



CITY COUNCIL STAFF REPORT

DATE: November 3, 2010

CONSENT CALENDAR

SUBJECT: REQUEST BY THE KORAKIA PENSIONE HOTEL FOR A RESOLUTION OF PUBLIC CONVENIENCE (CASE: 5.1251-PCN) IN ORDER TO SELL BEER, WINE & DISTILLED SPIRITS FOR CONSUMPTION ON PREMISES AT 231, 250 & 257 SOUTH PATENCIO ROAD AND 251 & 265 LUGO ROAD.

CASE: 5.1251 – PCN

FROM: David H. Ready, City Manager

BY: Craig Ewing, AICP, Director of Planning Services

SUMMARY

The applicant, Howard Zelefsky of The Korakia Pensione Hotel, is requesting that the Council adopt a Resolution of Public Convenience or Necessity for the sale of beer, wine and distilled spirits for consumption on the premises by the hotel's overnight guests (ABC type 70 license) at the existing hotel located at 231, 250 & 257 South Patencio Road and 251 & 265 Lugo Road.

RECOMMENDATION:

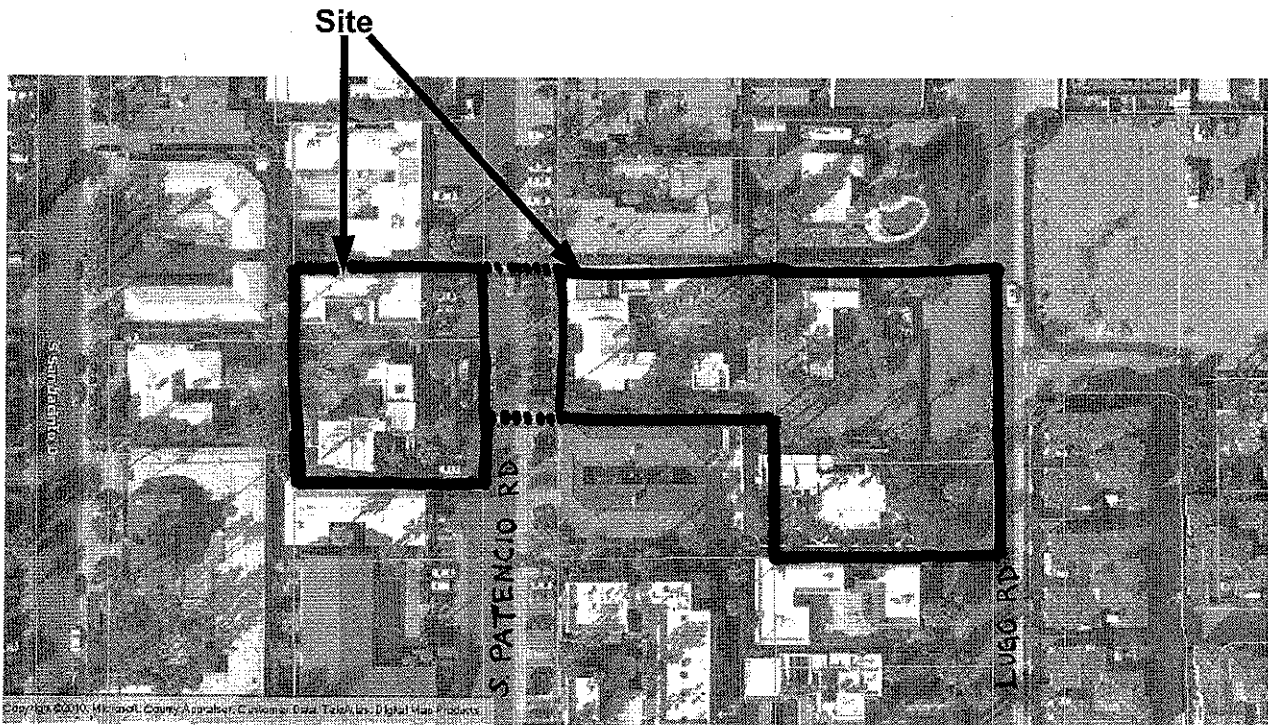
Adopt Resolution No. _____, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, ADOPTING A RESOLUTION OF PUBLIC CONVENIENCE IN ORDER TO SELL BEER, WINE & DISTILLED SPIRITS TO HOTEL GUESTS FOR ON-SITE CONSUMPTION AT THE EXISTING HOTEL LOCATED AT 231, 250 & 257 SOUTH PATENCIO ROAD AND 251 & 265 LUGO ROAD."

