SUBJECT: **PM Entertainment Inc. (Jane Sun Et Al):** Application for Special Development Permit to allow a restaurant with general alcohol sales and an entertainment establishment (with dancing) for 21 and older within an existing building in Downtown Specific Plan Zoning District (APN: 209-06-034):

REPORT IN BRIEF:

**Existing Site Conditions**
- Vacant building

**Surrounding Land Uses**
- North: Commercial
- South: Commercial
- East: Downtown parking
- West: Commercial

**Issues**
- Proposed use compatibility with the downtown area. Specifically, the entertainment establishment, with dancing, component.

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

<table>
<thead>
<tr>
<th></th>
<th>EXISTING</th>
<th>PROPOSED</th>
<th>REQUIRED/PERMITTED</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Plan</td>
<td>Downtown Specific Plan</td>
<td>No Change</td>
<td>Downtown Specific Plan</td>
</tr>
<tr>
<td>Zoning District</td>
<td>DSP / Block 2</td>
<td>No Change</td>
<td>DSP / Block 2</td>
</tr>
<tr>
<td>Lot Size (s.f.)</td>
<td>8,518</td>
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<td>2,800 min.</td>
</tr>
<tr>
<td>Gross Floor Area (s.f.)</td>
<td>10,144</td>
<td>No Change</td>
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</tr>
<tr>
<td>Gross Floor Area of Tenant</td>
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<td>No Change</td>
<td>N/A</td>
</tr>
<tr>
<td>Lot Coverage (%)</td>
<td>7,438 (87%)</td>
<td>No Change</td>
<td>100% max.</td>
</tr>
</tbody>
</table>

★ Starred items indicate deviations from Sunnyvale Municipal Code requirements.

BACKGROUND:
The proposed project includes a restaurant with alcohol sales and an entertainment establishment, with dancing, for persons 21 and older within the existing building. The proposed project does not include any changes to the exterior of the building.

Previous Actions on the Site
The following table summarizes previous planning applications related to the proposed use at the subject site.

<table>
<thead>
<tr>
<th>File Number</th>
<th>Brief Description</th>
<th>Hearing/Decision</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010-7310</td>
<td>Revocation of Use Permit 5714</td>
<td>Approved</td>
<td>10/20/2009</td>
</tr>
<tr>
<td>2008-0203</td>
<td>New Interior Seating</td>
<td>Approved</td>
<td>4/21/2008</td>
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<tr>
<td>2003-0372</td>
<td>Extension of Business Hours to 3:00 a.m.</td>
<td>Denied</td>
<td>7/16/2003</td>
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<td>2002-0955</td>
<td>Extension of Business Hours to 3:00 a.m. for New Years</td>
<td>Approved</td>
<td>12/20/2002</td>
</tr>
<tr>
<td>5714-B</td>
<td>Modified to allow general alcohol sales and live entertainment</td>
<td>Approved</td>
<td>8/28/1990</td>
</tr>
<tr>
<td>5714</td>
<td>Theater-Restaurant with beer and wine sales</td>
<td>Approved</td>
<td>4/8/1986</td>
</tr>
</tbody>
</table>
Original Use Permit
On April 8, 1986, the City Council approved a Use Permit (5714) to allow renovations to the exterior of the building, a theater-restaurant use (including beer and wine sales) and a roof-mounted satellite dish. A one-year review was required for the Use Permit, which was approved by the City Council in 1987. The Use Permit (5714-B) was later modified on August 28, 1990 to allow live entertainment, with dancing, and sales of alcohol pursuant to an on sale general liquor license.

Since the original approval, the businesses operating at the subject property have varied, including “The Palace” and “The Forum.” From 2005 - 2010, the property was leased by The Abyss Entertainment Group, Inc., doing business as “The Abyss.”

Revocation
On October 20, 2010, the City Council approved the revocation of the original Use Permit (5714). The revocation was initiated due to noncompliance with the required restaurant sales, poor security, and age groups allowed. The Abyss frequently held 18 or older events that were often operated by promoters. In addition, they were not operating as a restaurant and were in noncompliance with their ABC License. This resulted in large groups of people coming to the event with poor crowd control leading to public drunkenness and fights. This was an issue that had evolved over the years and came to head under the operations by the Abyss Entertainment Group. Since the original Use Permit was still valid and the Zoning Code did not allow the City to impose additional conditions, the only available recourse was revocation.

