

**CITY OF MANHATTAN BEACH
[DRAFT] PLANNING COMMISSION
MINUTES OF REGULAR MEETING
SEPTEMBER 24, 2008**

The Regular Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 24th day of September, 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, Paralusz, Powell, Seville-Jones and Chair Lesser
Absent: None
Staff Present: Richard Thompson, Eric Haaland
Recording Secretary: Sarah Boeschen

B. APPROVAL OF MINUTES – September 10, 2008

Commissioner Fasola requested that the second sentence of the third paragraph on page 12 of the September 10 minutes be revised to read: “He said that it seems that it seems that a 50 percent increase in the number of students would require at least 50 percent more parking.”

Commissioner Powell requested that the wording of the last sentence of paragraph 7 on page 4 be revised to read: “He said that he supports the Variance for the height and the Use Permit because the project application meets all of the required findings.”

Commissioner Powell requested that the last paragraph on page 16 be revised to read: “Commissioner Powell stated that he originally supported the project before it was revised.”

Chairman Lesser requested that the fourth sentence of paragraph 4 on page 12 be revised to read: “He stated that he also has concerns with limiting the number of employees in order to reduce the number of parking spaces, as the requirements of Social Services for the number of staff members in relation to the number of children may change.”

Chairman Lesser requested that the last sentence of paragraph 4 on page 12 be revised to read: “He said that he also would like further information regarding the loading area ~~as well as parking requirements~~ to determine how traffic could be impacted on Manhattan Beach Boulevard if the number of students increased.”

A motion was MADE and SECONDED (Paralusz/Powell) to approve the minutes of September 10, 2008, as amended.

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

C. AUDIENCE PARTICIPATION

None.

D. PUBLIC HEARINGS

1. Consideration of a Master Use Permit Amendment to Allow Conversion of an

Existing Office to Restaurants or Other Commercial Uses and Allow a New Restaurant (Tin Roof Bistro) With a New Outdoor Dining Patio and On-Site Consumption of Alcohol at 3500 Sepulveda Boulevard

Director Thompson commented that staff has met with the applicant's attorney since the hearing was advertised in the Beach Reporter. He said that the applicant's attorney has indicated that they are working to reach an agreement with the property owner of the mall and that it was understood that this hearing would be continued to October 22. He said that staff is recommending that the hearing be opened and continued to October 22.

Chairman Lesser opened the public hearing.

Mark Newman, the applicant, said that they never asked for a continuance. He said that the subject property at 3500 Sepulveda Boulevard is owned by a small group of local families. He stated that they have been patient in working with the City over the past three years to use the property within the zoning that was previously established for the site. He asked that the Commission read the Master Use Permit which includes their property as well as the mall and Macy's. He said that they are being denied the use of their property. He commented that their attorney met with the City Attorney in an attempt to resolve disputes that they have been forced into with the neighboring property owner, and they are in a gridlock. He indicated that they have waited for three years to resolve the issue. He requested that it be continued to October 8 rather than October 22. He said that their application was deemed complete by the Planning Department and has received no comments from staff.

Audience Participation

Beth Gordie, Latham & Watkins, representing the owner of the Manhattan Village, said that they concur with the staff's recommendation to continue the hearing to October 22. She stated that they are working with an agreement with the subject property owner regarding the existing Master Use Permit entitlements. She said that if an agreement is reached, the amendments to the Master Use Permit would not be required and a public hearing would not be necessary.

Discussion

Director Thompson said that staff was in the process of preparing the staff report and intended to present the item at this hearing. He said that the City Attorney met with **Mr. Newman's** attorney, and it was felt that it would be beneficial to continue the hearing to October 22 to allow time for an agreement to be reached. He said that staff would be prepared with a staff report if the hearing is continued to October 8.

Commissioner Seville-Jones said that she would support scheduling the item for October 8 since it has been requested by the applicant and there is no objection by staff.

