

RESOLUTION NO. 2025-13

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF SANTA ANA APPROVING CONDITIONAL USE PERMIT NO. 2025-08 AS CONDITIONED TO ALLOW THE SALE OF ALCOHOLIC BEVERAGES FOR ON-PREMISES CONSUMPTION AT COSTA AZUL LOCATED AT 800 W. SEVENTEENTH STREET (APN: 398-571-04)

BE IT RESOLVED BY THE PLANNING COMMISSION OF THE CITY OF SANTA ANA AS FOLLOWS:

**Section 1.** The Planning Commission of the City of Santa Ana hereby finds, determines, and declares as follows:

- A. German Nunez with Costa Azul 17<sup>th</sup> St Inc. ("Applicant"), on behalf of Tawil Investments ("Property Owner"), is requesting approval of Conditional Use Permit ("CUP") No. 2025-08 to allow the sale of beer, wine, and distilled spirits for on-premises consumption, through a Type 47 license from the Department of Alcoholic Beverage Control (ABC), at an existing eating establishment located at 800 W. Seventeenth Street ("Project").
- B. Section 41-196 of the Santa Ana Municipal Code ("SAMC") requires approval of a CUP for establishments wishing to sell alcoholic beverages for on-premises consumption.
- C. The eating establishment meets all required standards specified by Section 41-196 of the SAMC and the ABC for the sale of alcoholic beverages for on-premises consumption by containing a full kitchen and a menu of hot and cold food items for purchase.
- D. On May 12, 2025, the Planning Commission held a duly-noticed public hearing on CUP No. 2025-08.
- E. The Planning Commission of the City of Santa Ana determines that the following findings, which must be established in order to grant a CUP pursuant to Section 41-638 of the SAMC, have been established for CUP No. 2025-08 to allow the sale of beer, wine, and distilled spirits for on-premises consumption at an existing eating establishment located at 800 W. Seventeenth Street.
  - 1. That the proposed use will provide a service or facility which will contribute to the general wellbeing of the neighborhood or community.

The sale of alcoholic beverages for on-premises consumption at this location will provide an ancillary service to customers by offering a variety of alcoholic beverages with meals. This will thereby benefit the community by providing an eating establishment with an additional and complementary food related amenity, in an area of the City designated by the General Plan for commercial activities. Operational standards applicable to the ABC license and conditions of approval will mitigate any potential impacts created by the use and will ensure that the use will not negatively affect the surrounding community.

2. That the proposed use will not, under the circumstances of the particular case, be detrimental to the health, safety, or general welfare of persons residing or working in the vicinity.

The sale of alcoholic beverages for on-premises consumption at this location will not be detrimental to the health, safety, or general welfare of persons residing or working in the vicinity because the operational standards applicable to the ABC license and conditions of approval will address any potential negative or adverse impacts created by the use. The subject site is not located within immediate proximity to any playgrounds, schools, or religious institutions. The nearest school is Frances E. Willard Intermediate School, and it is approximately 800 linear feet (0.15 miles) southeast. Additionally, the nearest religious institution, Saint Peter Evangelical Lutheran Church at 1510 N. Parton Street, is located approximately 520 linear feet (0.1 miles) south. Although the property is near multi-family residences, Costa Azul is situated closer to Seventeenth Street, maintaining a 100-foot buffer from the residential units, with a public alley providing additional separation. The Project is located in the General Commercial (GC) General Plan land use designation, which supports the development and continued operation of recreational, cultural, entertainment, employment, and educational opportunities near established residential neighborhoods. This designation aligns with Costa Azul's operations and the proposed upgrade to their liquor license. Additionally, the site is located along Seventeenth Street, which is developed with similar commercial uses. Moreover, the operational standards applicable to an ABC license and proposed conditions of approval, will mitigate any potential impacts created by the use and will ensure that the use will not negatively affect the surrounding community.

3. That the proposed use will not adversely affect the present economic stability or future economic development of properties surrounding the area.

