REPORT TO THE HEARING OFFICER

HEARING DATE: November 21, 2012
REPORT NO. HO 12-096

ATTENTION: Hearing Officer

SUBJECT: RAINBOW MARKET – PROJECT NUMBER 285228

LOCATION: 4727 Federal Boulevard

APPLICANT: Mr. Robert Zakar

SUMMARY

Issue(s): Should the Hearing Officer approve a Conditional Use Permit for an alcoholic beverage outlet allowing the change from an existing Type 20 Alcohol Beverage Control (ABC) license that is limited to beer and wine, to a Type 21 ABC license to include the general sale of alcohol including distilled spirits?

Staff Recommendation - APPROVE Conditional Use Permit No. 1002779.

Community Planning Group Recommendation – The City Heights Area Planning Committee (CHAPC) voted 7-1-1 (chair abstaining) recommending the Hearing Officer approve the application with a caveat the applicant present the item to the Webster neighborhood at their monthly meeting (Attachment 10).

Environmental Review: The project was determined to be exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15301 (existing facility). This project is not pending an appeal of the environmental determination. The environmental exemption determination for this project was made on September 21, 2012, and the opportunity to appeal that determination ended October 12, 2012.

BACKGROUND

The 0.135-acre project site is located at 4727 Federal Boulevard at the intersection of Federal Boulevard and 47th Street (Attachment 1). The site is within the City Heights Neighborhood Element of the Mid-City Communities Plan area (Attachment 2). However, the site is not within the Central Urbanized Planned District but rather citywide zoning and subject to the development regulations of the Land Development Code. The site is zoned CC-5-3 which permits a variety of commercial retail and service uses along with mixed use residential and commercial development. The purpose of the CC zones is to accommodate community-serving
commercial services, retail uses, and limited industrial uses of moderate intensity and small to medium scale. The CC zones are intended to provide for a range of development patterns from pedestrian-friendly commercial streets to shopping centers and auto-oriented strip commercial streets. Property within the CC zones will be primarily located along collector streets, major streets, and public transportation lines. The CC-5-3 is intended to accommodate development with an auto orientation. The commercial land use of the Mid-City Communities Plan and the CC-5-3 zone designation are appropriate in that the project is in a auto-oriented strip mall on Federal Boulevard which is defined as a major street.

The existing 9,550 square-foot market is part of a larger 1.35-acre strip mall with a variety of commercial uses including restaurants, a hardware store, a dollar discount store and a dry-cleaning operation. The existing market is within a fully developed urbanized community that includes small-scale retail and commercial uses east and west along Federal Boulevard. The neighborhoods immediately adjacent the project site have been developed over several decades with a mix of multi-family and single-family residential development (Attachment 3).

DISCUSSION

Project Description

This application is seeking an upgrade to an existing type 20 ABC license that limits the sale of alcoholic beverages to beer and wine, to a Type 21 ABC license that would allow the general sale of alcoholic beverages including distilled spirits. The nearly 10,000 square-foot market sells a wide variety of goods including fresh produce and meat as well as food staples. Alcohol products are accessory to the overall retail aspect of the market.

The market sells beer and wine under the current Type 20 license which was issued to the address circa 1972. The Type 20 license was issued by the ABC for this site prior to the 1986 requisite that a Conditional Use Permit be granted by the City for an alcoholic beverage outlet. Therefore the current alcoholic beverage outlet is a previously conforming use because it was obtained on the site prior to when the Land Development Code was amended to require a Conditional Use Permit for this type of use.
Alcoholic beverage outlets are permitted by right as a Limited Use pursuant to Section 141.0502(b) of the Land Development Code (LDC). However, alcoholic beverage outlets that do not comply with the locational criteria of this section may still be permitted with a Conditional Use Permit pursuant to LDC Section 141.0502(c) of the LDC.

The Limited Use Regulations of the Land Development Code, Section 141.0502(b)(1) do not permit alcoholic beverage outlets by right (i.e. would require a Conditional Use Permit) in the following locations:

1. **Within a census tract, or within 600 feet of a Census Tract, where the general crime rate exceeds the citywide average general crime rate by more than 20 percent.**

   The property is in Census Tract No. 34.01 which reported a crime rate 147 percent higher than the citywide average based on the statistics provided by the San Diego Police Department. A Census Tract is considered to have “high crime” if the crime rate exceeds 120 percent of the city-wide average. Therefore, a CUP is required for the off-sale of alcoholic beverages at this location based on this factor.

2. **Within a Census Tract, or within 600 feet of a Census Tract, where the ratio of alcoholic beverage outlets exceeds the standards established by the California Businesses and Professional Code Section 23958.4.**

   The subject property is within Census Tract No. 34.01, which based on the California Businesses and Professional Code Section 23958.4 permits a total of four (4) off-sale alcoholic beverage outlets. There are currently eight (8) existing off-sale alcohol beverage outlets within Census Tract 34.01 therefore the Census Tract would be considered over saturated. Therefore a CUP would be required for the off-sale of alcoholic beverages based on this factor.

3. **Within a Redevelopment Area.**

   The project site is not within the City Heights Redevelopment Project Area. Therefore a CUP would not be required for the off-sale of alcoholic beverages based on this factor.