In addition to the City’s revocation of the Use Permit, Alcoholic Beverage Control (ABC) revoked the ABC License for the site and issued a one year stay. This results in the inability of a business to receive a license from ABC until May 2011. The project applicant is aware of the ABC limitations and plans on working on building improvements during this time.

DISCUSSION:

Requested Permit(s)
- Special Development Permit
  A Special Development Permit (SDP) is required for restaurants that sell distilled spirits (general alcohol sales) within the Downtown Specific Plan area. A SDP is also required for businesses proposing an entertainment establishment, including dancing. The applicant has proposed a restaurant with general alcohol sales and an entertainment establishment, with dancing, for persons 21 and older.
ABC Licensing

ABC regulates the type of spirits sold, ages allowed and may impose other restrictions based on the requested license and site history. As noted above, alcohol will not be able to be sold at the subject site for one year, ending in May 2011. There are numerous types of licenses issued by ABC, which regulate the type of spirits sold at a site and the ages allowed. Generally, restaurants will operate within two types of licenses either a Type 41 (Eating Establishment, Beer and Wine) or a Type 47 (Eating Establishment, General Sales “Distilled Spirits”), both of which require a specific volume of food sales and allow patrons of any age. The applicant has indicated that they would be applying for a Type 48 (Public Premises, General Sales) which does not require food sales, but it does restrict the age allowed on site to 21 or older, which would make operating the restaurant use difficult.

Staff has been in contact with ABC and the applicant and it has been determined that the applicant will need apply for a Type 47 license, in which case to avoid issues associated with the prior use (“The Abyss”) the City should restrict the entertainment establishment use to 21 or older.

ANALYSIS:

Use

As noted above, past businesses at this site have had a history of being problematic and it is a valid concern to this day. It is believed that the main contributing factor is the volume of the space and funding needed for rent, which has resulted in the previous uses abandoning the restaurant element and focusing on the large dance/club events. The size of the events often became problematic due to poor security, poor conditions and the ages allowed in the nightclub element (18 or older). Staff has met with the project applicant to discuss the City’s concerns and the applicant has developed a business plan accordingly. The proposed use includes the following:

- Restaurant – This use would enhance the downtown area and activate this large commercial space during the day and early evening. As noted above, the restaurant use will require that the applicant acquire a Type 47 License from ABC, which allows all ages and requires that the total alcohol sales not be a significant part of the gross revenue. The requirement has been incorporated into the recommended conditions of approval to further ensure that restaurant use is continued.

- Entertainment Establishment – The applicant’s proposal includes an entertainment establishment, with dancing, that will be restricted to ages 21 or older. While the ABC License allows all ages, the City may further restrict the allowed ages through the City’s Special Development Permit process. The restriction to 21 and older will address part of the problem of having under aged patrons in the facility. Additional conditions of approval requiring submittal of a security plan, installation of a security camera system, a six and twelve (approximately) month compliance
review after the use commences, the option for additional compliance reviews, and requiring closing at 1:30 a.m. provides additional safety precautions and opportunity for review by the City (see Attachment B). All of these were lacking in the original use permit.

The proposed two uses will be tied together through this Special Development Permit application and any future changes that reduce the restaurant component will require separate review through a new Special Development Permit application. If noncompliance becomes an issue, the City, at anytime, may bring the application back to the Planning Commission for consideration to add or change conditions or initiate revocation.

**Development Standards**

The proposed project complies with the applicable Development Standards as set forth in the Sunnyvale Municipal Code. The following items have been identified as items for clarification by the Planning Commission:

- **Trash Enclosure**
  Many businesses in the downtown area use City owned trash facilities located in public parking areas around Murphy Street. The subject site contains its own trash enclosure, which is in need of repair. Specifically, the doors need to be replaced and painted to match the enclosure. This has been included as a condition of approval for the project.

- **Parking/Circulation**
  The site participates in the Downtown Parking Maintenance District, and the proposed use is consistent with the previous use and parking needs.