BACKGROUND:

The existing hotel consists of multiple buildings on the west side of Lugo Road and both the west and east sides of South Patencio Road. The applicant has applied for a Type 70 license through the Department of Alcoholic Beverage Control (ABC). According to

ITEM NO. 2.10.

the ABC, the "Type 70" license "authorizes the sale or furnishing of beer, wine and distilled spirits for consumption on the premises to the establishment's overnight transient occupancy guests or their invitees. This license is normally issued to "suite-type" hotels and motels, which exercise the license privileges for guests' "complimentary" happy hour. Minors are allowed on the premises." The ABC will not issue the license unless the City Council adopts a resolution pursuant to state law, indicating that the premises will provide for the public convenience or necessity.



ANALYSIS:

The applicant is applying for a new liquor license at the location for the sale of beer, wine and distilled spirits. The Department of Alcoholic Beverage Control is requiring a resolution from the City Council to approve an "undue concentration" of such licenses. In accordance with Section 23958.4 of the Business and Professions Code which took effect on January 1, 1995, "undue concentration" means a property that is located in a census tract (or division) where the ratio of on-sale retail licenses to the population in that tract (or division) exceeds the ratio of licenses to the population in the subject county. When an undue concentration is determined to exist, the State Department of Alcoholic Beverage Control will not issue a license for the sale of alcohol without a letter or resolution from the City Council which indicates the premises will provide for the public convenience or necessity.

Currently, the State Department of Alcoholic Beverage Control considers the census tract that the proposed license is to be located has an "undue concentration" of liquor


licenses. The subject property is located within Census Tract #0446.01, which has a population of 6,198. This tract has 109 active on-sale liquor licenses. Six on-sale licenses are authorized for the tract. State law was enacted to allow local government the opportunity to regulate the number and location of such uses. By making a finding of "Public Convenience or Necessity", the City Council may determine that the subject premises will provide for the convenient patronage of the public whereby the convenience does not already exist in the immediate area.

CONCLUSION:

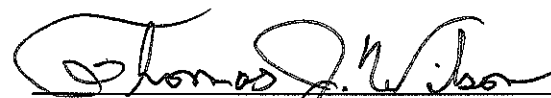
Staff is recommending approval of Case 5.1251-PCN and adoption of a Resolution of Public Convenience for the issuance of a type 70 Liquor License for the business located at the 231, 250 & 257 South Patencio Road and 251 & 265 Lugo Road.

FISCAL IMPACT:

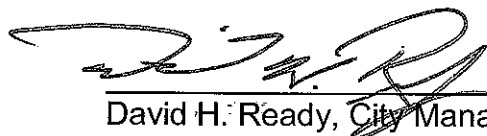
None.



