



City of Manteca Planning Commission
AGENDA REPORT

MEETING DATE: August 6, 2026
PROJECT NAME: Levelz Lounge
PROJECT LOCATION: 159 West Yosemite Avenue
APPLICATION NUMBERS: Conditional Use Permit (CUP) 26-43

RECOMMENDATION:

Planning Commission conduct a public hearing and consider finding the Levelz Lounge Project exempt from further environmental review pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act Guidelines, and adopt a resolution approving a Conditional Use Permit (CUP 26-43) to allow for the operation of a Bar/Nightclub use for the Levelz Lounge Project located at 159 W Yosemite, Manteca, CA. (APN: 217-210-42)

PROJECT INFORMATION	
APPLICANT	209 Entertainment Inc DBA Levelz
PROPERTY OWNER	Success Group USA LLC
ZONING	Mixed-Use Downtown (DMU)
LAND USE DESIGNATION	Downtown (DW)
EXISTING USE	Vacant (Former liquidation store)
PROPOSED USE	Bar/Nightclub
PARCEL(S) SIZE	± 0.07 acres
ADJACENT USES	North: Commercial Uses South: Commercial Uses East: Commercial Uses West: Commercial Uses

APPLICABLE CODES AND PROCEDURES

2043 Manteca General Plan
Manteca Climate Action Plan
MMC 17.08.050 Public Hearing and Public Notices
MMC 17.10.130 Conditional Use Permit
MMC 17.20.020 Zoning Districts
MMC 17.22.020 Allowed Land Uses and Requirements
MMC Chapter 17.58 Performance Standards
Pub. Res. Code, § 21000 et seq. | CEQA Guidelines §15301

Procedures

The Manteca Municipal Code (MMC) designates the Planning Commission as the reviewing authority over numerous land use permits (“permits”) and entitlements. The Planning Commission may approve, conditionally approve, deny, or deny without prejudice a permit or entitlement authorized by Title 16 (Subdivisions) and Title 17 (Zoning), provided that a

public hearing is held on the proposed use or development project, and members of the public are allowed to provide public testimony.

Prior to the public hearing, a staff report, environmental review and determination, and general plan findings for the permit or entitlement must be made available to the Planning Commission, interested agencies, and the public.

The permit(s) or entitlement(s) should be denied if the Planning Commission cannot make the appropriate findings. Conditions may be attached to the approval of the permit or entitlement to ensure compatibility. A project's design may be altered, and site improvements may be required to make a Project compatible with nearby uses. In addition, the permit or entitlement may be subject to future review, modification, or revocation by the Planning Commission as deemed necessary.

When a permit or entitlement requires a determination or action from the City Council, all project permits or entitlements must be processed concurrently, and final action must be taken by the City Council for all such requested permits or entitlements.

Appeals

Any person dissatisfied with the determination or action of the Planning Commission may appeal such action to the City Council within (ten) 10 days from the date of determination or action. Appeals must be submitted in writing, accompanied by a filing fee to the Development Services Director, identifying the determination or action being appealed and specifically stating the basis or grounds of the appeal.

PROJECT BACKGROUND

Prior Action

The subject property was originally constructed in 1917 and has historically operated as a commercial building, accommodating as many as thirteen (13) different businesses over the years. Aside from sign permits issued for previous tenants, there are no known land use permits or entitlements that have been granted for the property. The site is currently unoccupied.

Project Review

The project was referred to various internal City departments and outside agencies for review and comment. The table below shows a list of City departments and outside agencies that have provided comments or conditions for the project. Comments have been addressed as part of the review process and/or incorporated as conditions of approval.

• City of Manteca – Building • City of Manteca – Fire • City of Manteca – Engineering • City of Manteca – Police • City of Manteca – Solid Waste	• City of Manteca – Streets & Safety Compliance • City of Manteca – Transit • City of Manteca – Code Enforcement
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A. PROJECT DESCRIPTION

The Levelz Lounge project (“the Project”) requests approval of a Conditional Use Permit application (“the Application”), filed by 209 Entertainment Inc DBA Levelz (the “Applicant”), proposing the operation of Bar/Nightclub use for the Levelz Lounge in an existing ±2,988 square foot building and is located on a ±0.07-acre parcel. No major exterior building alterations are proposed as part of this Project. Approval of the Project will allow the Applicant to procure a Type 48 (On-Sale) ABC license from the Department of Alcoholic Beverage Control.

The Project is intended to operate as a 21-and-over lounge offering nightlife and entertainment. Limited food service will be provided in the form of finger foods and other light fare prepared using small kitchen appliances. No full-service commercial kitchen is proposed as part of the Project. The proposed hours of operation are Thursday through Sunday, from 7:00 p.m. to 2:00 a.m., with private events scheduled Monday through Wednesday.

