

# ATTACHMENT A

## RESOLUTION NO. PC 25-

**A RESOLUTION OF THE MANHATTAN BEACH PLANNING COMMISSION APPROVING A PLANNED DEVELOPMENT PLAN AMENDMENT TO ALLOW INSTRUCTIONAL ALCOHOL TASTINGS AND OFF-SALE OF DISTILLED SPIRITS IN ADDITION TO THE EXISTING ALLOWANCE FOR ON-SALE AND OFF-SALE BEER AND WINE, AND TO EXTEND OPERATING HOURS FOR AN EXISTING FOOD AND BEVERAGE SALES USE AND ANCILLARY EATING AND DRINKING ESTABLISHMENT USE WITHIN AN EXISTING COMMERCIAL DEVELOPMENT LOCATED AT 1700 ROSECRANS AVENUE, AND FINDING THE PROJECT EXEMPT FROM ENVIRONMENTAL REVIEW PURSUANT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT**

### **THE MANHATTAN BEACH PLANNING COMMISSION DOES HEREBY RESOLVE AS FOLLOWS:**

SECTION 1. On November 28, 1995, the City Council adopted Resolution No. 5203, approving a Planned Development Project to allow for the adaptive re-use of a portion of an existing industrial building for general commercial purposes, and to allow the continued utilization of existing industrial buildings for industrial uses at a property located at 1700 Rosecrans Avenue ("Property").

SECTION 2. On August 27, 2008, the Planning Commission adopted Resolution No. PC 08-12, approving a Planned Development Permit amendment to allow for the conversion of existing warehouse space to food and beverage sales with beer and wine sampling within an existing retail and industrial development at the Property.

SECTION 3. On June 13, 2018, the Planning Commission adopted Resolution No. PC 18-12, approving a Planned Development Permit amendment to allow for on-site dining with beer and wine service in conjunction with an existing food and beverage sales use within an existing retail and industrial development at the Property.

SECTION 4. On April 17, 2025, Erewhon Natural Foods Market (Nowhere Manhattan Beach, LLC) ("Applicant"), applied for a Planned Development Plan amendment to allow instructional alcohol tastings and off-sale distilled spirits in addition to the existing allowance for on-sale and off-sale beer and wine with an expansion to permitted hours for on-site consumption, and an extension of the hours of operation from 7:00 a.m. – 10:00 p.m. daily to 7:00 a.m. – 11:00 p.m. daily, in conjunction with the operation of existing food and beverage sales and ancillary eating and drinking establishment use within an existing commercial development at the Property ("Project").

SECTION 5. Planned Development Plans are governed by Chapter 10.32 of the Manhattan Beach Municipal Code ("MBMC"), which specifies that the "purposes of the PD Planned Development District are to: Establish a procedure for the development of parcels of land in order to reduce or eliminate the rigidity, delays, and inequities that otherwise would result from application of zoning standards and procedures designed primarily for small parcels; Ensure orderly and thorough planning and review procedures that will result in quality urban design; Encourage variety and avoid monotony in large developments by allowing greater freedom in selecting the means to provide access, light, open space, and amenity; Provide a mechanism whereby the City may authorize desirable developments consistent with the General Plan without inviting speculative rezoning applications, which, if granted, often could deprive other owners of development opportunities without resulting in construction of the proposed facilities; Encourage allocation and improvement of common open space in residential areas, and provide for maintenance of the open space at the expense of those who will directly benefit from it; Encourage the preservation of serviceable existing structures of historic value or artistic merit by providing the opportunity to use them imaginatively for purposes other than that for which they were originally intended; and Encourage the assembly of properties that might otherwise be developed in unrelated increments to the detriment of surrounding neighborhoods." (MBMC Section 10.32.010.) Furthermore, a Planned Development Plan amendment is required if changes are proposed to the original entitlements' conditions of approval or development plans. The Applicant's request includes obtaining new and modified alcohol licenses, a change in hours for on-site alcohol consumption, and a change in operating hours, thus necessitating the need for a Planned Development Plan amendment.

SECTION 6. On August 13, 2025, the Planning Commission conducted a duly noticed public hearing to consider the Project, during which the Planning Commission received a presentation by staff and testimony from the Applicant and provided an opportunity for the public to provide evidence and testimony.