Craig A. Ewing, AICP,
Director of Planning Services



Thomas J. Wilson,
Assistant City Manager



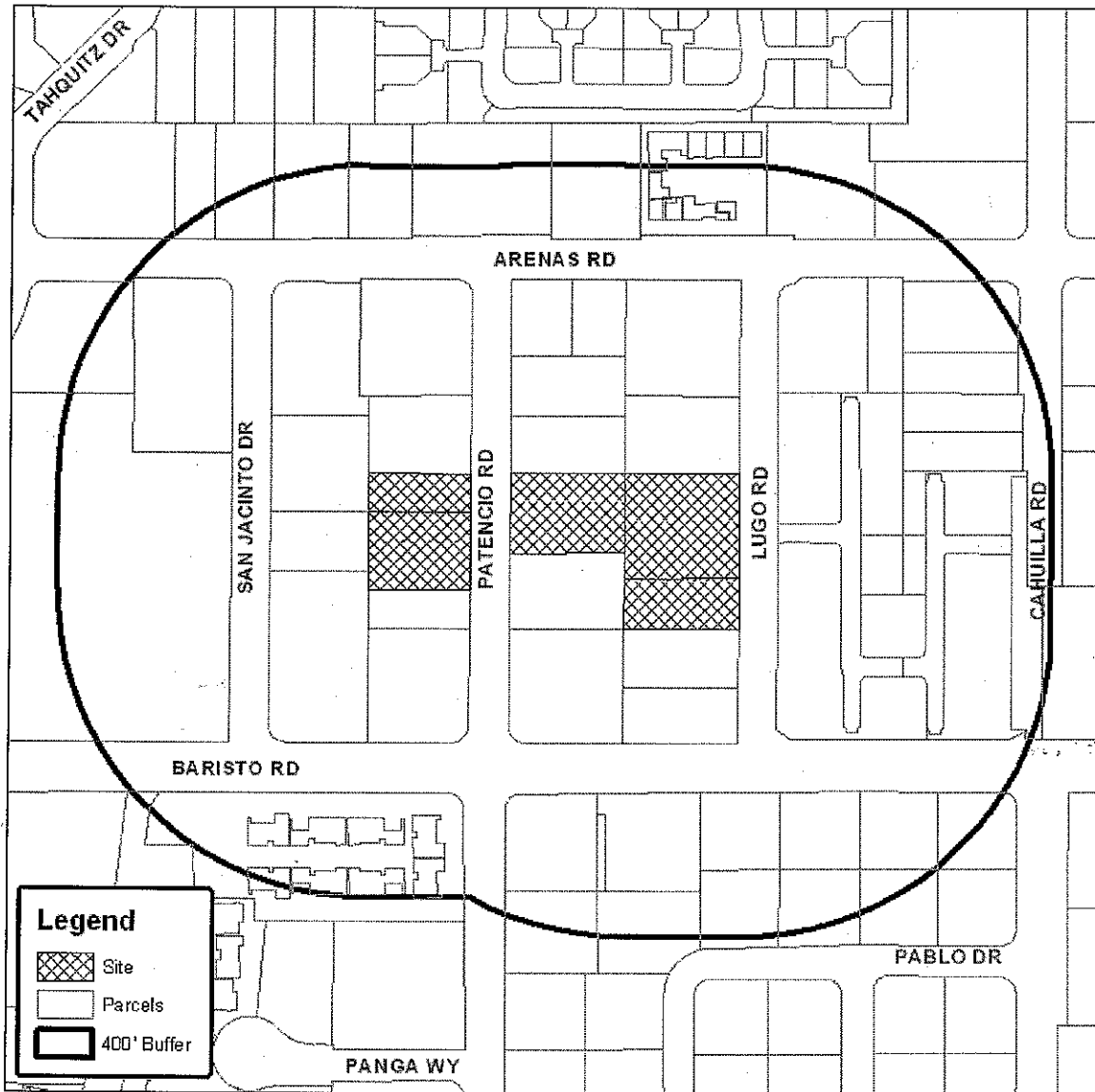
David H. Ready, City Manager

Attachments:

1. 400' Vicinity Map
2. Draft Resolution
3. Letter of Request
4. Letters from Public



Department of Planning Services Vicinity Map



CITY OF PALM SPRINGS

CASE NO.: 5.1251 PCN

APPLICANT: Korakia Pensione Hotel

DESCRIPTION: A request by the Korakia Pensione Hotel for a Resolution of Public Convenience or Necessity for a Type 70 ABC license in order to sell / offer beer, wine & distilled spirits at the existing hotel located at 231, 250 & 257 S. Patencio Road and 251 & 265 Lugo Road, Zone R-2, Section 15.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, ADOPTING A RESOLUTION OF PUBLIC CONVENIENCE IN ORDER TO SELL BEER, WINE & DISTILLED SPIRITS TO HOTEL GUESTS FOR ON-SITE CONSUMPTION FOR THE PROPERTY LOCATED AT 231, 250 & 257 SOUTH BELARDO ROAD AND 251 & 265 LUGO ROAD.

WHEREAS, Korakia Pensione Hotel ("Applicant") has requested the adoption of a Resolution of Public Convenience or Necessity in order to sell beer, wine and distilled spirits (Planning Case 5.1251 PCN) at the Korakia Pensione Hotel located at 231, 250 & 257 South Patencio Road and 251 & 265 Lugo Road, Zone R-2, Section 15; and

WHEREAS, the Applicant agrees to sell and / or offer beer, wine and distilled spirits as an incidental use to the existing hotel operation; and

WHEREAS, the City Council is being asked to adopt a Resolution of Public Convenience pursuant to the requirements of the California Department of Alcoholic Beverage Control; and

WHEREAS, the City Council has carefully reviewed and considered all of the evidence presented in connection with the Resolution of Public Convenience, including but not limited to the staff report; and

WHEREAS, the applicant has applied with the State of California Alcoholic Beverage Control for a license to sell beer, wine and distilled spirits in accordance with the allowances of a license number 70 (On Sale General – Restrictive Service).

THE CITY COUNCIL OF THE CITY OF PALM SPRINGS DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council finds that a Type 70 liquor license (On Sale General – Restrictive Service) at 231, 250 & 257 South Patencio Road and 251 & 265 Lugo Road, serves the Public Convenience.

ADOPTED THIS 3rd day of November, 2010.