The Applicant estimates approximately 400 patrons per week with a proposed maximum occupancy of 99 patrons at any given time; however, the maximum occupancy will be determined as part of the building permit review process. The venue will be staffed by seven employees responsible for daily operations, in addition to four to five security personnel who will monitor patron activity, manage occupancy levels, and secure the facility's entrances and exits. Once the maximum occupancy of 99 patrons has been reached, admission will be temporarily suspended until a sufficient number of patrons have exited the premises. The front elevation on West Yosemite is shown in Figure A-1. A tentative floor plan is provided in Figure A-2;

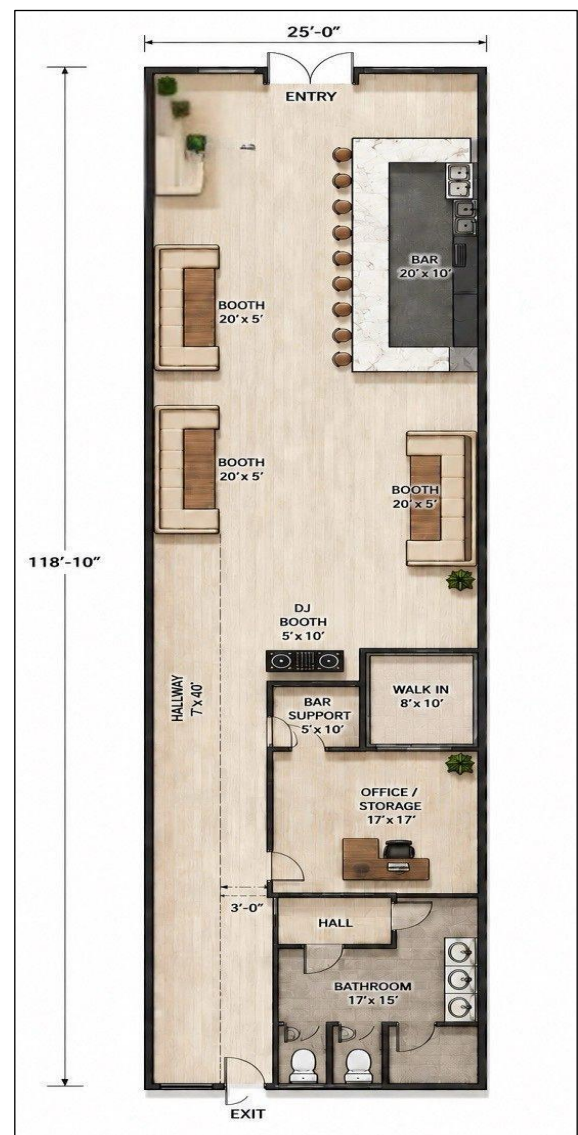


Figure A-2 | Floor Plan

the final version would be subject to approval through a building permit process.

B. PROJECT LOCATION & SITE CONDITIONS

Location

The Project site consists of approximately ± 0.07 -acres and is located on 159 W Yosemite Avenue (APN:217-210-42) in the City of Manteca. The project is situated in the City's downtown corridor and is surrounded by commercial uses on all sides as shown in Figure B-1.

Figure A-1 | Building Elevation

Site Conditions

The Project site is fully developed and is located within a heavily urbanized downtown corridor characterized by a mix of established commercial and mixed-use development. The site is improved with an existing commercial building and supporting utility infrastructure; Figure B-2 is included for reference. On-street parking is available on Yosemite Avenue, and public shared parking lots are within walking distance from North Maple Avenue and North Main Street. Surrounding land uses include a variety of retail, restaurant, and service-oriented commercial establishments that contribute to the area's active downtown character. The proposed Bar/Nightclub Use will occupy an existing tenant space and does not require any expansion of the building footprint or substantial modifications to the site.



Figure B-1 | Location



Figure B-2 | Site Conditions (7/6/26)

ANALYSIS

The project has been analyzed with respect to the applicable codes and procedures set forth in the order below.

1. General Plan Conformance

- Land Use Element

2. Zoning Ordinance Conformance

- DMU Zone District
- Conditional Use Permit

3. Climate Action Plan

4. Environmental Determination

1. GENERAL PLAN CONFORMANCE

The project has a Downtown (DW) General Plan land use designation. This designation provides for the mixture of retail and service commercial, office, and/or multiple-family residential uses that are intended to preserve and enhance the historic and pedestrian-scale character of the Downtown. The following General Plan goals and policies support the proposed use.