The proposed use will not adversely affect the economic stability of the area. This approval will allow Costa Azul to upgrade its existing ABC Type-41 license to a Type-47 license, enabling the sale of distilled spirits alongside beer and wine for on-premises consumption. The upgrade will help the establishment remain economically viable and compete with other nearby full-service establishments offering a full selection of alcoholic beverages, thereby contributing to the overall success of the City. The alcohol license for on-premises sale and consumption will benefit the surrounding area, as the reinvestment on the site will increase economic activity in the area.

4. That the proposed use will comply with the regulations and conditions specified in Chapter 41 for such use.

The sale of alcoholic beverages for on-premises consumption will be in compliance with all applicable regulations and operational standards imposed on an eating establishment selling alcoholic beverages for on-premises consumption pursuant to Section 41-196(g) of the SAMC. The facility will be maintained as a bona-fide eating establishment, having suitable kitchen facilities and supplying an assortment of foods. Additionally, the eating establishment will utilize no more than five percent (5%) of the gross floor area for display and storage of alcoholic beverages, which is the maximum threshold established by the SAMC. In addition, operational standards will ensure the Project remains in compliance with all applicable codes and regulations related to alcohol sales to ensure that the use does not impact neighboring properties or create an attractive nuisance.

5. That the proposed use will not adversely affect the General Plan of the city or any specific plan applicable to the area of the proposed use.

The approval of the proposed Project will be consistent with the General Plan land use designation of General Commercial (GC), which allows for the development of highly visible and accessible shopping opportunities along arterial corridors. The proposed request would provide an added amenity and would promote a land use that enhances the City's economic fiscal viability and mitigates any potential impacts to the surrounding community. Furthermore, approval of this application would be consistent with several goals and policies of the General Plan, specifically Goals 1 and 2 of the Land Use ("LU") Element and Goal 3 of the Economic Prosperity ("EP") Element as discussed below.

Goal LU-1 encourages land use plans that improve the quality of life and respects our existing community. Moreover, Policy 1.1 of the LU encourages compatibility between land uses to enhance livability and promote healthy lifestyles. As bona-fide eating establishment with ancillary alcohol sales, Costa Azul would provide a service to Santa Ana residents and visitors, thereby improving the quality of life. Specifically, Costa Azul is dedicated to providing competitively priced, high-quality dining experiences. As such, the request to upgrade the ABC Type-41 license to a Type-47 will be compatible with the surrounding businesses as it supports the commercial environment by providing additional options and ancillary beer, wine, and distilled spirit selection.

Goal LU-2 encourages a balance of land uses that meet Santa Ana's diverse needs and Policy 2.7 supports land use decisions that encourage the creation, development, and retention of businesses in Santa Ana. The proposed use is consistent with Goal LU-2 and Policy 2.7 as it actively contributes to fostering land use decisions that promote the establishment, growth, and sustainability of business in Santa Ana. The approval of the request to upgrade to ABC Type-47 license would allow the retention of a restaurant that has been an established business within Santa Ana for nearly 20 years. Additionally, the location of the existing restaurant will continue to provide for an added service to the dining experience for local residents and visitors of the surrounding area.

Goal EP-3 promotes a business-friendly environment where businesses thrive and build on Santa Ana's strengths and opportunities. Policy 3.8 encourages a balance of fiscal and qualitative community benefits when making land use decisions. The proposed request would be consistent with Goal EP-3 and Policy 3.8, as it provides for an added service at an existing bona-fide eating establishment and promotes a use that would provide services to the community and visitors. Moreover, proposed use is anticipated to improve economic growth by generating additional sales tax revenue. This additional revenue would improve the financial health of the business itself and contribute to the broader economic sustainability of the City. Lastly, the sale of beer, wine, and distilled spirits for on-premises consumption at this site will provide an additional site in Santa Ana where residents and visitors can have a dining experience with ancillary beer, wine, and distilled spirit sales.

**Section 2.** In accordance with the California Environmental Quality Act (CEQA) and the CEQA Guidelines, the project is categorically exempt from further review per Section 15301 (Class 1 – Existing Facilities) of the CEQA Guidelines. Class 1 exemption applies to the operation, repair, maintenance, permitting, leasing, licensing, or minor

alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. The project proposes to allow the sale of beer, wine, and distilled spirits for on-premises consumption at an existing eating establishment. As such, a Notice of Exemption, Environmental Review No. 2025-26, will be filed for this project.