David H. Ready, City Manager

ATTEST:

James Thompson, City Clerk

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, JAMES THOMPSON, City Clerk of the City of Palm Springs, hereby certify that Resolution No. _____ is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on _____, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

James Thompson, City Clerk
City of Palm Springs, California

MAKAR

case 5.1251

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To Whom it may concern,

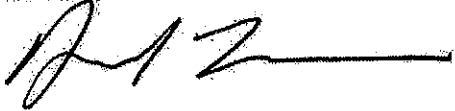
PLANNING SERVICES
DEPARTMENT

Makar Properties has applied for a type 70 on sale general restrictive license for the 28 room Korakia Pensione Hotel located at 257 south Patencio Road in the City of Palm Springs. The license would be applicable to both sides of the hotel located on Patencio Road. The Hotel is within a district comprised of other small hotels. Korakia Pensione is visited by guests who seek quiet relaxation outside the main hub of Palm Springs. The Hotel offers a "Retreat" experience not available from other hotels in the area. Alcohol would only be available to guests of the hotel and not the general public.

Makar Properties understands the responsibility associated with having a license granted. We hold licenses in the City of Anaheim (Anaheim Hilton) and Dana Point and have an unblemished record. Through our diligence, past experience and expertise, we believe that the issuance of a license will not contribute to or aggravate a police problem.

We respectfully request approval from the Planning Commission and City Council at your next earliest meeting.

Sincerely,



Howard Zefefsky

G.M. Paulette

760) 902-4273.

3, 1041

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STEVE POUAGNET, Mayor
RICK HUTCHESON, Mayor Pro Tem
GINNY FOAT, Councilmember
CHRIS MILLS, Councilmember
LEE WEIGEL, Councilmember
DAVID READY, City Manager
CRAIG EWING, Director of Planning

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CITY OF PALM SPRINGS

2010 SEP 20 PM 3:21

JAMES THOMPSON
CITY CLERK

Re: City of Palm Springs Council Meeting October, 6, 2010

NOTICE OF PROTEST

Please accept this as Notice of Protest to the Korakia's efforts to build a bar on their premises. We have protested both of their current applications to sell alcoholic beverages as well as their previous years alcohol sales application.

The Tennis Club area is a compact, upscale, quiet neighborhood already surrounded by establishments catering to the sale of alcohol. In any direction from the Korakia one needs only to walk less 1 or 2 short blocks to buy an alcoholic beverage. Noise, parking, and traffic.....in general, congestion.....from the addition of a bar will absolutely impact the neighborhood in a very negative way. Tourists, Palm Springs largest resource, come to the Tennis Club Area for the same reason that residents live and own property here.

We protest based on the grounds that:

- 1) The premises are located in a primarily residential area, and the operation of open alcohol sales would interfere with the quiet nature of the surrounding neighborhood.
- 2) Parking availability is presently inadequate for the Korakia Hotel Guests. The approval of a bar would seriously aggravate the already inadequate parking spaces now available. The parking situation has already caused an encroachment upon resident's private parking spaces with illegal Korakia guest parking. Currently their large delivery

trucks block driveways, and create congestion and noise. No attempt by Makar Enterprises Inc. (Korakia) to mitigate these situations has been made during their previous attempt at securing a permit to sell alcohol.

- 3) Bar business and traffic will increase the number of current calls to the Police Department and aggravate existing problems concerning the Korakia property.
- 4) In Makar Enterprises (Korakia) previous effort to secure a permit to sell alcohol, they were to provide additional parking, enlarge and enclose their present inadequate trash area, provide around-the-clock security and notify neighbors with timely information regarding any special events or parties taking place on their premises likely to have a negative impact the area. They did not follow through on *any* provision.

It is inappropriate to inundate the area with alcohol establishments, as the residential area does not need an additional outlet for the sale of alcoholic beverages. Licensing and permitting the premises would create a public nuisance even beyond what already exists from Korakia's late night noise, illegal parking (even double parking *in the street*) and a complete lack of concern from the ownership and administration of Korakia.

This residential area will be irresponsibly and negatively impacted by the addition of a 'Bar' on the Korakia premises.


G. Edward Fine
220 S. Patencio Road
Palm Springs, CA 92262


Larry L. Pilcher
220 S. Patencio Road
Palm Springs, CA 92262

David Newell,

We live on 248 Lugo Rd. S. facing the B side of Korakia Pensions, 257 S. Patencio Rd. We strongly oppose the issuance of a liquor license and music variance to the above property.

Reasons:

Noise from this property already necessitates us closing our windows at night when there is a function.

All of the street parking, for blocks, is filled with the guests' cars.

Often, garbage is left in the small parking area after an event at Korkia.

The catering setting-up adds more noise and street congestion.

The resale value of our condo will be negatively impacted by our proximity to Korakia.

Our condo was in a relatively quiet neighborhood, and now is potentially becoming an area of commercial enterprise, which belongs downtown. Hopefully, the City will consider the negative impact this property will have on our neighborhood.

Respectfully,

Lee and Ann Ellison

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PLANNING SERVICES
DEPARTMENT