

RESOLUTION NO. PC 26-XX

**A RESOLUTION OF THE MANHATTAN BEACH PLANNING COMMISSION
APPROVING A MODIFICATION TO THE CONDITIONS OF APPROVAL
RELATED TO OPERATING HOURS FOR THE SECOND STORY OF AN
EXISTING EATING AND DRINKING ESTABLISHMENT LOCATED AT 309
MANHATTAN BEACH BOULEVARD, AND FINDING THE PROJECT
EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.**

THE MANHATTAN BEACH PLANNING COMMISSION DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. On March 17, 2019, the Planning Commission adopted Resolution No. PC 19-03, approving a Use Permit Amendment (amending and superseding a previous Use Permit) to allow a major remodel of an existing restaurant on the ground floor of an existing two-story, mixed-use building located at 309 Manhattan Beach Boulevard (“Property”).

SECTION 2. On June 9, 2023, Greg Newman, on behalf of Esperanza (“Applicant”), applied for a Use Permit Amendment and Coastal Development Permit to allow for the expansion of the then existing eating and drinking establishment to include second-story outdoor dining, on-site sales and service of alcohol, and live entertainment in conjunction with food service (“Project”).

SECTION 3. Use permits and amendments thereto are governed by Chapter A.84 of the Manhattan Beach Local Coastal Program (LCP). Section A.84.010 specifies that, “[U]se permits are required for use classifications typically having unusual site development features or operating characteristics requiring special consideration so that they may be designed, located, and operated compatibly with uses on adjoining properties and in the surrounding area.” The Project included modifications to existing conditions of approval, specifically that the business wishes to expand the restaurant use to the second story of the existing building, including a second-story outdoor dining area, alcohol service and sales, and live entertainment. As such, a use permit amendment was required.

SECTION 4. On October 9, 2024, 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. The Planning Commission also received and reviewed written testimony received by the City prior to the public hearing. At the conclusion of said hearing, the Planning Commission adopted Resolution No. PC 24-13 amending the Use Permit and approving a Coastal Development Permit, allowing expansions to the existing eating and drinking establishment, including second-story outdoor dining, on-site sales and service of alcohol, and live entertainment.

SECTION 5. Resolution No. PC 24-13 included a condition of approval specifying hours of operation for the second story of the eating and drinking establishment as 4:00 p.m. to 12:00 a.m. for the indoor area and 4:00 p.m. to 10:00 p.m. for the outdoor dining area. The resolution also included a condition allowing extended hours until 2:00 a.m. for the indoor area and 11:00 p.m. for the outdoor dining area on a one-year trial basis commencing on the date second-floor operations began, and requiring the Applicant to return to the Planning Commission should they desire to continue utilizing the extended hours.

SECTION 6. On February 25, 2026, the Applicant submitted a formal request to continue use of the expanded operating hours for the second floor beyond the one-year trial period, which was scheduled to end on June 11, 2026.

SECTION 7. On June 10, 2026, the Planning Commission conducted a duly noticed public hearing to consider the request to allow the continued use of the extended hours for the second floor identified in Section 5 above, 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. The Planning Commission also received and reviewed written testimony received by the City prior to the public hearing. At the conclusion of said hearing, the Planning Commission continued the public hearing to July 8, 2026, and directed staff to return with a resolution conditionally approving the Applicant’s request.

SECTION 8. On July 8, 2026, the Planning Commission conducted and closed the continued the public hearing, at which they received a presentation by staff and provided an opportunity for the public and the Applicant to provide evidence and testimony.

SECTION 9. The City has reviewed the Applicant’s request for compliance with the California Environmental Quality Act (“CEQA”) and has determined that the request qualifies for a Class 1 categorical exemption pursuant to Section 15301 (Existing Facilities) of the State CEQA Guidelines. Class 1 exemptions include the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing private structures or facilities, involving negligible expansion of an existing or former use. The Applicant’s request, which consists of the continued operation of the second story of an existing eating and drinking establishment until 2:00 a.m. for the indoor area and 11:00 p.m. for the outdoor dining area, represents a negligible expansion of use. Furthermore, there are no features that distinguish this project from others in the exempt class, and therefore, there are no unusual

circumstances. Thus, Planning Commission finds the Project exempt from CEQA, and that no further environmental review is necessary.

SECTION 10. The record of the public hearing indicates:

- A. The legal description of the Property is: Lot 3, in Block 92 of Manhattan Beach Division No. 2, in the City of Manhattan Beach. The Property is located in Area District III and is zoned Downtown Commercial (CD), with a General Plan land use designation of Downtown Commercial. The Property is within the non-appealable portion of the City's Coastal Zone, and surrounding properties are zoned CD on all sides.
- B. The use is conditionally permitted in the CD zoning district subject to a use permit and is in compliance with the City's General Plan designation of Downtown Commercial. The General Plan designation encourages the Downtown Commercial land use category to "provide locations for a mix of commercial businesses, residential uses with discretionary review, and public uses, with a focus on pedestrian-oriented commercial businesses that serve Manhattan Beach residents."
- C. The Property is currently governed by a Use Permit Amendment and Coastal Development Permit approved by the Planning Commission in 2024 (Resolution No. PC 24-13), which carried forward all conditions of approval included in the previously-approved Use Permit Amendment from 2019 (Resolution No. 19-03). This approval and Resolution supplements the prior approvals.
- D. At the time the Project was approved, it was determined to be consistent with several General Plan goals and policies. The Applicant's request remains consistent with said goals and policies, for the reasons as described in Resolution No. PC 24-13.

