



## Report to City Council

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**TO:** Mayor and City Council

**FROM:** Angelica Frausto-Lupo, Community Development Director

**AGENDA DATE:** August 19, 2025

**TITLE:** STAFFREPORT\_CC\_PAA25-0002\_Appeal of PEN24-0013\_08192025.docx

**TITLE SUMMARY:** Appeal Of The Planning Commission's Approval Of A Conditional Use Permit For The Development Of A 950-Square Foot Commercial Building (Dutch Bros Coffee) With A Drive-Through, Associated Parking and Landscape Improvements.

**DISTRICT:** District 3

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### Recommendation(s)

ADOPT Resolution No. 2025-XX, attached hereto:

1. DENYING Appeal (PAA25-0002), and upholding the Planning Commission's approval of Conditional Use Permit (PEN24-0013).

### SUMMARY

Staff recommends denying Appeal PAA25-0002, and upholding the Planning Commission's approval of the Proposed Project. The Proposed Project, Conditional Use Permit PEN24-0013, permits the development of a 950-square-foot commercial building (Dutch Bros Coffee) with a drive-through, associated parking, and landscape improvements. The Proposed Project is situated on the north side of Alessandro Boulevard, east of Perris Boulevard at 25040 Alessandro Boulevard (APN: 479-220-017) (Project Site) in the Neighborhood Commercial (NC) zone.

The Proposed Project, as designed and conditioned, is consistent with the goals, policies, and objectives of the City's General Plan, as well as the requirements of the Neighborhood Commercial (NC) zoning district and the City's Municipal Code.

## **DISCUSSION**

### **Planning Commission Action/Appeal**

The Proposed Project was considered by the Planning Commission at a duly noticed public hearing conducted on July 10, 2025, where the Planning Commission voted unanimously with a 7-0 vote, to approve Conditional Use Permit (PEN24-0013).

The Planning Commission decision was appealed by Sean Refahiat of Blake & Ayaz, A Law Corporation (Appellant) (PAA25-0002) within the requisite 10-day appeal period (Attachment A, Appeal Letter). The Appellant, on behalf of Shivah, Inc., the owner of the Sinclair Gas Station located at 25020 Alessandro Boulevard (APN: 479-220-018) is opposed to the Proposed Project based on specific issues related to 1) Encroachment and Property Rights, 2) Traffic, Access and Flow, 3) City Approval and Required Documentation, 4) Misrepresentation of Purpose, and 5) Insufficient Information on the Site Plan.

Encroachment and Property Rights. The landscape improvements proposed with the Dutch Bros Coffee project include on-site landscape as required by the City's Landscape Ordinance (street trees, shade trees, screening shrubs and ground cover), in addition to the relocation of two (2) landscape planters along the northerly property line and a new landscape planter just outside the easterly property line of the Dutch Bros Coffee project, and within the neighboring parcel (APN: 479-220-013). Written and notarized authorization on file was obtained by the Project Applicant from the adjacent property owner, GBF INV.

There are no landscape improvements proposed nor approved within the Appellant's property located at 25020 Alessandro Boulevard (APN: 479-220-018). The trash enclosure structure proposed with the Dutch Bros Coffee project is located entirely within the Dutch Bros Coffee Project Site, including where both service doors are open. Although service operations will require access from the neighboring property, an existing non-exclusive perpetual easement recorded on June 29, 1984 (Attachment B, Non-Exclusive Perpetual Easement), grants access for ingress, egress and passage of vehicles and pedestrians, into, out of, on, over, and across the easement area. Respectively, this includes access by contractors, consultants, suppliers, tenants, customers, and other parties who have, or desire or intend to have business to conduct within the existing shopping center, as referenced in the easement document. To ensure that reciprocal access, shared parking, landscaping and maintenance, etc. are addressed and maintained, a recommended condition of approval has been applied to the Proposed Project to require Covenant, Conditions, and Restrictions to be submitted to the City for review prior to building permit issuance.

Traffic, Access and Flow. A Transportation Impact Analysis (TIA) (LST24-0022) was prepared, reviewed and approved by the City for the Dutch Bros Coffee project in late 2024. The transportation analysis documented in the report was performed to comply with CEQA transportation vehicle-miles travelled (VMT) analysis and to assess transportation effects and consistency with the City of Moreno Valley's Transportation Impact Analysis Preparation Guide (June 2020). The traffic report was prepared to determine the expected transportation-related effects of the project, including project trip generation and trip distribution, operations analyses (level of service and site performance), and VMT assessment.