- **Exterior Changes**
  The subject site is located within the Murphy Station Historic Landmark District. The proposed project does not include any exterior changes to the structure. Any future exterior changes (including signage) may require review by the Heritage Preservation Commission, depending on the scope of the changes.

**Environmental Review**

A Class 1 Categorical Exemption relieves this project from California Environmental Quality Act provisions and City Guidelines. Class 1 Categorical Exemptions includes minor changes to existing facilities, in this case there are minor interior changes to the existing structure.

**FISCAL IMPACT**

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

The problems that arose from past businesses were due to several factors including size of the space, attending ages, lack of assurances in the conditions and poor security. Planning and Public Safety staff have worked together and worked with the applicant and developed conditions of approval that address the main issues and provide opportunity for review to ensure that the business is operating properly.

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

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

**ALTERNATIVES**

1. Approve the Special Development Permit for a restaurant with general alcohol sales and entertainment establishment, with dancing, for 21 or older and conditions in Attachment B.

2. Approve the Special Development Permit and modify the conditions of approval.

3. Deny the Special Development Permit.
RECOMMENDATION

Recommend Alternative 1 to the Planning Commission.

Prepared by:

Shaunn Mendrin
Project Planner

Reviewed by:

Steve Lynch
Senior Planner

Reviewed by:

Trudi Ryan
Planning Officer

Attachments:

A. Recommended Findings
B. Recommended Conditions of Approval
C. Site and Architectural Plans
D. Letter from the Applicant
RECOMMENDED FINDINGS

Special Development Permit

Goals and Policies that relate to this project are:

**Community Vision: Goal IX. Dynamic Downtown -**
*To create and support a strong and attractive traditional downtown which serves as the community’s central marketplace, common gathering place, and symbolic center.*

**Land Use and Transportation: Goal C1 –**
*Preserve and enhance an attractive community, with a positive image and a sense of place, that consists of distinctive neighborhoods, pockets of interest, and human scale development.*

**Land Use and Transportation: Action Statement C1.2 –**
*Encourage nodes of interest and activity, such as parks, public open spaces, well planned development, mixed use projects, and other desirable uses, locations and physical attractions.*

**Land Use and Transportation: Goal C4 –**
*Sustain a strong local economy that contributes fiscal support for desired city services and provides a mix of jobs and commercial opportunities.*

**Land Use and Transportation: Action Statement C4.1 –**
*Maintain a diversity of commercial enterprises and industrial uses to sustain and bolster the local economy.*

**Socio-Economic: GOAL C –**
*Endeavor to maintain a balanced economic base that can resist downturns of any one economic sector.*

**Socio-Economic: Policy C.1 –**
*Support efforts to establish Sunnyvale’s downtown area as a strong commercial center for the City.*

1. The proposed use attains the objectives and purposes of the General Plan of the City of Sunnyvale as the project will activate a large retail space located in the core downtown area during the daytime and evening for residents and patrons in the area. The proposed use will add to the commercial diversity in the downtown area by providing additional job and commercial opportunities. In addition, it may also provide an additional draw to the downtown area for food and evening events.*
2. The proposed use as conditioned 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 the proposed use is compatible with the downtown core and adequate checks are in place ensuring that the City has the ability to review the site if noncompliance becomes an issue.
Planning Application 2010-7415 146 S. Murphy Street
PM Entertainment
Special Development Permit to allow a restaurant use with general alcohol sales and to allow an entertainment establishment, with dancing, for 21 or older, both within an existing building (no exterior changes are proposed).

The following Conditions of Approval [COA] and Standard Development Requirements [SDR] apply to the project referenced above. The COAs are specific conditions applicable to the proposed project. The SDRs are items which are codified or adopted by resolution and have been included for ease of reference, they may not be appealed or changed. The COAs and SDRs are grouped under specific headings that relate to the timing of required compliance. Additional language within a condition may further define the timing of required compliance. Applicable mitigation measures are noted with “Mitigation Measure” and placed in the applicable phase of the project.

