



## CITY COUNCIL STAFF REPORT

DATE: July 26, 2017

CONSENT CALENDAR

SUBJECT: REQUEST BY STACY'S @ PALM SPRINGS FOR A RESOLUTION OF PUBLIC CONVENIENCE OR NECESSITY (PCN) TO SELL BEER, WINE AND DISTILLED SPIRITS FOR ON-SITE CONSUMPTION (TYPE 48 – ON SALE GENERAL – PUBLIC PREMISES) AT A BAR/COCKTAIL LOUNGE LOCATED AT 220 EAST ARENAS ROAD, ZONE RA, (CASE 5.1415 PCN).

FROM: David H. Ready, City Manager

BY: Planning Services Department

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### SUMMARY

Stacy's @ Palm Springs has initiated an application process for a California Department of Alcoholic Beverages Control (ABC) Type 48 (On Sale General – Public Premises) alcohol license for a new bar/cocktail lounge at 220 East Arenas Road. The location is within a Census Tract that is identified by the ABC as an area with an over-concentration of liquor licenses. The applicant is requesting the City Council to make a determination of public convenience or necessity to allow the sale of beer, wine, and distilled spirits.

### RECOMMENDATION:

Adopt Resolution No. \_\_\_\_\_, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, DETERMINING THAT PUBLIC CONVENIENCE WOULD BE SERVED BY THE SALE OF BEER, WINE AND DISTILLED SPIRITS FOR ON-SITE CONSUMPTION WITH TYPE 48 ABC LICENSE AT STACY'S @ PALMS SPRINGS BAR/COCKTAIL LOUNGE LOCATED AT 220 EAST ARENAS ROAD WITHIN CENSUS TRACT 9414.00."

### PRIOR ACTIONS:

On April 26, 2017, the Planning Commission approved a Conditional Use Permit (CUP) and Land Use Permit (LUP) application to allow the establishment and operation of a

ITEM NO. 1.B.

bar/cocktail lounge at an existing multi-tenanted commercial building located at 220 East Arenas Road.

<i>Surrounding Property</i>	<i>Existing Land Use Per Chapter 92</i>	<i>Existing General Plan Designation</i>	<i>Existing Zoning Designation</i>
Subject Property	Retail, Tattoos & Piercing, Café & Bar	CBD (Central Business District)	RA (Resort Attraction)
North	Hotel	CBD (Central Business District)	RA (Resort Attraction)
South	Retail Commercial	CBD (Central Business District)	LSC (Local Serving Commercial)
East	Yogurt Store & Video Bar	CBD (Central Business District)	RA & HR (High Density Residential)
West	Bar & Restaurant	CBD (Central Business District)	CBD (Central Business District)

**BACKGROUND AND PROJECT DESCRIPTION:**

The applicant, Stacy Luis, recently applied for a Conditional Use Permit and a Land Use Permit to establish and operate the bar/cocktail lounge at an existing multi-tenanted commercial/retail building on East Arenas Road. The applications were approved by the Planning Commission on April 26, 2017. Stacy's at Palm Springs bar will occupy Unit 220 which is approximately 1,180-square foot in size. The location is surrounded by existing bars, retail commercial, and restaurant uses. The California Department of Alcoholic Beverage Control (ABC) requires a Type 48 license for the sale of beer, wine and distilled spirits at the location which is within Census Tract 9414.00. The applicant is requesting a determination of public convenience or necessity (PCN) for on-site sales and consumption of beer, wine, and distilled spirits for the proposed bar/cocktail lounge in accordance with Division 9 (Alcoholic Beverages) of the State of California Business and Professions Code.

