

**CITY OF MANHATTAN BEACH  
[DRAFT] PLANNING COMMISSION  
MINUTES OF REGULAR MEETING  
FEBRUARY 14, 2018**

A Regular Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 14<sup>th</sup> day of February, 2018, at the hour of 6:07 p.m., in the City Council Chambers, at 1400 Highland Avenue, in said City.

**1. ROLL CALL**

Present: Burkhalter, Fournier, Morton, Seville-Jones, Chairperson Apostol  
Absent: None  
Others Present: Anne McIntosh, Director of Community Development  
Eric Haaland, Associate Planner  
Angelica Ochoa, Associate Planner  
Andrew R. Contreiras, Assistant City Attorney  
Rosemary Lackow, Recording Secretary

**2. APPOINTMENT OF VICE-CHAIRPERSON**

Director McIntosh explained that the protocol for Vice-Chair appointment as set forth in the City-wide Commissioner Handbook is to follow the order of seniority based on time of appointment. After a brief discussion, the applicable order of seniority is: Seville-Jones, Burkhalter, Morton.

It was moved and seconded (Apostol/Burkhalter) to appoint Commissioner Seville-Jones as Vice-Chair, in accordance with the stated protocol.

Roll Call:

AYES: Burkhalter, Fournier, Morton, Seville-Jones, Chairperson Apostol  
NOES: None  
ABSENT: None  
ABSTAIN: None

**3. AUDIENCE PARTICIPATION (3-minute limit) – None**

**4. APPROVAL OF THE MINUTES**

10/25/17-1. Regular meeting – January 24, 2018

It was moved and seconded (Seville-Jones/Morton) to approve the minutes of 1/24/18 with no changes.

Roll Call:

AYES: Burkhalter, Morton, Seville-Jones, Chairperson Apostol  
NOES: None  
ABSENT: None  
ABSTAIN: None

**5. GENERAL BUSINESS**

02/14/18-2. Adoption of a Resolution Documenting the Decision of Approval for a Master Use Permit Amendment to Modify the Existing Uses Located at 451 Manhattan Beach Boulevard, Metlox (Metlox, LLC)

Director McIntosh explained that the Commission business tonight is limited to review of the draft Resolution submitted with the Staff Report to determine whether it reflects the intent of the Commission and if so determined, adopt the Resolution, approving the application. Public input however, is limited to whether the draft Resolution accurately reflects the Commission's intent.

The Commission was invited to direct questions to staff.

Director McIntosh informed **Commissioner Seville-Jones** that it would be appropriate for her to vote “no” tonight, to reflect her intent stated at the last meeting.

To the Chair, Associate Planner Angelica Ochoa clarified that the project size in terms of square footage is not an expansion but rather a reallocation of existing space where some space could change from retail to restaurant space. Ms. Ochoa added that approval would allow for more flexibility in managing uses in the future.

**Commissioner Seville-Jones** added that the fact that with potentially additional restaurant use, this would be an intensification potentially, resulting in more traffic, etc. which is her main concern.

### **Public Comment**

**Don McPherson**, 1014 1<sup>st</sup> Street, submitted comments in writing. He objects to the project as he believes it is not a “negligible use” and therefore under CEQA cannot be a “categorical exemption” from environmental review. He cited the increase in the parking requirement as a result of the increased restaurant seating will be 51 net additional from 330 spaces currently 381. He believes that a supplemental EIR is needed. He suggested that the Commission ask the City Attorney whether this is a significant increase.

**Assistant City Attorney Contreiras** informed that the Commission’s review tonight is limited to whether the resolution as drafted for adoption accurately reflects the Planning Commission’s direction to staff at the last meeting. The Commission cannot take new information nor can the public provide new information.

### **COMMISSION DISCUSSION AND ACTION**

**Commissioner Morton** stated he believes that the resolution accurately reflects the intent of the Commission and its direction to staff, noting that some elements have also been “tightened up”.

