

P.C. RESOLUTION NO. 21-XX

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF HERMOSA BEACH, CALIFORNIA, DENYING CONDITIONAL USE PERMIT AMENDMENT REQUEST TO PROVIDE ON-SITE SALE, SERVICE, AND CONSUMPTION OF GENERAL ALCOHOL INDOORS ONLY WITHIN THE HOTEL LOUNGE FOR REGISTERED GUESTS ONLY, 7 DAYS A WEEK 7:00 A.M. TO 10:00 P.M. AT AN EXISTING HOTEL (H2O HERMOSA) AT 1429 HERMOSA AVENUE, AND DETERMINATION THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA).

The Planning Commission of the City of Hermosa Beach does hereby resolve and order as follows:

SECTION 1. The Planning Commission adopted Resolution No. 15-25 on October 20, 2015 to approve a Precise Development Plan (PDP15-11) to allow a 30,250 square foot hotel with 30 guest rooms and common areas on an undeveloped 11,516 square foot lot; Conditional Use Permit (CUP15-10) to allow on-sale general alcohol for hotel guests in guest rooms restricted to mini-bars; and a Parking Plan (PARK 15-7) to allow a valet program and parking in tandem for a property located at 1429 Hermosa Avenue.

SECTION 2. An application was filed by 1429 Hermosa LLC seeking approval for a Conditional Use Permit CUP 20-8 and Parking Plan Amendment PARK 20-5 to provide on-site sale, service, and consumption of general alcohol indoors only within the hotel lounge for registered guest only, 7 days a week 7:00 a.m. to 10:00 p.m. at an existing hotel (H2O Hermosa) and to allow charging a fee for on-site parking located at 1429 Hermosa Avenue.

SECTION 3. The Planning Commission conducted a duly noticed public hearing to consider the application for the Conditional Use Permit 20-8 and Parking Plan 20-5 amendment, at which testimony and evidence, both written and oral, was presented to and considered by the Planning Commission. Concerns were raised regarding the Conditional Use Permit Amendment due to the hotel's close proximity to sensitive receptors, including, residential uses, business management regarding sales of alcohol to non-registered guests, the potential for late night loud noise, and unwanted activities including, but not limited to loitering.

SECTION 4. During the March 16, 2021 public hearing, The Planning Commission directed staff to bring back a resolution denying the Conditional Use Permit to provide on-site sale, service, and consumption of general alcohol indoors only within the hotel lounge for registered guests only, 7 days a week 7:00 a.m. to 10:00 p.m. at an existing hotel (H2O Hermosa) on consent calendar. The motion carried with a 4 to 1 vote denying the Conditional Use Permit Amendment.

SECTION 5. The Planning Commission conducted a duly noticed public meeting on April 20, 2021 to formally adopt the resolution memorializing the denial of the Conditional Use Permit Amendment.

SECTION 6. Based on the testimony and evidence received, the Planning Commission hereby denies the applicant's request for an amendment to an existing Conditional Use Permit to provide on-site sale, service, and consumption of general alcohol indoors only within the hotel lounge for registered guests only, 7 days a week 7:00 a.m. to 10:00 p.m. at an existing hotel (H2O Hermosa) at 1429 Hermosa Avenue. The evidence presented to the Planning Commission did not provide the Commission with assurance that the proposed floor plan changes for the establishment were consistent with applicable City standards and that the floor plan changes would not increase adverse impacts.

SECTION 7. Based on the foregoing factual findings the Planning Commission makes the following findings to **DENY** the application for a Conditional Use Permit Amendment request to provide on-site sale, service, and consumption of general alcohol indoors only within the hotel lounge for registered guests only, 7 days a week 7:00 a.m. to 10:00 p.m. at an existing hotel (H2O Hermosa) at 1429 Hermosa Avenue pursuant to Sections 17.26.030 and 17.40.020 of the Hermosa Beach Municipal Code:

1. ***Distance from Existing Residential Uses:*** The existing hotel is located at the northern end of the downtown area at the intersection of Hermosa Avenue and 15th Street with high density residential located on the east of Hermosa Avenue and commercial uses located directly adjacent to the subject site. A 16-unit multi-family residential complex neighbors the subject property to the west while a 12-unit multiple family residential complex neighbors the subject property to the southeast. Additional single-family and multiple-family residences line the east side of Hermosa Avenue east of the subject property as well as along 15th Street Place, west of the subject property. The close proximity raises issues of concern related to loud noise and unwanted activities including, but not limited to loitering during the late evening hours/early morning hours, which may cause unreasonable discomfort of any persons within the vicinity.
2. ***Precautions taken by the owner or operator of the proposed establishment to assure compatibility of the use with surrounding uses:*** In 2015, conditions of approval were incorporate into the original approval of the hotel to limit the hours of operation for the proposed amenities, such as the food service area, the multi-functional room at the second floor level and the pool/spa area to 10:00 P.M. daily, in order to reduce potential noise impacts generated by the proposed use. During the March 16, 2021 Planning Commission meeting, the Planning Commission discovered on the business website that the roof deck was operating 24 hours/7days a week. It was also discovered during the March 16, 2021 Planning Commission meeting that the business management for the existing use was already charging a parking fee for the on-site parking, which is inconsistent with the existing conditions of approval. While the City's Code Enforcement Division confirmed that since the operation of the existing hotel, there have been no noise complaints/issues for the hotel guest areas, the inconsistent hotel management procedures raises concerns of potential negative impacts to the surrounding uses such as loud noise and unwanted activities.
3. ***The number of similar establishments or uses within close proximity to the proposed establishment:*** The downtown area is home to two other hotels (Grandview Inn and Beach House Inn), a motel (Sea Sprite Motel) and a hostel (Surf City Hostel). Additional hotels in the City are located on Pacific Coast Highway (Hampton Inn and Suites and Hotel Hermosa), and on Aviation Boulevard (Quality Inn). The existing hotel is located in the

downtown area of the City, which is home to many late-night alcohol establishments. While provision to expand the onsite sale, service, and consumption of general alcohol to the hotel lounge for hotel guests only would be ancillary to the primary hotel use, the proposed on-site sale, service and consumption of general alcohol would exacerbate the cluster of alcohol serving facilities in the downtown area and thus creates concerns of potential negative impacts.

4. ***Impact of the proposed use to the City's infrastructure, and/or services:*** Impacts to police services have been an issue with some late night alcohol serving facilities clustered in the downtown area. Although the proposal is not a late night establishment and the proposal only includes on-site sale, service and consumption of general alcohol indoors for hotel guests only, there are concerns, for the reasons listed above, that the proposed use will impact City services. The City is committed to ensuring that hotel establishments are closely monitored, and the addition of the proposed alcohol on-site sale, service, and consumption for registered guests only is anticipated to create unwanted impacts to any persons within close proximity to the establishment which in turn, would impact the City's police service.

SECTION 6. Based on the foregoing, the Planning Commission **hereby DENIES** the request for Conditional Use Permit Amendment 20-8, to provide on-site sale, service, and consumption of general alcohol indoors only within the hotel lounge for registered guests only, 7 days a week 7:00 a.m. to 10:00 p.m. at an existing hotel (H2O Hermosa) located at 1429 Hermosa Avenue.

SECTION 7. Pursuant to Section 15270 of the 'Guidelines for Implementation of the California Environmental Quality Act (CEQA)', Title 14 of the California Code of Regulations, the project is not subject to CEQA because CEQA does not apply to projects which a public agency rejects or disapproves.

SECTION 8. Pursuant to the Code of Civil Procedure Section 1094.6, any legal challenge to the decision of the Planning Commission, after a formal appeal to the City Council, must be made within 90 days after the final decision by the City Council.

VOTE: AYES:

 NOES:

 ABSTAIN:

 ABSENT:

CERTIFICATION

I hereby certify the foregoing Resolution P.C. No. XX-XX is a true and complete record of the action taken by the Planning Commission of the City of Hermosa Beach, California at its adjourned regular meeting of March 16, 2021, and memorialized on April 20, 2021.

Rob Saemann, Chairman

Ken Robertson, Secretary

April 20, 2021
Date