Action

A motion was MADE and SECONDED (Seville-Jones/Powell) to **REOPEN** and **CONTINUE** a Master Use Permit Amendment to allow conversion of an existing office to restaurants or other commercial uses and allow a new restaurant (Tin Roof Bistro) with a new outdoor dining patio and on-site consumption of alcohol at 3500 Sepulveda Boulevard to October 8, 2008.

AYES: Fasola, Paralusz, Powell, Seville-Jones and Chair Lesser

NOES: None.

ABSENT: None.
ABSTAIN: None.

E. BUSINESS ITEMS

1. Consideration of a Sign Exception Regarding the Installation of Two Ground Based Electronic Changeable Copy Signs Totaling 648 Square Feet of Area at the Manhattan Beach Studios Facility at 1600 Rosecrans Avenue

Associate Planner Haaland summarized the staff report. He said that the proposal is for two 18.5 feet tall and 324 square foot programmable LED sign cabinets on a monument sign base, each with still text and images. He commented that the signs would include still text and images and not video. He indicated that the signs are intended to provide business identification, promotion of community events, and third party advertising. He commented that the proposal is the first in the City to allow for third party advertising, and it is a unique request by the applicant. He indicated that the Sign Code specifies that a sign exception is required for any sign with changeable copy. He indicated that there was a previously a proposal for an electronic changeable copy sign for the American Martyrs church to display community events and church announcements, which was denied by the Planning Commission and later approved by the City Council upon appeal. He said that 670 square feet would be permitted for the subject site, and the proposed sign area is 744 square feet which is then required to be doubled because it is considered pole sign. He commented that sign faces are limited to 150 square feet, and the proposal is for 324 square feet for each sign face. He indicated that the Sign Code specifically prohibits off-premise or billboard type advertising.

Associate Planner Haaland stated that the area is in a commercial oriented location away from residences. He pointed out that it may be difficult to make the determination that the project meets the intent of the Sign Code that signs only provide business identification, as the proposal is to allow for third party advertising. He said that the applicant is proposing to possibly remove three existing trees to provide better visibility for the sign to the west along Rosecrans Avenue.

In response to a question from Chairman Lesser, Associate Planner Haaland said that staff is not aware of any exceptions that have been granted to section 10.72.070.b of the Municipal Code to allow billboards in the City.

In response to a question from Commissioner Seville-Jones, Associate Planner Haaland indicated that the existing sign is well under the maximum that would be permitted for the site.

In response to a question from Commissioner Powell, Associate Planner Haaland said that the Traffic Engineer has looked at the proposal and did not have any concerns regarding impacts to traffic.

Commissioner Fasola said that he cannot see that the required findings can be met considering the extent that it violates the ordinance regarding pole signs and the size of the signs.

In response to a question from Commissioner Fasola, Associate Planner Haaland said that the Commission may give consideration to the large size of the site and the fact that it is located away from residences. He stated that it would be most difficult to reach the required finding to allow off site advertising considering that the intent of the Code is to only permit signage for business identification.

In response to a question from Commissioner Paralusz, Associate Planner Haaland indicated that there are no specific regulations in the Sign Code regarding the removal or relocation of trees to allow for signs. He pointed out that the General Plan does encourage the preservation of large specimen trees.

In response to a question from Commissioner Seville-Jones, Associate Planner Haaland said that Northrop Grumman, who owns the right-of-way on Redondo Avenue, was not contacted regarding the proposal.

Brandon Taylor, representing the applicant, said that their tenants want the ability to promote their movies, television shows, and commercials. He commented that because they are not in the core entertainment district, they need to remain competitive financially with their competitors in order to attract business. He indicated that they are at a financial disadvantage with their competitors who are able to charge rent for the use of their signs. He stated that the sign as proposed would be smaller than those of their competitors, and they have reduced the size to the minimum amount that they feel their tenants would need. He indicated that digital signage is important, as the industry is moving in that direction. He said that the sign would not be backlit and would not constantly change images. He said that they are hoping that no existing trees would need to be moved. He stated that they intend to relocate any trees that may need to be moved in order to increase the line of sight. He indicated that they intend to maintain the existing landscaping on the corner.

