

**CITY OF MANHATTAN BEACH
[DRAFT] PLANNING COMMISSION
MINUTES OF REGULAR MEETING
AUGUST 27, 2008**

The Regular Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 27th day of August, 2008, at the hour of 6:35 p.m., in the City Council Chambers of City Hall, at 1400 Highland Avenue, in said City.

A. ROLL CALL

Present: Fasola, Powell, Seville-Jones and Chair Lesser
Absent: Paralusz
Staff Present: Richard Thompson, Eric Haaland
Recording Secretary: Sarah Boeschen

B. APPROVAL OF MINUTES – August 13, 2008

Commissioner Seville-Jones requested that a hyphen be added to her name on page 12, paragraph 35 of the August 13 minutes.

Commissioner Fasola requested that the language on page 9, line 5 be revised to read: “He commented that the vapor extracting equipment ~~would~~ could be present for a long period of time . . .”

Chairman Lesser requested that the wording of paragraph 5 on page 11 be revised to read: “Chairman Lesser said that the Commission considered an issue for the 818 Manhattan Beach Boulevard at the last ~~hearing meeting~~ which raised broader procedural questions issues and sought input from staff now that the project had been approved by Council. He said those issues include regarding the size of projects which require a traffic study; ~~regarding~~ whether it is appropriate to ask the Traffic Engineer to attend Planning Commission meetings in instances where Commissioners have further questions concerning traffic issues; and ~~regarding~~ the extent to which a prospective development of an adjoining property should have an impact on consideration of a project that is being considered by the Commission.”

A motion was MADE and SECONDED (Powell/Fasola) to approve the minutes of August 13, 2008, as amended.

AYES: Fasola, Powell, Seville-Jones and Chair Lesser
NOES: None.
ABSENT: Paralusz
ABSTAIN: None.

C. AUDIENCE PARTICIPATION

None.

E. PUBLIC HEARINGS

1. Consideration of a Planned Development Permit Amendment for Conversion of an Existing Warehouse to Food and Beverage Sales With Sales and Samples of Alcoholic Beverages, Located at 1700 Rosecrans Avenue (Continental Development Co./BevMo)

Associate Planner Haaland said that the proposal is for a 10,008 square foot retail space formerly used as 21,922 square feet of warehouse space. He indicated that the new retail use is proposed to include an off-sale general liquor license and a 100 square-foot enclosed beer and

wine tasting area. He commented that the property is located in the Planned Development (PD) zone which allows more flexibility for projects and is a prominent zoning designation in the surrounding area bounded by Rosecrans Avenue, Aviation Boulevard, Sepulveda Boulevard and Marine Avenue. He indicated that the project does comply with general requirements for parking and landscaping. He indicated that the highest portion of the structure would be 43 feet for a tower element that would be consistent with two other existing towers on the site and consistent with the height of other structures in the area. He stated that the height of the majority of the structure is proposed to be below 29 feet. He said that it has been determined by the City's Traffic Engineer that the proposal would not result in a significant increase in traffic and that a formal traffic study was not required. He stated that the existing driveways and parking circulation for the site would not change as a result of the proposal. He commented that a new parking area would be added with a U-shape traffic pattern in front of the retail space. He stated that there is an existing sign program for the previous tenants that has been expanded to provide for the third new tenant space in compliance with the City's Sign Code. He stated that no pole signs are proposed, and there is a condition that no pole signs be permitted. He indicated that two monument signs are proposed.

Associate Planner Haaland said that staff is recommending an allowance of hours of operation between 6:00 a.m. and 10:00 p.m. daily, which is a reasonable closing time for the type of use. He commented that the subject property is isolated from residential areas, and the store would be a large supermarket style of operation. He stated that the proposed tenant does have extensive and stringent self-policing policies to prevent problems that are sometimes associated with retail sales of alcohol. He commented that three other applications for wine tasting have been approved in the City. He indicated that staff is recommending the proposed beer and wine tasting be contained within an isolated 10' by 10 area; be permitted between 9:00 a.m. to 7:00 p.m. daily; and be limited to five 1 ounce size samples per customer. He said that other conditions regarding wine tasting that have been included with other similar uses are also included for the subject proposal.

