

ORDINANCE NO. 2026-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMECULA AMENDING TITLE 17 OF THE TEMECULA MUNICIPAL CODE TO IMPLEMENT AN ALCOHOL USE PERMIT (AUP), AND MAKE A FINDING THAT THIS ORDINANCE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO CEQA GUIDELINES SECTION 15061 (B)(3)

THE CITY COUNCIL OF THE CITY OF TEMECULA DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Procedural Findings. The City Council of the City of Temecula does hereby find, determine, and declare that:

A. City staff identified the need to make revisions and clarifications to portions of Title 17 (Zoning) of the Temecula Municipal Code.

B. The code amendments are being made to address evolving changes to the retail, dining, and entertainment sectors, including changing consumer demand patterns, the increasing integration of alcohol beverage service within traditional retail establishments, and the emergence of new and evolving business models involving the sale and service of alcoholic beverages.

C. The code amendments are intended to establish a permitting mechanism whereby the Planning Commission may evaluate alcohol-related uses on a case-by-case basis, ensuring compatibility with surrounding uses, and impose reasonable operational conditions tailored to the specific characteristics of each business.

D. The code amendments are further intended to provide flexibility for evolving business models and commercial uses while ensuring appropriate regulatory oversight of establishments involving alcoholic beverage sales in a manner that protects the public health, safety, and welfare and maintains the high quality of life enjoyed by Temecula residents.

E. As required by State law, the Planning Commission considered the proposed amendments to Title 17 (Zoning) of the Temecula Municipal Code (“Ordinance”) on August 5, 2026, at a duly noticed public hearing as prescribed by law, at which time the City staff and interested persons had an opportunity to and did testify either in support of or opposition to this matter.

F. At the conclusion of the Planning Commission hearing and after due consideration of the testimony, the Planning Commission adopted PC Resolution No. 2026-___, recommending that the City Council adopt the Ordinance.

G. The City Council, at a regular meeting, considered the Ordinance on August 25, 2026, at a duly noticed public hearing, as prescribed by law, at which time the City Staff and

interested persons had an opportunity to and did testify either in support or opposition to this matter.

H. Following the public hearing, the City Council considered the entire record of information received at the public hearings before the Planning Commission and City Council.

Section 2. Further Findings. The City Council, in approving the proposed Ordinance, hereby makes the following additional findings as required by Section 17.01.040 (“Relationship to General Plan”) of the Temecula Municipal Code:

1. The proposed uses are allowed in the land use designation in which the use is located, as shown on the land use map, or is described in the text of the general plan.

The proposed changes to Title 17 include implementing an alcohol use permit process for establishments involving the sale or service of alcoholic beverages. These changes provide a permitting mechanism to allow the Planning Commission to evaluate alcohol-related uses on a case-by-case basis and impose conditions of approval as appropriate. These changes are imposing requirements on existing uses, rather than allowing a use where it was not previously permitted. Inclusion of consistent standards for establishments that sell alcohol furthers Goal 1 of the Land Use Element which specifies “A diverse and integrated mix of residential, commercial, industrial, recreational, public and open space land uses.” The amendments to the standards for establishments that offer the sale of alcohol for on-site consumption clarify that the distance requirement from sensitive uses (religious institutions, schools, day care centers, and public parks that does not apply to commercial uses, similarly does not apply to mixed-use.

2. The proposed uses are in conformance with the goals, policies, programs and guidelines of the elements of the general plan.

The proposed Ordinance implements consistent standards for establishments that sell alcohol, which furthers Goal 3 of the Public Safety Element which is to provide “A safe and secure community free from the threat of personal injury and loss of property.”

3. The proposed uses are to be established and maintained in a manner which is consistent with the general plan and all applicable provisions contained therein.

