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**CALIFORNIA COASTAL COMMISSION**

South Coast Area Office  
200 OceanGate, 10th Floor  
Long Beach, CA 90802-4302  
(562) 590-5071



Filed: Dec. 31, 1997  
49th Day: Feb. 18, 1998  
180th Day: June. 29, 1998  
Staff: JLR-LB *JLR*  
Staff Report: Jan. 8, 1998  
Hearing Date: Feb. 3-6, 1998

STAFF REPORT: CONSENT CALENDAR

APPLICATION NO.: 5-97-408

APPLICANT: Sangría Equity Partners, L.L.C.

PROJECT LOCATION: 58-60 Pier Avenue, Hermosa Beach

PROJECT DESCRIPTION: Expand an existing 2,413 sq. ft. restaurant by converting an adjacent 2,433 sq. ft. commercial building into additional restaurant use.

Lot area:	2,848 sq. ft.
Building coverage:	2,700 sq. ft.
Pavement coverage:	N/A
Landscape coverage:	N/A
Parking spaces:	None
Zoning:	C-Z, Restricted Commercial
Plan designation:	General Commercial
Project density:	N/A
Ht abv fin grade:	N/A

LOCAL APPROVALS RECEIVED: Approval in Concept-City of Hermosa Beach

- SUBSTANTIVE FILE DOCUMENTS:
1. City of Hermosa Beach Amended Certified Land Use Plan (LUP)
  2. Coastal Development Permits 5-93-113, 5-94-130, 5-94-217, 5-94-264, 5-94-282, 5-95-049, 5-95-077, 5-96-043, 5-96-075 and 5-96-152

SUMMARY OF STAFF RECOMMENDATION:

Staff is recommending approval with a special condition requiring the applicant to provide parking validations for a minimum of two hours within the City's Downtown Parking Validation Program.

STAFF RECOMMENDATION:

The staff recommends that the Commission adopt the following resolution:

I. Approval with Conditions.

The Commission hereby grants a permit, subject to the conditions below, for the proposed development on the grounds that the development will be in conformity with the provisions of Chapter 3 of the California Coastal Act of 1976, will not prejudice the ability of the local government having jurisdiction over the area to prepare a Local Coastal Program conforming to the provisions of Chapter 3 of the Coastal Act, and will not have any significant adverse impacts on the environment within the meaning of the California Environmental Quality Act.

II. Standard Conditions.

1. Notice of Receipt and Acknowledgment. The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. Expiration. If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. Compliance. All development must occur in strict compliance with the proposal as set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.
4. Interpretation. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
5. Inspections. The Commission staff shall be allowed to inspect the site and the project during its development, subject to 24-hour advance notice.
6. Assignment. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
7. Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

III. Special Conditions.

1. Parking validation

The applicant agrees, by accepting this permit, to provide parking validations for no less than two hours through the City of Hermosa Beach Downtown Enhancement District Parking Validation Program.

IV. Findings and Declarations:

The Commission hereby finds and declares as follows:

A. Project Description and Location:

The applicant proposes to expand an existing 2,413 sq. ft. restaurant by converting an adjacent 2,433 sq. ft. commercial building into additional restaurant use. The proposed project is located in the Downtown Commercial District of the City of Hermosa Beach. The site is located approximately one block inland of The Strand, a public walkway/bikepath that parallels the adjacent public beach. Following is a more detailed project description as submitted by the applicant:

The proposal is to expand the existing restaurant with on-sale general alcohol into the adjacent commercial space. The proposed improvements include an entertainment stage, dancing/assembly area, and an outside dining patio. The applicant's stated intent is for multiple uses of the interior space, which includes:

- . A supplemental dining and dancing area for their already busy weekend nights;
- . Banquet space to be rented out for weddings, parties, special events that may include live music or entertainment;
- . Meeting space for business luncheons or small conferences, with the stage set up as a speaker's podium.

The outdoor patio would primarily be used in connection with the peak restaurant times as supplemental dining area but could be made available as part of the banquet facility. The applicant indicates that no music or live entertainment would occur on the patio.

B. Public Access/Development:

The following Coastal Act policies are relevant:

Section 30211 of the Coastal Act states:

Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.