The trip generation data analyzed included that of three existing similar Dutch Bros Coffee shops (Indio, La Quinta and Yucaipa), similar in market service, layout and traffic conditions. Hourly averages of data collected were used to approximate the total inbound and outbound trips during the weekday AM and PM peak hours. The data showed that the highest number of transactions (vehicles) during the AM peak hours fell between 7 and 9 in the morning and the highest during the PM peak period fell between 4 and 6 in the afternoon. Recommendations for queue management within the shopping center were provided to address the potential for queued vehicles to extend beyond the store area, including the use of an escape lane, traffic control, and directional signage. As summarized in the report, the Proposed Project met the VMT screening criteria as local-serving retail and was presumed to have a less than significant impact on VMT and was therefore exempt from detailed VMT analysis.

The approval of Conditional Use Permit (PEN24-0013) included the proposed removal of 25 shared parking spaces from within the existing commercial shopping center, aimed at facilitating on-site circulation and accommodating any potential queuing excess, thus resulting in an extended driveway throat, which allows for additional vehicles to queue before interfering with any parking aisles. According to the Municipal Code, the requirement for drive-through restaurants is a capacity for queuing that accommodates a minimum of eight vehicles awaiting service. The Proposed Project's vehicle drive-through with a single service window will consist of two (2) lanes that will merge at the service window with the capacity to accommodate a queue of up to 15 vehicles and an escape lane. All customer orders will be taken in person at the window or by a runner using a handheld device, as no drive-through speaker boxes were proposed as part of the Project. The proposed ordering process was designed to minimize noise impacts and decrease the amount of vehicle idling at menu boards. In addition, the Proposed Project is conditioned to meet the ambient noise level requirements per the Municipal Code, should they wish to add a drive-through speaker in the future.

City Approval and Required Documentation. Consistent with the Moreno Valley Municipal Code provisions and exceeding the posting and distance requirement of applicable state law, a public notice was sent to all property owners of record within 600 feet of the Project Site (including the property owner of Sinclair Gas Station), notices were posted on the Project Site, with the County of Riverside and published in the Press Enterprise Newspaper, at least 10 days prior to the public hearing. Additionally, the staff report and supporting documents were also posted on the City's website at least one week prior to the scheduled public hearing.

Misrepresentation of Purpose. The Proposed Project does not propose improvements within the adjacent Sinclair Gas Station property to the west of the Dutch Bros Coffee parcel. All improvements proposed with Conditional Use Permit (PEN24-0013) will take place on-site within the Project Site and within the adjoining parcel along the northerly and easterly property lines (APN: 479-220-013) with approval from the property owner.

Insufficient Information on the Site Plan. The Proposed Project has been designed to meet or exceed the minimum development standards for eating and drinking establishments with a drive-through. The project plans demonstrate the location of the Project Site, including street names, property lines, the access easement for egress and ingress, trash enclosure, proposed landscape improvement areas, new and existing shared parking areas, and directional markings, among other features.

The Proposed Project, as required of all conditionally approved projects, imposes conditions of approval for the project regarding on-site improvements, off-site improvements, the manner in which the site is used and any other conditions as deemed necessary to protect the public health, safety and welfare and ensure that the project be developed in accordance with the purpose and intent of this title.

## **PROJECT DESCRIPTION**

### **Proposed Project**

The Applicant is requesting approval of a Conditional Use Permit (PEN24-0013), for the development of a 950-square foot commercial building (Dutch Bros Coffee) with a drive-through, associated parking and landscape improvements on a 0.51-acre vacant parcel, situated on the north side of Alessandro Boulevard, east of Perris Boulevard at 25040 Alessandro Boulevard (APN: 479-220-017), within the Neighborhood Commercial (NC) zone.

An eating and drinking establishment with a drive-through, located within 300 feet of a residential zone or use, is permitted in the Neighborhood Commercial zone, subject to the approval of a Conditional Use Permit. The Conditional Use Permit is required to ensure the drive-through/fast food restaurant does not result in an adverse impact on the surrounding neighborhood.

The Proposed Project will have a vehicle drive-through with a single service window. The drive-through will consist of two (2) lanes merging at the service window, including the capacity to accommodate a queue of up to 15 vehicles and an escape lane. All customer orders will be taken in person, at the window, or by a runner using a handheld device, as no drive-through speaker boxes are proposed. The proposed ordering process has been designed to minimize noise impacts and decrease the amount of vehicle idling at menu boards.

### **Site and Surrounding Area**

The 0.51-acre Proposed Project Site is located within an established commercial shopping center. The Proposed Project Site is currently vacant and was previously developed with a commercial building that was demolished in late 2022 due to fire damage. The Proposed Project Site is surrounded by commercial retail development to the north, east and south, and a service station immediately to the west.

### Access/Parking

The Project Site is located within a commercial shopping center that has five existing driveways, providing shared vehicular access to the Project Site from both Perris Boulevard and Alessandro Boulevard. The access will lead to the vehicle drive-through lane to the north, wrapping around the west and southern property lines, and then to the drive-through service window located along the southern side of the building. Pedestrian walkways are provided throughout the Project Site to ensure adequate pedestrian circulation. A clearly marked ADA-compliant path will direct customers to the walk-up window on the northern side of the building. Pedestrian access to the Project Site includes new walkways and ramps, including a new walkway along the Proposed Project's storefront to the existing sidewalk along Alessandro Boulevard.