In response to a question from Chairman Lesser, **Mr. Taylor** said that the telephone poles that would somewhat obstruct the visibility of the sign for traffic eastbound on Rosecrans Avenue will most likely be placed underground in the future.

Commissioner Seville-Jones commented that allowing third party advertising on the sign would suggest that advertising space could be sold to companies that are not affiliated with products developed at the studio or who are not renting space at the studio.

Mr. Taylor said that they want their focus to remain on entertainment. He stated that the intent is for their tenants to have first choice for the hours of advertising on the sign. He said that the remainder of hours would be sold to third parties within the entertainment industry, to local tenants, or the City. He indicated that most of the hours for the signage would be sold to their tenants. He said that they would still construct the sign if it were only permitted to be utilized by their tenants.

In response to questions from Commissioner Seville-Jones, **Mr. Taylor** indicated that they would be willing to relocate the water main to its original location on Redondo Avenue as suggested by Continental Development. He stated that they would be willing to accept a condition that staff or the Commission must approve the final landscaping plan. He pointed out that it is very important for them to maintain the landscaping on the property. He said that the size of the signage as proposed is the minimum that would be acceptable to their tenants. He indicated that their tenants would not be willing to spend the money to utilize the sign if it were made smaller, as it would not be very visible.

In response to a question from Commissioner Powell, **Mr. Taylor** said that they would like to have as much flexibility as possible for advertising on the sign. He indicated, however, that they would be willing to accept a restriction from selling advertising space to a national brand such as Coca-Cola. He said that they would still like to have the ability to allow for some local advertising.

In response to a question from Commissioner Powell, **Mr. Taylor** commented that there could be certain hours of the day during which the sign could be utilized for City events or information.

Commissioner Fasola commented that the owners of other businesses such as malls or drug stores could also claim that they need larger signs to be competitive if the Commission approves the proposed sign exception based on the applicant's argument. He indicated that it is hard to make the justification for allowing such a large exception for the applicant.

Mr. Taylor commented that other cities have recognized entertainment studios as unique assets in their communities that require different treatment with regard to ordinances. He pointed out that Los Angeles has different ordinances for the entertainment district of Hollywood. He indicated that he would hope that the Commission would recognize that the studio is a unique asset to the community and that they are attempting to remain competitive within the industry. He commented that their unique field is much narrower than other businesses such as malls.

Commissioner Paralusz commented that the competitors identified by the applicant in their materials all appear to be located in cities that are much larger than Manhattan Beach such as Hollywood, Culver City, Burbank, and Universal City.

Mr. Taylor said that that Sony and Culver Studios in Culver City have been granted special exceptions for their signage because of their use.

In response to a question from Commissioner Seville-Jones, **Mr. Taylor** indicated that the studio is comprised of 14 soundstages and 250,000 square feet of product offices for writers and producers. He commented that approximately 2,200 people work at the facility. He said that a new deal that they are currently negotiating would bring in a longer term production that would employ 1,500 people for a much longer term.

Audience Participation

Gary Osterhout, a resident of the 500 block of 31st Street, indicated that he is opposed to the proposal for the sign exception. He said that it is not the purview of government to make decisions based on the economics of businesses but rather to ensure that the adequate services and roadways are provided. He said that the Commissioners and City Council are being asked to designate space to allow the applicant to make money by advertising to the City's residents. He commented that he does not see a compelling reason to allow the applicant to add to their profit margin by disparaging the views of the City. He indicated that other cities grew around the entertainment studios. He commented that the Manhattan Beach Studios came into the City without being required to comply with zoning and built to the largest capacity that was permitted. He stated that the City Council previously accommodated the applicant by waiving fees for fire inspections, and now the studios is requesting a little bit more. He indicated that the employees of the studio tend to work long hours and do not generally spend a great deal of money in the community with the possible exception of hotel space. He pointed out that there is not an employment problem in the City that would drive the need to draw in additional business, and the studio does not generate a great deal of sales tax revenues.