The proposed amendments to Title 17 of the Temecula Municipal Code do not propose any land use that is inconsistent with the Temecula General Plan. The proposed changes implement a new alcohol permitting mechanism on alcohol-related uses that are presently permitted and furthers Goal 2 of the adopted General Plan which states, “Orderly and efficient patterns of growth that enhance quality of life for Temecula Residents.”

Section 3. Environmental Findings. The City Council hereby finds that this Ordinance is exempt from the requirements of the California Environmental Quality Act (“CEQA”) pursuant to Title 14 of the California Code of Regulations, Section 15061(b)(3) because it can be seen with certainty that there is no possibility that the adoption of the Ordinance would have a significant impact on the environment. The Ordinance establishes an alcohol use permitting process to allow the sale or service of alcohol in new or existing establishments. The Ordinance does not allow new uses where they otherwise would not be permitted and, therefore, there is no

possibility that the adoption of the Ordinance will have a significant effect on the environment. The Community Development Director is hereby directed to file a Notice of Exemption in accordance with CEQA and the State CEQA Guidelines.

Section 4. Table 17.03.010 of Chapter 17.03 (Administration of Zoning) of Title 17 (Zoning) of the Temecula Municipal Code is hereby amended to read as follows (with additions appearing in underlined text and deletions appearing in strikethrough), with all other provisions of Table 17.03.010 remaining unchanged:

Table 17.03.010				
Planning and Zoning Approval Authority				
Application	Administrative Approval	Planning Director	Planning Commission	City Council
General plan amendment			Recommendation ¹	X ¹
Zoning amendment: text changes			Recommendation ¹	X ¹
Zoning amendment: map changes			Recommendation ¹	X ¹
Zoning amendment: specific plan, includes specific plan amendments			Recommendation ¹	X ¹
Conditional use permit (CUP)— existing building		X ^{1,2}		
Conditional use permit with a development plan		X ^{1,2,3}	X ^{1,3}	
CUP modification (all changes)		X ^{1,6}		
Development plan (10,000 sq. ft. or greater)			X ¹	
Development plan (less than 10,000 sq. ft.)		X ¹		
<u>Alcohol Use Permit (AUP)</u>			<u>X^{1,7}</u>	
Major modifications	X ^{2,4}		X ^{1,4}	
Minor modifications	X ²			
Administrative development plan	X ²			
Home occupation plan	X ²			
Minor exceptions	X ²			
Sign permits	X ²			

Sign programs, including sign program modifications	X ²			
Temporary use permits	X ²			
Variance			X ¹	
Accessory dwelling unit	X ⁵			
Hillside development permit			X ¹	
Notes:				
1. Requires consideration at a noticed public hearing.				
2. For matters that are considered to have special significance or impact, the <u>Director of Community Development planning</u> may refer such items to the Planning Commission for consideration.				
3. Conditional use permits without development plans are approvable by the director of planning. Conditional use permits with development plans are approvable by hearing body required for the development plan.				
4. Major modifications of projects which were approved by the Planning Commission or city council shall be considered by the original approval body. Increases in building square footage that results in a building larger than 10,000 square feet shall be considered by the Planning Commission.				
5. State law requires the administrative consideration of secondary dwelling units. These applications cannot be promoted to the Planning Commission.				
6. Any proposed modification to <u>an existing CUP</u> shall require all entertainment and alcohol provisions contained therein to be removed and CUP modified to comply with Chapter 9.10 (Entertainment License) and Chapter 17.09 (Alcohol), without exception.				
<u>7. An AUP is required for all alcohol uses except those allowed by right in the Municipal Code or Specific Plan and shall comply with Chapter 17.09 (Alcohol).</u>				
For a development application that requires more than one permit or approval, the approving authority for the entire application shall be the highest level of approval for any portion of the application. <u>Any alcohol use not permitted by right shall require approval of an AUP pursuant to Chapter 17.04.</u>				

Section 5. Section 17.04.015 (Alcohol Use Permit) is hereby added to Chapter 17.04 (Permits) of Title 17 (Zoning) of the Temecula Municipal Code to read as follows:

“§ 17.04.015 Alcohol Use Permits.