To optimize the layout and circulation of the Proposed Project Site, the project anticipates removal of approximately 25 shared parking spaces from within the commercial shopping center and adding one (1) accessible parking space on the Project Site. The proposed parking lot layout features one-way aisles around the site, facilitating orderly movement throughout the plaza. The removal of shared parking spaces will not affect the parking required for the existing tenants of the shopping center. The remaining parking will continue to serve the shopping center's needs and meet the City's parking requirements for eating and drinking establishments. The Proposed Project requires a total of 10 vehicle parking spaces. The Proposed Project, as designed, satisfies the City's parking requirements of the Municipal Code.

### Design/Landscaping

The Proposed Project is located within an existing commercial shopping center. The architecture utilizes a variety of high-quality building materials, with simple, bold colors characteristic of the Dutch Bros Coffee brand. Vertical and horizontal façade breaks, building mass, and modulation have been incorporated into the design of the building to provide visual interest. The proposed building provides canopy awnings at the building entrances and service doors, including a large 300-square-foot canopy that covers the customer walk-up service window, offering weather protection. The building features enhanced design elements including a tower, wall articulation, and materials that are compatible with the surrounding development. The Proposed Project will include a trash and recycling enclosure with a roof cover, painted to match the architecture and design of the proposed building.

The Proposed Project will include street trees, shade trees, shrubs, and drought-tolerant landscape within the two (2) on-site bioretention facilities. Landscape improvements within the shared parking lot will include new landscape planters with required shade trees

and shrubs, all of which will complement the existing landscape treatments within the shopping center. The Proposed Project has been designed to meet and exceed the required design and landscape standards and objectives of the Municipal Code.

Site lighting will be provided at the Proposed Project Site for the safety and security of all customers, pedestrians, and employees. Outdoor lighting and illumination at the site will include parking lot security lighting and pedestrian-scale lighting within the patio space and along the pedestrian pathway. Exterior building lighting will also be installed on the building façade. The drive-through area will be provided with security lighting. All lights will include shields to direct light toward the project site and prevent glare from affecting adjacent land uses and rights-of-way.

## **REVIEW PROCESS**

As part of the standard review process, all appropriate outside agencies have considered the Proposed Project. The Proposed Project's application materials were circulated and reviewed by all appropriate City Departments and Divisions. Following subsequent revisions and staff review, the Project was deemed complete.

Pursuant to Section 9.02.020 (Conditional Use Permits) of Chapter 9.02 (Permits and Approvals) of Title 9 (Planning and Zoning) of the Municipal Code, the Planning Commission must make the following findings before approving in whole or in part the subject CUP:

1. That the Proposed Project is consistent with the goals, objectives, policies and programs of the General Plan;
2. That the Proposed Project complies with all applicable zoning and other regulations;
3. That the Proposed Project will not be detrimental to the public health, safety or welfare or materially injurious to properties or improvements in the vicinity; and
4. The location, design and operation of the Proposed Project will be compatible with existing and planned land uses in the vicinity.

## **ENVIRONMENTAL**

The Proposed Project has been evaluated in compliance with the criteria set forth in the California Environmental Quality Act (CEQA) and CEQA Guidelines. The Proposed Project was found to be categorically exempt from the provisions of CEQA under CEQA Guidelines Section 15332 for In-Fill Development (Class 32 Exemption). Pursuant to the California Code of Regulations, a Class 32 Exemption can be applied to a project since: 1) the Proposed Project is consistent with the applicable General Plan designation and policies and all applicable zoning designation and regulations and applicable policies; 2) the Project Site is no more than five acres in size substantially surrounded by urban uses; 3) the Project Site has no value, as habitat for rare, threatened or endangered species; 4) the Proposed Project will not result in any significant effects related to traffic, noise, air quality, or water quality; and 5) the Project Site can be adequately served by all required utilities and public services.

## **ALTERNATIVES**

1. **DENY** Appeal PAA25-0002 upholding the Planning Commission's approval of the Proposed Project. (***Staff recommends this alternative.***)
2. **APPROVE** Appeal PAA25-0002, reversing the Planning Commission's approval of the Proposed Project (***Staff does not recommend this alternative.***)

## **NOTIFICATION**

Consistent with the Moreno Valley Municipal Code provisions and exceeding the posting and distance requirement of applicable state law, a public notice was sent to all property owners of record within 600 feet of the Project Site, and notices were posted on the Project Site and published in the Press Enterprise Newspaper, at least 10 days prior to the public hearing. As of the preparation of this Staff Report, no public comment has been received regarding the Proposed Project.

## **PREPARATION OF STAFF REPORT**

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