**Commissioner Fournier** echoed Commissioner Morton’s comments and received staff confirmation that the Resolution does not provide authority to the City Manager to administratively approve uses in the Center. Staff explained further that the resolution does not need to address this because this was not approved by the Commission and the fact that this was requested is documented in the Staff Report.

**Commissioner Seville-Jones** confirmed she will again vote “no” because she believes that this modification goes a little too far in almost doubling the amount of restaurant space without requiring additional Use Permits. She believes that a more transitional path to restaurant approvals is a better approach and without more information on potential impacts she cannot approve.

**Commissioner Burkhalter** asked for clarification as to the procedure and recourse for the applicant if the draft Resolution were to fail tonight. **Director McIntosh** responded that the Commission could vote to reopen the public hearing and continue (with re-noticing) based on a desire to reconsider its direction, but the applicant has an option, most likely to be exercised, to file an appeal to the City Council if the resolution fails.

It was subsequently moved and seconded (Morton/Fournier) to accept the Staff recommendation and ADOPT the draft Resolution, approving the application subject to conditions.

Roll Call:

AYES: Fournier, Morton, Chairperson Apostol

NOES: Burkhalter, Seville-Jones

ABSENT: None

ABSTAIN: None

## **6. PUBLIC HEARING**

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02/14/18-3. Consideration of Use Permit Applications to Construct a New Office Building and an Office Building Addition and Consideration of a Final Environmental Impact Report Pursuant to

the California Quality Act for Projects at 305 and 330 South Sepulveda Boulevard (Skechers USA)

Chair Apostol announced the item and then he and Commissioner Seville-Jones recused themselves due to potential conflicts of interest. Chair Apostol explained that Commissioner Burkhalter will chair the meeting for this item; both recused Commissioners left the chambers.

The issue of hearing protocol was raised and it was agreed that the applicant will have 15 minutes for its presentation and all other speakers will have 3 minutes each. The Staff presentation will consist of presentations in this order: Director McIntosh (Introduction); Associate Planner Eric Haaland (Project Overview and Recommendation); City Traffic Engineer Erik Zandvliet (Traffic/Parking). It was noted that the EIR consultant is also present as a resource.

**Director McIntosh** explained the unusual circumstance and process in that this is a single project located in two cities (Manhattan Beach and Hermosa Beach) and the EIR process including public input and evolution of the project based on public input. She emphasized that staff from both cities collaborated and the project evolved based on public input during scoping meetings, etc.

**Associate Planner Eric Haaland** gave oral report assisted by a comprehensive slide presentation covering the project scope, neighborhood setting and zoning, EIR process and project analysis (code requirements).

**City Traffic Engineer Erik Zandvliet** addressed the Commission regarding traffic and parking issues as related to the EIR including mitigations and how other non-CEQA impacts are addressed. He explained that a “micro-simulation” supplemental study modeled seven mitigation scenarios in the EIR. It was found that the upgrade of 3 traffic signals initially identified as a mitigation option was found to not be the best regarding traffic operation and instead it is recommended that a combination of physical improvements including: 1) new left-turn restriction from 30<sup>th</sup> St onto SR-1 (in Hermosa); 2) new left-turn prohibition on Duncan to SR-1 (in Manhattan); 3) left-turn pocket lengthening on Tennyson (in Manhattan); 4) new right-turn lane on Gould/Artesia (in Hermosa), and business operational conditions (such as implementation of a Transportation Demand Management, “TDM” program for the business in order to reduce vehicle trips. Under the TDM, the project must operationally achieve a 7% trip reduction during weekday am and pm peak hours and until this goal is met, Skechers would be required to adopt successive operational requirements as set forth in the TDM program subject to City approval. Parking supply will be more than adequate and also a parking deficit at the Skechers property at 225 S. Sepulveda in Manhattan Beach will be eliminated as new parking for that building will be provided. The proposed condition is that a minimum of 525 parking spaces will be required for the 305 and 330 Sepulveda buildings in Manhattan Beach and employee parking is part of the TDM program. Other conditions were mentioned by Mr. Zandvliet such as temporary construction traffic and parking and deliveries and loading and traffic calming measures with a provision for a neighborhood traffic plan.