SECTION 7. The Planning Commission finds that the Project qualifies for a Categorical Exemption from the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines Section 15301 (Existing Facilities), which is a Class 1 exemption. Specifically, the Project proposes to add instructional alcohol tastings and the sale of distilled spirits for off-site consumption in addition to existing beer and wine sales, and

expand operating hours by one hour. The Project complies with all Planned Development (PD) zone regulations. Proposed on-site improvements are minimal and would not result in land use alterations with negative environmental impacts. Furthermore, there are no features that distinguish this Project from others in the exempt class, and therefore, there are no unusual circumstances. Thus, no further environmental review is necessary.

SECTION 8. The record of the public hearing indicates:

- A. The legal description of the Property is: R F 140 POR OF N 1/2 OF NE 1/4 OF NE 1/4 OF LOT 1 SEC 19 T3N R14W, in the City of Manhattan Beach, County of Los Angeles. The Property is located in Area District II and is zoned PD, with a General Plan land use designation of Manhattan Village Commercial. The Property is surrounded by PD zoned commercial properties to the east, Industrial Park (IP) zoned properties to the west and south, and the City of El Segundo to the north.
- B. The Project is located within an existing commercial center with a valid Planned Development Plan that allows for general commercial and industrial uses. The Project proposes operational changes to an existing food and beverage sales use and ancillary eating and drinking establishment use, and is in compliance with the City's General Plan land use designation of Manhattan Village Commercial. The General Plan calls for the Manhattan Village Commercial land use designation to have commercial uses that are "regional-serving, including shopping centers, large development and specialty stores, and entertainment and restaurant establishments".
- C. The development of the Property is governed by City Council Resolution No. 5203, and Planning Commission Resolutions Nos. PC 08-12 and PC 18-12.
- D. The Applicant is requesting approval of a Planned Development Plan amendment to allow the following use characteristics:
  - 1. Instructional alcohol tastings
  - 2. Off-sale general (distilled spirits) in conjunction with existing off-sale and on-sale beer and wine sales
  - 3. Change in operational hours from 7:00 a.m. – 10:00 p.m. to 7:00 a.m. – 11:00 p.m.
  - 4. Change hours permitted for on-site consumption of beer and wine from 11:00 a.m. – 10:00 p.m. to 7:00 a.m. – 11:00 p.m.
- E. The Project is consistent with the following General Plan policy:
  - a. Land Use Plan Policy LU-6.2: Encourage a diverse mix of businesses that support the local tax base, are beneficial to residents, and support the economic needs of the community.

The viability of commercial areas depends on a range of factors, including having various types of commercial sales and services, including food and beverage sales. The PD Plan allows for a variety of commercial uses, including retail, markets, and restaurants, with associated alcohol licenses. The proposed Type 21 and Type 86 ABC licenses, in conjunction with the existing Type 41 ABC license and expanded hours of operation, will allow for a greater viability of the business and will ensure the business is competitive with similar uses in the City.

Manhattan Beach has two other businesses (Gelson's and Bristol Farms) that have a food and beverage sales use with ancillary eating and drinking establishment use and various alcohol licenses, similar to what is proposed at the Project. The proposed sale of distilled spirits in addition to the existing on-sale and off-sale of beer and wine, along with the expanded hours, provides the business with a method of remaining competitive with other businesses of a similar use classification within City limits and beyond. Therefore, the Project proposes an amendment that is beneficial to the community.

- Land Use Plan Policy LU-8.1: Ensure that applicable zoning regulations allow for commercial uses that serve a broad market area, including visitor-serving uses.

The project was previously approved through a Planned Development Plan to allow for General Commercial uses. The Project is a continuation of an existing commercial use, subject to conditions, and has been reviewed for compliance with development standards and zoning regulations.

- b. Land Use Plan Policy LU-8.2: Support the remodeling and upgrading needs of businesses as appropriate within these regional-serving commercial districts.

The Project proposes upgrades to the tenant's product offerings by allowing instructional alcohol tasting and sale of distilled spirits in addition to beer and wine sales and service, and an expansion of operating hours. These upgrades are appropriate as they will allow the business to remain competitive amongst businesses with similar use classifications, alcohol licenses, and operating hours.