4. **Within 600 feet of a public or private accredited school, a public park, playground or recreational area, church, hospital or a San Diego County Welfare District Office.**

   The project is not within 600 feet of an incompatible facility therefore a CUP would not be required for the off-sale of alcoholic beverages based on this factor.

5. **Within 100 feet of residentially zoned property.**

   The project site is within 100 feet of residentially zoned property. Therefore a CUP would be required for the off-sale of alcoholic beverages based on this factor.
6. **Within 600 feet of a place of religious assembly.**

The project site is not within 600 feet of religious assembly.

The proposed off-sale alcoholic beverage outlet at this site requires a Conditional Use Permit because the project site does not meet all of the location criteria of the Municipal Code. As demonstrated above, the project site is within a Census Tract that: 1) is defined as having a high crime rate; 2) is within a Census Tract that is oversaturated; 3) is within 100 feet of residentially zoned property. Any one of these factors establishes the need for the Conditional Use Permit; and 4) within an established redevelopment project area.

**Alcohol Sales-Project Analysis:**

The project has been reviewed by the Development Services staff and the San Diego Police Department for conformance to the applicable development regulations and land use policies. The staff recommendation to approve the upgrade to the type 21 license relies on two principal factors: 1) that the site currently operates as an unregulated alcoholic beverage outlet and, 2) that the primary use of the premises is a medium-sized food store.

As for the unregulated alcohol sales, although the use is previously conforming, there are no restrictions on the type or quantity of items allowed to be sold, no limits on the hours sales of alcohol are permitted and no conditions ensuring the outlet is a compatible land use in the neighborhood. Development Services would apply land use conditions that cover the overall appearance of the site, signage limits and hours of operations for the sale of alcohol, while the San Diego Police Department provides recommendations to the ABC regarding restrictions for the Type 21 License.

Staff and the SDPD are also swayed by the fact that the existing market is approximately 10,000 square-feet and sells both dry and fresh food as well as other products similar to larger retail grocery chains. The typical concern with an upgrade in license type from 20 to 21 is that the alcohol sales dominate smaller stores and the de facto result is a liquor store rather than a market. That would not be the case with the Rainbow market both based on the size of the retail area and a condition limiting the sales area dedicated to alcohol to 15 percent of the sales floor.

The property is within the commercial corridor along Federal Boulevard but serves a large residential population in the immediate vicinity. The existing market is consistent with the commercial use designated by the community plan and Planned District Ordinance and would continue to operate as a convenience store with the retail sale of various and sundry goods. The addition of distilled spirits to beer and wine sales for off-site consumption would continue to be a commercial retail use and should not adversely impact the community. Accordingly, Staff is recommending approval of the project as conditioned by staff and the San Diego Police Department.
Draft Conditions of Approval

Approval of this application would allow previously conforming and unrestricted sale of alcohol to be conditioned so that the alcohol sales would not have a negative impact on the surrounding neighborhood (Attachment 6). The Conditional Use Permit includes a number of conditions that would limit the hours of sales and display area, regulate advertising, provide for a well-lighted, cleaner site and prohibit specific on-site activities with the objective of reducing the likelihood of loitering and other criminal activity on the property. Additionally, the CUP provides an opportunity for the San Diego Police Department to petition the State Department of Alcohol Beverage Control (ABC) to include enforceable conditions regulating the type, size, quantities and alcoholic content (proof by volume) of the beverages. Further, both the staff and the Police Department concluded that if the permit were appropriately conditioned, the proposed alcohol sales would not have a negative impact on the surrounding neighborhood.

Specifically, the CUP conditions would limit the hours of alcohol beverage sales from 8:00 AM to Midnight where the current license allows sales from 6:00 AM to 2:00 AM. Advertising would be limited and “No Loitering” signs would be required to be prominently displayed on the premises. The CUP would prohibit pinball games, arcade-style video and electronic games, or coin-operated amusement machines on the premises. Exterior and interior public pay phones would not be permitted on the premises, on adjacent public sidewalks, or areas under the control of the owner or operator. Finally, the Conditional Use Permit would include a 30-year expiration date from the date the CUP was approved. The permit could be extended through the appropriate review and decision process and may be subject to additional conditions at that time.

Community Planning Group Recommendation

On September 11, 2012, the City Heights Area Planning Committee heard the proposed project at their monthly board meeting and voted 7-1-1 with the chair abstaining to recommend the project be approved (Attachment 10). A stipulation of the approval was that the applicant presents the project to the sub-neighborhood community group of Webster as a courtesy which they did later in the same month.

Conclusion

City staff, including the Development Services Department and San Diego Police Department supports the request for a Conditional Use Permit for the sale of alcohol. The staff support is predicated primarily on the facts that the market is a large retail food store and is currently permitted to sell beer and wine as a previously conforming use with no restrictions neither on the type, proof or the packaging of alcoholic beverages; nor hours of operation or any other land use condition. While allowing the upgrade of the license type to permit general alcohol sales would permit additional liquor sales would also provides an opportunity for the City to place restrictions on the premises that would help make the operation much more compatible with the surrounding neighborhood. Permit conditions have been added that would help ensure the outlet is maintained primarily as a food market that would be a cohesive element of the neighborhood and would not be detrimental to the public health, safety and welfare of the community. The
project is consistent with the underlying commercial zone and the applicable land use plans and policies in affect for the site. An environmental initial study performed by the Development Services Department determined that the proposed project was exempt from further CEQA review as an existing facility and is supported with proposed conditions and ABC license recommendations by the San Diego Police Department.

