

CITY OF HERMOSA BEACH
RESOLUTION NO. 24-07

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF HERMOSA BEACH, CALIFORNIA, APPROVING A CONDITIONAL USE PERMIT AMENDMENT (APE 22-05) TO EXPAND ALCOHOL SERVICE TO INCLUDE BEER, WINE, AND DISTILLED SPIRITS SERVED TO REGISTERED HOTEL GUESTS AND THEIR GUESTS ONLY, INCLUDING SERVING ALCOHOL IN A FIRST-FLOOR LOUNGE FROM 7 A.M. - 10 P.M., AND ON A THIRD-FLOOR DECK, FROM 9 A.M. - 9 P.M. AT AN EXISTING HOTEL LOCATED AT 1429 HERMOSA AVENUE (H2O), AND DETERMINING THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

WHEREAS, on October 20, 2015, the Planning Commission, adopted Resolution 15-25, approving PDP 15-11; CUP 15-10, and Parking Plan 15-7 to allow construction of a new hotel with mini bar alcohol service, and a valet program with parking in tandem; and

WHEREAS, on July 16, 2019, the Planning Commission, adopted Resolution 19-10, extending the term of expiration for the building permits for the project, until September 2, 2020; and

WHEREAS, on April 20, 2011, the Planning Commission, adopted Resolutions 21-03 and 21-04, denying a CUP amendment (CUP 20-08) request to provide on-sale service and consumption of beer, wine, and spirits indoors only, for registered guests, seven-days a week between 7 a.m. – 10 p.m., and approving a Parking Plan amendment (PARK 20-05) to allow the hotel to charge for onsite parking; and

WHEREAS, on July 13, 2011, City Council, held a public hearing to reconsider the Planning Commission's decision to deny CUP 20-08, and continued the item to its May 25, 2021 meeting; and

WHEREAS, on July 13, 2011, City Council, adopted Resolution 21-7292, approving the applicant's revised request to approve an amendment allowing on-site service of beer and wine, indoors within the first-floor lounge area only, limited to registered guests; and

WHEREAS, an application was filed on December 15, 2022 by the applicant Anand Chhabria, requesting Planning Commission approval of an amendment to a Planning Entitlement (APE22-05) to expand alcohol service to include service of beer, wine, and distilled spirits to registered guests and their guests, consistent with the parameters of the existing Conditional Use Permit approval and Department of Alcoholic Beverage Control License Type 70 held at an existing hotel located at 1429 Hermosa Avenue (H2O); and

WHEREAS, the Planning Commission, at its public meeting of May 21, 2024, considered all testimony and evidence, both oral and written, that was presented to the Planning Commission; and

WHEREAS, the project is categorically exempt from the California Environmental Quality Act defined in CEQA Section 15301 Class 1 Existing Facilities, as the project involves a minor change to an existing use and would not result in a direct, or a reasonably foreseeable indirect, physical change in the environment.

NOW, THEREFORE, THE PLANNING COMMISSION OF THE CITY OF HERMOSA BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Based on the foregoing factual findings, the Planning Commission determined, pursuant to Hermosa Beach Municipal Code (HBMC) Sections 17.40.020, (General criteria for all uses) and 17.40.080, (On-sale alcohol beverage establishment) that the use as conditioned will be compatible with the surroundings and all impacts can be reduced to an insignificant level:

A. Distance from existing residential uses:

The project site is located on Hermosa Avenue in the C-2 zone. Multi-family residences are located to the northwest, and west of the site as well as to the east on the opposite side of Hermosa Avenue. The residences located directly adjacent to the property are buffered from the site, as the entrance to the property is located on the east side of the building, and the only exterior service of alcohol is located on a third-floor deck which faces north and east. The applicant is proposing a reduction of service hours within the outdoor area.

B. The amount of existing or proposed off-street parking facilities, and its distance from the proposed use:

The property is subject to a Parking Plan per Planning Commission Resolutions 15-25 and 21-03. The property offers 37 parking spaces and proposes no change to the provision, or operation of, existing facilities.

