



## TRANSMITTAL MEMORANDUM

**Date:** September 19, 2013  
**To:** City of San Diego Planning Commission  
**From:** Brad Richter, <sup>268</sup>Assistant Vice President, Planning  
**Subject:** Planning Commission, Agenda of September 26, 2013  
Item No. 11- Centre City Planned District Ordinance Amendment No. 2013-02

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On September 19, 2013, the Downtown Community Planning Council (DCPC) reviewed the recommendation made by the Code Monitoring Team (CMT) related to potential regulations for *Brewery Tasting Rooms*. The DCPC voted 12-6 to recommend that the following regulations be included as part of the proposed amendments to the Centre City Planned District Ordinance (CCPDO):

- Define a new land-use category for *Brewery Tasting Rooms* with Type 1 or 23 Duplicate licenses;
- Require a CUP for the use;
- Require an on-site tasting area;
- Limit the size of the lease space to a maximum 5,000 square feet of gross floor area; and,
- Allow Brewery Tasting rooms to sell their product in containers of 500 ml or larger.

A draft of the proposed language as recommended by the DCPC has been attached for your consideration. The Civic San Diego Board of Directors will be reviewing this recommendation at their meeting of September 25, 2013. Staff will provide the Planning Commission with a verbal update at the September 26, 2013 hearing for consideration.

## DCPC RECOMMENDATION

### §156.0302     **Definitions**

*Brewery Tasting Room* means an establishment, which is licensed by the State of California Department of Alcoholic Beverage Control under a Type 1 or Type 23 Duplicate license to sell malt beverages it produces for off-site consumption. A brewery tasting room includes on-premises consumption of malt beverages produced by the licensee.

### §156.0315     **Separately Regulated Uses**

#### (b)     *Off-Premises Alcohol Beverage Sales*

The sale of alcoholic beverages for off-site consumption associated with commercial establishments shall be subject to the following regulations and permits:

- (1)     Establishments offering alcoholic beverages for off-site consumption shall be required to obtain approval of a Conditional Use Permit in accordance with Process Three, and shall be subject to the following regulations , except as provided in (2), (3), and (4) below:
  - (A)     No wine or distilled spirits shall be sold in containers of less than 750 milliliters.
  - (B)     No malt beverage products shall be sold in quantities of less than a six-pack of 12-ounce bottles or other containers totaling a minimum of 64 ounces.
  - (C)     Quarterly gross sales of alcoholic beverages shall not exceed 25 percent of the quarterly gross sales of the establishment.
  - (D)     No alcoholic beverages shall be sold except between the hours of 10:00 a.m. and 10:00 p.m. of each day of the week.
  - (E)     After conducting a public hearing, the *Civic San Diego* Hearing Officer may approve exceptions to 156.0315(b)(1)(C) or (D) upon making the following *findings*:
    - (i)     The request for an exception was provided in the public notice for the hearing; and
    - (ii)    The proposed use and operations are compatible with existing and planned surrounding land uses.
- (2)     *Brewpub* offering alcoholic beverages manufactured by the business for off-site consumption as an *accessory* use are permitted subject to the following regulations:

- (A) A *bona-fide eating establishment* shall be the *primary* use on the *premises* with made to order food available during all hours of operation;
  - (B) An *accessory* alcohol manufacturing operation must be operated on the *premises*;
  - (C) No malt beverage, wine, or similar products shall be sold for off-site consumption in less than 32-ounce quantities. No distilled spirits shall be sold in less than 750 ml bottles; and,
  - (D) Off-site sales under this provision shall be limited to between the hours of 10:00 a.m. and 10:00 p.m. An exception to these hours may be requested through a Conditional Use Permit in accordance with Process Three.
- (3) *Brewpub tasting rooms* offering alcoholic beverages manufactured by the business for off-site consumption as an *accessory* use shall be required to obtain approval of a Neighborhood Use Permit in accordance with Process Two subject to the following regulations:
- (A) An alcohol manufacturing operation must be operated on the *premises*;
  - (B) No malt beverage, wine, or similar products shall be sold in less than 32-ounce quantities. No distilled spirits shall be sold in less than 750 ml bottles; and,
  - (C) Off-site sales under this provision shall be limited to between the hours of 10:00 a.m. and 10:00 p.m. An exception to these hours may be requested through a Conditional Use Permit in accordance with Process Three.
- (4) *Brewery tasting rooms* offering alcoholic beverages manufactured by the business for off-site consumption shall be required to obtain approval of a Conditional Use Permit in accordance with Process Three subject to the following regulations:
- (A) The gross floor area of the establishment shall not exceed 5,000 square feet of gross floor area;
  - (B) The establishment shall provide for on-site consumption of the licensee's products;
  - (C) No malt beverage shall be sold for off-site consumption in less than 500 ml quantities; and,
  - (D) Off-site sales under this provision shall be limited to between the hours of 10:00 a.m. and 10:00 p.m. An exception to these hours may be requested through a Conditional Use Permit in accordance with Process Three.