Figure 1.1 | General Plan Land Use Designation

1. **Policy LU-6.3: Encourage a variety of Downtown business types to provide a unique shopping experience.**

Analysis: The proposed project encourages a diverse mix of businesses within the Downtown to create a unique shopping and entertainment experience. The Project introduces an evening-oriented entertainment venue that complements the existing mix of retail, restaurant, office, and service-oriented commercial uses in the surrounding area.

2. **Policy LU-6.10: Encourage the reuse of existing buildings within Downtown and in other developed locations designated for mixed-use development by utilizing**

the California Existing Building Code which provides flexibility in the retrofitting of buildings.

Analysis: By repurposing an existing commercial space for a new business, the Project promotes the continued productive use of an established downtown building, supports reinvestment in the Downtown, and minimizes the need for new development. Any tenant improvements necessary for occupancy will be subject to applicable building and fire code requirements, including the provisions of the California Existing Building Code, as applicable.

3. Policy EF-2.3: Prioritize the development of employment-generating uses on sites with vacant buildings or on underutilized commercial, office, and industrial-designated parcels.

Analysis: The Project is located at a currently vacant commercial tenant space and will establish a new Bar/Nightclub Use, facilitating the productive reuse of an existing building within the Downtown. The proposed business is expected to create employment opportunities through the hiring of twelve staff members, while generating additional economic activity by attracting patrons to the Downtown area.

2. ZONING ORDINANCE CONFORMANCE

ZONING

The project has a Mixed-Use Downtown Zoning District (DMU). This designation allows retail and service commercial, office, and multiple-family residential uses designed to improve the vibrancy and maintain the pedestrian-scale character of the Downtown. The following General Plan goals and policies support the proposed use.



Figure 2.1 | Zoning

CONDITIONAL USE PERMIT (CUP 26-43)

Purpose

The purpose of the Conditional Use Permit is for the individual review of uses, typically having unusual site development features or operating characteristics. Conditional Use Permits are intended to ensure compatibility with surrounding areas and uses where such uses are deemed essential or desirable to the various elements or objectives of the General Plan.

Considerations

1. Operating Characteristics. The Application includes a Security and Operational Plan which addresses public safety considerations. Measures include operational procedures for managing patron activity, monitoring occupancy, and maintaining security throughout the premises. In addition, staff will receive training in responsible beverage service, including age verification, identification of fraudulent identification, recognition of signs

of intoxication, and compliance with applicable alcohol service laws. Further, there are operational conditions of approval that will ensure that all incidents will be documented and provided to the Police Department upon request.

2. Compatibility with surrounding uses. The Project will operate primarily from Thursday through Sunday, between 7:00 PM and 2:00 AM, with private events occurring Monday through Wednesday. The proposed evening hours generally occur after the close of business for many surrounding commercial uses, which typically close operations between approximately 4:00 PM and 8:00 PM. As a result, the Project is expected to complement the existing mix of Downtown businesses by activating the area during evening hours, encouraging continued patron activity in Downtown.

There is an undue concentration of ABC sales within Census Tract 51.08. There are currently eight (8) active on-sale Alcoholic Beverage Control (ABC) licenses within Census Tract 51.08, although the tract's population supports only four (4) on-sale licenses under ABC guidelines. Of the existing licenses, two are Type 48 (On-Sale General – Public Premises) licenses; three are Type 41 (On-Sale Beer and Wine – Eating Place) licenses associated with restaurant uses; Deaf Puppy Comedy Club has two ABC Licenses, a primary and a secondary portable bar license.

Approval of the Project would authorize an additional Type 48 (On-Sale General – Public Premises) license. As a result, ABC will require a determination that issuance of the license would serve a Public Convenience or Necessity (PCN) before issuing the requested license to the Applicant.

Approval of the Project will contribute to the revitalization of Downtown Manteca by activating a currently vacant commercial tenant space and introducing an additional evening entertainment venue. The proposed use is anticipated to attract patrons to the Downtown during evening hours, supporting nearby businesses and increasing economic activity. Furthermore, the Applicant has submitted a Security and Operational Plan that establishes procedures for security personnel and responsible beverage service. Staff has considered these proposed operational measures, together with the Project's location within the Downtown, the reuse of an existing vacant tenant space, and the anticipated economic benefits of the Project, in determining that the requested ABC license would serve a Public Convenience or Necessity.