C. Location of and distance to churches, schools, hospitals, and public playgrounds:

The proposed change to the hotel will not affect neighboring schools, churches, and community centers due to the distance and limited alcohol operations of the establishment. Hermosa Valley School is located 0.7 miles to the east, Christian Science Church is located 0.1 miles to the east, and the Community Center is located 0.9 miles to the east. The distance between the establishment and these uses provides a buffer to minimize impacts. Additionally, the hotel proposes restricted service of alcohol to registered guests and their guests.

D. The combination of uses proposed:

The proposed use modification is consistent with the desired development pattern and uses within the C-2 zone. The proposed modification will provide more desirable accommodations for visitors in the Downtown District, to bolster the City's economic base, with minimal impact on adjacent properties. Specifically, allowing alcohol on the third-floor deck, in a manner which considers adjacent residential properties, will allow the business to fully utilize its close proximity to the coast.

E. Precautions taken by the owner or operator of the proposed establishment to assure compatibility of the use with surrounding uses:

The existing hotel is subject to conditions prescribed by Planning Commission Resolution 15-25 and City Council Resolution 21-7292. The applicant is proposing a reduction of hours on the third-floor deck from between 7 a.m. and 10 p.m., to 9 a.m. and 9 p.m. Further, the applicant is not proposing any changes to existing conditions limiting the number of customers in the first-floor lounge, second-floor multi-function room, and the third-floor deck, to 20 persons at any time.

F. The relationship of the proposed business-generated traffic volume and the size of streets serving the area:

The proposed modification would not affect existing streets or significantly impact traffic volume, as the proposal involves no change in the hotel capacity and intensity. The modification includes expanding existing alcohol service to include beer, wine, and distilled spirits to registered guests and their guests. The property previously received approval to allow registered guests and their guests in the first-floor lounge area, second-floor multi-purpose area, and the third-floor outdoor deck. The proposed modification will not expand services to anyone beyond individuals already allowed in the above spaces.

G. The proposed exterior signs and decor, and the compatibility thereof with existing establishments in the area:

The project proposes no change to the exterior signs or décor. As such, aesthetics would continue to remain compatible with existing establishments in the area.

H. The number of similar establishments or uses within close proximity to the proposed establishment:

There is one similar establishment nearby with an existing Type 70 license.

Hotel Name	Address	Alcoholic Beverage Control License Type	CUP Provisions
Beach House	1300 The Strand	Type 70	On-sale alcohol in guest rooms (mini-bars) and in meeting rooms. Hours not specified.
Sea Sprite Hotel	1016 The Strand	Type 70	No CUP conditions

I. Noise, odor, dust and/or vibration that may be generated by the proposed use:

The proposed modification would not generate a significant change in noise, odor, dust and/or vibration, as the proposal involves no change in the hotel capacity and intensity. Further, the applicant is proposing a reduction in the hours of operation for the outside patio from between 7 a.m.- 10 p.m. to 9 a.m.- 9 p.m.

J. Impact of the proposed use to the City's infrastructure, and/or services:

The existing hotel use and capacity would be maintained, and the current infrastructure is adequate. Since opening in 2020, the property has had no complaints concerning utilities and services. The existing infrastructure will be sufficient and there are no anticipated impacts.

K. Will the establishment contribute to a concentration of similar outlets in the area:

The requested modification would not add to the concentration of similar outlets in this area because the project does not propose public service. Further, similar uses with alcohol are not common in the Downtown District.

L. Other considerations that, in the judgment of the planning commission, are necessary to assure compatibility with the surrounding uses, and the city as a whole:

No other issues are identified.

SECTION 2. Based on the evidence received at the public meeting, the Planning Commission hereby further finds, determines, and declares that the project is consistent with the City's General Plan (PLAN Hermosa) because the Conditional Use Permit Amendment is consistent with Land Use Policies 1.5, and 4.8 as shown below.