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 and Standard Development Requirements of this Permit:

**THE FOLLOWING GENERAL CONDITIONS SHALL APPLY TO THE APPROVED PROJECT.**

1. **CONFORMANCE WITH APPROVED PLANNING APPLICATION** – All building permit drawings and subsequent construction and operation shall substantially conform with the approved planning application, including: drawings/plans, materials samples, building colors, uses and other items submitted as part of the approved application. Any proposed amendments to the approved plans, uses or Conditions of Approval are subject to review and approval by the City. The Director of Community Development shall determine whether revisions are considered major or minor. Minor changes are subject to review and approval by the Director of Community Development without a public hearing. Major changes are subject to review at a public hearing. [COA] [PLANNING]

2. **APPROVED USE** – The uses approved at the site are a restaurant with general alcohol sales and an entertainment establishment, with dancing, for patrons 21 years or older. Both approved uses shall operate at the site and alcohol sales shall not exceed 50% gross revenue. The City may request inspection of sales receipts to verify compliance with this condition on a quarterly basis. [COA] [PLANNING]
3. PERMIT EXPIRATION (Ordinance 2895-09): If not exercised the Use Permit shall expire three (3) years from the date of approval by the final review authority (as adopted by City Council on April 21, 2009, RTC 09-094). Extensions of time to exercise the permit may be considered, for a maximum of two one year extensions, if applied for and approved prior to the expiration of the permit approval. If the approval is not exercised within this time frame, the permit is null and void. [SDR] (PLANNING)

4. USE EXPIRATION - The approved and exercised permit for the use shall expire if the use is discontinued for a period of one year or more. [SDR] (PLANNING)

5. COMPLIANCE REVIEW – The following compliance reviews shall be required for the proposed use and shall be provided by the property owner or business owner and if the required materials are not submitted within the specified timeframes, the Director of Community Development may take compliance review to public hearing with a recommendation to initiate revocation of the SDP:
   a) Compliance Review Timeframes:
      i) Six (6) month compliance review from the commencement of the entertainment establishment (commencement shall be based on issuance of license from ABC)
      ii) A second six month compliance review will occur approximately six (6) months from the date of action of the initial compliance review.
   b) Compliance Review: The property owner or business owner shall apply for a compliance review (Planning Application type “Other” and the MPP fee) with Director of Community Development to determine if the business has successfully complied with all conditions of approval and applicable Municipal Codes. The property owner or business owner shall provide a narrative and supporting documentation indicating how the establishment has complied with all conditions of approval and the Director of Community Development may inspect the site and other documentation to verify the submitted narrative. If the Director of Community Development determines that the use is not in compliance with the approved conditions of approval, the compliance review will be referred to the Planning Commission for discretionary review. The Planning Commission may modify conditions of approval, impose new conditions of approval, recommend the City Council revoke the permit, require additional compliance reviews, or take no further action.
   c) Subsequent Compliance Review: After the second six (6) month review, the Director of Community Development may require a subsequent compliance review, upon notice to applicant, to determine continued compliance with the applicable conditions of approval. Subsequent compliance reviews shall comply with the requirements of condition of approval 5(b).[COA] [PLANNING]

6. BUSINESS LICENSE – The project applicant shall apply for a business license prior to commencement of the use. The applicant shall provide the Planning Division with a copy of the issued license. [COA] [PLANNING]
7. **TITLE 25 -** Provisions of Title 25 of the California Administrative Code shall be satisfied with dependence on mechanical ventilation. [SDR] [BUILDING]

8. **ALCOHOL BEVERAGE CONTROL (ABC) -** The project applicant shall obtain all appropriate licenses from the Department of Alcoholic Beverage Control prior to commencement of the sale of alcohol on the subject property. [COA] [PLANNING]

9. **USE AND ABC COMPLIANCE -** Non-compliance with the Conditions of Approval for this Special Development Permit or non-compliance with the requirements of the Department of Alcoholic Beverage Control at any time may trigger either: 1) reconsideration of the SDP and the imposition of additional Conditions of Approval; or 2) initiation of revocation proceedings by the Director of Community Development. [COA] [PLANNING]

10. **SIGN PERMIT -** The project applicant shall apply for a separate permit for all new exterior signage. The Director of Community Development may determine if the sign permit may be reviewed by staff or Heritage Preservation Commission, depending on the scope of the sign. [COA] [PLANNING]