**ALTERNATIVES:**

1. Approve Conditional Use Permit No. 1002779, with modifications; or

2. Deny Conditional Use Permit No. 1002779, if the findings required to approve the project cannot be affirmed.

Respectfully submitted,

[Signature]

John P. Hooper, Development Project Manager

**Attachments:**

1. Project Location Map
2. Community Plan Land Use Map
3. Aerial Photograph
4. Surrounding Alcohol Beverage Outlets Map
5. Draft Permit Resolution with Findings
6. Draft Permit with Conditions
7. Environmental Exemption
8. Project Site and Floor Plans
9. SDPD Recommendation
10. Community Planning Group Recommendation
11. Ownership Disclosure Statement
Project Location Map
RAINBOW MARKET – 4727 FEDERAL BOULEVARD
PROJECT NUMBER 285228
EXISTING ABC LICENSE MAP
RAINBOW MARKET – 4727 FEDERAL BOULEVARD
PROJECT NUMBER 285228
WHEREAS, THE HALLAK FAMILY TRUST, Owner, and RAINBOW SUPERMARKET, INC., Permittee, filed an application with the City of San Diego for a permit to upgrade a current Type 20 State of California Alcohol Beverage Control (ABC) license limited to beer and wine to a Type 21 license for the general sale of alcohol including distilled spirits (as described in and by reference to the approved Exhibits "A" and corresponding conditions of approval for the associated Conditional Use Permit No. 1002779, on portions of a 3.15-acre site; and

WHEREAS, the project site is located at 4727 Federal Boulevard in the CC-5-3 Zone of the Land Development Code in the City Heights Neighborhood of Mid City Communities Plan Area; and

WHEREAS, the project site is legally described as Lots 6 through 10 of Map No. 2260; and

WHEREAS, on November 21, 2012, the Hearing Officer of the City of San Diego considered Conditional Use Permit No. 1002779, pursuant to the Land Development Code of the City of San Diego; and

WHEREAS, on September 11, 2012 the City of San Diego, as Lead Agency, through the Development Services Department, made and issued an Environmental Determination that the project is exempt from the California Environmental Quality Act (CEQA) (Public Resources Code section 21000 et. seq.) under CEQA Guideline Section 15301 (existing facility) and there was no appeal of the Environmental Determination filed within the time period provided by San Diego Municipal Code Section 112.0520; NOW, THEREFORE,

BE IT RESOLVED by the Hearing Officer of the City of San Diego as follows:

That the Hearing Officer adopts the following written Findings for Conditional Use Permit Approval – Section §126.0305 dated November 21, 2012:

(a) The proposed development will not adversely affect the applicable land use plan;

The proposed development is located at 4727 Federal Boulevard within the City Heights Neighborhood Element of the Mid-City Communities Plan Area. The Plan designates the 3.15-acre site for commercial development. The Plan does not specifically address alcoholic beverage outlets; however the sale of alcohol products is defined as a commercial retail use in the Land Development Code and permitted as a Limited Use usually requiring a Conditional Use Permit. The Plan recommends the site be used for commercial development therefore the upgrade to a Type 21 ABC license would not adversely affect the applicable land use plan.

(b) The proposed development will not be detrimental to the public health, safety, and welfare;

The proposed development is requesting a conditional use permit to upgrade an alcoholic beverage outlet within an existing market currently limited to beer and wine to a general license allowing the sale of
distilled spirits. The project site is within the City Heights Neighborhood Element of the Mid-City Communities Plan area on a property zoned CC-5-3 of the Land Development Code. The Plan designates the 3.15-acre parcel as commercial and mixed use land use. The existing market would continue to be consistent with the recommended commercial land use therefore; there would be no conflict with the current development pattern in the neighborhood. A preliminary environmental review of the application was conducted by the Development Services Department and concluded there would be no environmental impacts associated with the proposed development. All construction including interior improvements, public right-of-way improvements and landscape upgrades would be designed and inspected according to the applicable sections of the Land Development Code and Uniform Building Code. Permit conditions related to the sale of alcohol, limiting the type, quantity and proof and limiting the hours permitted to sell the beverages would be petitioned to be included on the ABC license. Conditions regulating signage, lighting and other land use issues would insure a safe and well maintained operation. Therefore, the proposed development would not be detrimental to the public’s health, safety or welfare.

(c) The proposed development will comply with the regulations of the Land Development Code including any allowable deviations pursuant to the Land Development Code;

The proposed development is requesting a conditional use permit to upgrade an alcoholic beverage outlet within an existing market currently limited to beer and wine to a general license allowing the sale of distilled spirits. The project site is within the City Heights Neighborhood Element of the Mid-City Communities Plan area on a property zoned CC-5-3 which permits a wide variety of commercial and mixed use land use. The use of the site as an alcoholic beverage outlet is permitted as a limited use in the CC-5-3 Zone with an approved Conditional Use Permit. The project complies with the applicable regulations of the Land Development Code and no deviation or variance is requested as a part of this application.

(d) The proposed use is appropriate at the proposed location.