Goal 1. Create a sustainable urban form and land use patterns that support a robust economy and high quality of life for residents.

Policies:

1.5 Balance resident and visitor needs. Ensure land uses and businesses provide for the needs of residents as well as visitors.

Conformity:

The proposal put forth is consistent with policy 1.5, as the project promotes quality coastal uses, with minimal impact to adjacent residential properties. Specifically, the project proposes serving alcohol to registered guests and their guests only, ensuring visitors can enjoy the full accommodations of a hotel without generating a nuisance for adjacent residential properties.

Goal 4. A variety of corridors throughout the city provide opportunities for shopping, recreation, commerce, employment and circulation.

Policy:

- **4.8 Neighborhood buffer.** Encourage all commercial property owners bordering residential areas to mitigate impacts and use appropriate landscaping and buffering of residential neighborhoods.

Conformity:

The project is consistent with policy 4.8. Specifically, the applicant proposes reduced hours on the third-floor deck to minimize noise impacts to adjacent properties. Further, the service of alcohol is limited to registered guests and their guests, with no more than 20 persons present in either the first-floor lounge or the third-floor deck at any time, excluding staff.

Section 3. Based on the foregoing, the Planning Commission hereby approves the subject Conditional Use Permit Amendment Case No. APE22-05 subject to the following Conditions of Approval:

- 1. The project shall be substantially consistent with the application submitted and approved by the Planning Commission on May 21, 2024.**
- 2. The provision of alcoholic beverages shall comply with the following:**
 - a. Management shall successfully complete ABC Licensee Education on Alcohol and Drugs (LEAD) training and Responsible Beverage Servers Training, or equivalent as determined by Police Chief. All employees engaged in the sale or service of alcoholic beverages shall complete Responsible Beverage Service Training, or equivalent as determined by the Police. The business shall maintain records that management and employees have participated in the required trainings. Records shall be maintained for two years after training.**
 - b. Exterior signage or any other form of outside promoting or advertising referencing any food and/or beverage products sold is prohibited.**
 - c. The hotel shall only provide alcoholic beverage services to registered guests and their guests.**
 - d. All alcoholic beverages shall be served in non-disposable drink ware.**

- e. Service of alcohol is limited to the first-floor lounge and the third-floor deck.
 - f. The business with on-sale alcoholic beverage service may be subject to a periodic review process established by the City to verify conformance with the conditions of approval.
 - g. The following signs shall be posted in a conspicuous location in a readily visible manner, warning patrons of the illegality of selling alcoholic beverages to persons under twenty-one years of age, loitering and drinking within the public realm, and removing alcoholic beverages from the premises, and carrying:
 - i. "California State Law prohibits the sale of alcoholic beverages to persons under twenty-one years of age."
 - ii. "No Loitering or Public Drinking"
 - iii. "It is illegal to possess an open container of alcohol in the vicinity of this establishment."
 - iv. Signs shall be posted compliant with Hermosa Beach Municipal Code (HBMC) Section 8.48.060 Alcoholic beverages – Warning signs.
 - h. Any substantial deviation, changes to the floor plan, site plan or building exterior, which alters or intensifies the alcoholic beverages service shall be subject to review and approval by the Planning Commission.
3. The first-floor lounge and the multi-function room on the second floor may be utilized between 7 a.m. and 10 p.m., 7-days a week. The third-floor deck may be utilized between 9 a.m. and 9 p.m., 7-days a week. Each of these spaces may be occupied by not more than 20 people at any one time, (excluding staff) unless further restricted by code. These three spaces may be used for activities limited to registered guests and their guests.
4. Live entertainment (including but not limited to amplified music, disc jockeys, live music whether acoustic or amplified, and live performances of all kinds), is prohibited.
- a. Speakers, televisions, or any device that may generate noise inconsistent with the nature of this approval are explicitly prohibited on the third-floor deck.