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**THE FOLLOWING CONDITIONS SHALL BE MET AS INDICATED OR PRIOR TO COMMENCEMENT OF THE APPROVED USE (WHICHEVER OCCURS FIRST).**

11. **NOTICE OF PROJECT RESTRICTIONS -** The Notice of Project Restrictions will be prepared by the Planning Division and shall include a description of the subject property, the Planning Application number, attached conditions of approval and any accompanying subdivision or parcel map, including book and page and recorded document number, if any, and shall be signed and notarized by each property owner of record. The property owner or designated appointee shall provide the necessary information to the Planning Division. For purposes of determining the record owner of the property, the property owner or designated appointee shall provide, within 30 days of permit approval, evidence to the City in the form of a report from a title insurance company indicating that the record owner(s). The property owner shall sign and notarize the document as per the accompanying instructions and provide the document to the Planning Division prior to issuance of a Building Permit or within 30 days of preparation of the Notice of Project Restriction (whichever occurs first). [COA] [PLANNING]

12. **SECURITY AND SAFETY PLAN (DEPARTMENT OF PUBLIC SAFETY REVIEW) -** Obtain approval from the Crime Prevention Division of Public Safety Department for crime prevention measures appropriate to the proposed development 30 days prior to commencement of the approved use. The plan shall include general policies and procedures, crowd management measures, training program, implementation and record keeping. [COA] [PUBLIC SAFETY]
13. **SECURITY CAMERAS SYSTEM** – The project applicant shall work with Public Safety to determine the appropriate number and locations of security cameras for the site. Locations and camera specifications shall be submitted to the Director of Community Development to determine if any additional permits are needed. The security camera system shall be installed and inspected by the Crime Prevention Division of Public Safety Department prior to commencement of use. [COA] [PUBLIC SAFETY]

14. **RECYCLING AND SOLID WASTE ENCLOSURE** – The doors on the existing recycling and solid waste enclosure shall be replaced with steel doors prior to commencement of the approved use. The doors shall be painted to match the enclosure. Any extensive changes to the trash enclosure will be subject to review by the Director of Community Development and a separate Landmark Alteration Permit may be required. [COA] [PLANNING]

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**THE FOLLOWING CONDITIONS SHALL BE ADDRESSED ON THE CONSTRUCTION PLANS SUBMITTED FOR ANY DEMOLITION PERMIT, BUILDING PERMIT, GRADING PERMIT, AND/OR ENCROACHMENT PERMIT AND SHALL BE MET PRIOR TO THE ISSUANCE OF SAID PERMIT(S).**

15. **CONDITIONS OF APPROVAL** – Final plans shall include all Conditions of Approval included as part of the approved application starting on sheet 2 of the plans. [COA] [PLANNING]

16. **RESPONSE TO CONDITIONS OF APPROVAL** – A written response indicating how each condition has or will be addressed shall accompany the building permit set of plans. [COA] [PLANNING]

17. **BLUEPRINT FOR A CLEAN BAY** – The building permit plans shall include a “Blueprint for a Clean Bay” on one full sized sheet of the plans. [SDR] [BUILDING]

18. **SOLID WASTE DISPOSAL PLAN** - A detailed recycling and solid waste disposal plan shall be submitted for review and approval by the Director of Community Development prior to issuance of building permit. [COA] [PLANNING]

19. **BEST MANAGEMENT PRACTICES** - The project shall comply with the following source control measures as outlined in the BMP Guidance Manual and SMC 12.60. Best management practices shall be identified on the building permit set of plans and shall be subject to review and approval by the Director of Public Works:

   a) Storm drain stenciling. The stencil is available from the City’s Environmental Division Public Outreach Program, which may be reached by calling (408) 730-7738.

   b) Landscaping that minimizes irrigation and runoff, promotes surface infiltration where possible, minimizes the use of pesticides and fertilizers,
and incorporates appropriate sustainable landscaping practices and programs such as Bay-Friendly Landscaping.

c) Appropriate covers, drains, and storage precautions for outdoor material storage areas, loading docks, repair/maintenance bays, and fueling areas.