Section 30212.5 of the Coastal Act states:

Wherever appropriate and feasible, public facilities, including parking areas or facilities, shall be distributed throughout an area so as to mitigate against the impacts, social and otherwise, of overcrowding or overuse by the public of any single area.

Section 30252 of the Coastal Act states:

The location and amount of new development should maintain and enhance public access to the coast...(4) providing adequate parking facilities...

Additionally, the amended Land Use Plan of the City's Local Coastal Program, which was recently certified by the Commission on October 14, 1994, contains the following relevant parking policies for the Downtown Enhancement District (DED):

Policy:

New development, including expansions and intensifications of use, shall provide parking consistent with requirements elsewhere in the City unless the following findings are made. If the following findings are made, the exceptions described in Section 2 may be granted.

1. Findings

Before granting the exceptions below, the Planning Director shall certify:

- (a) That fewer than 96,250 sq. ft. of commercial development, including new buildings, expansions and/or intensification of uses, in the DED has received a CDP since November 1, 1994.
- (b) That there is currently adequate parking to support the development and provide adequate beach parking.
- (c) That the City Council has approved an interim parking study for the DED that shows the occupancy of the parking spaces in the DED is 90% or less during daylight hours on summer weekends.
- (d) That no more the 24,063 sq. ft. of commercial development in the (DED) has received CDP's since the last interim parking study was approved by the City Council.

2. Exceptions

- i. When parking is required, for projects on lots exceeding 10,000 sq. ft. and/or 1:1 F.A.R., parking in excess of that existing on the site at the time of the proposal shall be provided at 65% of the current parking requirement.

ii. Because of the physical constraints to providing parking and the desire to promote a pedestrian orientation in the Downtown Enhancement District, for projects on lots less than 10,000 sq. ft. and less than 1:1 F.A.R., no parking other than the parking existing on the site at the time of the proposal shall be required.

Program: Parking Validation

All new commercial development on any lot within the Downtown Enhancement District shall require participation by the business owner(s) in the parking validation program. Existing development of less than 500 sq. ft. may expand or increase in intensity of use up to 15% without participating in the validation program. The validation program shall provide validations for no less than two hours unless all required parking is provided on site without any parking exceptions specified in Section 2 above or any other parking variances or exceptions.

The City's 1994 amended LUP allowed a maximum of 96,250 of new commercial development without providing any additional parking. Before granting these exceptions, the City is required to make specific findings as discussed in more detail below. Recently, the Commission approved a hotel complex that now puts the City over the maximum cap. However, before the hotel was approved, the subject development had already been included in the total cumulative permissible cap limit (See Exhibit C 3 of 3). At the time of the City's approval, only 38,612 sq. ft. of development had been approved.

The City of Hermosa Beach approved the subject development on May 21, 1996. At that time, the project complied with all the parking provisions of the City's 1994 amended Land Use Plan. However, the proposed project was not immediately submitted to the Coastal Commission because the applicant was required to complete seismic retrofitting. Also, the applicant had to resolve lease agreements. Following is some background information submitted in a letter from the City:

This letter is to confirm that the subject request should be considered in accordance with parking exceptions provided for in the City's Coastal Land Use Plan, as amended in 1994 (Major L.U.P. Amendment 1-94, October 1994). The subject project was approved by the city on May 21, 1996, in accordance with the parking exceptions, allowing the proposed change of use from retail (a drugstore) to a restaurant, without providing any additional parking. At that time, the amount of new and intensified development was below the amount allotted by the Commission in the 1994 L.U.P. Amendment.

...The subject project (which has not change in size or scope) was approved by the City seven months before the maximum allotted development (96,250 square feet) was exceeded with the approval of the hotel project. At the time of approval only 38,612 square feet of development had been previously granted entitlements. The hotel project approval put the City over the 1994 L.U.P. amendment development threshold, but as noted in your staff report the additional required parking is to be provided in the City's new parking structure.

Several factors have contributed to the delay of the project submittal to the Coastal Commission. The applicant is the tenant of a building that requires seismic retrofitting. Lease agreements and coordination of the building retrofit with the restaurant expansion plans had to be resolved. The building owner has only recently proceeded with required seismic retrofitting of the structure.

