



**CITY OF SUNNYVALE  
REPORT  
Administrative Hearing**

**October 15, 2008**

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**SUBJECT:**           **2008-1003 - Faultline Brewery** [Applicant] **Diamond Properties** [Owner]: Application for property located at **1235 Oakmead Parkway** (at lakeside Dr.) in an M-S (Industrial & Service) Zoning District.

Motion                Use Permit to allow full liquor service at an existing restaurant with existing beer and wine service.

**REPORT IN BRIEF**

**Existing Site Conditions**            Restaurant (with a bar and brewery)

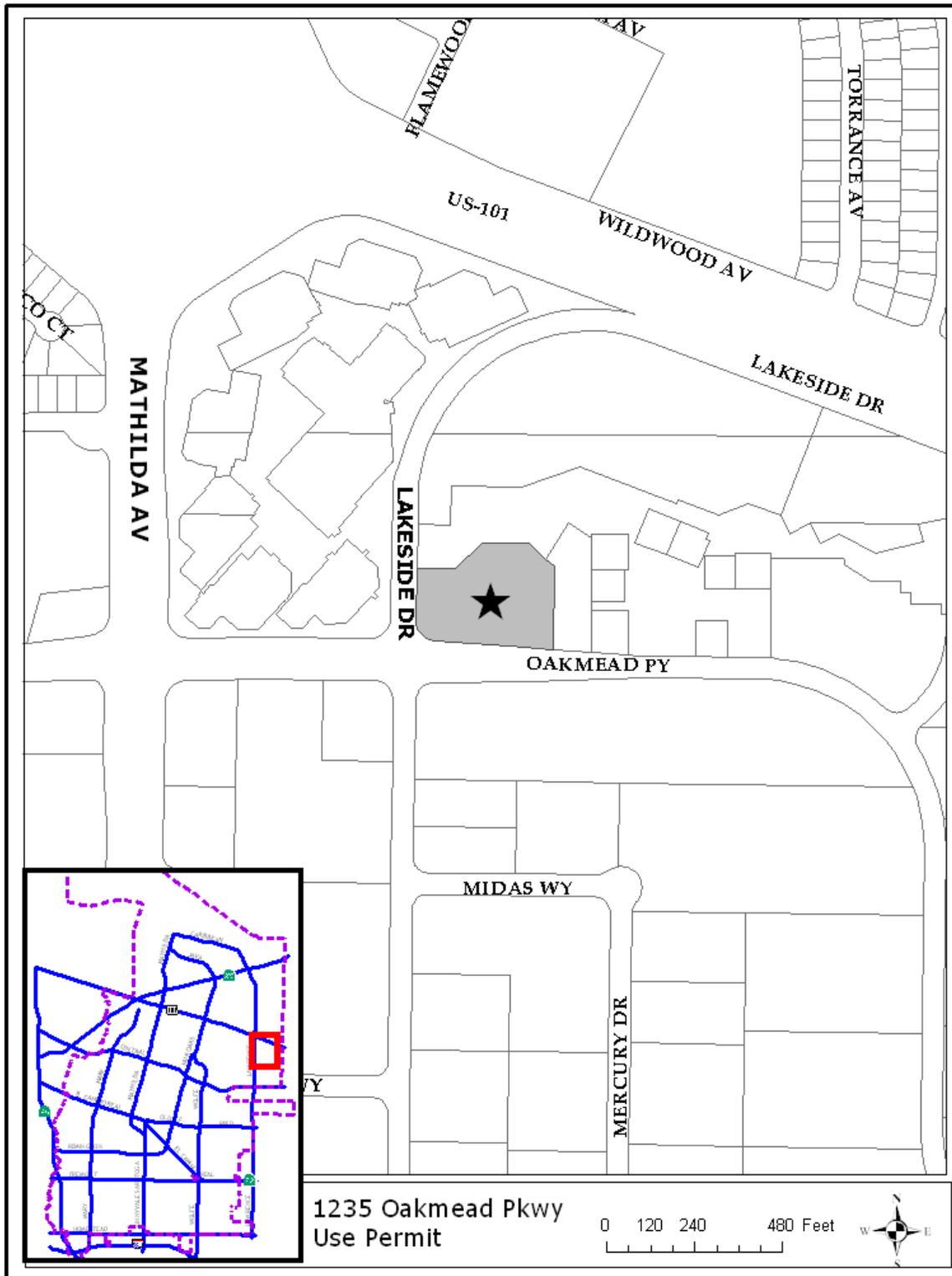
**Surrounding Land Uses**

North	Vacant Lot (pending hotel development)
South	Office/R&D
East	Office/R&D
West	Multi-Family Residential (Avalon Apartments)

**Issues**                                Neighborhood Compatibility

**Environmental Status**            A Class 1 Categorical Exemption relieves this project from California Environmental Quality Act provisions and City Guidelines.

**Staff Recommendation**            Approval



**PROJECT DATA TABLE**

	<b>EXISTING</b>	<b>PROPOSED</b>	<b>REQUIRED/ PERMITTED</b>
<b>General Plan</b>	Industrial	Same	Industrial
<b>Zoning District</b>	M-S	Same	M-S
<b>Lot Size (s.f.)</b>	89,734	Same	22,500 min.
<b>Gross Floor Area (s.f.)</b>	10,600	Same	40,380 max.
<b>Lot Coverage (%)</b>	11.8%	Same	45% max.
<b>No. of Stories</b>	1	Same	8 max.
<b>Parking</b>			
<b>Total Spaces</b>	148	Same	141 min.
<b>Standard Spaces</b>	148	Same	127 min.
<b>Compact Spaces/ % of Total</b>	0	Same	14 max.

**ANALYSIS****Description of Proposed Project**

The application is for a Use Permit to amend an existing liquor license for beer and wine to a full liquor license at an existing stand-alone restaurant and brewery (Faultline Brewery). The proposed project includes the continuation of existing uses on-site, including an existing bar area and a D.J. booth that were previously permitted under separate permits. No modifications to the current business operation or existing building are proposed.

