

MEMORANDUM

TO: City Council

FROM: Brian Pedrotti, Community Development Director

BY: Andrew Perez, Planning Manager

SUBJECT: Temporary Use Permit 24-004; Authorization for Sale of Beer and Wine

at the 2024 Summer Concert Series, an Application Fee Waiver; Location Heritage Square Park; Applicant – Arroyo Grande Rotarv

DATE: June 11, 2024

RECOMMENDATION:

1) Adopt a Resolution approving Temporary Use Permit No. 24-004 to allow the sale of beer and wine at the 2024 Heritage Square Park Summer Concert Series and approving a waiver of fees: and

2) Find the action exempt from the California Environmental Quality Act pursuant to Section 15304 of the CEQA Guidelines.

IMPACT ON FINANCIAL AND PERSONNEL RESOURCES:

The applicant, Arroyo Grande Rotary Club (AGRC), is requesting a waiver of application fees for the Temporary Use Permit, which totals \$405.30. Due to the annual nature of the request, the staff time required to review the proposal and prepare the staff report is minimal compared to a one-time event; therefore, it is recommended that the fee waiver request be approved. Ten percent (10%) of gross revenue from beer and wine sales will be remitted to the Recreation Services Department.

BACKGROUND:

The Summer Concert Series are annual concert events in which visitors bring their own lawn chairs and blankets to congregate on the Nelson Green at Heritage Square Park, while musical performances are conducted on the Rotary Bandstand. The Summer Concert Series is a City program, which is being organized by the Recreation Services Department for a fourth year, rather than being organized by a local sponsor. While the concerts are organized by the City, the AGRC has submitted an application for a Temporary Use Permit to allow for the sale and consumption of beer and wine at the 2024 Heritage Square Park Summer Concert Series (the "Event"). The request for alcohol sales necessitates the approval of a Temporary Use Permit by the City Council. Council approved permits for beer and wine at five previous Summer Concerts Series and no

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issues associated with the alcohol sales were reported to the Police or Community Development Departments.

The AGRC is requesting that the City Council allow the sale of beer and wine for a sixth year at the Event as an additional amenity for Event patrons. The benefits identified by the applicant include increased revenue from alcohol sales beyond those realized through the sale of hot dogs, non-alcoholic drinks, and ice cream at the Event, as well as the establishment of additional promotional opportunities with new partners.

The City may approve a temporary use permit for the sale of beer and wine at the event by operation of <u>AGMC § 16.16.090</u>. The City may authorize a fee waiver through the authority found in City Council Resolution 3760, adopted and approved July 13, 2004.

Staff Advisory Committee

In accordance with conditions of approval for last year's permit, the Staff Advisory Committee (SAC) held a debrief meeting during and at the conclusion of the Event to evaluate its success. No issues with public intoxication or public health, safety, or welfare were noted and the Event was considered a success.

The SAC reviewed this year's proposal on June 6, 2024. The SAC was in support of the project with the same conditions of approval included for the 2023 Event to ensure a safe and successful experience.

ANALYSIS OF ISSUES:

The Summer Concert Series begins July 4, 2024, and continues each Sunday through the summer, concluding on September 22, 2024, for a total of thirteen (13) events. Beer and wine sales would occur during each of the concerts, which are scheduled to occur from 1:00 PM – 3:00 PM, except for the concerts on July 4, which are scheduled from 11:00 AM to 4:00 PM. Sales and identification checks would be conducted by AGRC volunteers in accordance with the conditions of the one-day license issued by the California Department of Alcoholic Beverage Control (ABC) for each occurrence of the event. Similar to last year's Event, the applicant is proposing to not fence off the Nelson Green, opting to use the entire lawn area for alcohol consumption during the Event.

Fencing

The need for fencing was discussed during processing of permits for Events held in previous years and it was determined that safety and public welfare will be met without fencing around the Heritage Square Park lawn area to contain the consumption of alcohol. In accordance with requirements of the ABC, the public sidewalks surrounding the lawn area act as the boundary for alcohol consumption and therefore fencing is not required. This boundary will be enforced with appropriate signage and trained personnel provided by AGRC serving as security. Recreation Services staff will be on site during the events

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and will ensure the signage is posted and to help address any monitoring issues that arise.