The proposed development is requesting a conditional use permit to upgrade an alcoholic beverage outlet within an existing market currently limited to beer and wine to a general license allowing the sale of distilled spirits. The project site is within the City Heights Neighborhood Element of the Mid-City Communities Plan area on a property zoned CC-5-3. The existing market has existed and operated as a neighborhood food market since 1960 and as an alcoholic beverage outlet with a Type 20 license from the State of California Alcohol and Beverage Control (ABC) since 1972. The Rainbow Market has established a presence in the community for over half a century and would continue to provide commercial retail alternative to the surrounding area. The Type 20 ABC license permits the sale of beer and wine whereas the proposed Type 21 would allow the addition of distilled spirits. Alcohol products are generally defined as a retail use therefore the addition of hard liquor to the existing beer and wine would be considered an expansion of the retail merchandise therefore, the proposed development would be appropriate at the proposed location.
BE IT FURTHER RESOLVED that, based on the findings hereinbefore adopted by the Hearing Officer, Conditional Use Permit No. 1002779 is hereby GRANTED by the Hearing Officer to the referenced Owner and Permittee, in the form, exhibits, terms and conditions as set forth in Conditional Use Permit No. 1002779, a copy of which is attached hereto and made a part hereof.

John P. Hooper  
Development Project Manager  
Development Services  

Adopted on: November 21, 2012  

Job Order No. 24002859
This Conditional Use Permit No. 1002779 is granted by the Hearing of the City of San Diego to THE HALLAK FAMILY TRUST, Owner, and RAINBOW SUPERMARKET, INC., Permittee, pursuant to San Diego Municipal Code [SDMC] section 126.0305. The 3.15-acre site is located at 4727 Federal Boulevard in the CC-5-3 Zone of the Land Development Code in the City Heights Neighborhood of Mid City Communities Plan Area. The project site is legally described as: Lots 6 through 10 of Map No. 2260.

Subject to the terms and conditions set forth in this Permit, permission is granted to Owner and Permittee to operate an alcoholic beverage outlet conditioned upon the issuance of a license from the State Department of Alcoholic Beverage Control and subject to the City's land use regulations] described and identified by size, dimension, quantity, type, and location on the approved exhibits [Exhibit "A"] dated November 21, 2012, on file in the Development Services Department.

The project shall include:

a. An existing 9,625 square-foot market with an upgrade from a Type 20 to a Type 21 State Department of Alcoholic Beverage Control license allowing the operation of an alcoholic beverage outlet to sell general alcoholic beverages including distilled spirits conditioned upon the issuance of such license from the ABC.

b. Existing commercial retail and restaurants occupying lease space in the center or any new use permitted within the CC-5-3 zone;

c. Off-Street parking facilities
d. Public and private accessory improvements determined by the Development Services Department to be consistent with the land use and development standards for this site in accordance with the adopted community plan, the California Environmental Quality Act [CEQA] and the CEQA Guidelines, the City Engineer’s requirements, zoning regulations, conditions of this Permit, and any other applicable regulations of the SDMC

STANDARD REQUIREMENTS:

1. This permit must be utilized within thirty-six (36) months after the date on which all rights of appeal have expired. If this permit is not utilized in accordance with Chapter 12, Article 6, Division 1 of the SDMC within the 36 month period, this permit shall be void unless an Extension of Time has been granted. Any such Extension of Time must meet all SDMC requirements and applicable guidelines in effect at the time the extension is considered by the appropriate decision maker. This permit must be utilized by December 7, 2015.

2. This Conditional Use Permit [CUP] and corresponding use of this site shall expire on December 7, 2042. Upon expiration of this Permit, the facilities and improvements relating to the sale of alcohol described herein shall be removed from this site and the property shall be restored to its original condition preceding approval of this Permit.

3. The utilization of this CUP is contingent upon the approval of a license to sell alcohol at this location by the California Department of Alcoholic Beverage Control [ABC]. The issuance of this CUP does not guarantee that the ABC will grant an alcoholic beverage license for this location.

4. No permit for the construction, occupancy, or operation of any facility or improvement described herein shall be granted, nor shall any activity authorized by this Permit be conducted on the premises until:

   a. The Owner/Permittee signs and returns the Permit to the Development Services Department; and

   b. The Permit is recorded in the Office of the San Diego County Recorder.

5. While this Permit is in effect, the subject property shall be used only for the purposes and under the terms and conditions set forth in this Permit unless otherwise authorized by the appropriate City decision maker.

6. This Permit is a covenant running with the subject property and all of the requirements and conditions of this Permit and related documents shall be binding upon the Owner/Permittee and any successor(s) in interest.

7. The continued use of this Permit shall be subject to the regulations of this and any other applicable governmental agency.
8. Issuance of this Permit by the City of San Diego does not authorize the Owner/Permittee for this Permit to violate any Federal, State or City laws, ordinances, regulations or policies including, but not limited to, the Endangered Species Act of 1973 [ESA] and any amendments thereto (16 U.S.C. § 1531 et seq.).

9. The Owner/Permittee shall secure all necessary building permits. The Owner/Permittee is informed that to secure these permits, substantial building modifications and site improvements may be required to comply with applicable building, fire, mechanical, and plumbing codes, and State and Federal disability access laws.

10. Construction plans shall be in substantial conformity to Exhibit “A.” Changes, modifications, or alterations to the construction plans are prohibited unless appropriate application(s) or amendment(s) to this Permit have been granted.

11. All of the conditions contained in this Permit have been considered and were determined necessary to make the findings required for approval of this Permit. The Permit holder is required to comply with each and every condition in order to maintain the entitlements that are granted by this Permit.