**Mr. Zandvliet** responded to questions as follows: The rationale for the proposed lengthening of the left turn on Tennyson is to provide a U-turn, not a left turn movement, for those exiting the Design Center on Tennyson, since there will not be a signal at Sepulveda. He believes that there will be sufficient sight distance for this turn to be made (Fournier)

**Associate Planner Haaland** concluded with the Staff recommendation to: Conduct the public hearing and, subject to input, direct Staff to prepare two use permit resolutions, one for each address in Manhattan Beach, and a third Resolution adopting the final EIR and Mitigation and Monitoring and Reporting Program.

## PUBLIC HEARING

**Commissioner Burkhalter** opened the public hearing and invited the applicant to address the Commission.

**David Hibbert**, DFH Architects, Santa Monica, project architect, described the “high end” architectural vocabulary of the proposed buildings consisting of exposed concrete, with ductile frame, stainless steel and colored spandrels and high performance exterior glass. The buildings will not be “maxed out” in both floor area and the height will be comparable to nearby 3-story beach residential development (30 feet in Manhattan Beach and 35 feet in Hermosa Beach). He took the audience through how the project design evolved following input received in community outreach (elimination of pedestrian bridge and garage tunnel

access, reduction of site and floor area at the Design Center etc.). He reviewed both 305 and 330 Sepulveda buildings access, loading, parking etc. and explained sustainable materials and building technology will result in the structures being certifiable as LEED gold. He explained some operational aspects will reduce the need for employees to drive to the site (e.g. electric bikes and shuttles for off-site lunch).

**Mr. Hibbert** clarified the truck access and circulation for 330 Sepulveda in that the loading dock is to the rear off Kuhn and trucks will enter on Longfellow, go through the garage and exit on Kuhn.

**Tim Ball**, Skechers, pointed out the significant economic benefits and contribution to local education and groups that comes from Skechers to both cities. The construction period will be about 24 months for each building with some overlap. There will be construction worker shuttles and valet parking thereby avoiding intrusion into neighborhoods. A vehicular tunnel was eliminated in Hermosa Beach because its construction would have required the closing of 30<sup>th</sup> Street for more than a day at a time.

**Michael Greenberg**, Skechers, stated that his company respects and loves the beach communities and does not want to act in any way that would be frowned upon. Skechers makes every effort to be a good corporate citizen.

**Commissioner Burkhalter** invited other members of the audience to address the Commission.

**William Victor**, long time property owner, Manhattan Beach, doesn't believe that Skechers has greatly improved quality of life for the city residents; he cautioned that the City will regret an approval of this project. He questions whether the 7% trip reduction condition will be effective.

**Paul Sorrell**, legal counsel to one of the tenant leaseholders at 1050 Duncan (referred to as 305 Sepulveda Boulevard) stated that Skechers is seeking approval of a project that they do not at this time have a right to construct. His tenant has an "undisputable right" under a long term lease under contract. While he understands that this situation is not directly related to CEQA etc., he believes the issue of tenant rights should be a factor for the Commission to consider and that there will be major legal issues if approved.

**Richard Hoft**, Duncan Avenue resident, is new to this case and though he is pleased about the thoroughness of the staff review and Skechers response to neighbors, he has concerns. He requested the name of a city contact regarding the project.

**James Andrews**, Dianthus resident, is concerned that the project will be a significant industrialization of the area. He has concerns regarding huge volumes of traffic on Sepulveda and stressed that Duncan Place is a narrow alley that also faces the front of several homes.

**Jacqueline Zuanich-Ferrell**, 1000 block of Duncan Avenue recalled that when she purchased her property in 1971 there was a strip mall and a bar in this location. She is not opposed to the redevelopment to modern buildings but she is concerned about increases in traffic and the addition of a third driveway on Duncan Avenue serving 305 Sepulveda. Currently there are traffic impacts due to a steady stream of traffic using the existing Duncan driveways during peak arrival and departure times. She looks forward to the dialogue with neighbors that will be required as a condition of approval in doing a neighborhood traffic plan.