**SECTION 9.** Based upon substantial evidence in the record, and pursuant to MBMC Section 10.32.060, the Planning Commission hereby makes the following findings related to the Planned Development Plan amendment:

- A. The PD Plan is consistent with the adopted Land Use Element of the General Plan and other applicable policies and is compatible with surrounding development for the following reasons:

The PD Plan was established by Resolution No. 5203 on November 28, 1995, and allowed for general commercial uses and continued industrial use. This PD Plan amendment proposes continuance of a mix of commercial and industrial uses on the site. The proposed change to the existing PD Plan is to add instructional alcohol tastings (Type 86 ABC license), add the off-sale of full alcohol (Type 21 ABC license) to replace the off-sale beer and wine license (Type 20 ABC license) and modify hours permitted for on-sale beer and wine sales (Type 41 ABC license). Additionally, the amendment would expand operating hours for the use from 7:00 a.m. – 10:00 p.m. daily to 7:00 a.m. – 11:00 p.m. daily, and expand of on-sale beer and wine sales to match proposed operating hours. ABC regulations restrict the hours of instructional alcohol tastings. The proposed changes only affect operational characters of an existing use. Therefore, the Project will continue to be compatible with the surrounding development.

- B. The PD Plan will enhance the potential for superior urban design in comparison with the development under the base district regulations that would apply if the Plan were not approved for the following reasons:

This finding is applicable to the establishment of a new PD zone rather than the operational characteristics of the Project. The PD Plan allowed for general commercial purposes on a parcel that was previously zoned IP, and the addition of general commercial purposes established by the PD Plan enhanced the potential for superior urban design and therefore meets this finding. The PD Plan amendment is required for an alcohol license upgrade and change in operational hours to the existing use, and the use will remain a general commercial use.

- C. Deviations from the base district regulations that otherwise would apply are justified by compensating benefits of the PD Plan for the following reasons:

This finding is applicable to the establishment of a new Planned Development zone rather than the operational characteristics of the Project. The Project is an amendment to the existing PD Plan.

- D. The PD Plan includes adequate provisions for utilities, services, and emergency vehicle access; and public service demands will not exceed the capacity of existing and planned systems for the following reasons:

This finding is applicable to the development of a new Planned Development rather than the operational characteristics of the Project. The Project proposal will not affect utilities, services, and emergency vehicle access; and public service demands will not exceed the capacity of existing or planned systems. The project, therefore, continues to meet this finding.

**SECTION 10.** Based upon the foregoing, the Planning Commission hereby **APPROVES** the Project, subject to the conditions below:

**General**

1. All conditions of approval contained in Planning Commission Resolution Nos. PC 18-12 and 08-12 and City Council Resolution No. 5203 shall remain in full force and in effect, unless modified or superseded by the conditions contained herein.
2. The Project shall be in substantial conformance with the plans and project description submitted to, and

approved by, the Planning Commission on August 13, 2025, as amended by these conditions. Any substantial deviation from the approved plans and project description, as conditioned, shall require review by the Community Development Director to determine if approval from the Planning Commission is required.

3. Any questions of intent or interpretation of any condition will be reviewed by the Community Development Director to determine if Planning Commission review and action is required.
4. At any time in the future, the Planning Commission or City Council may review the Planned Development Permit amendment for the purpose of revocation or modification in accordance with the requirements of the Manhattan Beach Municipal Code (MBMC) Chapter 10.104. Modification may consist of conditions deemed reasonable to mitigate or alleviate impacts to adjacent land uses.
5. Future modifications and improvements to the site shall be in compliance with all applicable Planning Division, Building Division, Public Works Department, Waste Management, Fire Department, and Los Angeles County Health Department regulations.

#### **Operational**

6. The Project shall be operated in conformance with all applicable provisions of the Manhattan Beach Municipal Code (MBMC) and this Planned Development Plan.
7. Condition of Approval No. 15 contained in Resolution No. PC 18-12 is repealed and replaced with the following:

The subject tenant space shall operate as a food and beverage sales use and ancillary eating and drinking establishment use, retail, or similar use as to be determined by the Community Development Director. Alcohol licenses other than Type 20, Type 21, Type 41, and Type 86 shall be prohibited. Dining, beer, or wine consumption shall not be separated from retail operations beyond the extent required by ABC. Full retail sales operations to the public shall be conducted at all times that dining, beer, or wine consumption is available. A full menu and service of food items, as determined by the Community Development Director, shall be available at any time that beer or wine is available for on-site consumption. Service of beer and wine shall be permitted in designated indoor seating areas and outdoor patio areas.