Chairman Lesser commented that the second finding under the Zoning Code that must be met for approval of the project reads: "The PD Plan or specific plan will enhance the potential for superior urban design in comparison with the development under the base district regulations that would apply if the plan were not approved." He indicated that the wording is rather confusing and asked if there is further guidance from staff in how it is to be determined whether the finding is met.

Associate Planner Haaland commented that the wording of the finding is intended to apply to new projects and the rezoning of properties from a standard commercial zone or industrial zone to Planned Development. He said that the intent of the finding is to determine that the flexibility provided by the PD zone is appropriate for the subject project. He indicated that flexibility provided in the PD zone allows, for example, the taller tower elements proposed rather than requiring that a rigid continuous height, which could be considered superior design by being more interesting and less monotonous.

Chairman Lesser also asked for further guidance from staff in making the third finding which reads: "Deviation from the base district regulations that otherwise would apply are justified by compensating benefits of the PD Plan or Specific Plan."

Associate Planner Haaland said that the wording of the third finding also relates to whether there is a benefit to the project in providing the flexibility allowed in the PD zone that is not allowed, for example, in the general commercial zone.

Chairman Lesser said that the staff report states that it was determined that the project would result in an insignificant change in traffic generation, and he asked whether that is a standard by which a further traffic study is required or determined to be necessary regardless of the square footage or nature of the project.

Associate Planner Haaland pointed out that it is common for the Traffic Engineer to determine that a project would not result in a significant increase of traffic relative to the existing use on a site and that a more detailed study is not required.

Chairman Lesser said that the cumulative impact of traffic on Rosecrans Avenue is a concern. He commented that because there is a concrete median along the center of Redondo Avenue, drivers traveling westbound on Rosecrans Avenue that wish to access the site would need to make a left turn southbound onto Redondo Avenue and then make a U-turn further down on Redondo Avenue in order to pull into the project.

Associate Planner Haaland said that the primary driveway at the northeast corner of the site would be used most frequently by cars traveling westbound on Rosecrans Avenue to access the development, and Redondo Avenue has very low traffic volumes to conflict with cars that mistakenly choose that route.

Chairman Lesser requested a condition that any disruption of traffic on Rosecrans Avenue during construction be approved by staff.

In response to a question from Commissioner Powell, Associate Planner Haaland said that Condition 20 prohibiting the use of disposable cups, plates or utensils is specific for the previous application for Bacchus which had limited capacity for trash storage. He said that it may not be necessary to impose the condition on the subject applicant. He indicated that staff would defer to the opinion of the Commission regarding the applicant's request to change the requirements included in Condition 18 that samples shall be poured by store employees and that the number of samples be limited to five servings per customer.

Commissioner Powell commented that allowing hours of operation until midnight for future tenants as stated in Condition 19 could allow for a convenience store in the future if BevMo leaves the site.

Director Thompson pointed out that staff included the wording of Condition 19 to provide for more flexibility in order to prevent a future applicant from being required to amend the Use Permit. He said that staff also would suggest adding the word "retail" to the traditional types of uses that would be permitted if the subject applicant leaves the site.

Commissioner Fasola said that he finds it unlikely that there would not be a significant increase in trips to the site with the new use as retail as opposed to being used as a warehouse.

Commissioner Fasola asked whether there is a long term strategy for determining the limit for traffic on Rosecrans Avenue. He commented that even with the improvements that have been completed, traffic is still much worse currently on Rosecrans Avenue than ten years ago.

Director Thompson said that environmental review requires that staff evaluate the cumulative impact to traffic as well as the impact that is associated with the project itself. He said that the Traffic Engineer did not find the impact to be significant in this particular case.

Commissioner Seville-Jones asked the reason that staff has proposed hours of operation to be

permitted between 6:00 a.m., and 10:00 p.m. in Condition 19 when the applicant is requesting hours between 9:00 a.m. and 9:00 p.m.

Director Thompson said that staff is sensitive to placing restrictions on a Use Permit to match a particular proposal. He indicated that allowing for additional hours beyond the applicant's current proposal prevents the need for them or a future applicant to come back before the Commission later in order to amend the Use Permit.