Mr. Osterhout said that it is not the purpose of the Commission and City Council to provide for advertising, and the proposal is contrary to the principles articulated in the General Plan. He said that large signs detract from the natural aesthetics of the City, particularly with changeable copy. He commented that changing messages on signs add to the general distraction and stress on people's daily lives. He indicated that allowing such a sign would also set a precedent for other businesses in the City. He indicated that the fact that the sign could

display public service messages to residents is not justification for its approval, as there are other means for local agencies and businesses to reach residents. He commented that the City would have very little control over the images that would be displayed. He commented that the fact that the site is not located near residences also is not justification for allowing the sign exception.

Tony Reina, representing Continental Development, said that they would like for the existing Canary Island palm trees at the southwest corner of Rosecrans Avenue and Redondo Avenue not be disturbed. She said that they have agreed to work with the applicant to minimize the need for relocation of the specific tree which the applicant has indicated may need to be moved to improve the line of site for the sign. She commented that they have concerns that the size of the sign is out of scale with the surrounding area, and the applicant has indicated that they would be willing to reduce the height of the base from 6 to 3 feet. She said that Continental Development still has concerns regarding the size of the message area. She suggested that a mock-up of the sign be placed on the site.

Discussion

Commissioner Fasola said that he cannot support the proposal in any respect. He commented that the City has worked hard to eliminate pole signs, and he cannot support ruling against the Sign Ordinance. He indicated that allowing an oversized sign would result in other businesses requesting similar exceptions. He said that he does not feel there are unusual or specific aspects regarding the entertainment industry that require a special exception. He said that Manhattan Beach is not Hollywood, and residents should not be subjected to advertising on such a sign as they travel down Rosecrans Avenue. He commented that approving the proposal would be basically allowing a billboard.

Commissioner Powell commended the studios as being a good neighbor and employer in the community. He said, however, that he feels the sign as proposed is too ambitious. He stated that he would not be opposed to allowing a changeable copy sign that was more in scale with the surrounding businesses. He said that there are no residents in the immediate vicinity of the subject site; however, the Code refers to the entire district within which the property is located. He indicated that he is also concerned with setting a precedent for requests by other businesses. He commented, however, that he does recognize that the subject use is unique and different from other businesses. He indicated that in order for him to approve the proposal, the sign would need to be considerably scaled down in size and would need to be restricted to only promoting the tenants and products of the studio. He pointed out that the Sign Code states that the purpose of the signage is to provide business identification, and he would not be able to sustain the finding to allow third party advertising beyond that of the studio. He indicated that denying the sign or requiring it to be scaled down would not deprive or unreasonably deny the use and enjoyment of the property. He indicated that a proliferation of such signs would detract from the City's character. He stated that other studios shown in the applicant's materials such as Universal Studios, Warner Brothers, and Paramount are located in much larger areas that are oriented toward motion picture and television production. He commented that the studio is a welcome member of the community. He said that he would be more able to support the proposal if it is scaled down and the conditions raised by Continental Development are mitigated.

Commissioner Paralusz said that she agrees with the other Commissioners that the proposal is very ambitious. She stated that she is not able to support the project. She pointed out that the Sign Code allows for a sign exception provided that it would not be detrimental to the surrounding area; it is necessary for the reasonable use of the property; and it is consistent with the intent of the Sign Code. She stated that she may be persuaded that the subject proposal

would meet the first two criteria; however, she is not able to make the finding that it would be consistent with the intent of the Sign Code. She commented that the intent of the Sign Code is that signs only provide business identification and not advertising. She indicated that she is concerned with the scope of the sign in relation the surrounding area and feels it could set a precedent for other sign applications. She indicated that if the project moves forward, she would want for staff to contact Northrop Grumman for comment since they own the private road which accesses the property. She commented that she also would want the size of the sign to be reduced and for third party advertising to be restricted. She pointed out that she also has a concern that the property could be sold in the future and that the sign could be used for a different purpose.