If any condition of this Permit, on a legal challenge by the Owner or Permittee of this Permit, is found or held by a court of competent jurisdiction to be invalid, unenforceable, or unreasonable, this Permit shall be void. However, in such an event, the Owner/Permittee shall have the right, by paying applicable processing fees, to bring a request for a new permit without the "invalid" conditions(s) back to the discretionary body which approved the Permit for a determination by that body as to whether all of the findings necessary for the issuance of the proposed permit can still be made in the absence of the "invalid" condition(s). Such hearing shall be a hearing de novo, and the discretionary body shall have the absolute right to approve, disapprove, or modify the proposed permit and the condition(s) contained therein.

12. The Owner/Permittee shall defend, indemnify, and hold harmless the City, its agents, officers, and employees from any and all claims, actions, proceedings, damages, judgments, or costs, including attorney’s fees, against the City or its agents, officers, or employees, relating to the issuance of this permit including, but not limited to, any action to attack, set aside, void, challenge, or annul this development approval and any environmental document or decision. The City will promptly notify Owner/Permittee of any claim, action, or proceeding and, if the City should fail to cooperate fully in the defense, the Owner/Permittee shall not thereafter be responsible to defend, indemnify, and hold harmless the City or its agents, officers, and employees. The City may elect to conduct its own defense, participate in its own defense, or obtain independent legal counsel in defense of any claim related to this indemnification. In the event of such election, Owner/Permittee shall pay all of the costs related thereto, including without limitation reasonable attorney’s fees and costs. In the event of a disagreement between the City and Owner/Permittee regarding litigation issues, the City shall have the authority to control the litigation and make litigation related decisions, including, but not limited to, settlement or other disposition of the matter. However, the Owner/Permittee shall not be required to pay or perform any settlement unless such settlement is approved by Owner/Permittee.
ENGINEERING REQUIREMENTS:

13. Owner/Permittee shall upgrade the existing pedestrian ramps at the south west side of the alley and the south east corner of Federal Boulevard and 47th Street to the current City Standards and satisfactory to the City Engineer. This work must be completed within 90 days of the public hearing approval of or the operator shall be deemed to be out of compliance with the Conditional Use Permit, and the Permit is subject to rescission by the Development Services Director.

PLANNING REQUIREMENTS:

14. The sales of alcoholic beverage shall be permitted between the hours of 8:00 a.m. and 12:00 Midnight.

15. The parking, the exterior of the premises, the adjacent public sidewalks, and all other adjacent areas under the licensee’s control shall be illuminated to a level of 0.4 foot candles. The illumination shall be maintained during all hours of darkness that the premises are open for business, so that persons standing on or near the premises at night are identifiable to law enforcement personnel. Illumination shall be directed and shielded so that it does not shine onto others properties.

16. The premises shall conform to the transparency requirement for the zone in which it is located, and the licensee shall not post signage, or position displays or any other object that interferes with the transparency requirement.

17. The total area of advertising signage that indicates alcoholic beverages or alcohol sales shall not exceed 630 square inches total for market and shall not be placed so as to interfere with transparency.

18. Any graffiti applied to or any litter deposited on the premises or adjacent public sidewalks or adjacent area(s) under the licensee control shall be removed or painted over, as appropriate, within 48 hours of its application or deposit.

19. No amusement machines or video game, no pool or billiard table, no foosball or pinball machine, no arcade style video or electronic game, and no coin operated amusement device may be allowed on the premises.

20. No pay telephone shall be maintained anywhere on the premises or on any adjacent area under the licensee’s control.

21. The licensee shall place trash receptacles convenient for use by patrons inside and outside the premises and in the parking area and near adjacent sidewalks and in any other adjacent area under the control of the licensee. At least one 13-gallon receptacle shall be located inside the premises. At least one 32-gallon receptacle shall be located outside the premises, and at least one additional 32-gallon receptacle shall be located in each parking area.
22. The licensee shall conspicuously post a copy of these Conditions at the premises and maintain them visible so they may be viewed by the public or any government official.

23. No loitering may be allowed on the premises or on any adjacent area under the control of the licensee. If necessary, the licensee shall hire and post security guards to enforce this condition.

24. The licensee shall post and maintain a professional quality sign facing each parking lot that reads as follows: NO LOITERING, NO LITTERING, NO OPEN CONTAINERS, NO DRINKING OF ALCOHOLIC BEVERAGES ON THE PREMISES, PARKING AREAS, OR ADJACENT SIDEWALKS. VIOLATORS ARE SUBJECT TO ARREST. The signs shall be in English and Spanish. The printing shall be two-inch or taller block lettering, and the signs shall be large enough to contain all the lettering.

25. Security cameras which cover all of the premises and parking shall be installed and maintained. Recordings shall be available to any law enforcement agent or agency on request.

26. No alcoholic beverages shall be consumed on the premises under the control of the business owner or the property owner.

27. No more than fifteen percent (15%) of the sales area will be dedicated to the display and sale of alcohol.

TRANSPORTATION REQUIREMENTS:

28. Owner/Permittee shall maintain a minimum of fifty-one (51) off-street parking spaces including two handicap spaces on the property at all times in the approximate locations shown on the approved Exhibit “A.” Parking spaces shall comply at all times with the SDMC and shall not be converted for any other use unless otherwise authorized by the appropriate City decision maker in accordance with the SDMC.