**Section 3.** The Applicant shall indemnify, protect, defend and hold the City and/or any of its officials, officers, employees, agents, departments, agencies, authorized volunteers, and instrumentalities thereof, harmless from any and all claims, demands, lawsuits, writs of mandamus, referendum, and other proceedings (whether legal, equitable, declaratory, administrative or adjudicatory in nature), and alternative dispute resolution procedures (including, but not limited to arbitrations, mediations, and such other procedures), judgments, orders, and decisions (collectively "Actions"), brought against the City and/or any of its officials, officers, employees, agents, departments, agencies, and instrumentalities thereof, that challenge, attack, or seek to modify, set aside, void, or annul, any action of, or any permit or approval issued by the City and/or any of its officials, officers, employees, agents, departments, agencies, and instrumentalities thereof (including actions approved by the voters of the City) for or concerning the project, whether such Actions are brought under the Ralph M. Brown Act, California Environmental Quality Act, the Planning and Zoning Law, the Subdivision Map Act, Code of Civil Procedure sections 1085 or 1094.5, or any other federal, state or local constitution, statute, law, ordinance, charter, rule, regulation, or any decision of a court of competent jurisdiction. It is expressly agreed that the City shall have the right to approve the legal counsel providing the City's defense, and that Applicant shall reimburse the City for any costs and expenses directly and necessarily incurred by the City in the course of the defense. City shall promptly notify the Applicant of any Action brought and City shall cooperate with Applicant in the defense of the Action.

**Section 4.** The Planning Commission of the City of Santa Ana, after conducting a public hearing, hereby approves Conditional Use Permit No. 2025-08, as conditioned in Exhibit A, and on Exhibit B, *Operational Standards for On-Sale Establishments*, attached hereto and incorporated herein, for the sale of alcoholic beverages for on-premises consumption at Costa Azul located at 800 W. Seventeenth Street. This decision is based upon the evidence submitted at the above-referenced hearing, including, but not limited to: The Request for Planning Commission Action dated May 12, 2025, and exhibits attached thereto; and the public testimony, written and oral, all of which are incorporated herein by this reference.

ADOPTED this 12th day of May 2025 by the following vote:

AYES: Commissioners: Carl Benninger, Manuel J. Escamilla, Chris Leo,  
Jennifer Oliva, Bao Pham, Isuri Ramos, Alan Woo (7)


NOES: Commissioners:

ABSENT: Commissioners:

ABSTENTIONS Commissioners:  
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Jennifer Oliva  
Chairperson

APPROVED AS TO FORM:  
Sonia R. Carvalho, City Attorney

By:   
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Melissa Crosthwaite  
Senior Assistant City Attorney

## CERTIFICATE OF ATTESTATION AND ORIGINALITY

I, Nuvia Ocampo, Recording Secretary, do hereby attest to and certify the attached Resolution No. 2025-13 to be the original resolution adopted by the Planning Commission of the City of Santa Ana on May 12, 2025.

Date: 5/12/2025

*Nuvia Ocampo*  
Nuvia Ocampo  
Recording Secretary  
City of Santa Ana

## EXHIBIT A

### **Conditions of Approval for Conditional Use Permit No. 2025-08**

Conditional Use Permit No. 2025-08 allowing the sale of alcoholic beverages for on-premises consumption is approved subject to compliance, to the reasonable satisfaction of the Planning Manager, with all applicable sections of the Santa Ana Municipal Code, the California Building Standards Code, and all other applicable regulations:

The Applicant must comply with each and every condition listed below prior to exercising the rights conferred by this conditional use permit.

The Applicant must remain in compliance with all conditions listed below throughout the life of the conditional use permit. Failure to comply with each and every condition may result in the revocation of the conditional use permit.