**ANALYSIS:**

The applicant has applied for a Type 48 (On Sale General – Public Premises) license through the California Department of Alcoholic Beverages Control (ABC) for the new cocktail lounge. The ABC identifies the Type 48 license as follows:

*ON SALE GENERAL – PUBLIC PREMISES (Bar, Night Club)  
 Authorizes the sale of beer, wine and distilled spirits for consumption on the premises where sold. Authorizes the sale of beer and wine for*

*consumption off the premises where sold. Minors are not allowed to enter and remain (see Section 25663.5 for exception, musicians). Food service is not required.*

Pursuant to Section 23958 of the State of California Business and Professions Code, the California Department of Alcoholic Beverage Control (ABC) is required to “...deny an application for a license if issuance of that license would tend to create a law enforcement problem, or if issuance would result in or add to an undue concentration of licenses, except as provided in Section 23958.4.” Section 23958.4(a) of the Code defines undue concentration as follows:

*“As to on-sale retail license applications, the ratio of on-sale retail licenses to population in the census tract or census division in which the applicant premises are located exceeds the ratio of on-sale retail licenses to population in the county in which the applicant premises are located.”*

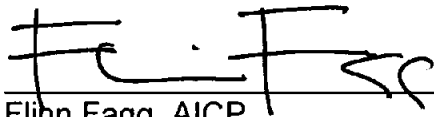
The Section further states that a license may be issued when “...the local governing body of the area in which the applicant premises are located, or its designated subordinate officer or body, determines within 90 days of notification of a completed application that public convenience or necessity would be served by the issuance...” (State of California Business and Professions Code, Section 23958.4(b)(2)).

The subject property is located within Census Tract No. 9414.00; this census tract is bordered by Alejo Road to the north; Ramon Road to the South; Sunrise Way to the east and Indian Canyon Drive to the west. According to the ABC, currently there are a total of thirty (30) on-sale liquor licenses issued within this Census tract while only two (2) such licenses would be allowed based on its population. Also, out of the total of thirty (30) on-sale liquor licenses, only seven (7) are active Type 48 ABC licenses (see attached list). The ABC can only issue the proposed beer, wine and distilled liquor license if the Council determines that the public convenience or necessity would be served. Hence, the applicant is requesting a determination of public convenience or necessity for the liquor license required for the operation of the bar/cocktail lounge.

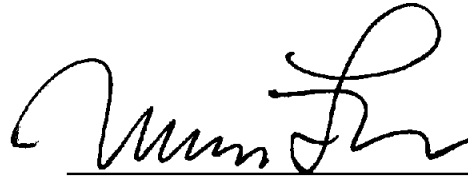
According to the business description provided by the applicant in the submitted justification letter, “*Stacy’s @ Palm Springs is an upscale, full-service cocktail lounge and bar; open daily serving the surrounding community and visiting public patrons, and furthermore, the location is in a lively strip mall in the heart of Palm Springs*”.

The proposed land use is consistent with the Palm Springs 2007 General Plan Land Use Element, which aims to “...optimize the themed, charming, eccentric village ambience that will appropriately express the fantasy of Palm Springs as the playground of the rich and famous...at the same time, be appealing to mid-market tastes and profoundly affect the life of the ordinary citizen. It must reflect an array of sophisticated venues of both intimate and popular entertainment” (Palm Springs 2007 General Plan Land Use Element, p. 2-19). The site is adequate in size and suitable for the proposed bar/cocktail lounge use. The location is adjacent to similar establishments, restaurants, hotels and retail/commercial outlets. Furthermore, as noted by the applicant, the location is within the Central Business District of the City where the entire street is full of

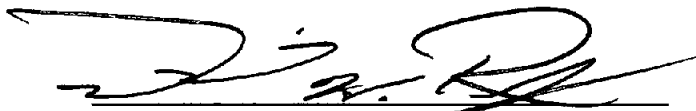
vibrant activities. The sales and serving of wine, beer and liquor at this location will be consistent with land uses observed in the neighborhood. Additionally, the issuance of the requested license will further enhance the varying products and services available in the area. Based on these factors, staff finds that the issuance of the requested liquor license will be consistent with existing activities in the area and will serve the public convenience; a draft resolution for Council consideration has been prepared.