**Harris Bass**, 318 S. Dianthus Street expressed concern regarding 305 S. Sepulveda building, in particular the fact that the loading area and dock, trash and pad will be located along Boundary Place. He is concerned that problems for both north and south bound traffic on Sepulveda will occur despite the fact that in the EIR, it states that access will be directed to and from Sepulveda, not through residential streets. He believes that 30-foot trucks will prefer to use wider residential streets because of the narrowness and low sight visibility on Boundary Place. He suggested additional mitigation measures be applied to address this issue.

**Nikki Stapakis**, Manhattan Beach resident, is a frequent visitor to the area around the project and believes all the residents' concerns are legitimate. She believes that with traffic volumes so high on Sepulveda, a 7% vehicle trip reduction as a mitigation is insignificant; is concerned that there will be parking in the neighborhood by Skechers employees. She requested that the Commission deny the application or consider more mitigating conditions.

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**Bill Beck**, long-term Manhattan Beach resident and owner of the O.K. Corral Preschool in Hermosa Beach nearby, is supportive of the project, but noted the construction and truck traffic will impact his property

including directly affecting families coming and leaving the preschool. He requested that the Commission look carefully at Boundary Place to alleviate impacts.

**Dr. Cassandra Giornali Sorrell**, Hermosa Beach resident and a leaseholder/tenant at 1050 Duncan stated that Skechers, which bought her building in December 2015 has recently offered a buyout but at one-quarter the cost to her. She described an on-site parking problem that required intervention by the City to resolve. Although this is a private matter she believes it is important for the city to understand and she is available to discuss.

There being no others wishing to speak, **Commissioner Burkhalter** invited the applicant to rebut.

**Michael Greenberg** appreciates that the neighbors are voicing concerns. He believes that the project reflects what the community wants and is preferable to a new strip center. He has reached out to Ms. Giornali Sorrell and other tenants as stated. He is open to discuss any issues and continue to mitigate any potential problems.

**Commissioner Burkhalter** invited the Commission to ask questions.

**Commissioner Morton** requested clarification as to how concerns voiced by residents regarding Boundary Place will be sufficiently mitigated (i.e. entry/exit on Boundary, blind corner, circulation of trucks going north on Sepulveda). Responses were provided from the project architect and Staff.

**Mr. Hibbert** responded that the building in Manhattan Beach will not have many deliveries nor will large trucks likely be used (most deliveries will be at the Design Center) so basically they are addressing an issue that they don't feel exists. The location of the trash area is regulated by Municipal code. Most likely two trucks will **not** need to enter or use the alley at the same time. In addition, most of the deliveries will be by UPS, FedEx, etc. which typically do not need a dock but are made quickly by parking on a street such as SR 1. The building has a larger than required set back of 35 feet and have a larger radius at the corner. The adjacent building will have a larger radius.

**City Traffic Engineer Erik Zandvliet** noted that alleys are typically used for deliveries and loading docks and are expected to be used full-width which, in this case is 20-feet. The improvements that come with the project construction, including larger turning radius and setbacks will be helpful. Neighbor concerns about localized traffic will be taken up in the required neighborhood traffic plan but the 30-foot setback will be written into the conditions and streets will be signed as to prohibition for truck traffic westerly. He cautioned applying mitigations to the alley, counter to the basic design of an alley (is to be used for certain utility operations such as deliveries/trash) and emphasized that the proposed office use is low intensity for trash and deliveries.

**Director McIntosh** emphasized that zoning regulations do not provide for unsafe conditions for cars accessing Sepulveda - in this case there is an applicable code that establishes a sight distance triangular area for commercial buildings at corners which effectively is an added setback. This will be enforced and aid visibility.

**Commissioner Fournier** likes the building appearance but has concerns regarding commercial loading. He is familiar with the commercial buildings in this area including the existing Skechers building and he has noted that loading with trucks is not done in the loading area but rather at 330 Sepulveda there is a lot of parking in the Longfellow red zone and on Kuhn for deliveries. He believes that trucks will follow the least intrusive route in this case northbound on Sepulveda will turn left at Longfellow, then to Dianthus and then back up to Boundary and this will add some additional traffic. The loading dock is a sticking point for him, because it's also possible that the trucks will park in the alley and run into the building. History shows with the existing building, there have been adaptations and has concerns that there will be adaptations with the new building.