- A. Purpose and Intent. An alcohol use permit or “AUP” is intended to allow the establishment of alcohol uses that are not permitted by right which, by their nature, have some special impact or uniqueness such that their effect on the surrounding environment cannot be determined in advance of the alcohol use being proposed for a particular location. The AUP provides the city with the means to review the location, design, configuration of uses, operations, and potential impact and compatibility with the surrounding area through a review and approval process.

It is the intent to require all alcohol uses not permitted by right to be permitted through an AUP. Instances where multiple applications are required or proposed, the alcohol component shall be permitted only through an AUP unless otherwise permitted by right.

No AUP approved by the Planning Commission shall have any force or effect until the applicant thereof actually receives such permit signed by the Director of Community Development designating the conditions of its issue thereon, and executes their written consent or otherwise consents to the conditions imposed. No permit shall be issued until the time for filing an appeal as provided in Section 17.03.090 has expired, or in the event of such appeal, after the final determination thereof by the respective authority.

- B. Application Requirements. Applications for AUP's shall be completed in accordance with § 17.03.010. In the event multiple applications are submitted or multiple approvals are needed, the approving authority for the highest level of approval shall act on the application; however, any and all alcohol use(s) not permitted by right shall only be permitted through an AUP. Applications from an AUP shall be accompanied by payment of the applicable fee established by resolution of the City Council.
- C. Authority. AUPs shall require a public hearing before the Planning Commission.
- D. Findings.
 - 1. To approve or conditionally approve an AUP, the Planning Commission must make the following findings:
 - a. The proposed use is consistent with the general plan and development code.
 - b. The proposed AUP is compatible with the nature, condition, and development of adjacent uses, buildings, and structures and the proposed use will not adversely affect the adjacent uses, buildings, or structures.
 - c. The site for the proposed use is adequate in size and shape to accommodate the yards, walls, fences, parking and loading facilities, buffer areas, landscaping, and other development features prescribed in this development code and those required as a condition of approval.
 - d. The nature of the proposed use is not detrimental and does not jeopardize, adversely affect, endanger, or otherwise constitute a nuisance to the public health, safety, or general welfare of the community.
 - e. The proposed AUP may include a finding of public convenience or necessity, where required by the California Department of Alcoholic Beverage Control.
 - f. That the decision to approve, conditionally approve, or deny the application for an AUP be based on substantial evidence in view of the record as a whole before the Planning Commission or city council on appeal.
 - 2. The Planning Commission may impose reasonable conditions in approving or conditionally approving the AUP. Conditions of approval may include addressing any

pertinent factors affecting the establishment, operation, or maintenance of the requested use.

- E. Conditions of Approval. All conditions, standards, and requirements contained in §17.09 specific to the AUP, as determined by the Planning Commission, are applicable upon approval of an AUP. Additionally, any conditions attached to the AUP and ABC License shall become effective immediately upon issuance of an AUP. Violations of any of these conditions, standards, or requirements are grounds for revocation pursuant to subsection J.
- F. Expiration of Alcohol Use Permit. Within one year of approval, as dated on the approved AUP, commencement of use shall have occurred, or the approval shall be subject to expiration. Commencement of use shall be defined by the issuance of a certificate of occupancy. Additionally, if after commencement of the approved use under the AUP, the approved use of the AUP is discontinued for a period of one year, then the AUP shall be deemed abandoned.
- G. Time Extension. No extension of time shall be provided.
- H. Non-Transferability. An AUP is personal to the permit holder and the specific business operation approved under the permit and shall not run with the land. An AUP may not be transferred or assigned to another person, entity, business operator, or alcoholic beverage license holder. Any change in ownership, operator, business entity, or alcoholic beverage license holder shall require the submission and approval of a new AUP, unless otherwise determined by the Planning Commission.
- I. Reservation of Right to Review Alcohol Use Permit. Any AUP granted or approved hereunder, shall be approved or conditionally approved with the city, and its Planning Commission and city council retaining and reserving the right and jurisdiction to review and modify such AUP (including the conditions of approval) based on changed circumstances. Changed circumstances include, but are not limited to, the modification of the business, changes or additional alcoholic beverage control license(s), a change in scope, emphasis, size, ABC License Type, or nature of the business, and the expansion, alteration, reconfiguration, or change of use. The reservation of right to review any AUP granted or approved or conditionally approved hereunder by the city, is in addition to, and not lieu of, the right of the city, its Planning Commission and city council to review and modify any AUP approved or conditionally approved hereunder for any violations of the conditions imposed on such AUP or for the maintenance of any nuisance condition of this or any other applicable code violation thereon.
- J. Modifications of an Alcohol Use Permit. Modifications to any AUP shall be completed through a modification application as specified in § 17.05.030.
- K. Revocation and Notice.
 - 1. Notice of Revocation. If the Director of Community Development determines that grounds for revocation may exist, the matter shall be set for a hearing before the Planning Commission. The Director of Community Development or designee shall