Flihn Fagg, AICP  
Director of Planning Services



Marcus L. Fuller, MPA, PE, PLS  
Assistant City Manager/City Engineer



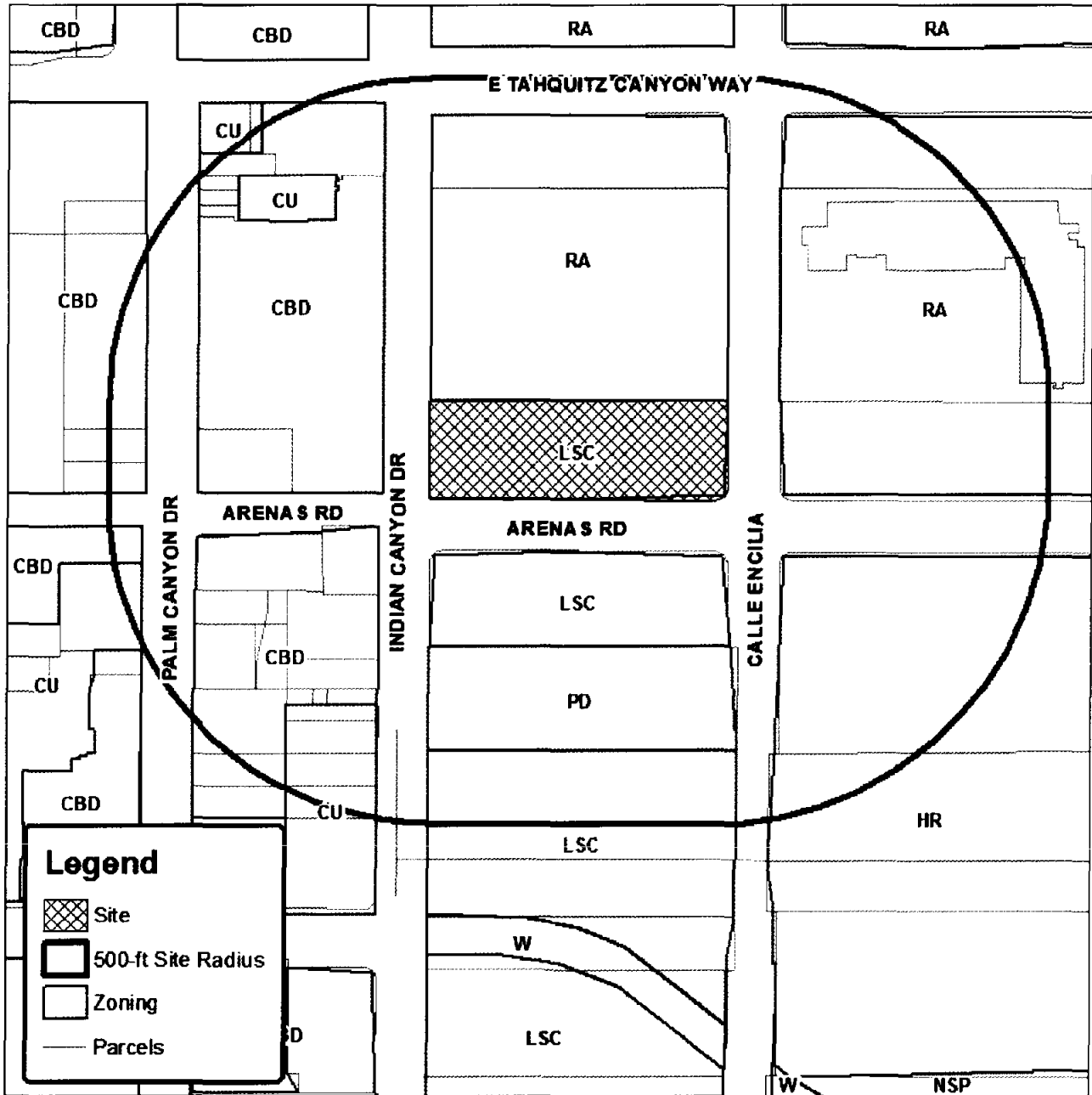
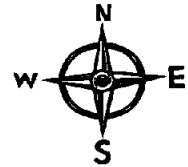
David H. Ready, Esq., Ph.D.  
City Manager

Attachments:

1. 500' Vicinity Map
2. Draft Resolution
3. Letter of Request from Applicant
4. List of Authorized License Types in the Subject Census Tract
5. Census Tract Map