Attendee Identification

The Event does not require the sale of entrance tickets like other events where alcohol is consumed. Therefore, the screening process to ensure lawful consumption is necessary. This will be closely monitored by AGRC volunteers to ensure only persons of legal drinking age will be able to buy and consume beer and wine. The AGRC will provide volunteers that have completed the Responsible Beverage Service Training Program from the ABC to prevent service of alcohol to underage or intoxicated individuals and monitor for proper identification.

Trash and Recycling

If authorized for the sale of beer and wine, the potential for increased trash and recyclable material increases. Therefore, the applicant will be required to add at least 5 more temporary/cardboard trash and recycling receptacles, with a trash liner, and place them at appropriate locations around the park. At the end of each event, the bags of material will be placed near the sidewalk so that City Public Works staff can more easily load them onto a truck for disposal and recycling.

Fee Waiver

The applicant has requested the application fees associated with the Temporary Use Permit application be waived. If approved, this waiver would result in the loss of \$405.30 in revenue. Revenue from application fees is used to offset the costs of processing the application. City Council approved fee waiver requests in 2019, and 2021-2023. Although the time necessary to process the application the first year was higher, subsequent years have resulted in less impact to personnel resources due to increased familiarity with the event. The Community Development Director has the authority to waive the fees for TUPs that do not require City Council approval when an event is operated solely by volunteers and one hundred percent of net revenues are donated to a charitable cause.

The Event will be staffed by AGRC volunteers and as a 501(c)3 organization, all proceeds will go towards philanthropic endeavors in the community. The Event also provides additional exposure of the City and its amenities to the public. It also brings attendees to the Village, which can have a direct economic benefit to businesses in the area, and the City through increased sales, and therefore, increased sales tax revenue. While this exposure cannot be directly quantified, it remains beneficial. Lastly, the City Council has previously established through adoption of Resolution No. 3760 (Attachment 2) the blanket waiver of application fees for similar annual events. Although this event is not identified on this list, the evolving annual nature of the event may be deemed consistent with the intent of the policy. The City Council has elected to waive the fees for this application for the previous four occurrences of the event.

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ALTERNATIVES:

The following alternatives are provided for the Council's consideration:

- 1. Adopt the Resolution approving Temporary Use Permit 24-004, including an authorization to waive the application fee;
- 2. Modify and adopt the Resolution approving Temporary Use Permit 24-004, but do not authorize waiver of the application fee;
- 3. Modify as appropriate and adopt the Resolution, approving Temporary Use Permit 24-004:
- 4. Do not adopt the Resolution; or
- 5. Provide other direction to staff.

ADVANTAGES:

The Summer Concert Series is a well-attended event that holds a special place in the heart of many in the community. Beer and wine sales at the Event will generate revenue for the AGRC and the Recreation Services Department to continue their valuable contributions to the community. Additionally, the sale of beer and wine at the Event would provide attendees an additional beverage option during their time at the concerts.

DISADVANTAGES:

None identified due to the success of previous Events when beer and wine was sold.

ENVIRONMENTAL REVIEW:

In compliance with the California Environmental Quality Act (CEQA), it has been determined that this project is Categorically Exempt per Section 15304(e) of the CEQA Guidelines regarding minor temporary uses of land. Specifically, a Class 4 exemption, applies to minor public or private alterations in the condition of land, water, and/or vegetation where the project does not involve removal of healthy, mature, scenic trees except for forestry and agricultural purposes. (State CEQA Guidelines, § 15304.) Further, none of the exceptions to the Class 4 exemptions set forth in State CEQA Guidelines section 15300.2 apply.

PUBLIC NOTIFICATION AND COMMENTS:

The Agenda was posted at City Hall and on the City's website in accordance with Government Code Section 54954.2.

ATTACHMENTS:

- 1. Proposed Resolution
- 2. City Council Resolution 3760