...Also, please note that the City has provided interim studies to show that adequate public parking is available to serve existing and anticipated development, which this project was always considered a part (see the Summer 1996 parking survey previously provided to the Coastal Commission, copy attached).

The Commission's suggested modifications to the 1994 amended LUP allows granting of exceptions to parking requirements within a limited build-out cap and participation within a parking validation program in order to ensure that sufficient parking exists within the Downtown Commercial District to accommodate both new development and public beach parking. The Commission's 1994 conditional approval of the amended Land Use Plan (LUP) was based on a 1994 parking study. The City has up-dated that parking study and submitted it to the Commission in June 1996.

Before granting parking exceptions, the City is required to make four findings. The first finding requires the City to permit no more than a total of 96,250 sq. ft. of new development within the Downtown Commercial District. The proposed project complies with that requirement. A second finding requires the City to determine that adequate parking exists to support new development. A 1996 parking study submitted by the City demonstrates that the proposed project is consistent with that requirement. A third finding requires that the City's parking study demonstrates that the occupancy of the parking spaces in the Downtown Commercial District is 90% or less during daylight hours. The proposed project is consistent with that requirement, based on the 1996 parking study.

The fourth finding requires the City to approve no more than 24,063 sq. ft. of new commercial development since the last interim parking study was conducted. In June 1996, the City submitted an up-dated parking study indicating that there is adequate parking available in the downtown area to permit an additional 24,063 sq. ft. of new commercial development. A total of 48,126 sq ft of new development was allowed, whereas, the City had cumulatively only approved 38,612 sq. ft. which included the subject project. Therefore, the proposed project complies with the build-out cap limit requirement.

After making the required findings, under the revised LUP standards, parking is not required for development on building sites less than 10,000 sq. ft. with a 1:1 floor area/lot area ratio (F.A.R.) or less. The subject site is less than 10,000 sq. ft. and does not exceed the 1:1 F.A.R. Therefore, consistent with the 1994 amended Land Use Plan, no additional parking is required for the proposed project.

The Commission's approved 1994 amended LUP required merchants who take

advantage of a parking exception to participate in a parking validation program offering no less than two hours of validated parking. The City's Conditional Use Permit approval does require the applicant to provide parking validations for no less than two hours within the City's Downtown Parking Validation Program. However, the City's required conditional approval could subsequently be modified without the necessity of obtaining a Coastal Development Permit.

Therefore, the Commission is requiring a special condition, consistent with the LUP amendment, that requires the applicant to provide parking validations for no less than two hours within the City's Parking Validation Program. As conditioned, the proposed development will encourage customers to use the public parking lots where vacant spaces are available. Therefore, the inexpensive street spaces will be reserved for beach users. Only as conditioned, to participate in the validation program for a minimum of two hours, can the Commission find that the proposed project will not interfere with public access to the shoreline consistent with Sections 30211 and 30212.5 of the Coastal Act and the City's 1994 certified LUP amendment.

C. Consistency with the California Environmental Quality Act (CEQA).

Section 13096 of Title 14 of the California Code of Regulations requires Commission approval of Coastal Development Permits to be supported by a finding showing the permit, as conditioned, to be consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5 (d) (2) (i) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment.

The proposed project has been conditioned in order to be found consistent with the public access and development policies of the Coastal Act. Mitigation measures to validate parking for two hours will minimize adverse impacts on beach access. As conditioned, there are no feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment. Therefore, the Commission finds that the proposed project can be found consistent with the requirements of the Coastal Act to conform to CEQA.