# Department of Planning Services Vicinity Map



**Legend**

- Site
- 500-ft Site Radius
- Zoning
- Parcels

## CITY OF PALM SPRINGS

CASE NO: 5.1415 PCN

ADDRESS: 220 East Arenas Road

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA, DETERMINING THAT PUBLIC CONVENIENCE WOULD BE SERVED BY THE ISSUANCE OF ALCOHOLIC BEVERAGE CONTROL LICENSE TYPE 48 (ON SALE GENERAL – PUBLIC PREMISES) FOR STACY'S @ PALM SPRINGS BAR/COCKTAIL LOUNGE LOCATED AT 220 EAST ARENAS ROAD WITHIN CENSUS TRACT NO. 9414.00.

THE CITY COUNCIL FINDS AND DETERMINES AS FOLLOWS:

A. Stacy's @ Palm Springs, LLC, has applied for a California Department of Alcoholic Beverage Control (ABC) Type 48 (On Sale General – Public Premises) license to sell beer, wine, and distilled spirits at 220 East Arenas Road, Census Tract No. 9414.00, Zone CBD.

B. The California Department of Alcoholic Beverages and Control (ABC) has determined that there are thirty (30) existing alcohol licenses within Census Tract No. 9414.00, while two (2) alcohol licenses would be allowed based on on-sale retail licenses to population in the County in which the applicant's premise is located.

C. The California Department of Alcoholic Beverages and Control (ABC) has determined that there is an "undue concentration" of alcohol-related licenses in the Census Tract No. 9414.00.

D. Pursuant to Section 23958.4(b)(2) of the State of California Business and Professions Code, the City Council may determine the public convenience or necessity would be served by the issuance of the requested license.

E. The business, Stacy's @ Palm Springs, will be located in Census Tract No. 9414.00 within a Central Business District land use designation and R-A (Resort Attraction zoned area. The bar/cocktail lounge use will be consistent with the intent of the Palm Springs 2007 General Plan Land Use Element and the Palm Springs Zoning Code, which encourage service-oriented land uses.

THE CITY COUNCIL OF THE CITY OF PALM SPRINGS RESOLVES:

That the public convenience would be served by the issuance of Type 48 (On Sale General – Public Premises) alcoholic beverage license for the sale of beer, wine and distilled spirits at Stacy's @ Palm Springs bar/cocktail lounge located at 220 East Arenas Road, Census Tract No. 9414.00, Section 14/T4/R4.

ADOPTED THIS 26th DAY OF JULY, 2017.

\_\_\_\_\_  
David H. Ready, City Manager

ATTEST:

\_\_\_\_\_  
Kathleen Hart, Interim City Clerk

CERTIFICATION

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

I, Kathleen Hart, Interim 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:

\_\_\_\_\_  
Kathleen Hart, Interim City Clerk  
City of Palm Springs, California

Friday, June 30, 2017

Alcoholic Beverage Control  
34-160 Gateway Dr., Suite 120  
Palm Desert, CA 92211

5.1415  
RECEIVED

JUL 03 2017

PLANNING SERVICES  
DEPARTMENT

Re: Stacy's @ Palm Springs, LLC

Dear Graciela Green,

Stacy's @ Palm Springs, LLC is an upscale, full-service cocktail lounge and bar, open daily serving the surrounding community and visiting public patrons. The premise is located in a lively strip mall in the heart of Palm Springs. Our bar will be situated amongst other commercial businesses, bars and restaurants, positioning us in a visible, well-lit secure location

We have identified a missing segment of the existing bars and the type of night life offered in the downtown Palm Springs area. Due to the tremendous influx of visitors during annual festivals including Coachella, Stage Coach, Splash House, White Party (among others) and population growth in general, we have seen an increase in the number of people partaking in nightlife activities, particularly in the Palm Springs area for not only locals but also for tourists. We have identified a niche and a need in the "bar market" for an up-scale and high-end bar that we intend to fulfill. Stacy's @ Palm Springs will provide a more relaxed, subdued environment that will cater to individuals looking for an elegant place to enjoy a cocktail with friends. Our upscale environment will seek to create the best hand crafted drinks in town by hiring true professionals, providing adequate training of our staff, offering a welcoming environment and, finally, providing the best service. From the décor to the drinks, we have carefully fashioned, with great attention to detail, a 1940's themed art deco atmosphere cocktail lounge.