Commissioner Seville-Jones commented that she has a concern with encouraging a store that sells liquor to open at 6:00 a.m.

Director Thompson said that staff would not object to requiring that the hours of operation begin at 9:00 a.m.

Commissioner Seville-Jones also asked regarding the hours for wine tasting proposed to start at 9:00 a.m., as hours for wine tasting are not permitted at Ralph's until 11:00 a.m. and Sepulveda Wine Company until 10:00 a.m.

Associate Planner Haaland said that the applicant proposed hours for wine tasting to begin at 9:00 a.m., and staff does not have concerns with morning hours for wine tasting. He said that staff wanted to avoid the need for the applicant to come back for a Use Permit amendment if they later found a need for earlier hours if those hours are clearly not a concern.

Commissioner Seville-Jones said that the applicant has indicated in their materials that they do not intend to sell cigarettes as well as other items that were listed, and she asked whether staff would have an objection to including a condition that the establishment would not be permitted to sell such items.

Associate Planner Haaland said that staff would not have an objection to such a condition.

In response to a question from Chairman Lesser, Director Thompson stated that the Commission is not to include the impact that the use would have to other smaller businesses that sell alcohol in the area in their consideration.

Bob Tarnofsky, representing Continental Development Corporation, indicated that the proposal would help to complete the transition of the area from old aerospace industrial buildings to new vibrant retail development. He said that the subject building was previously used by TRW. He indicated that the existing structure is 50 years old and in great need of renovation, which has been started with the other two tenants. He commented that the proposal would reduce the amount of development on the site from 22,000 square feet of space to 10,000 square feet of space for the retail component. He said that reducing the size of the structure allows them to create more parking to meet the parking demands for a retail use. He pointed out that Office Depot is the largest retail tenant in the development, which has a lower parking demand than most other retail uses. He commented that Continental Development oversees multiple tenants in the Rosecrans Corridor, and they scrutinize every prospective retailer very carefully. He indicated that they are very pleased with BevMo and feel they will be a great addition to the development.

Joel Weiss, representing BevMo, said that they are basically happy with the wording of the conditions. He said, however, that they are requesting changes to Condition 18 which states that beer and wine tasting shall be limited to five 1 oz samples per customer and that samples be served by employees only. He indicated that they are requesting that the requirement that samples must be poured by store employees be deleted. He pointed out that the regulations of

the Alcoholic Beverage Commission (ABC) require that a store employee be present during tastings. He said that many times wine and beer vendors will pour samples while an employee of BevMo is present. He stated that they also are requesting that the number of 1 ounce samples allowed per customer not be restricted. He commented that he is not aware of such a restriction regarding the number of samples per person on the licenses for any of their other stores. He said that allowing only five samples per person would restrict their business. He pointed out that the tasting area would be enclosed with no seating or counters, and it is strictly for tasting. He also requested that they not be required to use reusable glasses for tasting as stated in Condition 20. He indicated that they use plastic cups for their tastings, and requiring reusable glasses would require additional dishwashing and kitchen facilities for health reasons. He pointed out that they have a recycling program.

In response to a question from Commissioner Seville-Jones, **Mr. Weiss** said that they have signs at the front of their store stating that minors under the age of 21 are not permitted without an adult, which allows their associates to ask anyone who is under 21 and unaccompanied by an adult to leave the store. He indicated that their registers and tasting bar are equipped with a magnetic scanner for licenses which provide the customer's age and birthday. He indicated that they also self-police their stores to make sure the regulations are being followed. He indicated that they would not object to being restricted from selling cigarettes; however, they would have a concern with being restricted from selling other types of items. He pointed out that they would not want to be restricted from selling wines that have screw caps, as many table wines now come with screw caps rather than corks. He indicated that they would not have an objection to the hours permitted for wine tasting beginning at 10:00 a.m. or 11:00 a.m. rather than 9:00 a.m. He said that they also would not have an objection to the hours of operation for the store from 9:00 a.m. to 10:00 p.m.

