



Memorandum

TO: CITY COUNCIL

FROM: Mayor Liccardo
Councilmember Peralez
Councilmember Davis

SUBJECT: SEE BELOW

DATE: June 28, 2022

Approved

Date June 24, 2022

SUBJECT: PD22-011 - Planned Development Permit and Determination of Public Convenience or Necessity for Certain Real Property Located at 350 Barack Obama Boulevard.

RECOMMENDATION

- a) Approve Staff and Planning Commission recommendation No. 1.
- b) Deny Staff and Planning Commission recommendation No. 2 adopting a resolution approving, subject to conditions, a Planned Development Permit and Determination of Public Convenience or Necessity to allow the off-sale of alcohol (Type 21 full range of alcoholic beverages) at an existing 1,265-square foot retail store on an approximately 0.8-gross acre site located at 350 Barack Obama Boulevard (For You Mini Market).

BACKGROUND

When Strong Neighborhood Initiative (SNI) areas convened community leaders in our City's most challenged neighborhoods two decades ago, they established "top ten" priorities, and created SNI plans for neighborhood improvement based on those priorities. Several of those plans reflected the strong consensus among neighborhood leaders of a desire to halt the

expansion of “off-sale” alcohol permits in their communities.

The insights of our community leaders align with the best thinking of national experts in urban planning, public health, and public safety. A [parade of studies](#) and a growing consensus about the impacts of our built environment point to the many ills of additional points of sale of alcohol in struggling neighborhoods, demonstrating strong correlations between off-sale permit issuances and [violent street crime](#), [obesity and diabetes rates](#), [domestic violence](#), blight, and economic stagnation. A proliferation of corner mini-marts also makes more remote the prospect of any neighborhood getting a coveted full-service grocery store within its “food desert,” because of the saturation of high-profit, low-value products like booze and processed snack foods that would crowd out grocery stores’ profit margins in the same neighborhood.

The rules establish a strong presumption against the issuance of an off-sale alcohol permit in a geographic context like this one. According to the staff report, under state law, "the Department of Alcohol Beverage Control must deny an application for a liquor license if issuance of that license would tend to create a law enforcement problem, or if the issuance would result in or add to an undue concentration of liquor licenses in the area, unless the city determines that the public convenience or necessity would be served by the issuance of the license." Staff concedes on page 10 that “the first and third findings for the Determination of Public Convenience or Necessity cannot be made.”

For whatever reason, the administration’s recommendation continues reaching to identify “a significant and overriding public benefit or benefits will be provided by the proposed use” to overcome the presumption against granting an off-sale permit.

In this case, that "significant and overriding public benefit," consists of the hope that another mini-convenience store would "provide a more complete and convenient shopping experience to the existing and future residents." Yet residents could achieve that “complete and convenient shopping experience” as easily by walking next door to the Habesah Mini-Mart on Barack Obama Boulevard or by crossing the street to the Chevron mini-mart, located on the same block. Or by walking to the “Shop and Save Mart.” Yes, there are *three* convenience stores within a block of the applicant’s site, safely assuming that the neighborhood indeed already has a “complete and convenient shopping experience.”

There is equally a concern that community feedback was not thoroughly solicited, evident by the fact that the Delmas Park Neighborhood Association was never made aware or notified of the application.

We appreciate that the risk profile of these decisions often creates inequities within our community. Applicants—or their legal team—yell at City Staff who recommend denial of their permits, while low- and modest-income residents generally do not raise their concerns if a permit is granted, because nobody tells them. So, consequently, challenged neighborhoods get more liquor stores and convenience stores while Grocery stores stay within neighborhoods like Willow Glen. of circumstances have served as the basis of why the City Council needs to continue investing in reforming our city policies and practices that spawn these inequities.

Additionally, it appears that the analysis failed to accurately account for the residential use adjacent to this site—the Pensione Esperanza affordable housing project—which inaccurately is referred to as a “hotel.” Several of its residents struggle to recover from substance addiction; per the Pensione Esperanza webpage, the project reserves ten units for Shelter Plus Care clients, who typically have histories of chronic alcohol or drug use.

This information, along with the fact that the site is in the Delmas Park Strong Neighborhoods Initiative area and an over-concentrated census tract, should result in the denial of this item.