Based on our research of our census tract 9414.00, we have found that there are seven other locations that have a type 48 liquor license like we are requesting. Our cocktail lounge will offer an experience that cannot be found anywhere else currently in downtown Palm Springs. Below, we compare other bars in our area to the establishment we have outlined above.

**STREETBAR:** A karaoke themed bar, catering mainly to a casual, older demographic offering lower- priced cocktails.

**HUNTERS VIDEO BAR:** Best known for holding special events, including karaoke, cabaret and dancing. Hunters caters to individuals who enjoy a loud and youthful environment.

**SPURLINE:** Sing-along spot with video show tunes of classic & obscure music video clips. Caters to individuals who enjoy a loud and youthful environment.

**SCORE THE GAME BAR:** Old-school sports-centric hub with drink specials & TVs with a pool table, darts & video games. Caterers to people who enjoy sports and simple beverages.

**COPA NIGHTCLUB:** Nightclub, best known for dancing and amplified music. Popular amongst the young crowd.



**TRYST:** Neighborhood bar catering mainly to locals who stop by for a quick drink or two.

**CHILL BAR:** We have identified Chill Bar as our key competitor. We will differ by establishing a more elegant environment and catering towards a higher-end demographic. Chill Bar offers a much more casual environment but does not necessarily care to have specialty cocktails and a luxurious, quiet environment.

The comfort and enjoyment of our patrons is extremely important to us, however, the security of our patrons is of the utmost importance. We will utilize security cameras and ensure that we have plenty of on-premise staff members that are well trained and prepared to handle any issues that may arise. We will work closely with local officials to ensure we do not contribute to nor aggravate any crime in the area by building strong community relationships and maintaining an establishment that is clean, well-monitored and professionally operated.

We believe that Public Convenience and Necessity would be served by the issuance of a liquor license to the requested premises.

This is founded on 2 basic principles:

1. To create an elegant environment where customers feel safe, comfortable and welcomed
2. To offer great tasting cocktails that are unique and prepared with the best ingredients

If you have any further questions or require any additional information please do not hesitate to contact me.

Thank you for your assistance.

Sincerely,

Stacy T. Louis

**RECEIVED**  
JUN 03 2017  
**PLANNING SERVICES**  
**DEPARTMENT**



**California Department of Alcoholic Beverage  
Control  
For the County of RIVERSIDE - (On-Sale Licenses)  
and Census Tract = 9414**