In response to a question from Commissioner Powell, **Mr. Weiss** said that he would not have an objection to wording for Condition 18 stating that samples must be poured in the presence of a store employee and prohibiting patrons from pouring their own samples.

Mr. Tarnofsky said that they feel the massing of the space as proposed is appropriate for the scale of the building. He pointed out that the largest tower element for the Office Depot is 54 feet and the tower proposed for BevMo would be 43 feet.

Chairman Lesser opened the public hearing.

There being no one wishing to speak Chairman Lesser closed the public hearing.

Discussion

Director Thompson pointed out that many of the restrictions which have been discussed are regulated by the ABC. He said that he would agree with removing the restriction that a store employee pour the samples, as it is regulated by the ABC. He stated that staff feels allowing five samples per person is appropriate as it is consistent with approvals for previous applicants. He said that staff would support the applicant's request to remove Condition 20 which restricts the use of disposable cups.

Commissioner Seville-Jones commended Continental Development for their work with the City in the development of the Rosecrans Corridor. She said that she supports the proposal and feels it would enhance the City's tax base and would be a welcome addition to the City's businesses. She stated that the site is located away from residences, which reduces many of the concerns that exist with other operations that sell alcohol and are located close to residential neighborhoods. She commented that she also feels the applicant's request for hours of

operation are reasonable. She said that she does feel BevMo is a responsible company and takes pride in their business. She commented that she would agree with striking the sentence in Condition 18 that requires samples to be poured only by a store employee and would support removing Condition 20 restricting the use of disposable cups. She stated that she would support limiting the number of samples to five per customer because it was determined appropriate for previous applicants. She said that she would support the applicant working with staff to arrive at language to ban the sale of certain items such as cigarettes. She indicated that she would support hours of operation for the store between 9:00 a.m. and 10:00 p.m. and would support restricting tasting until after 11:00 a.m.

Commissioner Powell also commended Continental Development on the development of the Rosecrans Corridor. He indicated that the project continues the trend away from industrial towards a vibrant retail corridor, and the design is consistent with the existing uses within the development. He stated that the towers as proposed are compatible with the existing development. He commented that the subject property is in an area that is removed from residences and would not result in adverse impacts to neighbors. He commented that BevMo is an upscale operation and would add to the existing retail tenants in the area. He said that he would support striking the requirement included in Condition 18 that an employee be required to pour samples and would support the removal of Condition 20. He said that a limit of five servings per person would be consistent with previous approvals. He commented that it would most likely be very difficult to enforce allowing more samplings of ½ ounce each. He said that the project is compatible with the General Plan and particularly the Land Use Element. He stated that he can support the project with the modifications as stated. He indicated that he would also support the hours of operation as suggested by Commissioner Seville-Jones.

Commissioner Fasola pointed out that he is not certain whether the Commission has the authority to restrict the store from selling certain items such as cigarettes.

Director Thompson said that a condition has never been imposed on any project to restrict the sale of certain items, and he is not sure that it is appropriate in this case. He indicated that the sale of cigarettes has never been restricted for other businesses in the City.

Commissioner Fasola said that he can support the proposal, although he has a concern with the impact on traffic with the additional number of cars that would visit the establishment. He said that he has a concern with whether a limit should be placed on the overall development on Rosecrans Avenue, although he is not certain whether the subject proposal is the appropriate means of attempting to regulate traffic. He said that he also would support the proposed change to Condition 18 and the removal of Condition 20.

Chairman Lesser said that he supports the project, although he also is very concerned with the cumulative impact to traffic on Rosecrans Avenue. He pointed out that the Traffic Engineer has indicated that the project would not have a significant impact on the amount of traffic. He commented that he is intrigued by the basis for the Traffic Engineer not requiring a traffic study and reaching the conclusion that there would be an insignificant increase in the number of trips generated by the proposal. He indicated, however, that he will defer to the recommendations of the Traffic Engineer. He said that he would like the Commission to seek ways to restrict the cumulative addition of traffic on Rosecrans Avenue, although he also does not necessarily feel this is the appropriate project to attempt to regulate traffic. He indicated that he feels the change of use from a warehouse to a retail establishment would increase the number of trips to the site; however, he will defer to the opinion of the Traffic Engineer that the proposal would not result in a significant increase in the amount of traffic.

