MANHATTAN BEACH PLANNING COMMISSION MINUTES OF REGULAR MEETING JUNE 26, 2024 DRAFT

A. CALL MEETING TO ORDER

A Regular meeting of the Planning Commission of the City of Manhattan Beach, California was held in a hybrid format (Zoom and in person at City Hall, 1400 Highland Avenue) on the 26th day of June, 2024. Chair Tokashiki called the meeting to order at the hour of 3:05 p.m. and announced protocols.

B. PLEDGE TO FLAG

C. ROLL CALL

Present: Commissioners Hackett, Dillavou, Ungoco, Vice-Chair Sistos, Chair Tokashiki,

Absent: None

Others Present: Talyn Mirzakhanian, Community Development Director

Adam Finestone, AICP, Planning Manager

Austin Chavira, Assistant Planner Tatiana Maury, Agenda Host

Rosemary Lackow, Recording Secretary (remote)

D. REORGANIZATION OF THE COMMISSION

Director Mirzakhanian thanked Chair Tokashiki and Vice-Chair Sistos for their leadership over the last year and informed as to protocols for reorganizing in that the Chair and Vice-Chair are typically nominated in accordance with seniority (as to when seated) and in this case, next in line for Chair and Vice-Chair are Commissioners Sistos and Dillavou, respectively.

It was moved and seconded (Dillavou/Ungoco) that Vice-Chair Sistos serve as Chair for 2024-2025. Roll Call:

Ayes: Commissioners Dillavou, Hackett, Ungoco, Vice-Chair Sistos and Chair Tokashiki

Noes: None Absent: None Abstain: None

Agenda Host Maury announced that the motion passed 5-0.

It was moved and seconded (Hackett/Ungoco) that Commissioner Dillavou serve as Vice-Chair for 2024-2025.

Roll Call:

Ayes: Commissioners Dillavou, Hackett, Ungoco, Vice-Chair Sistos and Chair Tokashiki

Noes: None Absent: None Abstain: None

Agenda Host Maury announced that the motion passed unanimously 5-0.

At 3:09 p.m. Chair Tokashiki announced a recess to accommodate the reseating of the Commission, as reorganized.

At 3:14 p.m. Chair Sistos called the meeting back to order.

E. APPROVAL OF AGENDA

A motion was made and seconded (Ungoco/Tokashiki) to approve the agenda with no changes.

Roll Call:

Ayes: Commissioners Hackett, Tokashiki, Ungoco, Vice-Chair Dillavou and Chair Sistos

Noes: None Absent: None Abstain: None

Agenda Host Maury announced the motion passed 5-0

F. **AUDIENCE PARTICIPATION** – None

G. APPROVAL OF THE MINUTES

06/26/24-1 Regular Meeting – April 24, 2024

Chair Sistos called for any changes; seeing none, it was moved and seconded (Hackett/Dillavou) to approve the minutes as submitted.

Ayes: Commissioners Hackett, Tokashiki, Ungoco, Vice-Chair Dillavou, Chair Sistos

Noes: None Absent: None Abstain: None

Agenda host Maury announced the motion passed 5-0.

H. PUBLIC HEARING

06/26/24-2. Consideration of a Use Permit Amendment to allow off-sale of distilled spirits

in addition to the existing allowance for off-sale beer and wine in conjunction with the operation of an existing service station and convenience store located at 3633 North Sepulveda Boulevard, and associated environmental determination in accordance with the California Environmental Quality Act (Chevron)

Chair Sistos announced the item and called for a staff report.

Assistant Planner Chavira gave an overview and summary concluding with the staff recommendation—that the Commission conduct a public hearing and adopt a draft resolution (PC 24-XX), approving the Use Permit Amendment subject to conditions, and adopt a determination of exemption under CEQA.

Staff responded to questions from the Commission clarifying the Police Department review, public notification, and a condition addressing potential loitering.

Chair Sistos opened the public hearing and invited public comment.

Steve Rawlings, representing Chevron stated: Chevron concurs with the staff recommendation and accepts all proposed conditions; Chevron invests in staff and training to ensure a safe and clean store; while loitering can occur, it has not been a significant problem. Staff is trained to address loitering, but this site does not have a significant presence at this busy intersection; customers mostly arrive in cars.

Responding to commissioner questions, **Mr. Rawlings** explained the purpose for the application is the desire to respond to a consumer demand for seltzer beverages such as "White Claw" or "Truli vodka" which, although their ABV (alcohol by volume) is similar to beer and wine, requires a Type 21 alcohol license because they are made from distilled spirits. Chevron does not want to become a liquor store but as a convenience store wants to be able to sell a wide array of products. Chevron agrees to keep all high percentage distilled spirits that would also be permitted in a Type 21 license, in a locked cabinet behind the cash register but would like to keep the White Claw and Truli type products in the coolers along with beer and wine. The current percentage of alcohol sales compared to overall sales at the store is 3-4% and only a fractional increase is expected. This type of addition in product offering is common with all the major gas station convenience stores and he is not aware of any increase in crime or other problems arising from such. He believes that the combination of keeping the bottles of distilled spirits (common size: 750 ml) locked

behind the counter and close monitoring of activity in the store is effective. Mr. Rawlings clarified that the Type 21 application for this change is "in escrow" at the state ABC pending local planning approval.