**Background**

**Previous Actions on the Site:** The following table summarizes previous planning applications related to the subject site.

<b>File Number</b>	<b>Brief Description</b>	<b>Hearing/Decision</b>	<b>Date</b>
1994-0139 (8165)	MPP to allow modifications to the building, and to expand use to a brewery.	Staff/Approved	4/08/1994
1986-0299 (5782)	Design Permit to allow entertainment uses, including a dance floor and D.J. booth.	Administrative Hearing/ Approved	5/21/1986

<b>File Number</b>	<b>Brief Description</b>	<b>Hearing/Decision</b>	<b>Date</b>
1979-0383 (3930)	Use Permit to allow construction of restaurant building and to allow on-sale general liquor license.	Planning Commission/ Approved	6/11/1979

### **Environmental Review**

A Class 1 Categorical Exemption relieves this project from California Environmental Quality Act provisions and City Guidelines. Class 1 Categorical Exemptions include operation, repair, maintenance, demolition, permitting, leasing, licensing or minor alteration or additions at existing facilities.

### **Use Permit**

**Use:** The site has been continuously used as a restaurant with liquor service since the original construction of the building in 1980 (Use Permit 3930). The use was subsequently expanded to include a bar, dance floor, and stage area in 1986 (Design Permit 5782). The current occupants, Faultline Brewery, began to operate the facility in 1995. At that time, the use was modified (Miscellaneous Plan Permit 8165) with the removal of the dance floor and addition of a brewery as an ancillary use.