**Commissioner Burkhalter** inquired as to whether all options have been explored for the loading dock location. Director McIntosh noted that the original design did not have a dedicated loading dock and this was added in.

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Discussion followed on implications of revising the loading dock design.

**Traffic Engineer Zandvliet** responded that, as this is a Use Permit, the design can be reconfigured or redesigned. He believes if the clear area in the alley is increased or effectively widened via building modification, there is concern that inappropriate parking may occur which will create an enforcement problem. The likely scenario for deliveries is that during the day when parking is allowed on Sepulveda, FEDEX or other delivery vans will not try the loading zone and will park briefly on Sepulveda to drop off. It may not be good idea to prohibit such.

**Commissioner Morton** noted that use of the parking lane on Sepulveda was factored in the EIR studies and inquired as to whether the blocking off of Boundary past the loading dock was considered to which **Traffic Engineer Zandvliet** responded affirmatively. However, it was decided to reserve this issue to the development of the neighborhood traffic plan post approval, to enable direct input to affected property owners.

Further discussion ensued in which it was noted that a prior plan iteration featured a “parallel loading zone” design. It was noted that currently the options for trucks using the designated loading area are either to back into the dock, or, if going straight in, to back out onto Boundary.

**Commissioner Fournier** summarized his concern that as proposed, delivery trucks will likely stop and park either on Boundary or Sepulveda as on Kuhn for the existing Skechers.

**Mr. Zandvliet** noted one concept that could be explored in the Neighborhood Traffic Plan would be a physical barrier that would allow eastbound cars only through at the end of the residential area on Boundary, but this would have to be studied and looked at by the residents.

The Commission invited the applicant to provide more input.

**Michael Greenberg** asked that the Commission consider that Skechers will not be shipping product from this location and much is done with computers not using printed paper. He is at 330 Sepulveda daily and is seldom stuck behind a truck. So for the loading and deliveries the only operations are trash pickup and FEDEX / UPS delivery and company small minivans. Another possibility is, if congestion occurs, to instead of using the loading dock on Boundary, use the 225 Sepulveda building for limited deliveries and walk packages across. He concluded by suggesting that like the Neighborhood Traffic Plan, modifications regarding the loading dock be allowed to be resolved post mitigation after the project decision.

**Commissioner Burkhalter** inquired and **Director McIntosh** explained that procedurally, the Commission will be voting on two individual Use Permits - a new UP for the new building and a UPA (amendment) for 330, the existing building. She advised that the Commission can consider amending the conditions regarding the loading areas and impose operational conditions that address deliveries e.g. place the burden on the applicant to direct deliveries to a specific location(s), such as on Sepulveda or at an adjacent building.

**Commissioner Burkhalter** reminded that overall traffic impacts are to be considered. The TDM program will require changes in behavior of the building occupants and its success will rely on internal company monitoring. He inquired regarding the percentages city origin for employees of both buildings.

**Lisa Kranitz**, Attorney for Skechers, responded that approximately 33% of the Skechers employees are from Manhattan Beach, Hermosa Beach and El Segundo combined. Employees are encouraged to take company vans to nearby lunch locations.

**Chair Burkhalter** closed the public hearing

## DISCUSSION AND ACTION

**Commissioner Morton** likes the building and is comfortable with the parking with concerns addressed for spillover parking. However, he thinks that the issues on Boundary Place need more work and would like to see options brought back with more information regarding mitigations. The blind corner, being in Hermosa is not under their control. He appreciates that the preschool is supportive. His concerns are limited to the 305 Sepulveda building. He’s comfortable with traffic and mitigation for 330 and is not as concerned as Boundary on Tennyson and Duncan. He likes: the right turn mitigation, the use of the building, that it will beautify the corridor and be an economic boost. He wants to move forward but get more information. Regarding testimony regarding impacts to private leases affecting the 305 building, this is not within the

Commission's use permit jurisdiction and that will need to be worked out independently and privately. Responding to the comment that the project is an industrialization, he noted the site is zoned "General Commercial" and this is not changing. The relevancy of building size is that the square footage triggers a use permit approval process. He understands that the Neighborhood Traffic Plan requires additional study but he feels, by identifying options, it could benefit the neighbors.