Census Tract 51.08		
License Type	Address	Business Name
48 (On-Sale General – Public Premises)	104 PIERCE AVE	THE EXTREME SPORTS LOUNGE
41 (On-Sale Beer & Wine – Eating Place)	515 N MAIN ST	TANDOORI GRILL INDIAN CUISINE
41 (On-Sale Beer & Wine – Eating Place)	162 N MAPLE AVE	FRANK'S DOWNTOWN CAFE
48 (On-Sale General – Public Premises)	133 W YOSEMITE AVE	133 CLUB (CLOSED)
47 (On-Sale General – Eating Place)	425 N MAIN ST	INDIA 4 YOU (CLOSED)
47 (On-Sale General – Eating Place)	127 N MAIN ST	DEAF PUPPY COMEDY CLUB
68 (Portable Bar License)	127 N MAIN ST	DEAF PUPPY COMEDY CLUB

41 (On-Sale Beer & Wine – Eating Place)	439 N MAIN ST	GOLDEN SPOON
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Figure 2.2 | Census Tract 51.08 (7/9/26)

Conditional Use Permit Findings

- 1. The proposed use is consistent with the General Plan, any applicable Specific Plan, and all applicable provisions of this Title.**

Analysis: The proposed Project is consistent with the goals and policies of the General Plan, including policies that encourage a diverse mix of Downtown business types, promote the reuse of existing buildings, and support employment-generating uses within established commercial areas. The proposed use is allowed subject to approval of a Conditional Use Permit and will comply with applicable provisions of the Municipal Code, including operational, building, and safety requirements.

- 2. The establishment, maintenance, or operation of the use applied for will not, under the circumstances of the particular case (location, size, design, and operating characteristics), be detrimental to the health, safety, peace, morals, comfort, or general welfare of persons residing or working in the neighborhood of such use or to the general welfare of the city.**

Analysis: The proposed Project will utilize an existing commercial tenant space and will not require substantial site modifications or expansion of the developed footprint. The Project will implement a Security and Operational Plan with applicable regulations; the Project is not anticipated to adversely affect the health, safety, peace, morals, comfort, or general welfare of the surrounding area.

- 3. The proposed use is consistent with the purpose of the applicable district or districts.**

Analysis: The proposed Project supports the purpose of the district by providing additional commercial and entertainment use within an existing Downtown building. The Project will complement surrounding businesses by contributing to the diversity of services and activities available within the Downtown area.

- 4. The proposed use meets the minimum requirements of this Title applicable to the use and complies with all other applicable laws, ordinances, and regulations of the city and state.**

Analysis: The Project has been reviewed for compliance with all applicable provisions of this Title. The DMU Zoning District has no parking requirements, and as conditioned, the Project complies with zoning, development, and operational standards and meets the minimum requirements applicable to the use and complies with all other applicable laws, ordinances, and regulations of the city and state.

CLIMATE ACTION PLAN CONFORMANCE

On October 15, 2013, the Manteca City Council approved and adopted the Air Quality Element Update and Climate Action Plan (CAP) in response to the passing of Assembly Bill AB32. The intent of the CAP is to reduce overall greenhouse gas emissions in both private and public sectors. On November 18, 2025, an update to the CAP was adopted by the City Council that modified a number of City policy documents, building code requirements, development standards, design guidelines, and standard practices applicable to new development and redevelopment projects.

As presented, the proposed project implements Measure LU.1, which encourages the adaptive reuse of existing buildings and the revitalization of vacant and underutilized areas within Downtown Manteca. The Project will activate a currently vacant commercial tenant space within an existing Downtown building, allowing for the continued productive use of an established structure while introducing a new entertainment-oriented business to the area.

ENVIRONMENTAL CLEARANCE

The proposed Project has been determined to be categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301 (Existing Facilities). Section 15301 applies to the permitting, licensing, leasing, operation, and minor alteration of existing public or private structures involving negligible or no expansion of the existing or former use. No expansion of the existing building footprint or floor area is proposed, and only minor interior tenant improvements, subject to building permit review, may be required. Accordingly, the Project constitutes the continued use of an existing commercial facility without physical expansion of the existing structure.

CONCLUSION

Based on the facts and findings presented in this staff report, the Project's cumulative design, use(s), and operations will not be a detriment to the public health, safety, peace, comfort, convenience, prosperity, and general welfare of those residing or working in proximity to the Project. Therefore, staff recommends the Planning Commission conduct a public hearing and approve and adopt a resolution approving the foregoing project.

PROJECT ATTACHMENTS

The Project Attachments have been included as part of the Planning Commission Agenda and not attached to this Staff Report. All documents are accessible via the link below.

<https://www.manteca.gov/departments/legislative-services-city-clerk/city-council-video>

Attachment 2 – Planning Commission Resolution
Attachment 3 – Exhibit 'A' – Conditions of Approval
Attachment 4 – Project Presentation

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Approved by: Brad Wungluck, Development Services Director