Report as of 7/16/2017

License Number	Status	License Type	Orig. Iss. Date	Expir Date	Primary Owner and Premises Addr.	Business Name	Mailing Address	Geo Code
1) 228854	ACTIVE	47	3/31/1989	4/30/2018	WALTER FAMILY PARTNERSHIP L-PSHIP 400 E TAHQUITZ CANYON WY PALM SPRINGS, CA 92262  Census Tract: 9414.00	PALM SPRINGS HILTON RESORT		3310
2) 264427	ACTIVE	48	2/25/1992	7/31/2017	KAMP MOR INC 224 E ARENAS RD PALM SPRINGS, CA 92262  Census Tract: 9414.00	STREETBAR		3310
3) 281338	ACTIVE	47	5/12/1993	4/30/2018	LAS BRISAS HOTEL INC 222 S INDIAN CANYON DR PALM SPRINGS, CA 92262  Census Tract: 9414.00	LAS BRISAS HOTEL		3310
4) 282328	ACTIVE	47	4/28/1993	12/31/2017	COURTYARD MANAGEMENT CORPORATION 1300 E TAHQUITZ CANYON WAY PALM SPRINGS, CA 92262  Census Tract: 9414.00	MARRIOTT INTERNATIONAL	610 SMITHFIELD ST, STE 300 PITTSBURGH, PA 15222-2512	3310
5) 298784	SUREND	47	3/7/1995	12/31/2017	AGUA CALIENTE TRIBAL CORPORATION 100 N INDIAN CANYON DR PALM SPRINGS, CA 92262  Census Tract: 9414.00	SPA HOTEL RESORT & MINERAL SPRINGS	5401 DINAH SHORE DR PALM SPRINGS, CA 92264-5970	3310
6) 316229	ACTIVE	41	3/6/1996	2/28/2018	HARRIS, SHERMAN 401-23 E TAHQUITZ CANYON WY PALM SPRINGS, CA 92262  Census Tract: 9414.00	SHERMANS DELI & BAKERY		3310
7) 348728	ACTIVE	48	2/5/1999	6/30/2018	MARK HUNTERS PALM SPRINGS LTD 302-308 E ARENAS RD PALM SPRINGS, CA 92262  Census Tract: 9414.00	HUNTERS VIDEO BAR		3310
8) 367783	ACTIVE	47	8/10/2000	7/31/2017	JOHANNES INC 196 S INDIAN CANYON DR PALM SPRINGS, CA 92262  Census Tract: 9414.00	JOHANNES		3310
9) 403308	ACTIVE	47	10/22/2003	9/30/2017	AGUA CALIENTE TRIBAL CORPORATION 401 E AMADO RD PALM SPRINGS, CA 92262  Census Tract: 9414.00	SPA RESORT CASINO	5401 DINAH SHORE DR PALM SPRINGS, CA 92264-5970	3310
10) 429118	ACTIVE	47	9/12/2005	3/31/2018	SAVOURYS GOOD EARTH CUISINE INC 277 N AVENIDA CABALLEROS PALM SPRINGS, CA 92262	SAVOURYS INC	611 S PALM CANYON DR, STE 7-442 PALM SPRINGS, CA 92264-7213	3310

11)	430590	ACTIVE	48	10/13/2005	9/30/2017	Census Tract: 9414.00 SPURLINE INC 200 S INDIAN CANYON DR PALM SPRINGS, CA 92262	SPURLINE		3310
12)	441186	ACTIVE	48	8/16/2006	7/31/2017	Census Tract: 9414.00 CRAZY MELS INC 301 E ARENAS RD PALM SPRINGS, CA 92262-6635	SCORE THE GAME BAR		3310
13)	443613	ACTIVE	41	11/9/2006	10/31/2017	Census Tract: 9414.00 APM RESTAURANTS INC 999 E TAHQUITZ CANYON WAY PALM SPRINGS, CA 92262-6707	SHAKEYS RESTAURANT	155 S AVENIDA CABALLEROS PALM SPRINGS, CA 92262-0130	3310
14)	445767	ACTIVE	47	5/23/2007	4/30/2018	Census Tract: 9414.00 SUNDOWN ENTERTAINMENT GROUP INC 330 E AMADO RD PALM SPRINGS, CA 92262-6437	TROPICALE RESTAURANT THE		3310
15)	462024	ACTIVE	47	1/11/2008	12/31/2017	Census Tract: 9414.00 HHC TRS PORTSMOUTH LLC 888 E TAHQUITZ CANYON WAY PALM SPRINGS, CA 92262-8708	RENAISSANCE PALM SPRINGS HOTEL	14185 DALLAS PKWY , #1150 - LEGAL DALLAS, TX 75254	3310
16)	462122	ACTIVE	47	3/11/2008	2/28/2018	Census Tract: 9414.00 ZOSO CA CONCESSIONS LLC 150 S INDIAN CANYON DR PALM SPRINGS, CA 92262-6604	HOTEL ZOSO		3310
17)	467587	ACTIVE	41	9/11/2008	8/31/2017	Census Tract: 9414.00 ANGULO, GUILLERMO HERNANDEZ 425 S SUNRISE WAY, STE F2 PALM SPRINGS, CA 92262-7663	MAXCYS GRILL 3		3310
18)	507610	ACTIVE	47	5/19/2011 1:18:26 PM	9/30/2017	Census Tract: 9414.00 RIO AZUL MEXICAN BAR & GRILL LLC 350-52 S INDIAN CANYON DR PALM SPRINGS, CA 92262-7827	RIO AZUL MEXICAN BAR & GRILL		3310
19)	528944	SUREND	48	3/15/2013 9:37:21 AM	2/28/2018	Census Tract: 9414.00 NEW STYLE ENTERTAINMENT LLC 188 S INDIAN CANYON DR PALM SPRINGS, CA 92262-6604	CLINIC BAR AND LOUNGE		3310
20)	529640	ACTIVE	47	3/8/2013 8:56:30 AM	9/30/2017	Census Tract: 9414.00 DANLON, INC. 424 S INDIAN CANYON DR PALM SPRINGS, CA 92262-7806	WANGS IN THE DESERT		3310
21)	532186	ACTIVE	47	7/11/2013 2:24:02 PM	6/30/2018	Census Tract: 9414.00 SIAM GOURMET LTD 100 S INDIAN CANYON DR PALM SPRINGS, CA 92262-6604	THAI SMILE PALM SPRINGS	PO BOX 2936 PALM SPRINGS, CA 92263-2936	3310
						Census Tract: 9414.00			