The applicant proposes to amend their existing liquor license for beer and wine to a full liquor license. The applicant proposes to maintain the existing restaurant and ancillary uses, which include a bar, stage area for occasional live music, and brewery. The existing hours of operation will also be maintained, which are Monday through Saturday, 11:00 a.m. to 12:00 a.m. and Sunday 11:00 a.m. to 10:00 p.m. There are no proposed changes to the existing uses on-site. Future minor modifications will be reviewed by the Director of Community Development (Attachment B, Recommended Conditions of Approval).

**Site Layout & Floor Plan:** The project site is located on the northeast corner of Oakmead Parkway and Lakeside Drive. The site is currently developed with a stand-alone restaurant building with surface parking around the building periphery. Access to the site is provided by one driveway along each street frontage.

The existing floor plan consists of dining areas, kitchen and offices, a bar and brewery (Attachment C, Site and Architectural Plans). The main entry is located along the south elevation and faces Oakmead Parkway. No modifications to the existing site layout or floor plan are proposed.

**Parking/Circulation:** The site currently exceeds the minimum parking required for stand-alone restaurants with a bar. Per Sunnyvale Municipal Code Section 19.46, one parking space per 75 square of building area is required. There are 148 existing on-site parking spaces, where a minimum of 141 parking spaces are required. No modifications are proposed to the existing parking layout.

**Public Safety:** Planning staff consulted with the Department of Public Safety (DPS), that indicated that they have no concerns with the proposed full liquor service or existing business operation. Therefore, staff finds that the proposed project will not result in negative impacts on public safety or an intensification of existing uses.

**Compliance with Development Standards/Guidelines:** The proposed project complies with all development standards and guidelines. No physical changes to the site or building are proposed.

**Expected Impact on the Surroundings:** Staff finds that the proposed full liquor license for the existing restaurant would not have a negative impact to the site or its surrounding uses. The restaurant currently has a license for on-site sale and consumption of beer and wine. There are no pending complaints with the Department of Public Safety or Neighborhood Preservation Division regarding the existing restaurant and uses. Staff recommends a condition of approval to require the applicant to obtain approval if any changes to the use (i.e. addition of a dance floor, modifications to live entertainment) are proposed.

**Fiscal Impact**

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No fiscal impacts other than normal fees and taxes are expected.

**Public Contact**

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Staff has not received any public comments since the time of the staff report.

Notice of Public Hearing	Staff Report	Agenda
<ul style="list-style-type: none"> <li>• Published in the <i>Sun</i> newspaper</li> <li>• Posted on the site</li> <li>• 52 notices mailed to property owners and residents adjacent to the project site</li> </ul>	<ul style="list-style-type: none"> <li>• Posted on the City of Sunnyvale's Website</li> <li>• Provided at the Reference Section of the City of Sunnyvale's Public Library</li> </ul>	<ul style="list-style-type: none"> <li>• Posted on the City's official notice bulletin board</li> <li>• City of Sunnyvale's Website</li> </ul>

## **Conclusion**

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**Findings and General Plan Goals:** Staff was able to make the required Findings based on the justifications for the Use Permit. Findings and General Plan Goals are located in Attachment A.

**Conditions of Approval:** Conditions of Approval are located in Attachment B.

## **Alternatives**

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1. Approve the Use Permit with the attached conditions.
2. Approve the Use Permit with modified conditions.
3. Deny the Use Permit.

## **Recommendation**

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Alternative 1.

Prepared by:

**Noren Caliva**

Project Planner

Reviewed by:

**Gerri Caruso**

Principal Planner

Attachments:

- A. Recommended Findings
- B. Recommended Conditions of Approval
- C. Site and Floor Plans
- D. Applicant's Justifications

## **Recommended Findings – Use Permit**

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Goals and Policies that relate to this project are:

### **Land Use and Transportation Element**

*Policy N1.7 – Support the location of convenient retail and commercial services (e.g. restaurants and hotels) in industrial areas to support businesses, their customers and their employees.*

*Action Statement N1.1.1 – Limit the intrusion of incompatible uses and inappropriate development into city neighborhoods.*

1. The proposed use attains the objectives and purposes of the General Plan of the City of Sunnyvale. (*Finding Met*)

The subject business is an existing restaurant and brewery, that proposes to modify its existing beer and wine license to allow for full liquor service. No modifications to the existing uses or hours of operation are proposed. The full liquor license will be ancillary to the existing uses on-site, and will continue to help support the existing office/R&D and residential uses in the area. Therefore, the proposed project will not adversely impact the surrounding uses.