1. Any proposed amendment to this conditional use permit must be submitted to the Planning Division for review. At that time, staff will determine if administrative relief is available or if the conditional use permit must be amended.
2. The sale, service, and consumption of alcoholic beverages shall be permitted in accordance with the operational standards for on-premises establishments pursuant to Section 41-196(g) of the Santa Ana Municipal Code ("SAMC"), in accordance with the provisions of an on-premises alcohol license by the California Department of Alcoholic Beverage Control ("ABC"), and in accordance with the site and floor plans attached to the staff report documenting the approved scope of the Project.
3. The sale, service, and consumption of alcoholic beverages shall be limited to Monday through Sunday from 10:00 a.m. to 12:00 a.m. Operation between 12:00 a.m. (midnight) and 2:00 a.m. shall only take place through Planning Commission approval of a separate conditional use permit application for after-hours operations pursuant to Section 41-196(g)(3) of the SAMC.
4. The business shall comply with all provisions of local, state or federal laws, regulations or orders, including, but not limited to, those of ABC, California Business and Profession Code Sections 24200, 24200.6, and 25612.5, as well as any condition imposed on any permits issued pursuant to applicable laws, regulations or orders. This includes compliance with the City's business license annual renewal.
5. The Planning Division shall review CUP No. 2025-08 no later than twelve (12) months after full execution of this conditional use permit. Should any issues be identified during such review that are attributable to the site and/or its operations, CUP No. 2025-08 shall be scheduled for public hearing at the Applicant's full expense for condition modification(s).



6. Violations of the CUP, as contained in Section 41-647.5 of the SAMC, will be grounds for permit revocation and/or suspension as described in Section 41-651 of the SAMC.
7. The business owner shall maintain and adhere to a "Good Neighbor Policy," implementing measures to ensure patrons comply with applicable noise, parking, and outdoor smoking regulations, and removing litter and preventing loitering in the areas in the immediate vicinity of the business.
8. The Applicant shall be responsible for monitoring both patron and employee conduct on the premises and within the parking areas under his/her control to assure such conduct does not adversely affect or detract from the quality of life for adjoining residents, property owners, and businesses.
9. At least one on-duty manager with authority over the activities within the facility shall be on the premises during business hours. The on-duty manager's contact information shall be posted in a conspicuous location at the restaurant's front entry. The on-duty manager's responsibilities shall include the monitoring of the premises to ensure compliance with all applicable State laws, Municipal Code requirements and the conditions imposed by ABC and the conditional use herein. Every effort shall be undertaken in managing the subject premises and the facility to discourage illegal and criminal activities and any exterior area over which the building owner exercises control.
10. The business shall not offer entertainment in the form of live or amplified music as an ancillary use without obtaining an entertainment permit. If the business has provided entertainment as an ancillary use without an entertainment permit or intends to provide entertainment as an ancillary use, the Applicant shall submit an entertainment permit within 90 days of the approval of CUP No. 2025-08 and shall comply with all of the standards contained in SAMC Chapter 11. Notwithstanding this requirement, music/noise shall not be audible beyond twenty (20) feet from the exterior of the premises in any direction.
11. Subject to review and applicability by the Planning and Building Agency, the Community Development Agency, the Public Works Agency, and the City Attorney, to ensure that the property and all improvements located thereupon are properly maintained, Applicant (and the owner of the property upon which the authorized use and/or authorized improvements are located if different from the Applicant) shall execute a property management agreement with the City of Santa Ana. The agreement shall be recorded against the property by the City and shall be in a form reasonably satisfactory to the City Attorney. The executed agreement must be submitted to the Planning Division by the Applicant within 90 days of the approval of this Resolution. The agreement shall contain covenants, conditions and restrictions relating to the following:

- a. Compliance with operational conditions applicable during any period(s) of construction or major repair (e.g., proper screening and securing of the construction site; implementation of proper erosion control, dust control and noise mitigation measure; adherence to approved project phasing etc.);
- b. Compliance with ongoing operational conditions, requirements and restrictions, as applicable (including but not limited to hours of operation, security requirements, the proper storage and disposal of trash and debris, enforcement of the parking management plan, and/or restrictions on certain uses);
- c. Ongoing compliance with approved design and construction parameters, signage parameters and restrictions as well as landscape designs, as applicable;
- d. Ongoing maintenance, repair and upkeep of the property and all improvements located thereupon (including but not limited to controls on the proliferation of trash and debris on or about the property; the proper and timely removal of graffiti; the timely maintenance, repair and upkeep of damaged, vandalized and/or weathered buildings, structures and/or improvements; the timely maintenance, repair and upkeep of exterior paint, parking striping, lighting and irrigation fixtures, walls and fencing, publicly accessible bathrooms and bathroom fixtures, landscaping and related landscape improvements and the like, as applicable);
- e. If Applicant and the owner of the property are different (e.g., if the Applicant is a tenant or licensee of the property or any portion thereof), both the Applicant and the owner of the property shall be signatories to the maintenance agreement and both shall be jointly and severally liable for compliance with its terms;
- f. The maintenance agreement shall further provide that any party responsible for complying with its terms shall not assign its ownership interest in the property or any interest in any lease, sublease, license or sublicense, unless the prospective assignee agrees in writing to assume all of the duties, obligations and responsibilities set forth under the maintenance agreement; and
- g. The maintenance agreement shall contain provisions relating to the enforcement of its conditions by the City and shall also contain provisions authorizing the City to recover costs and expenses which the City may incur arising out of any enforcement and/or remediation efforts which the City may undertake in order to cure any deficiency in maintenance, repair or upkeep or to enforce any restrictions or conditions upon the use of the property. The maintenance agreement shall further provide that any unreimbursed costs and/or expenses incurred by the City to cure a

deficiency in maintenance or to enforce use restrictions shall become a lien upon the property in an amount equivalent to the actual costs and/or expense incurred by the City.

## **EXHIBIT B**

### **Operational Standards for Conditional Use Permit No. 2025-08**

Conditional Use Permit No. 2025-08 to allow the on-sale consumption of alcoholic beverages is approved subject to compliance, to the reasonable satisfaction of the Planning Manager, with all applicable sections of the Santa Ana Municipal Code ("SAMC"), the California Building Standards Code, and all other applicable regulations.

The Applicant/ Licensee (hereinafter, "Applicant") shall comply with each and every operational standard listed below, pursuant to SAMC Section 41-196(g), in order to exercise the rights conferred by this conditional use permit. Pursuant to SAMC Section 41-196(g), these SAMC operational standards are reprinted to establish compliance with SAMC requirements for the granting of a Conditional Use Permit for on-premises alcoholic beverage consumption.

The Applicant must remain in compliance with all operational standards listed below throughout the life of the conditional use permit. Failure to comply with each and every operational standard may result in the revocation of the conditional use permit.

1. The premises shall at all times be maintained as a bona-fide eating establishment as defined in Section 23038 of the California Business and Professions Code and shall provide a menu containing an assortment of foods normally offered. The premises must have suitable kitchen facilities and supply an assortment of foods commonly ordered at various hours of the day. Full and complete meals must be served whenever the privileges of the on-sale license are being exercised.
2. There shall be no fixed bar or lounge area upon the premises maintained for the sole purpose of sales, service or consumption of alcoholic beverages directly to patrons. A fixed bar or lounge may be permitted if patrons may order food being offered to the general patrons of the eating establishment.
3. The sales, service, and consumption of alcoholic beverages shall be permitted only between the hours of 10:00 a.m. and 12:00 a.m. unless otherwise amended by the granting of a conditional use permit for after-hours operations pursuant to Santa Ana Municipal Code Chapter 41.
4. It shall be the applicant's responsibility to ensure that no alcoholic beverages are consumed on any property adjacent to the licensed premises under the control of the applicant, with the exception of any enclosed patio areas.
5. The applicant or an employee of the licensee must be present to monitor all areas of the establishment, including outdoor patios, during all times that alcoholic beverages are being served or consumed.
6. All employees serving alcoholic beverages must complete responsible beverage

service training, or an equivalent approved by the State Department of Alcoholic Beverage Control, prior to being able to serve alcoholic beverages to patrons. Evidence of the completion of such training must be maintained on the premises and available for inspection upon request by the city.