d) Covered trash, food waste, and compactor enclosures.

e) Plumbing of the following discharges to the sanitary sewer, subject to the local sanitary sewer agency’s authority and standards:

   i) Discharges from indoor floor mat/equipment/hood filter wash racks or covered outdoor wash racks for restaurants.

   ii) Dumpster drips from covered trash and food compactor enclosures.

   iii) Discharges from outdoor covered wash areas for vehicles, equipment, and accessories.

   iv) Swimming pool water, spa/hot tub, water feature and fountain discharges if discharge to onsite vegetated areas is not a feasible option.

   v) Fire sprinkler test water, if discharge to onsite vegetated areas is not a feasible option. [SDR] [BUILDING]

THE FOLLOWING CONDITIONS SHALL BE COMPLIED WITH AT ALL TIMES DURING THE CONSTRUCTION PHASE OF THE PROJECT.

20. BLUEPRINT FOR A CLEAN BAY – The project shall be in compliance with stormwater best management practices for general construction activity until the project is completed and either final occupancy has been granted. [SDR] [BUILDING]

THE FOLLOWING CONDITIONS SHALL BE COMPLIED WITH AT ALL TIMES THAT THE USE PERMITTED BY THIS PLANNING APPLICATION OCCUPIES THE PREMISES.

21. HOURS OF OPERATION (RESTAURANT) – The restaurant use with on sale general alcohol sales shall comply all ABC license requirements and with the following hours of operation and age restrictions at all times:

   a) The hours of operation for the restaurant are limited to 6:00 a.m. to 1:30 a.m. for standard hours of operation, excluding short duration sales events which may have extended hours and no one under 21 years of age is allowed on the premises after 10:00 p.m. Hours extending beyond 1:30 a.m. require review and approval by the Director of Community Development through a Miscellaneous Plan Permit. [COA] [PLANNING/PUBLIC SAFETY]

22. HOURS OF OPERATION (ENTERTAINMENT ESTABLISHMENT, WITH DANCING) – The entertainment establishment for 21 or older shall comply all
ABC license requirements and with the following hours of operation and age restrictions at all times:

a) The hours of operation are limited to 10:00 p.m. to 1:30 a.m. (unless reduced hours are applied by ABC) for standard hours of operation, excluding short duration sales events which may have extended hours and no one under 21 years of age is allowed on the premises after 10:00 p.m. Hours extending beyond 1:30 a.m. require review and approval by the Director of Community Development through a Miscellaneous Plan Permit.

23. EVENTS - No outside event promoters are allowed to operate at this location. All entertainment/entertainers must be hired directly by the business managers or owners. Only private events operated by the bona fide tenant (PM Entertainment Inc), or its successors, are permitted.

24. SECURITY - The business operator shall retain private uniformed security guards who shall be responsible for monitoring noise, any patrons loitering outside of the building, and shall be on-site at all times when entertainment establishment and dancing is occurring and a minimum of 1 hour prior to the nightclub operating hours and until all patrons have departed the site and surrounding area. The security camera system shall be maintained in working order in compliance with the system approved by the Crime Prevention Division of Public Safety Department. Security guards shall comply with the following:

a) The security guards shall be responsible for working closely with Public Safety to resolve problematic operational issues.

b) Private security guards shall be responsible for ensuring that no patrons are loitering in front or rear area of the premises, at all times.

c) All private security guards shall comply with the security plan approved by Public Safety.

d) The amount of security guards needed shall be a minimum of 1 per 40 patrons unless otherwise approved by the Department of Public Safety.

25. EMPLOYEE TRAINING – The business operator shall ensure that all employees are trained on the following:

a) The business operator shall create an employee manual that informs employees the proper procedure in dealing with drunk and disorderly patrons and all security protocol included in the security plan. The manual shall address items such as outside transportation contact information for patrons leaving the club to their homes, maximum drink limits for inebriated patrons, policies on over-service of drinks, etc.

b) Employees shall be given training and education from the employee manual on a quarterly basis.