0337G  
JR/lm

5-97-408

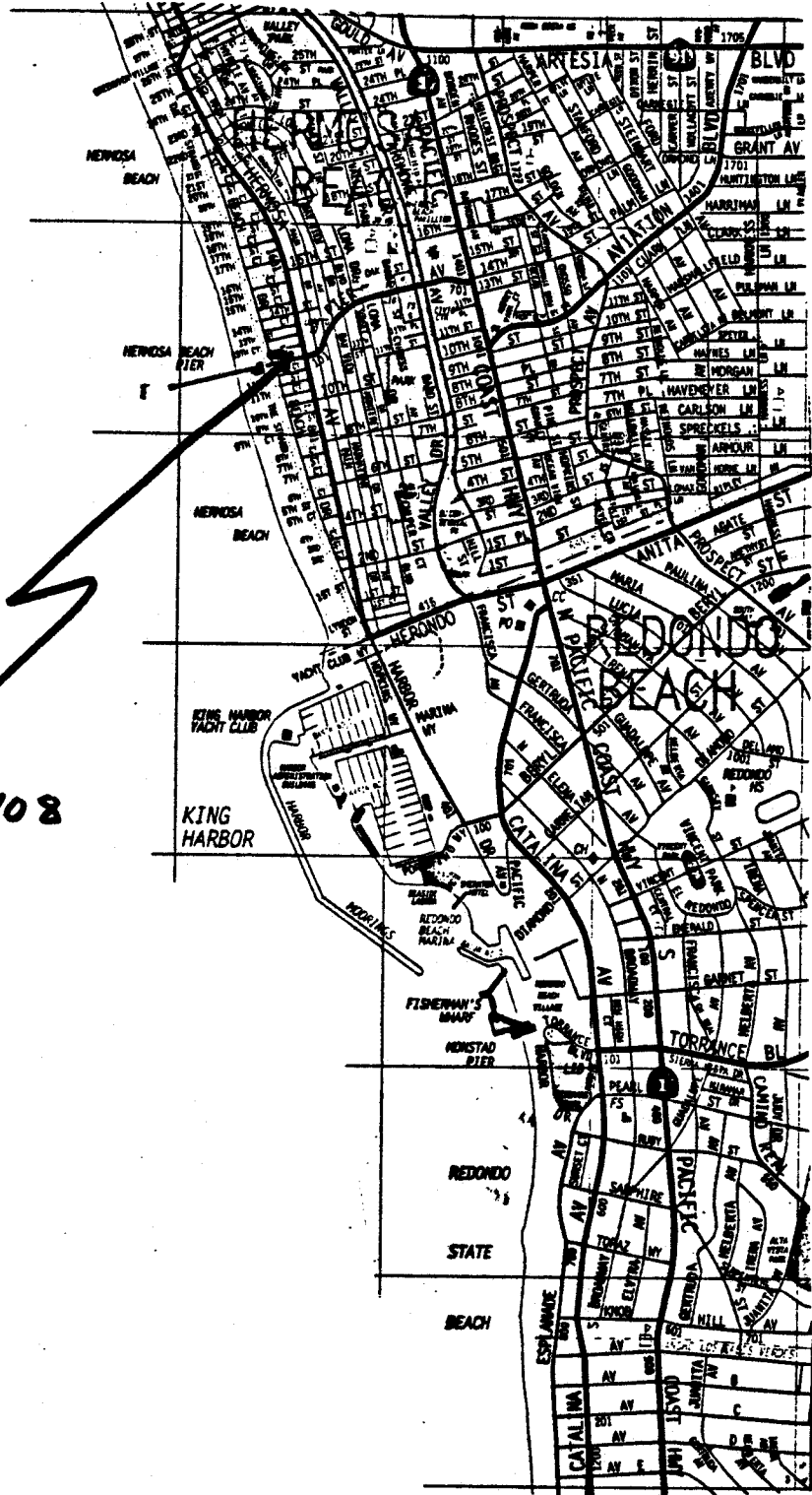