**Commissioner Fournier** echoed Commissioner Morton's comments noting that he supports the project in terms of its use (recognizing that retail is going away) and quality appearance. The use of Boundary Place also is his issue regarding the ingress and egress of trucks and possibly blocking the alley. He wants to see it addressed and believes that there is the potential that Boundary will actually look better after the project. As to the size of the buildings he believes although initially they will seem large, over time they will not appear as large. He would, however like to see solutions on Boundary Place as those residents deserve respect for the investments they've made. He has no issue with 330 Sepulveda. He supports getting more information on Boundary.

**Commissioner Burkhalter** commented that the use permit provides a good mechanism for enforcement if Skechers does not comply with conditions but is wondering what tool is available to rely on for post mitigation local traffic issues related to Boundary Place loading and deliveries.

**Director McIntosh** requested direction for staff and outlined options for the Commission: 1) act only to Approve (adopt) the EIR; 2) address the EIR but also approve the Use Permit amendment at the 330 building; and 3) do both of the above and approve the Use Permit also at 305 Sepulveda.

A motion was made and seconded (Morton/Burkhalter) that staff prepare two resolutions to be brought back at the March 14 meeting: 1) making findings and adopting a Final Environmental Impact Report (FEIR) and Mitigation Monitoring and Reporting Program (MMRP); and 2) approving the Use Permit Amendment for 330 S. Sepulveda Boulevard.

In addition, it was agreed that the Commission give direction for staff to study and work with the applicant to identify alternatives for the Boundary Place loading dock and delivery including circulation around the site next to 305 Sepulveda.

It was decided that they would take a vote and then discuss the additional information needed.

**ROLL CALL:**

AYES: Burkhalter, Fournier, Morton,  
NOES: None  
ABSENT: Seville-Jones, Chairperson Apostol (recused)  
ABSTAIN: None

Discussion followed regarding alternative direction regarding Boundary Place issues. **Director McIntosh** stated two options: 1) prepare a Resolution with a condition that requires the project to be redesigned to not have loading on Boundary Place with the details to be worked out administratively by Staff; or, 2) After discussing with the applicant, Staff would come back with certain alternatives regarding Boundary Place for further consideration by the Commission and with information on what flexibility exists in the code, and what kinds of operational conditions would be useful. A Resolution could be drafted to reflect this option as well.

Discussion followed on the procedures if the second option was followed and the Commission supported this option with 3<sup>rd</sup> Resolution reflecting this option for 305 Sepulveda. **Director McIntosh** noted that re-noticing would not be required if tonight the public hearing were re-opened.

It was moved and seconded (Morton/Fournier) to REOPEN the public hearing and CONTINUE to March 14, 2018.

**ROLL CALL:**

AYES: Burkhalter, Fournier, Morton  
NOES: None  
ABSENT: Seville-Jones, Chairperson Apostol (recused)  
ABSTAIN: None

Chairperson Apostol and Vice-Chair Seville-Jones joined the meeting in progress.

**7. DIRECTOR'S ITEMS:**

Director McIntosh confirmed that the Commission will have a meeting February 28, 2018.

**8. PLANNING COMMISSION ITEMS - none**

**9. TENTATIVE AGENDA – February 28**

a. Condominium Code Amendments – Public Hearing

**10. ADJOURNMENT** – Chair Apostol adjourned the meeting at 8:32 P.M. to Wednesday, February 28, 2018 at 6:00 P.M. in the City Council Chambers, City Hall, 1400 Highland Avenue. No objection, it was so ordered.

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ROSEMARY LACKOW  
Recording Secretary

ATTEST:

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ANNE MCINTOSH  
Community Development Director