provide written notice of the revocation hearing to the permit holder. The notice shall identify the basis for the proposed revocation and the date, time, and location of the hearing. The director of community development, in giving notice of the revocation, shall observe the following noticing requirements:

- a. The director of community development or designee shall serve the owner of the business involved written notice of such hearing by registered or certified mail, return receipt requested.
2. In the event the certified or registered mail is refused, returned or undelivered after ten days after deposit in the United States mail, the Director of Community Development shall cause the same notice to be sent via first class, regular United States mail, with postage fully paid thereon to the address in the records.
3. Revocation. The Planning Commission may revoke an AUP upon a determination that any of the following circumstances exist:
 - a. That the permit was obtained by omission, misrepresentation, or fraud;
 - b. That any of the conditions of approval for the permit have not been met or are being violated;
 - c. That the use for which the permit was granted is operating in violation of any statute, ordinance, law or regulation;
 - d. That the permit is being exercised in a way that is detrimental to the public health, safety or welfare or constitutes a nuisance.
- L. Appeal. Any decision of the Planning Commission to revoke an AUP may be appealed pursuant to § 17.03.090. If no appeal is timely filed in accordance with § 17.03.090, the Planning Commission's decision shall become final.
- M. Additional Requirements. AUP's are intended to provide a flexible permitting mechanism that allows ancillary alcohol-related uses to be evaluated on a case-by-case basis. In approving or conditionally approving an AUP, the Planning Commission may impose additional conditions recommended from planning, building and safety, fire and/or police departments."

Section 6. Subsection C (Land Use Requirements) of Section 17.09.040 (Permit(s) Required) of Chapter 17.09 (Alcohol) of Title 17 (Zoning) of the Temecula Municipal Code is hereby amended to read as follows (with additions appearing in underlined text and deletions appearing in strikethrough text), with all other provisions of Section 17.09.040 remaining unchanged:

“§17.09.040(C)

C. Land Use Requirements.

1. ~~An Conditional Alcohol Use Permit (A€UP)~~ shall be required for all other ABC License Types except ~~a of a Type 41 and Type 90 ABC license, see §9.10.125 for permitting requirements. See §17.04.015 for AUP requirements.~~

Section 7. Subitem P (Ancillary Use) of Item 1 of Subsection A (Standards and Operational Requirements Generally) of Section 17.09.060 (Alcoholic Beverage Sales Operational Standards) of Chapter 17.09 (Alcohol) of Title 17 (Zoning) of the Temecula Municipal Code is hereby amended to read as follows (with additions appearing in underlined text and deletions appearing in strikethrough text), with all other provisions of Section 17.09.060 remaining unchanged:

“§17.09.060(A)1(p.)

p. Ancillary use. For establishments with on-sale alcohol beverage sales that are not bona fide eating establishments, the "bar area" may ONLY be an ancillary use subject to the approval as specified in Table 17.03.010 of a conditional use permit.”