POLICE DEPARTMENT RECOMMENDATIONS FOR ABC LICENSE:

The following recommendations from the San Diego Police Department are requested to be included on the State of California Department of Alcohol Beverage Control license:

- The sales of alcoholic beverage shall be permitted between the hours of 8:00 a.m. and 12:00 Midnight.
- The sale of single cans or bottles of beer or malt beverage is prohibited.
- Wine shall not be sold in containers of less than 750 milliliters.
- Beer, Malt beverages and wine cooler products, regardless of container size, must be sold in manufacturer pre-packaged multi-unit quantities.
• Wine shall not be sold with an alcoholic content greater than 15 percent by volume with the exception of “dinner wines” aged two or more years.

• Wine shall not be sold in containers of less than 750 milliliters, with the exception of wine coolers sold in four-pack containers or more per sale.

• Malt beverages shall not be sold in less than six-pack containers per sale.

• Distilled Spirits must be sold in containers greater than one pint (.375 ml.).

INFORMATION ONLY:

• The issuance of this discretionary use permit alone does not allow the immediate commencement or continued operation of the proposed use on site. The operation allowed by this discretionary use permit may only begin or recommence after all conditions listed on this permit are fully completed and all required ministerial permits have been issued and received final inspection.

• Any party on whom fees, dedications, reservations, or other exactions have been imposed as conditions of approval of this Permit, may protest the imposition within ninety days of the approval of this development permit by filing a written protest with the City Clerk pursuant to California Government Code-section 66020.

• This development may be subject to impact fees at the time of construction permit issuance.

APPROVED by the Hearing Officer of the City of San Diego on November 21, 2012 pursuant to Hearing Officer Resolution No. HO-(DRAFT).
Conditional Use Permit No. 1002779  
Date of Approval: November 21, 2012

AUTHENTICATED BY THE CITY OF SAN DIEGO DEVELOPMENT SERVICES DEPARTMENT

John P. Hooper  
Development Project Manager

NOTE: Notary acknowledgment must be attached per Civil Code section 1189 et seq.

The undersigned Owner/Permittee, by execution hereof, agrees to each and every condition of this Permit and promises to perform each and every obligation of Owner/Permittee hereunder.

[HALLAK FAMILY TRUST]  
Owner

By ____________________________  
NAME TITLE

[RAINBOW SUPERMARKET INC.]  
Permittee

By ____________________________  
Robert Zakar  
President

NOTE: Notary acknowledgments must be attached per Civil Code section 1189 et seq.
NOTICE OF EXEMPTION

(Check one or both)

TO: X RECORDER/COUNTY CLERK
P.O. BOX 1750, MS A-33
1600 PACIFIC HWY, ROOM 260
SAN DIEGO, CA 92101-2422

FROM: CITY OF SAN DIEGO
DEVELOPMENT SERVICES DEPARTMENT
1222 FIRST AVENUE, MS 501
SAN DIEGO, CA 92101

OFFICE OF PLANNING AND RESEARCH
1400 TENTH STREET, ROOM 121
SACRAMENTO, CA 95814

PROJECT NO.: 285228
PROJECT TITLE: Rainbow Farms Market

PROJECT LOCATION-SPECIFIC: 4727 Federal Boulevard, San Diego, California 92102

PROJECT LOCATION-CITY/COUNTY: San Diego/San Diego

DESCRIPTION OF NATURE AND PURPOSE OF THE PROJECT: The project is a request for a Conditional Use Permit for a Type 21 liquor license in conjunction with an existing 9,625 square foot supermarket. The facility currently operates with a Type 20 liquor license.

NAME OF PUBLIC AGENCY APPROVING PROJECT: City of San Diego

NAME OF PERSON OR AGENCY CARRYING OUT PROJECT: Rainbow Supermarket Inc.
Robert Zakar
10451 Harvest View Way
San Diego, California 92128
(619) 654-7532

EXEMPT STATUS: (CHECK ONE)

( ) MINISTERIAL (SEC. 21080(b)(1); 15268);
( ) DECLARED EMERGENCY (SEC. 21080(b)(3); 15269(a));
( ) EMERGENCY PROJECT (SEC. 21080(b)(4); 15269(b)(c))
(X) CATEGORICAL EXEMPTION: CEQA EXEMPTION 15301 (EXISTING FACILITIES)
( ) STATUTORY EXEMPTIONS:

REASONS WHY PROJECT IS EXEMPT: The proposed project is exempt from CEQA pursuant to Section 15301 which allows for the operation, repair maintenance, permitting, leasing, licensing, or minor alteration of existing facilities (public or private) involving negligible or no expansion of use beyond that existing at the time of the determination. The proposed project, a Conditional Use Permit, for a Type 21 liquor license in conjunction with an existing 9,625 square foot supermarket is a negligible expansion of use. No environmental impacts were identified for the proposed project. Additionally, none of the exceptions described in CEQA Guidelines Section 15300.2 apply.