Commissioner Seville-Jones said that she agrees that the sign is too ambitious as proposed. She indicated that she would be willing to consider a sign that exceeds the limits of the Sign Code; however she feels it should be smaller than proposed. She said that the studio is a unique asset to the community with which it can take pride. She indicated that the employees of the studio are members of the community who spend their money at the businesses along Rosecrans Avenue. She commented that she feels the entertainment industry should be supported and encouraged in the City. She said, however, that she does feel the sign as proposed is too large and out of scale with the businesses along Rosecrans Avenue. She indicated that she would like for the size of the sign to be scaled back and would want more input from Continental Development. She said that any sign should not be permitted to have third party advertising. She stated that she feels it is important that the aesthetics of the existing landscaping be maintained. She said that the relocation of one tree as indicated by the applicant would not necessarily detract from the aesthetics from the street level, but she would not want for any extensive changes to be made to the existing landscaping.

Chairman Lesser commented that the studio is a unique aspect of the community which should be supported. He indicated that he has sympathy for the applicant's position but cannot support the proposal in its current form. He said that approval of the project as proposed would need to be a policy decision by the City Council, as it does not meet the required findings. He stated that he is concerned about the precedent that would be set by allowing such a large sign with changeable copy and third party advertising. He commented that the scale of buildings and traffic has increased along Rosecrans Avenue dramatically within the past ten years, and an additional visual distraction would be problematic. He indicated that the purpose and intent of the Sign Code states that the location, height, size, and illumination of signs are regulated in order to maintain the attractiveness and orderliness of the City's appearance and to protect business sites from loss of prominence resulting from excessive signs, particularly pole signs, on nearby sites. He said that if the proposed sign is approved, other businesses would argue that they also need special consideration. He said that he shares the concern raised by Continental Development regarding the relation of the sign with the other corners of the intersection. He stated that he would welcome the applicant to come back to the Commission with a proposal that is more in keeping with the concerns that have been raised.

Commissioner Fasola said that although he has spoken out very strongly against the proposal, he is open to allowing oversized signage that is more visible within the studio rather than along Rosecrans Avenue. He commented that there would be space to allow for advertising within the courtyard of the buildings.

Action

A motion was MADE and SECONDED (Paralusz/Seville-Jones) to **CONTINUE** consideration of a Sign Exception regarding the installation of two ground based electronic changeable copy signs totaling 648 square feet of area at the Manhattan Beach Studios Facility at 1600

Rosecrans Avenue to the meeting of October 8, 2008.

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

F. DIRECTORS ITEMS

None.

G. PLANNING COMMISSION ITEMS

Commissioner Powell commented that the current Commissioners that participated in the public hearing for the Manhattan Beach Community Church were invited to the dedication ceremony. He stated that the project will be an excellent addition to the community.

Commissioner Powell said that he, Director Thompson, Chairman Lesser, and several staff members attended the American Planning Association California Conference. He commented that he headed a panel session entitled "Effective Communication Between Planning Staff and Elected and Appointed Officials." He said that the panel consisted of Mayor Montgomery, Director Thompson, Walt Dougher, and Chuck Milam. He stated that the conference was well attended, and there was great input from community development staff members.

Chairman Lesser said that he also attended the conference. He indicated that he attended a session regarding the utilization of CEQA (California Environmental Quality Act) in complying with the state law regulating carbon emissions.

H. TENTATIVE AGENDA October 8, 2008

I. ADJOURNMENT

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

SARAH BOESCHEN
Recording Secretary

ATTEST:

RICHARD THOMPSON
Community Development Director