Planning Manager Finestone suggested that the Commission look at possible modifications to conditions 10 and 11 on page 3 of the draft resolution that would specify that certain distilled spirits that are at or above a certain ABV would be required to be held in a locked cabinet behind the sales counter. **Director Mirzakhanian** affirmed that the Commission could attach conditions as suggested by the Planning Manager as long as the conditions apply to a category of products, not to specific products.

Steve Rawlings suggested various ways that the conditions can place restrictions or controls for distilled spirits e.g. setting a maximum square footage or location in the store with attention to ABV percentages (e.g. at 30-40% minimum) and prohibiting sale of mini "airline" bottles of distilled spirits; Chevron would be amenable to such types of restrictions. He also stated that Chevron will not be displaying any exterior signage promoting the distilled spirits.

Chair Sistos **closed the public hearing** and opened the floor to Commission discussion, there being no others present in person or remotely wishing to speak,

Chair Sistos asked if staff knows of any precedence for an approval of expanding to a Type 21 license at a convenience store. **Director Mirzakhanian** responded that the Commission approved an alcohol license for distilled spirits at a 7-11 store on Artesia Boulevard in the past few years with no limit on bottle size.

Vice-Chair Dillavou stated that, in understanding the application more, he is inclined to approve with appropriate conditions (prohibiting "airline" bottles and limiting square footage); Commissioner Hackett indicated a similar leaning but is weighing reward against risks to the community. Commissioner Tokashiki expressed he is comfortable in that the Police Department has reviewed and has not submitted any significant safety concerns that should be addressed in the use permit, and he would like to give the operator flexibility. He feels also that the location at this intersection is very visible, and he believes does not lend itself to a "smash and grab" situation due to high volumes of traffic going by. Commissioner Ungoco is generally supportive as he feels the owner knows best their business needs.

Vice-Chair Dillavou and **Chair Sistos** discussed that they are leaning towards a motion that would restrict the square footage of the display of distilled spirits as indicated on the submitted plan with a prohibition on sale of airline bottles. Discussion focused on what percentage of ABV should be applied wherein display is locked and limited by square footage.

Planning Manager Finestone noted from researching that wine is typically 15% ABV, whereas the White Claw and Truli seltzers are 5% and 8%.

Director Mirzakhanian recommended re-opening the public hearing to obtain additional input from the applicant.

Chair Sistos reopened the public hearing and invited the applicant to provide input.

Steve Rawlings suggested imposing a condition requiring that distilled spirits at 25% ABV or higher be restricted from the coolers and be kept locked behind the counter.

Director Mirzakhanian suggested amending conditions 10 and 11 such that they apply only to those distilled spirits that exceed an alcohol content of 25%.

Director Mirzakhanian also noted that there is no explicit square footage limit in the conditions for higher ABV distilled spirits, however condition 1 on page 2 provides that the project shall be in substantial conformance with the plan as approved by the Planning Commission (which shows a limited display area for bottled distilled spirits).

Chair Sistos re-closed the public hearing.

It was moved and seconded (Dillavou/Ungoco) to approve the subject Use Permit Amendment subject to including a condition prohibiting "airline" sized distilled spirit bottles and revision of conditions 10 and 11 as suggested by **Director Mirzakhanian**, setting an alcohol content threshold of 25% beyond which the

distilled spirits would be required to be displayed behind the sales counter. In seconding, Commissioner Ungoco requested a friendly amendment to the motion to include adoption of a determination of exemption under CEQA, to which **Commissioner Dillavou** agreed.

Roll Call:

Ayes: Commissioners Tokashiki, Ungoco, Hackett, Vice-Chair Dillavou and Chair Sistos

Noes: None Absent: None Abstain: None

Agenda host Maury announced that the motion passed, 5-0.

I. DIRECTOR'S ITEMS – Update on previous Commission projects

Director Mirzakhanian congratulated Commissioner Sistos and Dillavou on their becoming Chair and Vice –Chair, and provided the following updates:

- Chase Bank (downtown) use permit for shared parking lot use: not implemented to date.
- Starbucks (former Jack-in-the-box, Sepulveda Blvd.) use permit amendment (PC approved 2/28/24): not implemented to date.
- Hotel, 600 S. Sepulveda Use Permit: demolition in process, in plan check.
- Highrose multi-unit residential: shoring and grading in process, no building permit yet.
- Ocean View commercial building, Use Permit/CDP, 229- 13th St (PC approved 10/11/23): in plan check, no building permit yet.

Director Mirzakhanian also reported: 1) staff has received a preliminary application for development of the former Fry's site (Rosecrans/Sepulveda) as a multi-family use; and 2) during the second half of July and through the month of August, no meetings will be held in the council chambers to accommodate an audio-visual upgrade project and Planning Commission meetings during this time will be moved to the Police and Fire Community Room opposite City Hall.

J. PLANNING COMMISSION ITEMS - None

K. TENTATIVE AGENDA – July 10, 2024

Director Mirzakhanian informed that a coastal development permit, use permit, and variance at 1145 Highland (9-unit hotel) will be scheduled for the July 10^{th} meeting . She also noted that,on July 17^{th} a special Planning Commission meeting will be tentatively scheduled for a Parking Code Update study session in the Police and Fire Community Room.

L. ADJOURNMENT

At 4:06 p.m. it was moved and seconded (Hackett/Dillavou) to adjourn the meeting to 3:00 p.m., Wednesday, July 10, 2024. The motion passed 5-0.

ROSEMARY	LAC	KOW	•
Recording Sec	retary	/	
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Kristin Sistos			

ATTEST:
Talyn Mirzakhanian
Community Development Director