

PLANNING
COMMISSION
STAFF REPORT



February 26, 2025

ITEM TITLE

Conditional Use Permit for the Sale of Alcoholic Beverages, Including Tasting and Education, Within an Existing Retail Building in the Village Center of the Eastlake II Sectional Planning Area

Location: 2230 Otay Lakes Road (APN: 595-322-21)

G.C. § 84308: Yes

Environmental Notice: The Project qualifies for a Class 1 Categorical Exemption pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act (“CEQA”) State Guidelines.

Recommended Action

Approve a CEQA Categorical Exemption under CEQA Guidelines section 15301, and adopt a resolution approving Conditional Use Permit CUP24-0022 to allow the sale of alcoholic beverages, including tasting and education, for offsite consumption and onsite tastings in an existing retail building based on the findings and subject to the conditions contained therein.

SUMMARY

California Fine Wine and Spirits, LLC (“Applicant”) requests approval to sell beer, wine, and distilled spirits for offsite consumption, operate beer and wine tasting areas, and conduct wine education classes within an existing vacant commercial building in the Village Center of the Eastlake II Sectional Planning Area (“Project”).

HOUSING IMPACT STATEMENT

The subject property was not designated in the Housing Element as a site to contribute to the City’s regional housing need. Therefore, there is no net loss of housing capacity toward fulfilling the City’s housing allocation.

ENVIRONMENTAL REVIEW

The Director of Development Services reviewed the proposed Project for compliance with the CEQA and determined that the Project qualifies for a Class 1 Categorical Exemption pursuant to Section 15301 (Existing Facilities) of the CEQA Guidelines because the proposed Project would involve a negligible or no expansion of the former use in the space. Further, no exception to the Categorical Exemption exists under CEQA Guidelines section 15300.2 because the proposed Project would not impact any environmental resources of hazardous or critical concern, result in a significant effect on the environment, create a cumulative significant environmental impact, damage a scenic highway, be located on a designated

hazardous waste site, or cause a substantial adverse change in the significance of a historical resource. No additional environmental review is therefore required.

DISCUSSION

Background

On November 15, 2024, the Applicant submitted an application for a Conditional Use Permit (“CUP”) to allow for a new Total Wine & More retail store at an existing commercial center. The tenant space is currently vacant and was previously occupied by Rite-Aid, operating under a general retail use. The proposed project will offer a wide range of alcoholic beverages and related items, functioning as a large-scale liquor store for one-stop shopping. In accordance with Section III.B.33 of the Eastlake II Planned Community (“PC”) District Regulations, liquor stores require a CUP in the Village Center. The Eastlake II PC District Regulations further indicate that the Planning Commission is the appropriate review authority for this type of CUP.

In addition to the CUP, the Applicant is required to obtain Types 21, 42, and 86 licenses from the California Department of Alcoholic Beverage Control (“ABC”).

Project Site Characteristics

The subject property is located along Otay Lakes Road, between Eastlake Parkway and State Route 125 (Attachment 1). The site is located within the Eastlake II Sectional Planning Area and zoned Village Center (“VC-3”), with a General Plan designation of Retail Commercial (CR). The table below identifies the General Plan land use and zoning designations of the subject property and its surroundings.

Land Use Designations and Existing Land Uses			
	General Plan	Zoning Designation	Existing Land Use(s)
Project Site	Retail Commercial	VC-3	Retail (vacant)
North	Retail Commercial	VC-3	Eating and drinking establishment
East	Retail Commercial	VC-3	Eating and drinking establishment Beauty salon Retail stores and shops
South	Parks and Recreation	OS-4	Community park
West	Retail Commercial	VC-3	Retail stores and shops Eating and drinking establishment

Project Description

The Project proposes the retail sale of beer, wine, and distilled spirits and includes sample tasting and wine education classes, which are further described below:

Wine Education Classes

Consumer education classes will be offered onsite in a classroom with seating for 32 people. These classes are intended to be promotional events that provide further insights into the offered products and are taught by leading industry experts and staff. Presentations will include tastings as well as discussions on flavor and the history of the product's region. Classes will occur up to two times per month with a typical run time of 1.5 hours per class. The Wine Education Classroom requires an ABC Type 42 license to allow Total Wine & More employees to serve the highlighted product.

Product Tasting Classes

The project will include tasting areas for certain wines, spirits, and beers. These areas will be clearly marked and separated by stanchions with signs indicating that only individuals over the age of 21 may enter when tastings are taking place. The tasting areas cannot be expanded or relocated without changes to the CUP and ABC license(s). In addition to the ABC Type 42 license, which allows employees to serve samples, the applicant will also request an ABC Type 86 license to allow manufacturer employees to conduct tastings. Pour sizes and number of samples per customer will follow California's alcohol tasting laws.

Outside of selling alcoholic beverages, the Project proposes a 177-square foot cigar humidor for the retail sale of cigars and cigar accessories. No smoking will be allowed inside the premises.

CONCLUSION

After reviewing the proposed project and considering the findings required by Chula Vista Municipal Code Section 19.14.080, staff recommends that the Planning Commission approve the project, based on these findings and the conditions outlined in the attached resolution (Attachment 2).

DECISION-MAKER CONFLICT

Staff reviewed the property holdings of the Planning Commission members and found no property holdings within 1,000 feet of the boundaries of the subject property. Consequently, this item does not present a disqualifying real property-related financial conflict of interest under California Code of Regulations Title 2, section 18702.2(a)(7) or (8), for purposes of the Political Reform Act (Cal. Gov't Code §87100, et seq.).

Staff is not independently aware nor has been informed by any Planning Commission member of any other fact that may constitute a basis for a decision-maker conflict of interest in this matter.

FISCAL IMPACT

All costs incurred processing this application are borne by the Applicant, resulting in no net fiscal impact to the Development Services Fund or the General Fund.

ATTACHMENTS

1. Location Map
2. Resolution No. 2025-xxx
3. Total Wine & More Fact Sheet
4. Project Plans
5. Disclosure Statement

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