5. The business shall not adversely affect the welfare of the residents, and/or commercial establishments nearby. The business shall comply in all other aspects with HBMC Section 8.24 (Noise Control) and noise from the premises shall not constitute a public nuisance.
6. The exterior of the business shall be maintained in a neat and clean manner and maintained free of graffiti at all times. The removal of all graffiti from the walls, fences, pavement, or buildings within twenty-four (24) hours of discovery of its appearance on the property is required.
7. The establishment shall install and maintain a video surveillance system in the dining and alcohol service area, and all other common areas of the hotel where alcohol may be consumed. The video surveillance system shall have a retention period of at least thirty (30) days. The establishment agrees to cooperate with the City's Code Enforcement and Police Department to provide copies of video surveillance for criminal or administrative investigations.
8. The business shall maintain in conformance with all other applicable City of Hermosa Beach and regulatory agency requirements and standards, including but not limited to: California Department of Alcoholic Beverage Control, Los Angeles County Health Department, California Disabled Access Standards (Government Code Title 24), and Los Angeles County National Pollutant Discharge Elimination System Permit (NPDES).
9. The business shall be maintained and operated in full compliance with the conditions of this CUP and any law, statute, ordinance, or other regulation hereafter adopted that is applicable to any development or activity on the subject property.
10. The business shall install and maintain a video surveillance system that monitors within the interior of the business and the immediate area. The video surveillance system must be capable of delineating on playback the activity and physical features of persons and areas within the premises and immediate area. Recordings shall be retained for a minimum of sixty (60) days and video will be available to Police Department upon request. All video security cameras shall be installed to the satisfaction of the Chief

of Police. At the discretion of the Police Chief, Licensee may be required to add additional video cameras.

11. The Police Chief may determine that a continuing police problem exists and may, subject to appeal to the Planning Commission, direct the presence of a police approved doorman and/or security personnel to eliminate the problem. An appeal to the Planning Commission shall be heard within sixty (60) days of filing the appeal. The Police Chief shall then submit a report to the Planning Commission, which will automatically initiate a review of the conditional use permit.
12. In addition to any other remedy provided by law, if the business operating pursuant to this CUP violates any condition of this CUP, the Police Chief or designee may meet and confer with the business to clarify the reason for the violation and to formulate a course of action to mitigate the risk for any future violation. If the business operating pursuant to this CUP continues to violate this CUP (ie., either a repeat violation or another violation) within any six (6) month period following a meet and confer with the Police Chief, then, at the sole discretion of the Police Chief, modified or additional operational requirements may be imposed by the Police Chief to temporarily curtail the violations until the matter is brought before the Planning Commission. These modifications include, but are not limited to, a reduction in operating hours, required number of staff members during operational hours, additional training for existing staff, and/or any other measures deemed appropriate by the Police Chief. The Planning Commission shall consider any modification or additional operational requirement(s) imposed by the Police Chief during its discussion of the matter. The Police Chief's determination will remain in effect until considered by the Planning Commission.
13. Approval of this permit shall expire twenty-four (24) months from the date of approval by the Planning Commission unless the use authorized hereby has commenced. One or more extensions of time may be requested. No extension shall be considered unless requested, in writing to the Community Development Director including the reason therefore, at least sixty (60) days prior to the expiration date. No additional notice of expiration will be provided.

14.This resolution incorporates where applicable and supersedes City Council Resolution 21-7292 which shall be of no further force or effect.

15.The subject site shall remain consistent with applicable Parking Plan and Precise Development Plan provisions, as described by Planning Commission Resolution 15-25 and 21-03.

PASSED, APPROVED, and ADOPTED on the 21st of May, 2024.

VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

CERTIFICATION

I hereby certify the foregoing Resolution P.C. 24-07 is a true and complete record of the action taken by the Planning Commission of the City of Hermosa Beach, California, at its regular meeting of May 21, 2024.

Peter Hoffman, Chair

Carrie Tai, Secretary

Date