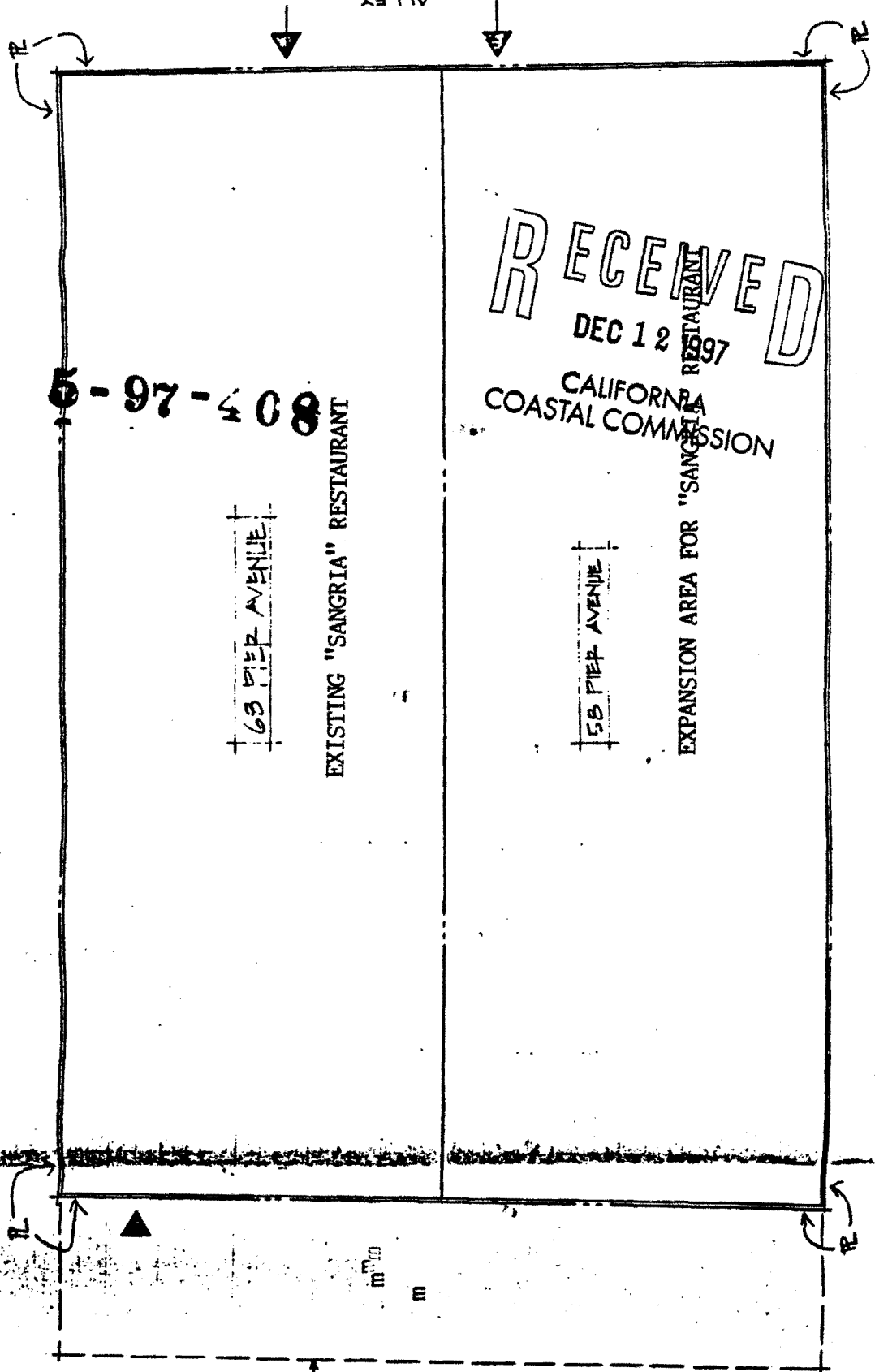


