewed, this Use Permit shall expire on **December 7, 2041**. (CDD-P)
29. **Revocation of Permit.** If the Planning Commission determines that the use as operated or maintained constitutes a public nuisance and/or is causing alcohol related problems, the Planning Commission may require the modification,

discontinuation, or revocation of the Use Permit as outlined in WMC Section 14-25.031 and Section 14-25.032. (CDD-P, WPD)

30. **Accessibility.** The project shall conform with accessibility requirements to buildings and facilities by individuals with disabilities under the American Disabilities Act. (CDD-B)

**Future Sign Permit:**

31. **Sign Permit.** Any new or proposed changes in the exterior signage for the premises shall require Sign and Building Permits through the Community Development Department. (CDD-P-B)

**Indemnity Provision:**

32. **Indemnity Provision.** The applicant shall sign a defense and indemnity contract agreeing to defend, indemnify, and hold harmless the City of Watsonville, its elected and appointed officials, officers, employees, and agents arising out Special Use Permit (App No. 613), including but not limited to any approval or condition of approval of the City of Watsonville Planning Commission or City Council. The City shall promptly notify the applicant of any claim, action, or proceeding concerning this permit and the applicant and City shall cooperate fully in the defense of the matter. The City reserves the right to select counsel in the defense of the matter. (CA)

**Key to Department Responsibility**

CDD-B – Community Development Department (Building)  
CDD-P – Community Development Department (Planning)  
CDD-E – Community Development Department (Engineering)  
PW – Public Works Department  
WFD – Watsonville Fire Department  
CA – City Attorney

**CITY OF WATSONVILLE  
PLANNING COMMISSION**

**EXHIBIT "C"**

**Application No:** 1318  
**APNs:** 017-681-08  
**Applicant:** El Malecon Inc.  
**Hearing Date:** December 7, 2021

**Applicant:** El Malecon Inc.  
**Address:** 118 Main Street, Watsonville, CA 95076  
**Project:** Special Use Permit  
**Location:** 118 Main Street, Watsonville, CA 95076  
**Purpose:** Allow the establishment of a bar with live entertainment (Type 40)  
ABC License under new ownership

**Property Owner:** Reyna Sanchez

**Address:** 13801 Hutchings Court, Watsonville, CA 95076

A Special Use Permit (Application No. 1318) to allow the establishment of an on sale beer license under new ownership at a 1,425± square foot bar with live entertainment located at 118 Main Street, Watsonville (APN 017-681-08), was reviewed by the Planning Commission at a public hearing on December 7, 2021, and was conditionally approved by adoption of Planning Commission Resolution No.\_\_\_\_ (PC) together with findings and conditions of approval attached hereto and made a part of this permit.

CITY OF WATSONVILLE  
Planning Commission

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Suzi Merriam  
Community Development Director