22)	535367	ACTIVE	48	11/14/2013 8:22:34 AM	5/31/2018	COPA ROOM INCORPORATED THE 244 E AMADO RD PALM SPRINGS, CA 92262-6444  Census Tract: 9414.00	COPA NIGHTCLUB	330 E AMADO RD PALM SPRINGS, CA 92262-6437	3310
23)	540824	ACTIVE	48	12/10/2014 4:50:59 PM	11/30/2017	JAYDUBYA ENTERTAINMENT, LLC 212 & 216 S INDIAN CANYON DR PALM SPRINGS, CA 92262-6618  Census Tract: 9414.00	CHILL BAR		3310
24)	547826	ACTIVE	41	12/3/2014 9:05:15 AM	11/30/2017	REGAL CINEMAS INC 789 E TAHQUITZ CANYON WAY PALM SPRINGS, CA 92262-6705  Census Tract: 9414.00	PALM SPRINGS STADIUM 9 #1802	7132 REGAL LN KNOXVILLE, TN 37918-5803	3310
25)	551891	ACTIVE	47	1/30/2015 9:35:03 AM	12/31/2017	RUTTER, GLEN GARRETT 214 E ARENAS RD PALM SPRINGS, CA 92262-6632  Census Tract: 9414.00	BONGO JOHNNYS PATIO BAR AND GRILL		3310
26)	551950	ACTIVE	47	12/31/2014 10:19:08 AM	7/31/2017	RUBEN AND OZZYS OYSTER BAR & GRILL, INC. 241 E TAHQUITZ CANYON WAY PALM SPRINGS, CA 92262-6432  Census Tract: 9414.00	RUBEN AND OZZYS OYSTER BAR & GRILL INC		3310
27)	555344	ACTIVE	48	4/28/2015 8:20:57 AM	3/31/2018	FRANK, MELVIN 188 S INDIAN CANYON DR PALM SPRINGS, CA 92262-6604  Census Tract: 9414.00	TRYST	400 KONA LN PALM SPRINGS, CA 92264-9020	3310
28)	561186	ACTIVE	41	12/10/2015 1:28:44 PM	11/30/2017	MARIOS ITALIAN CAFE IX INC 425 S SUNRISE WAY, BLDG F STE 1 PALM SPRINGS, CA 92262-7664  Census Tract: 9414.00	MARIOS ITALIAN CAFE		3310
29)	568731	ACTIVE	47	6/8/2016 12:59:16 PM	5/31/2018	HUNTER J DOG LLC 315 E ARENAS RD PALM SPRINGS, CA 92262-6635  Census Tract: 9414.00	CAFE PALETTE		3310
30)	573857	ACTIVE	47	3/6/2017 8:32:58 AM	2/28/2018	SPENDLEY, TAI 356 S INDIAN CANYON DR PALM SPRINGS, CA 92262-7827  Census Tract: 9414.00	ROOSTER AND THE PIG		3310

--- End of Report ---

For a definition of codes, view our [glossary](#).

### CENSUS TRACT MAP

No. 9414.00

