



Council Agenda Report

From: Sam Ricklefs, Assistant Planner

Subject: Determination of Public Convenience or Necessity for a Type 21 California Department of Alcoholic Beverage Control License for an Existing Gas Station Located at 2401 Golden Hill Road (APN: 025-422-037)

CEQA Determination: The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

Date: April 21, 2026

Facts

1. Doug Ulrich, representing D&M Gas Facility, Inc., has applied for a California Department of Alcoholic Beverage Control (ABC) Type 21 license to authorize the sale of beer and wine for off-premises consumption at the Mobil gas station located at 2401 Golden Hill Road.
2. The application request is for the conversion of an existing Type 20 license (#426995), originally issued to D&M Gas Facility, Inc. by California ABC in August 2005 and active as of April 2026, to a Type 21 license to allow for the sales of distilled spirits.
3. It has been determined by ABC staff that there is an “undue concentration” in relation to the number of alcohol-related licenses that currently exist in this area of the City (Census Tract 102.07). As a result of the undue concentration, [California Business and Professions Code Section 23958.4](#) requires that “the local governing body of the area in which the applicant premises are located, or its designated subordinate officer or body, determines within 90 days of notification of a completed application that public convenience or necessity would be served by the issuance”.
4. The City has been notified by the ABC that it is necessary for the City to make a finding of public convenience or necessity (ABC26-02) in relation to the request for a Type 21 license at 2401 Golden Hill Road.
5. As the City’s primary governing body, City Council has the ability to make the determination that either a public convenience or necessity would be served by the issuance of a Type 21 license at this location.

Community Outreach

The ABC licensing process requires notification to the public and to local officials. As per [California Business and Professions Code Sections 23985.5](#), a written mail notification was provided to all residents within 500 feet of the property requesting the license. Furthermore, as per the applicant was required to post a public notice at a prominent location on the proposed premises for 30 days, as per [California Business and Professions Code Sections 23985](#). The applicant fulfilled these notification requirements, and no public comments or objections from residents were received as through this process.

Options

1. Take no action;
2. Approve a resolution determining that the Public Convenience will be served by the issuance of a Type 21 ABC License for the business to be located at 2401 Golden Hill Road (ABC26-02);
3. Deny the request for Public Convenience based on findings to be stated in the City Council motion; or
4. Provide alternative direction to staff.

Analysis and Conclusions

Planning Staff have reviewed the request from Doug Ulrich. This request is to sell beer and wine as a continuation of existing uses, while adding the sales of distilled spirits due primarily to customer demand. The proposed Type 21 license is consistent with other businesses located within Census Tract 102.07 that have been approved for off-sale retail licenses by ABC. These businesses have been approved under two license types:

- **Type 20 – Off-Sale Beer and Wine.** Issued to retail stores. Authorizes the sale of beer and wine for consumption off the premises where sold. Minors are allowed on the premises.
- **Type 21 – Off-Sale General.** Issued to retail stores. Authorizes the sale of beer, wine and distilled spirits for consumption off the premises where sold. Minors are allowed on the premises.

California ABC establishes the number of off-sale alcoholic beverage licenses that should be granted within a given Census Tract by comparing the tract population to the given ratio for off-sale alcohol sales in San Luis Obispo County (1 license per 901 residents). Based on this calculation, ABC has determined it would be appropriate for Census Tract 102.07 to be authorized for four off-sale alcohol licenses, with any license above this number determined as contribution to an “undue concentration.” As of April 2026, six licenses of this type are active within the Census Tract. **Table 1**, below, contains information on active businesses in the Census Tract approved under either a Type 20 or Type 21 license.

Table 1. List of active Type 20 and Type 21 Licenses in Census Tract 102.07

| License Number | Status | License Type | Business Name | Premises Addr. |
|----------------|--------|--------------|--------------------------|---------------------|
| 284597 | ACTIVE | 20 | EAGLE ENERGY | 2400 GOLDEN HILL RD |
| 426995 | ACTIVE | 20 | GOLDEN HILL MOBIL | 2401 GOLDEN HILL RD |
| 444520 | ACTIVE | 20 | LA QUINTA INN & SUITES | 2615 BUENA VISTA DR |
| 540907 | ACTIVE | 20 | WINE COUNTRY RV | 2500 AIRPORT RD |
| 443750 | ACTIVE | 21 | FOOD 4 LESS | 1465 CRESTON RD |
| 564844 | ACTIVE | 21 | SMART & FINAL STORE #939 | 1191 CRESTON RD |

Source: California ABC (2026)

The property currently operates under a Type 20 license issued by California ABC, which has been active since August 2005. This license would be superseded by the issuance of a Type 21 license.

The proposed use is consistent with the purposes of the Commercial/Light Industrial (C3) zoning district, which permits fuel sales as a use type. The location has been continuously used for sales of alcohol related to a gas station usage for over 20 years, with no changes proposed that would require tenant improvements or a change of use. Addition of distilled spirit sales at this property will not increase the number of active licensed locations performing off-sale alcohol sales within the Census Tract and not create a further undue concentration of such sales. A finding of public convenience by the City Council

would further establish that the usage is appropriate and consistent with similar businesses operating under a Type 21 license.

Fiscal Impact

A minor positive fiscal impact would be expected from the addition of alcohol sales in this location.

CEQA

The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

Recommendation (Option 2)

Approve Resolution 26-XXX, determining that Public Convenience will be served by the issuance of a Type 21 ABC License for the business to be located at 2401 Golden Hill Road.

Attachments

1. Vicinity Map
2. Resolution 26-XXX – ABC 26-02 – 2401 Golden Hill
3. News Affidavit