7. During those times when patrons are restricted to twenty-one (21) years of age or older, the applicant shall at all times utilize an age verification means or device for all purchases of alcoholic beverages. Such verification of age is not intended to discriminate against patrons based on race, ethnicity or legal status, but only to comply with state law restricting the sale of alcohol to those twenty-one (21) and older.
8. Queuing lines shall be managed in an orderly manner and all disruptive and/or intoxicated patrons shall be denied entry. The business owner, or his designee, shall be responsible for monitoring the queuing lines at all times.
9. The outdoor queuing line shall not block public walkways or obstruct the entry or exit doors of adjacent businesses. Stanchions or barriers must be used to maintain order at all times the queue exceeds twenty-five (25) patrons. All stanchions or barriers located on public property must be approved by the public works agency.
10. Employees and contract security personnel shall not consume any alcoholic beverages during their work shift, except for product sampling for purposes of employee education about new products. Under no circumstances may contract security personnel consume alcoholic beverages during their work shift.
11. There shall be no exterior advertising of any kind or type, including window signs or other signs visible from outside, that promote or indicate the availability of alcoholic beverages on the premises. Interior displays of alcoholic beverages or signs, which are clearly visible to the exterior, shall constitute a violation of this condition. Permissible window displays must be kept to a minimum for maximum visibility and shall not exceed twenty-five (25) per cent of window coverage. Floor displays shall not exceed three (3) feet in height.
12. There shall be no promotions encouraging intoxication or drinking contests or advertisements indicating "buy one (1) drink, get one (1) free", "two (2) for the price of one (1)", or "all you can drink for..." or similar language.
13. Any pool tables, amusement machines or video games maintained on the premises at any time must be reviewed and approved in a security plan submitted to the chief of police.
14. Live entertainment, including, but not limited to, amplified music, karaoke, performers and dancing, shall be subject to the issuance of an entertainment permit pursuant to Santa Ana Municipal Code ("SAMC") Chapter 11 — Entertainment, and shall comply with all of the standards contained therein.

Notwithstanding this requirement, music/noise shall not be audible beyond twenty (20) feet from the exterior of the premises in any direction.

15. Neither the Applicant, nor any person or entity operating the premises with the permission of the applicant, shall violate the City's adult entertainment ordinance contained in SAMC Section 12-1 and 12-2.
16. The premises shall not be operated as an adult entertainment business as such term is defined in SAMC Section 41-1701.6.
17. The applicant(s) shall be responsible for maintaining free of litter the area adjacent to the premises under the control of the licensee.
18. There shall be no public telephones located on the exterior of the premises. All interior pay phones must be designed to allow outgoing calls only.
19. 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 within twenty-four (24) hours of being applied.
20. Existing bona fide eating establishment and required parking must conform to the provisions of Chapter 8, Article II, Division 3 of the Santa Ana Municipal Code (Building Security Ordinance). These code conditions will require that the existing project lighting, door/window locking devices and addressing be upgraded to current code standards. Lighting standards cannot be located in required landscape planters. Prior to issuance of letter of approval to the Alcohol Beverage Control Board, this condition must be complied with.
21. A timed-access cash controller or drop safe must be installed.
22. Install a silent armed robbery alarm.
23. The owner or manager of the licensed premises shall maintain on the premises a written security policy and procedures manual, that has been approved by the police department, addressing at a minimum the following items:
  - a. Procedures for handling obviously intoxicated persons.
  - b. The method for establishing a reasonable ratio of employees to patrons, based upon activity level, in order to ensure adequate staffing levels to monitor beverage sales and patron behavior.
  - c. Procedures for handling patrons involved in fighting, arguing or loitering about the building, and/or in the immediate adjacent area that is owned, leased, rented or used under agreement by the licensee(s).

- d. Procedures for verifying the age of patrons for purposes of alcohol sales.
  - e. Procedures for ensuring that servers monitor patrons to ensure that their drinking limit/potential intoxication is not exceeded. This procedure should include a description of the procedure the server would use to warn, or refuse to serve, the patron.
  - f. Procedures for calling the police regarding observed or reported criminal activity.
  - g. Procedures for management of queuing lines.
  - h. The location and description of any video games proposed to be on the premises.
24. The operator shall be responsible for submitting a detailed outdoor fencing and dining plan where outdoor dining is proposed as part of the business operation. If the proposed dining area or fencing is in the public right-of-way, the applicant must obtain all required permits and approvals from the Public Works Agency.
25. Combined alcohol storage and display areas shall not exceed five (5) percent of the gross floor area of the licensed establishment.