LEAD AGENCY CONTACT PERSON: Anna L. McPherson
TELEPHONE: (619) 446-5276

IF FILED BY APPLICANT:
1. ATTACH CERTIFIED DOCUMENT OF EXEMPTION FINDING.
2. HAS A NOTICE OF EXEMPTION BEEN FILED BY THE PUBLIC AGENCY APPROVING THE PROJECT?
   ( ) YES ( ) NO

IT IS HEREBY CERTIFIED THAT THE CITY OF SAN DIEGO HAS DETERMINED THE ABOVE ACTIVITY TO BE EXEMPT FROM CEQA

[Signature/Title]
September 21, 2012

CHECK ONE:
(X) SIGNED BY LEAD AGENCY
( ) SIGNED BY APPLICANT

DATE RECEIVED FOR FILING WITH COUNTY CLERK OR OPR:

Revised 010410mjh
**PROJECT TITLE:**

To request a Conditional Use Permit to allow an Upgrade in the Liquor License Status from a Type 20, Off-Sale Beer and Wine to a Type 21, Off-Sale General Alcoholic Beverage, in conjunction with an Existing 8,850 Square-Foot Supermarket, having Hours of Operation from 4 A.M. to 2 A.M. Daily, in the CD-S-3 Zone.

**SITUS:**

Rainbow Farms Market
4727-29 Federal Boulevard
San Diego, CA 92152

**LEGAL DESCRIPTION:**

1215-14, Map 220 and Por. of Closed Street
A.P./L. 341-342-04-09

**ZONE INFORMATION:**

Base Zone: CD-S-3
Community Plan Area: Mid-City-Eastern Area
Central Urbanized Planned District

**GROSS SITE AREA:** 0.73 Acres

**TOTAL FLOOR AREA:** 14,320 Sq. Ft.

**SUPERMARKET FLOOR AREA:** 9,875 Sq. Ft.

**EXISTING-PROPOSED USE:** Supermarket

**HOURS OF ALCOHOLIC BEVERAGE SALES:** 8:00 A.M. to 12:00 A.M. Daily

**PREPARATION DATE:** September 30, 2011

**REVISED DATE:** August 23, 2012

**LEGAL DESCRIPITION:**

LDS 5-10, Map 220 and Por. of Closed Street
A.P./L. 341-342-04-09

**PROPERTY OWNER:**

HALLAN FAMILY TRUST
8824 HA QQ STUDIO
LA MESA, CA 91942

**SITE PLAN**

Scale 3/32" = 1'-0"

**CURB RAMP DETAIL**

Scale 1/8" = 1'-0"

**VICINITY MAP**

Scale: N.T.S.
SAN DIEGO POLICE DEPARTMENT
CONDITIONAL USE PERMIT RECOMMENDATION

PREMISE ADDRESS: 4727 Federal Boulevard, San Diego, CA 92102

TYPE OF BUSINESS: Rainbow Market

FEDERAL CENSUS TRACT: 34.01

NUMBER OF ALCOHOL LICENSES ALLOWED: 4

NUMBER OF ALCOHOL LICENSES EXISTING: 8

CRIME RATE IN THIS CENSUS TRACT: 147.5%
(Note: Considered High Crime If Exceeds 120% of City-wide Average)

THREE OR MORE REPORTED CRIMES AT THIS PREMISE WITHIN PAST YEAR □ YES □ NO

IS THE PREMISE WITHIN 600 FEET OF INCOMPATIBLE FACILITY □ YES □ NO

IS THE PREMISE WITHIN 100 FEET OF RESIDENTIALLY ZONED PROPERTY □ YES □ NO

ABC LICENSE REVOKED AT THIS PREMISE WITHIN PAST YEAR □ YES □ NO

HAS APPLICANT BEEN CONVICTED OF ANY FELONY □ YES □ NO

WILL THIS BUSINESS BE DETRIMENTAL TO THE PUBLIC HEALTH, SAFETY, AND WELFARE OF THE COMMUNITY AND CITY □ YES □ NO

COMMENTS/OTHER FACTORS CONSIDERED:

This particular area of San Diego is already overconcentrated with alcohol permits. However, the applicant already has a Type 20 license and wants to upgrade to a type 21 license. Therefore, approval of the Type 21 license will not add to the number of licenses in existence.

Because of the high crime rate in the community, the number of transients in the area, and the ambivalence from community groups for approval of this license, SPPD believes it is in the best interest of the community to condition this license appropriately.

SUGGESTED CONDITIONS:

The following conditions, in addition to their current conditions on the Type 20, should be incorporated into the regulatory licenses and land use for this location:

1. Sales of alcoholic beverages shall be permitted only between the hours of 8:00 AM and Midnight each day of the week.

2. Wine shall not be sold in bottles or containers smaller than 750 ml. Wine coolers, beer coolers, and malt beverages must be sold in manufacturer pre-packaged multi-unit quantities of no less than three (3). No single sales of beer.

3. No wine shall be sold with an alcoholic content greater than 15% by volume except for "Dinner Wines" which have been aged two years or more.
4. Distilled spirits must be sold in containers greater than 1 pint (375 ml).

5. The petitioner(s) shall post and maintain a professional quality sign facing the premises parking lot(s) that reads as the following: NO LOITERING, NO LITTERING, NO DRINKING OF ALCOHOLIC BEVERAGES. VIOLATORS ARE SUBJECT TO ARREST. The sign shall be at least two feet square with two inch block lettering. The sign shall be in English and in Spanish.

6. Security personnel or employees must actively monitor the parking lot to ensure and enforce the no loitering on the property.

7. Any graffiti painted or marked upon the premises or on any adjacent area under the control of the licensee(s) shall be removed or painted over within 48 hours of being applied.