Section 8. Item 3(a) of Subsection B (Standards for establishments that offer the sale alcohol for on-site consumption, regardless of ABC license type) of Section 17.09.060 (Alcoholic Beverage Sales Operational Standards) of Chapter 17.09 (Alcohol) of Title 17 (Zoning) of the Temecula Municipal Code is hereby amended to read as follows (with additions appearing in underlined text), with all other provisions of Section 17.09.060 remaining unchanged:

“§17.09.060(B)

3. Postings Required. The following physical postings must be located in a conspicuous place, as follows:

a. Manager on Duty Posting. During business hours, the establishment shall post the name of the staff member who is responsible for the business during that shift. The posting must be legible and visible to the public when entering the business. The responsible person must be:

- i. An employee.
- ii. Certified in accordance with the responsible beverage service training requirements in California Business and Professions Code Section 25683.
- iii. Aware of all requirements in the conditional use permit or alcohol use permit, certificate of occupancy entertainment license (as applicable), and ABC license.”

Section 9. Item 10 of Subsection B (Standards for establishments that offer the sale alcohol for on-site consumption, regardless of ABC license type) of Section 17.09.060 (Alcoholic Beverage Sales Operational Standards) of Chapter 17.09 (Alcohol) of Title 17 (Zoning) of the Temecula Municipal Code is hereby amended to read as follows (with additions appearing in underlined text), with all other provisions of Section 17.09.060 remaining unchanged:

“§17.09.060(B)

10. Businesses selling alcoholic beverages that require a ~~conditional~~ alcohol use permit shall not be located within six hundred feet of any religious or educational institution, day care center or public park. This distance shall be measured between the main entrance of the alcohol selling business and the closest public entrance to the religious or educational institution, day care center or public park. This requirement shall not apply when the alcohol-selling business and the religious, day care center, public park or educational institution are both located within a commercial, mixed-use, or industrial zones. This separation requirement shall also not apply to restaurants (bona fide eating establishments).”

Section 10. Item 4(d) of Subsection C (Specific Alcohol Regulations Based on Land Use) of Section 17.09.060 (Alcoholic Beverage Sales Operational Standards) of Chapter 17.09 (Alcohol) of Title 17 (Zoning) of the Temecula Municipal Code is hereby amended to read as follows (with additions appearing in underlined text), with all other provisions of Section 17.09.060 remaining unchanged:

“§17.09.070(C)

4.d. The failure to comply with any of these conditions may result in the revocation of the conditional use permit or alcohol use permit pursuant to Section 17.04.010 of this title.”

Section 11. Severability. If any section or provision of this Ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, or contravened by reason of any preemptive legislation, the remaining sections and/or provisions of this Ordinance shall remain valid. The City Council hereby declares that it would have adopted this Ordinance, and each section or provision thereof, regardless of the fact that any one or more section(s) or provision(s) may be declared invalid or unconstitutional or contravened via legislation.

Section 12. Certification. The Mayor shall sign and the City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same or a summary thereof to be published and posted in the manner required by law.

Section 13. Effective Date. This Ordinance shall take effect thirty (30) days after passage.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Temecula the 8th day of September 2026.

Jessica Alexander, Mayor

ATTEST:

Randi Johl
City Clerk

[SEAL]

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss
CITY OF TEMECULA)

I, Randi Johl, City Clerk of the City of Temecula, do hereby certify that the foregoing Ordinance No. 2026- was duly introduced and placed upon its first reading at a meeting of the City Council of the City of Temecula on the 25th day of August, 2026, and that thereafter, said Ordinance was duly adopted by the City Council of the City of Temecula at a meeting thereof held on the 8th day of September, 2026, by the following vote:

AYES: COUNCIL MEMBERS:

NOES: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

Randi Johl
City Clerk