26. SECURITY AND SAFETY PLAN – The business operator shall comply with the approved security and safety plan and noncompliance with the security plan resulting in extraordinary public safety service will result in the City billing the
business or land owner for public safety services pursuant to SMC 9.47. Any revisions to the approved security plan shall be submitted to Crime Prevention Division of Public Safety Department for review. [COA] [PUBLIC SAFETY]

27. SITE INSPECTIONS – The City reserves the right to conduct biannual inspections of the site to ensure that use is operating in compliance with the approved conditions of approval. [COA] [PLANNING]

28. SECURITY CAMERA SYSTEM OPERATION – The security camera system shall be maintained and operated at all time the business is in operation and recordings shall be retained for 30 days. The Department of Public Safety may request copies at any time. [COA] [PUBLIC SAFETY].

29. PRIVATE ROOMS – The creation of private rooms is prohibited. Open alcoves or similar features that allow clear visibility into the area may be added and require review and approval by the Director of Community Development through a Miscellaneous Plan Permit. [COA] [PUBLIC SAFETY].

30. RECYCLING AND SOLID WASTE - All exterior recycling and solid waste shall be confined to approved receptacles and enclosures. [COA] [PLANNING]

31. LOUDSPEAKERS PROHIBITED - Out-of-door loudspeakers shall be prohibited at all times. [COA] [PLANNING]
Project Description Letter

Location: 146 S Murphy Ave, Sunnyvale
Landlord: Jane Sun
Tenant: PM Entertainment Inc.
DBA: Fusion Steakhouse and Night Club
ETA of Opening: Spring 2011
License Required: Conditional Use Permit & Type 48 ABC License

Mission Statement: Committed to being one of the finest authentic Taiwanese Steak House Restaurant & Lounge in the heart of downtown Sunnyvale.

Goal: To obtain a positive revenue gain for the city of Sunnyvale through our creative products and services. Along with the city's support, we look forward to making the downtown area a hot spot not only for retail services, but a place where patrons can sample unique foods and experience the upscale nightlife entertainment.

Business Model: Our business model is divided into three sections, restaurant, night club and special events.

Renovation: Cosmetic Upgrade with NO change to interior and exterior partition layout, kitchen, restroom, interior stairs etc. We will have new paint, flooring, and furniture.

1) Restaurant:

Food Description: Marinated steak on a sizzling plate with a special black pepper sauce, served with udon noodles & egg. Complimentary in house special soup & healthy tea from Taiwan comes with every entree. Chefs from Taiwan will also be showcasing their special ingredients through various dishes that we will be serving.

Sales point: Provide delicious meals and beverages at the most affordable prices, along with superior customer services.

Serving lunch and dinner, 6-7 days a week, food will be served inside the premises as well as outside (front and rear)
Lunch Hour: 11:30am – 2:30pm / about 12 employees / estimated 50 patrons
Dinner Hour: 5:30pm – 9:30pm / about 15 employees / estimated 80 patrons

2) Night Club:

Fridays and Saturdays, from 10pm to 2am
- Targeting the prestigious working class, upscale and mature crowd.
- In house promotion (no outside promoters)
- Strictly 21 and over, 23 and over preferred
- Upscale dress code will be heavily enforced
- Live DJs: Music - strictly top 40s, house & dance music (no rap music)
- Dancing & bottle service are available
- Appetizers, fruits and alcohol will be served all night

Marketing Plan:
Advertise through the corporate channels (happy hour specials on Fridays), social networking sites, social mixers, and word of mouth (friends & family).

Fridays: about 25 employees / estimated at 400 patrons
Satudays: about 30 employees / estimated at 600 patrons

3) Special Events:

- Corporate events (Christmas Party, Anniversary, Product launch event, etc)
- Weddings
- Charity events
- Networking & social mixers
- Theatrical show (mini Broadway show, etc)
- Comedy show

This can be any day of the week; employees and patrons will vary and depend on the type of event.

Staff:
All restaurant personnel will be trained properly to follow the Fusion Restaurant and Lounge policy and procedures.
All security personnel will be licensed and monitored at all times. They will be in suits with security name tags.

Previous use:
This location was previous known as the Abyss night club and operated primarily as a night club for the 18+, not a restaurant.

Thank you for your time.

Best Regards

PM Entertainment Inc