Chairman Lesser stated that he appreciates that Continental Development has been responsible

regarding their choice of tenants. He indicated that he does feel the proposal is consistent with the Land Use Element of the General Plan. He said that the landscaping plan appears to be well designed and the massing would be consistent with other structures in the area. He indicated that the proposal meets the standard of good urban design consistent with the PD zone, although he is not certain whether it would qualify as superior urban design. He said that the deviations from the base district regulation are justified by the compensating benefits that a retail use would have. He said that there could potentially be a different type of retail use on the site that would result in more trips than the subject proposal. He indicated that aside from the issue he raised about the median on Redondo Avenue, he feels the PD Plan includes adequate provisions for utilities, services and emergency vehicle access. He indicated that access would also be provided to the site from Continental Circle. He said that he also would support the proposed change to Condition 18 and the removal of Condition 20. He said that he would personally like to see restrictions on the sale of cigarettes, but he would not support such a condition for the applicant if it has not been imposed on other businesses. He pointed out that the applicant has indicated that they do not intend to sell cigarettes, although they may sell cigars. He indicated that he is concerned with setting a precedent.

Commissioner Seville-Jones said that placing a restriction on the sale of cigarettes may set a precedent; however, their sale is restricted through vending machines in bars. She indicated that she agrees that limiting the sale of screw cap wines may not be appropriate, as screw caps could become more popular and used instead of corks. She said that it was also suggested to ban the selling of lottery tickets and newspapers. She said that the selling of such items can be the difference between having the appearance of an upscale establishment rather than a liquor store. She said that she does not feel that such a restriction is necessary for her to support the application; however, she would support such a condition since it would be agreeable to the applicant and it would become part of the vested entitlement for future uses.

Commissioner Fasola commented that there are many businesses such as gas stations where cigarettes can be purchased currently, and he is not certain that it is appropriate to determine that they cannot be sold with this particular application.

Director Thompson suggested that the Commission should consider the overall project and the proposed use but not place too many restrictions on the types of items that can be sold.

Action

A motion was MADE and SECONDED (Powell/Fasola) to approve a Planned Development Permit Amendment for Conversion of an Existing Warehouse to Food and Beverage Sales With Sales and Samples of Alcoholic Beverages, Located at 1700 Rosecrans Avenue with the removal of the requirement in Condition 18 of the draft Resolution that samples shall be poured by employees only; with the change in Condition 19 that hours of operation shall be from 9:00 am. to 10:00 p.m. daily and wine tasting shall be permitted to begin at 11:00 a.m.; and with the removal of Condition 20.

AYES: Fasola, Powell, Seville-Jones and Chair Lesser
NOES: None.
ABSENT: Paralusz
ABSTAIN: None.

Director Thompson explained the 15-day appeal period and indicated that the item will be placed on the City Council's Consent Calendar for their meeting of September 16, 2008.

F. DIRECTORS ITEMS

Director Thompson said that the joint meeting with the Planning Commission and City Council is scheduled at the Police Fire Facility on September 9, 2008, at 6:30 p.m. He indicated that ethics training is scheduled for September 11, 2008, also at the Police and Fire Facility between 6:30 p.m. and 8:30 p.m.

G. PLANNING COMMISSION ITEMS

Commissioner Fasola pointed out that he received a notice that the Manhattan Beach LCP regarding Mansionization will be discussed before the Coastal Commission in Eureka, California on September 10, 2008.

H. TENTATIVE AGENDA

1. Consideration of a Use Permit and Variance for Construction of Two Commercial Buildings Located at the Northwest Corner of Sepulveda and Manhattan Beach Boulevards at 1129 North Sepulveda Boulevard

I. ADJOURNMENT

The meeting was adjourned at 8:00 p.m. to Wednesday, September 10, 2008 in the City Council Chambers, City Hall, 1400 Highland Avenue

SARAH BOESCHEN
Recording Secretary

ATTEST:

RICHARD THOMPSON
Community Development Director