Exhibit A  
5-97-408





RECEIVED  
 DEC 12 1997  
 RESTAURANT

CALIFORNIA  
 COASTAL COMMISSION

804-66-5

63 PIER AVENUE

EXISTING "SANGRIA" RESTAURANT

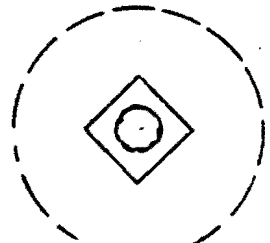
58 PIER AVENUE

EXPANSION AREA FOR "SANGRIA" RESTAURANT

SITE PLAN  
 1/8" = 1'-0"

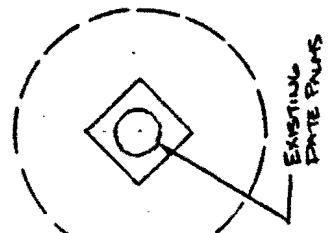


Exhibit B  
 804-66-5



12'0" DEDICATED  
 EXT. PINING SPACE

PER AVE.  
 (FORMER)



EXISTING  
 DATE PALM

804-66-5



# City of Hermosa Beach

Civic Center, 1315 Valley Drive, Hermosa Beach, California 90254-3885

96-25297-011

November 5, 1997

California Coastal Commission  
200 Oceangate, 10th Floor  
Long Beach, CA 90802-4302

RECEIVED  
DEC 12 1997  
CALIFORNIA  
COASTAL COMMISSION  
5-97-408

Attention: Pam Emerson, Supervising Analyst

RE: Coastal Development Permit Application from "Sangria" Restaurant  
Expansion to Existing Restaurant at 60 Pier Avenue.

Dear Pam:

This letter is to confirm that the subject request should be considered in accordance with parking exceptions provided for in the City's Coastal Land Use Plan, as amended in 1994 (Major L.U.P. Amendment 1-94, October 1994). The subject project was approved by the City on May 21, 1996, in accordance with the parking exceptions, allowing the proposed change of use from retail (a drugstore) to a restaurant, without providing any additional parking. At that time, the amount of new and intensified development was below the amount allotted by the Commission in the 1994 L.U.P. Amendment.

Attached is a summary of the projects which have been approved by the City and permitted by the Coastal Commission, including dates of City and Coastal Commission approval, and current development status. This attached summary was previously submitted to your office in December of 1996 in connection with review of the hotel project. As you can see, the subject project (which has not change in size or scope) was approved by the City seven months before the maximum allotted development (96,250 square feet) was exceeded with the approval of the hotel project. At the time of approval only 38,612 square feet of development had been previously granted entitlements. The hotel project approval put the City over the 1994 L.U.P. amendment development threshold, but as noted in your staff report the additional required parking is to be provided in the City's new parking structure.

Several factors have contributed to the delay of the project submittal to the Coastal Commission. The applicant is the tenant of a building that requires seismic retrofitting. Lease agreements and coordination of the building retrofit with the restaurant expansion plans had to be resolved. The building owner has only recently proceeded with required seismic retrofitting of the structure.

I am requesting that you review this request pursuant to the parking exceptions approved in the L.U.P. Amendment as a consent item.. Also, please note that the City has provided

Exhibit 5  
1 of 3

5-97-408

Pam Emerson

11/5/97

Page 2

interim studies to show that adequate public parking is available to serve existing and anticipated development, which this project was always considered a part (see the Summer 1996 parking survey previously provided to the Coastal Commission, copy attached)

Please call me at (310)318-0242 if you have any questions, or would like to discuss the matter in more detail.

Sincerely,



Sol Blumenfeld, Director  
Community Development Department

copy to: City Manager

Attachments

Exhibit C  
2 of 3  
5-97-408

**Summary of Projects  
Approved Pursuant to L.U.P. Amendment No. 6**

<u>Projects</u>	<u>Address</u>	<u>Square Footage: New or Intensification</u>	<u>City Approval Date</u>	<u>Coastal Dev. Permit</u>	<u>Current Status (11/97)</u>
<b>Completed Projects:</b> Ragin Cajin expansion Brewski's, Paisano's Pizza, Sabroso's, Cafe Boogaloo, Office Building Expansion	420 Pier Ave 73 Pier Ave 1138 Hermosa Ave 1150 Hermosa Ave 1238 Hermosa Ave 1001 Hermosa Ave	12,285 875 2500 560 1350 3000 4000	Prior to 6/95	Prior to 12/95	Completed
<b>Club Sushi Mezzanine</b>	1200 Hermosa Ave.	360	2/27/96	N/A	Completed
<b>California Beach Sushi</b>	844 Hermosa Avenue	6,200	4/9/96	10/10/96	Under Construction
<b>Hennessey's Roof Deck</b>	8 Pier Ave	617	4/9/96	6/13/96	Completed
<b>New Multi-Use Restaurant/Retail/Office Project</b>	1301 Manhattan Ave	17,500	4/9/96	6/13/96	Building Permit and Construction Pending
<b>Sushi Sei (Retail to Restaurant Change of Use)</b>	1040 Hermosa Avenue	1,650	4/16/96	7/11/96	Completed
<b>Sangria Expansion</b>	60 Pier Avenue	2100	5/21/96		Seismic Retrofit Work. Bldg. Permit and Construction Pending
<b>Ragin Cagin 2nd Expansion</b>	420 Pier Ave	875	5/21/96	10/10/96	Completed
<b>Subtotal</b>		<b>41,587</b>			
<b>Hotel</b>	1301 The Strand	71,400	12/17/96	3/14/97	Under Construction
<b>Total</b>		<b>112,987</b>			