2. The proposed use ensures that the general appearance of proposed structures, or the uses to be made of the property to which the application refers, will not impair either the orderly development of, or the existing uses being made of, adjacent properties. (*Finding Met*)

As proposed, the addition of full liquor service and live entertainment to the existing restaurant use would not interfere with or be detrimental to the neighboring businesses or residences. The project does not propose any expansion or modifications to the site, so no visual impact to the surrounding area is anticipated. Additionally, there are no pending complaints with the Department of Public Safety or Neighborhood Preservation Division regarding the existing restaurant and uses.

**Recommended Conditions of Approval – Use Permit**

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In addition to complying with all applicable City, County, State and Federal Statutes, Codes, Ordinances, Resolutions and Regulations, Permittee expressly accepts and agrees to comply with the following conditions of approval of this Permit:

Unless otherwise noted, all conditions shall be subject to the review of approval of the Director of Community Development.

**1. GENERAL CONDITIONS**

- A. Project shall be in conformance with the plans approved at the public hearing(s). Minor changes may be approved by the Director of Community Development. Major changes may be approved at a public hearing.
- B. The Use Permit for the use shall expire if the use is discontinued for a period of one year or more.
- C. The Use Permit shall be null and void two years from the date of approval by the final review authority at a public hearing if the approval is not exercised, unless a written request for an extension is received prior to expiration date.
- D. Comply with all requirements of previously approved Use Permit Number 3930 and Miscellaneous Plan Permit Number 8165.
- E. The existing hours of operation of the business shall remain as follows, unless a separate permit is obtained:

Monday through Saturday, 11:00 a.m. to 12:00 a.m.

Sunday 11:00 a.m. to 10:00 p.m.

**2. COMPLY WITH OR OBTAIN OTHER PERMITS**

- A. Obtain the appropriate license for on-sale general liquor from the Alcoholic Beverage Control (ABC) Department and comply with all ABC license requirements. Failure to comply with all ABC requirements is grounds for revoking this permit.
- B. Any expansion or modification of the approved use shall be approved by separate application by the Director of Community Development, which may be reviewed with or without a public hearing, depending on the magnitude of the modification.

**3. RECYCLING AND SOLID WASTE**

- A. All exterior recycling and solid waste shall be confined to approved receptacles and enclosures.

- B. Waste containers, including tallow bins and recycling bins, shall be stored with their lids closed.
- C. Waste containers shall be stored within enclosures with the enclosure gates closed. Containers shall not be placed in parking spaces or landscaped areas at any time.
- D. The property shall remain clean and free of debris and garbage.







# USE PERMIT/SPECIAL DEVELOPMENT PERMIT JUSTIFICATIONS

One of the two following findings must be made in order to approve a Use Permit or Special Development Permit application.

The Sunnyvale Municipal code states that at least one of the following two justifications must be met before granting the Use Permit or Special Development Permit. Please provide us information on how your project meets at least one of the following criteria.

1. The proposed use attains the objectives and purposes of the General Plan of the City of Sunnyvale as the project ...

existing restaurant changing from brewing w/ wine to brewing w/ wine & spirits. No increase for bar area, no changes to interior or exter.

OR

2. The proposed use ensures that the general appearance of proposed structures, or the uses to be made of the property to which the application refers, will not impair either the orderly development of, or the existing uses being made of, adjacent properties as ...

If you need assistance in answering either of these justifications, contact the Planning Division staff at the One-Stop Permit Center.