8. Condition of Approval No. 16 contained in Resolution No. PC 18-12 is repealed and replaced with the following:  
  
Hours of operation for the use shall be limited to 7:00 a.m. to 11:00 p.m. daily. Onsite consumption of beer and wine shall be permitted during those same hours, subject to the limitations contained in Condition 7 above.
9. The operator of the business shall police the property and all areas adjacent to the business during the hours of operation to keep those areas free of litter and debris.

#### **Refuse**

10. Building plans submitted for the Project shall demonstrate compliance with all trash enclosure requirements established by the Public Works Department, in substantial compliance with the approved plans.

#### **Procedural**

11. Terms and Conditions are Perpetual; Recordation of Covenant. The provisions, terms and conditions set forth herein are perpetual, and are binding on the owner, its successors-in-interest, and, where applicable, all tenants and lessees of the site. Further, the owner shall submit the covenant, prepared and approved by the City, indicating its consent to the conditions of approval of this Resolution, and the City shall record the covenant with the Office of the County Clerk/Recorder of Los Angeles. Owner shall deliver the executed covenant, and all required recording and related fees, to the Community Development Department within 45 calendar days of receipt of a signed copy of this Resolution. Notwithstanding the foregoing, the Director may, upon a request by owner, grant an extension to the 45-day time limit. The Project approval shall not become effective until the covenant is recorded.
12. Indemnity, Duty to Defend and Obligation to Pay Judgments and Defense Costs, Including Attorneys' Fees, Incurred by the City. The operator and owner shall each defend, indemnify, and hold harmless the City, its elected officials, officers, employees, volunteers, agents, and those City agents serving as independent contractors in the role of City officials (collectively "Indemnitees") from and against any claims, damages,

actions, causes of actions, lawsuits, suits, proceedings, losses, judgments, costs, and expenses (including, without limitation, attorneys' fees or court costs) in any manner arising out of or incident to this approval, related entitlements, or the City's environmental review thereof. The operator and/or owner shall pay and satisfy any judgment, award or decree that may be rendered against City or the other Indemnitees in any such suit, action, or other legal proceeding. The City shall promptly notify the operator and owner of any claim, action, or proceeding and the City shall reasonably cooperate in the defense. If the City fails to promptly notify the operator and owner of any claim, action, or proceeding, or if the City fails to reasonably cooperate in the defense, the operator and owner shall not thereafter be responsible to defend, indemnify, or hold harmless the City or the Indemnitees. The City shall have the right to select counsel of its choice. The operator and/or owner shall reimburse the City, and the other Indemnitees, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. Nothing in this Section shall be construed to require the operator and owner to indemnify Indemnitees for any Claim arising from the sole negligence or willful misconduct of the Indemnitees. In the event such a legal action is filed challenging the City's determinations herein or the issuance of the approval, the City shall estimate its expenses for the litigation. The operator and/or owner shall deposit said amount with the City or enter into an agreement with the City to pay such expenses as they become due.

SECTION 11. The Planning Commission's decision is based upon each of the totally independent and separate grounds stated herein, each of which stands alone as a sufficient basis for its decision.

SECTION 12. This Resolution shall become effective when all time limits for appeal as set forth in MBMC Section Chapter 10.100 have expired.

SECTION 13. The Secretary of the Planning Commission shall certify to the adoption of this Resolution and shall forward a copy of this Resolution to the Applicant. The Secretary shall make this resolution readily available for public inspection.

August 13, 2025

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**Jim Dillavou**  
Planning Commission Chair

I hereby certify that the following is a full, true, and correct copy of the Resolution as **ADOPTED** by the Planning Commission at its regular meeting on **August 13, 2025**, and that said Resolution was adopted by the following vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

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**Adam Finestone, AICP**  
Secretary to the Planning Commission

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**Elia Rosner**

Recording Secretary