11/97

*Exhibit C*  
*3 of 3*  
*5-97-408*

June 18, 1996

Honorable Mayor and Members of the  
Hermosa Beach City Council

Regular Meeting of  
June 25, 1996

RECEIVED  
DEC 12 1997

SUBJECT: RECONSIDERATION OF CONDITIONAL USE PERMIT AMENDMENT 96-6

LOCATION: 60-68 PIER AVENUE

APPLICANT: MATT MCDANIEL AND CHRIS PIKE  
820 MANHATTAN AVENUE, SUITE 204C  
MANHATTAN BEACH, CA 90266

CALIFORNIA  
COASTAL COMMISSION  
5-97-408

REQUEST: TO EXPAND THE AREA FOR THE RESTAURANT WITH ON-SALE ALCOHOL  
AND LIVE ENTERTAINMENT, INCLUDING THE ADDITION OF A  
BANQUET/ASSEMBLY AREA, AND THE ADDITION OF OUTSIDE DINING.

Recommendation

To sustain the decision of the Planning Commission by adopting the attached resolution.

Background

The Planning Commission, at their meeting of May 21, 1996, approved the requested C.U.P. amendment with an added condition to specifically require air conditioning.

The Staff Environmental Review Committee, at their meeting of April 25, recommended a mitigated negative declaration. The Committee recommended that live entertainment noise be mitigated by requiring windows and doors to be closed during any performances, and that no amplified music be permitted outside.

PROJECT INFORMATION:

ZONING:	C-2, Restricted Commercial
GENERAL PLAN:	General Commercial
GROSS EXISTING FLOOR AREA	2700 Sq. Ft.
PROPOSED ADDED FLOOR AREA:	Approx. 2050 Sq. Ft.
OUTSIDE SEATING AREA:	Approx. 650 Sq. Ft.
PROPOSED ASSEMBLY AREA:	450 Sq. Ft.
PARKING:	None
ENVIRONMENTAL DETERMINATION:	Mitigated Negative Declaration

On November 22, 1994 the City Council approved a C.U.P. amendment for the subject restaurant in its current location at 68 Pier Avenue, allowing a change from on-sale beer and wine to full alcohol, and for ancillary live entertainment and dancing. The new project involves expanding the total area for the restaurant, making live entertainment a primary feature of the business, and adding of outside dining.

Exhibit D  
1 of 2  
5-97-408 4

**Analysis**

The proposal is to expand the existing restaurant with on-sale general alcohol into the adjacent commercial space. The proposed improvements include an entertainment stage, dancing/assembly area, and an outside dining patio. The applicant's stated intent is for multiple uses of the interior space, which includes:

- A supplemental dining and dancing area for their already busy weekend nights;
- Banquet space to be rented out for weddings, parties, special events that may include live music or entertainment;
- Meeting space for business luncheons or small conferences, with the stage set up as a speaker's podium.

The outdoor patio would primarily be used in connection with the peak restaurant times as supplemental dining area but could be made available as part of the banquet facility. The applicant indicates that no music or live entertainment would occur on the patio.