8. There shall be no amusement machines or video game devices on the premises at any time.

9. Proper illumination will be maintained in the parking lot.

10. The petitioner(s) shall be responsible for maintaining free of litter the area adjacent to the premises over which they have control, as depicted on the ABC-257 and ABC 253 forms.

11. A video recording security camera is to be positioned to cover the main entrance for facial recognition. Upon request by police, video recording shall be provided within 24 hours of their request.

12. No more than 15% of gross floor space shall be allocated for the display of alcohol.

This is a conditional approval of this project pending community/business support.

SAN DIEGO POLICE DEPARTMENT RECOMMENDATION:

APPROVE X

DENY

[Signature]
Name of SDPD Vice Sergeant (Print)

[Signature]
Signature of SDPD Vice Sergeant

[Telephone Number]
Date of Review
EASTERN AREA COMMUNITIES PLANNING COMMITTEE  
HOLY SPIRIT CATHOLIC CHURCH  
2725 55TH STREET, SAN DIEGO, CA 92105  
Chair – Laura Riebau – 619-208-6813

CONDITIONAL USE PERMIT RECOMMENDATION

PROJECT NO: 285228

PROJECT NAME: RAINBOW FARMS MARKET
CONDITIONAL USE PERMIT UPGRADE TO TYPE 21 LIQUOR LICENSE

ADDRESS: 4747 FEDERAL BLVD  
SAN DIEGO, CA 92102

PROJECT MGR: PATRICK HOOPER

DATE OF EACPC MEETING: SEPTEMBER 11, 2012

EACPC MEETING DISCUSSION: The owners of Rainbow Farms Market attended the EACPC meeting. Robert Zakar, one of the owners, led the presentation and discussion on applicant’s behalf. Board discussion on Rainbow Farms Market request for approval to upgrade its current liquor license to Type 21 allowing store to add distilled spirits to its current beer and wine sales included:

- Current inventory and store layout;
- Services;
- Security system;
- Location where distilled spirits will be stored;
- That other inventory will not be decreased for addition of distilled spirits;
- That addition of distilled spirits will allow better service for customers by way of one-stop shopping;
- That other liquor stores are in area, so this store will add competition;
- That the store is located more than 600 feet from neighborhood schools;
- Review of liquor license lottery timeframe and likelihood applicant will obtain license;
- Review of the liquor license of the owners of Rainbow Farms Market showing no violations; and
- That the San Diego Police Department have approved the application by this applicant;

RECOMMENDATION: APPROVAL of Conditional Use Permit to upgrade liquor license to Type 21 on the condition that the owners of Rainbow Farms Market attend the next Webster Community meeting to discuss the upgrade with the community.

The vote was – 7 for approval  
1 against approval  
Chair abstained
Ownership Disclosure Statement

<table>
<thead>
<tr>
<th>Approval Type:</th>
<th>Check appropriate box for type of approval(s) requested:</th>
<th>Neighborhood Use Permit</th>
<th>Coastal Development Permit</th>
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<tbody>
<tr>
<td></td>
<td>Neighborhood Development Permit</td>
<td>Site Development Permit</td>
<td>Planned Development Permit</td>
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<tr>
<td></td>
<td>Variance</td>
<td>Tentative Map</td>
<td>Vesting Tentative Map</td>
</tr>
</tbody>
</table>

Project Title: RAINBOW FARMS MARKET

Project Address: 4727 FEDERAL BLVD. SAN DIEGO, CA 92102

Part I - To be completed when property is held by individual(s)

By signing the Ownership Disclosure Statement, the owner(s) acknowledge that an application for a permit, map or other matter, as identified above, will be filed with the City of San Diego on the subject property, with the intent to record an encumbrance against the property. Please list below the owner(s) and tenant(s) (if applicable) of the above referenced property. The list must include the names and addresses of all persons who have an interest in the property, recorded or otherwise, and state the type of property interest (e.g., tenants who will benefit from the permit, all individuals who own the property). A signature is required of at least one of the property owners. Attach additional pages if needed. A signature from the Assistant Executive Director of the San Diego Redevelopment Agency shall be required for all project parcels for which a Disposition and Development Agreement (DDA) has been approved and executed by the City Council. Note: The applicant is responsible for notifying the Project Manager of any changes in ownership during the time the application is being processed or considered. Changes in ownership are to be given to the Project Manager at least thirty days prior to any public hearing on the subject property. Failure to provide accurate and current ownership information could result in a delay in the hearing process.

Additional pages attached | Yes | No

Name of Individual (type or print): George Nunn

Street Address: 3622 VIA ESCUDE
City/State/Zip: LA MESA, CA 91941
Phone No: 818-251-418 Fax No: 818-70-0633
Signature: Date: 11-17

Name of Individual (type or print): John Doe

Street Address: 4727 FEDERAL BLVD.
City/State/Zip: SAN DIEGO, CA 92102
Phone No: Fax No: 818-70-0633
Signature: Date: 11-17

Name of Individual (type or print): Jane Smith

Street Address: 4727 FEDERAL BLVD.
City/State/Zip: SAN DIEGO, CA 92102
Phone No: Fax No: 818-70-0633
Signature: Date: 11-17

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Visit our website at www.sandiego.gov/development-services
Upon request, this information is available in alternative formats for persons with disabilities.

DS-318 (5-05)