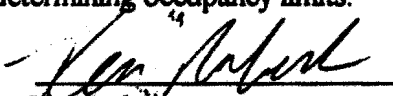
The proposed changes do not result in any additional required parking, pursuant to the downtown parking requirements and Coastal Commission requirements, as the building site is less than 10,000 square feet and the building contains only one story.<sup>1</sup>

The key zoning issues which were examined in connection with the proposed use include whether:

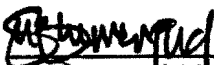
- The dance/banquet facilities are a permitted use or*
- The use is more consistent with a "convention hall" facility (an analogous permitted uses in the C-3 zone)*

The applicant indicates that the proposed use will not be used *exclusively* as a banquet/meeting room for hire and that the expansion area will be used in conjunction with the restaurant from time to time. As the proposed space will occasionally be used exclusive of the restaurant, staff is recommending that the use be considered part of the existing restaurant with dancing and live entertainment.

The attached conditions of approval include standard conditions for restaurants with live entertainment; conditions included in the existing C.U.P. relative to size of the dancing areas and hours for dancing; the noise mitigating conditions; a condition that management is responsible to ensure than banquets and meetings operate in compliance with the C.U.P. Also, a condition is included to specify that only a limited portion of the new floor area in the combination banquet- restaurant-entertainment room (maximum 450 square feet) can be classified as assembly use for the purposes of determining occupancy limits.

  
 Ken Robertson  
 Associate Planner

CONCUR:

  
 Sol Blumenfeld, Director  
 Community Development Department


  
 Stephen R. Burrell  
 City Manager

Exhibit D  
 2 of 2  
 5-97-408

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DEC 12 1997

1997

RESOLUTION NO. 96-5813

CALIFORNIA  
COASTAL COMMISSION

A RESOLUTION OF THE CITY COUNCIL OF HERMOSA BEACH, CALIFORNIA,  
SUSTAINING THE DECISION OF THE PLANNING COMMISSION, ON APPEAL, TO  
APPROVE A CONDITIONAL USE PERMIT, AS AMENDED, TO ALLOW EXPANSION  
OF AN EXISTING RESTAURANT WITH ON-SALE ALCOHOL AND LIVE  
ENTERTAINMENT INTO THE ADJACENT BUILDING SPACE TO THE WEST AND  
TO ADD OUTSIDE DINING, AND ADOPTION OF A MITIGATED NEGATIVE  
DECLARATION AT 60-68 PIER AVENUE, , LEGALLY DESCRIBED AS LOTS 12 AND  
13, BLOCK 12, HERMOSA BEACH TRACT

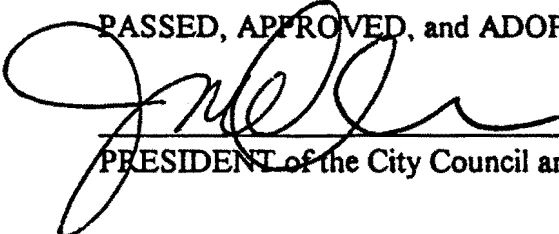
WHEREAS, the City Council held a public hearing on June 25, 1996, to reconsider the  
Planning Commission's decision to approve the subject Conditional Use Permit and Parking Plan  
and to consider oral and written testimony on the matter, and;

WHEREAS, the Planning Commission held a public hearing on the Conditional Use Permit  
and Parking Plan at their meeting of May 21, 1996, and approved the request subject to conditions  
as contained in Planning Commission resolution 96-23, and;

WHEREAS, after considering the decision of the Planning Commission and their record of  
decision, and the testimony at the public hearing, the City Council agrees with the Planning  
Commission, and agrees with the findings and the conditions contained within Planning  
Commission Resolution 96-23, which are incorporated herein by reference;

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL DOES  
HEREBY SUSTAIN THE DECISION OF THE PLANNING COMMISSION TO  
APPROVE A CONDITIONAL USE PERMIT, AS AMENDED, SUBJECT TO  
CONDITIONS AS SET FORTH IN P.C. RESOLUTION 96-23

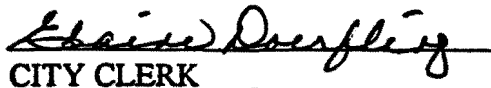
PASSED, APPROVED, and ADOPTED this 25TH day of JUNE, 1996,



PRESIDENT of the City Council and MAYOR of the City of Hermosa Beach, California

ATTEST:

APPROVED AS TO FORM:

  
CITY CLERK  
CITY ATTORNEY

5-97-408

Exhibit E  
5-97-408