Land Use Plan Goal LU-6: Maintain the viability of the commercial areas of Manhattan Beach.

The viability of commercial areas depends on a range of factors, including having various types of services and restaurants. The proposed eating and drinking establishment expansion will continue to offer dining options to the community and visitors to support the Downtown commercial businesses.

Land Use Plan Policy LU-6.1: Support and encourage small businesses throughout the City.

Allowing the existing eating and drinking establishment to expand enhances the viability of the business. Many other existing eating and drinking establishments in the Downtown have undergone tenant improvements and expansions over time, including those with on-site sales and service of alcohol, and those with live entertainment. The applicant's request is consistent with such uses.

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.

Downtown Manhattan Beach has a mix of restaurants and services. The expansion of the existing restaurant could attract more patrons to the eating and drinking establishment. Eating and drinking establishments are required to collect sales tax, a portion of which goes back to the City.

Land Use Plan Goal LU-7: Continue to support and encourage the viability of the Downtown area of Manhattan Beach.

Downtown Manhattan Beach has a variety of commercial uses including, but not limited to, coffee shops, restaurants, and retail stores. As proposed, the expanded eating and drinking establishment is complimentary to these uses, as patrons may visit other Downtown businesses, thus contributing to the economic vitality of Downtown Manhattan Beach.

Land Use Plan Policy LU-7.4: Encourage first-floor street front businesses with retail, restaurants, service/commercial, and similar uses to promote lively pedestrian activity on Downtown streets, and consider providing zoning regulations that support these uses.

The existing use is a first-floor eating and drinking establishment use, with the business's façade facing a commercial corridor (Manhattan Beach Boulevard) in the heart of Downtown Manhattan Beach. The eating and drinking establishment will be open during daytime and nighttime hours, encouraging pedestrian activity. The applicant is maintaining the existing ground floor dining area adjacent to the sidewalk, thus continuing to encourage a lively environment on the street.

SECTION 11. Based upon substantial evidence in the record, and pursuant to Section A.84.060 of the LCP, the Planning Commission made the findings in Resolution No. PC 24-13 related to the Project. Those prior findings, with updates noted below related to the second-floor hours of operation, continue to apply to the Applicant's current request:

- A. The proposed location of the use is in accord with the objectives of this title and the purposes of the district in which the site is located for the following reasons:

The subject site is currently permitted as a restaurant on the first floor and second floor of an existing building in the CD zoning district. The applicant previously expanded the then-existing restaurant onto the second floor, which changed the use from residential to eating and drinking establishment. In association with the restaurant expansion, the project scope also included extending the sales and service of alcohol for on-site consumption to the second story as well as the ability to have live entertainment upstairs. As a result, the subject site underwent a change of use, by removing the residential use and maintaining only a restaurant use at the site. As stated in the LCP Section A.16.020, an "Eating and Drinking Establishment" use is permitted through a Use Permit in the CD zoning district. The first entitlement approved for this type of use at the subject site was on August 14, 1984, through adoption of Board of Zoning Adjustment Resolution No. BZA 84-37. The applicant proposed to maintain an eating and drinking establishment use at the site, with more limited hours of operation for the proposed expansion area on the second floor. This approval allows the continuation of extended hours of operation for the second floor indoor and outdoor areas as specified in the conditions. The subject request does not alter the primary use of this commercially-zoned property.

- B. The proposed location of the use and the proposed conditions under which the uses would be operated or maintained will be consistent with the General Plan; will not be detrimental to the public health, safety or welfare of persons residing or working on the proposed project site or in or adjacent to the neighborhood of such uses; and will not be detrimental to properties or improvements in the vicinity or to the general welfare of the city for the following reasons:

The General Plan encourages a "vibrant downtown" that offers "services and activities for residents and visitors." The Property's General Plan land use designation is Downtown Commercial. Eating and drinking establishment uses are consistent with the intended mix of uses in the Downtown District. The Project, including the second floor operating hours, is compatible with neighboring uses, as neighboring lots to the north, south, west, and east are all developed with commercial uses. Furthermore, the Project was reviewed by the Building & Safety and Traffic divisions, the Public Works, Police, and Fire Departments, and Waste Management, none of which raised concerns or objections. Therefore, the Project will not be detrimental to the public health, safety or welfare of persons residing or working on the site, or in or adjacent to the neighborhood of such use and will not be detrimental to properties or improvements in the vicinity or to the general welfare of the City.

When taken together, the previously requested physical and operational changes described above (expansion of restaurant use to the second floor with an outdoor dining area, with the sales and service of alcohol and indoor live entertainment) do not result in a significant intensification of use because the site will continue operating as an eating and drinking establishment. Additionally, the building is on a commercial street, is not adjacent to any residential uses, and would operate in a similar manner to other eating and drinking establishments in the vicinity, and conditions of approval, including conditions regarding hours of operation and operational standards related to entertainment and noise address any potentially adverse impacts.

- C. The proposed use will comply with the provisions of this title, including any specific condition required for the proposed uses in the district in which they would be located for the following reasons:

The Project proposes continuation of the permitted hours of operation for the second-floor eating and drinking establishment use, which is the same use previously permitted on the first floor through the existing Use Permit. Per LCP Section A.16.020, the CD zoning district allows "Eating and Drinking Establishment" uses, which includes sit-down restaurants, through the approval of a use permit. A Use Permit Amendment is also required when a proposed project requires changes to the original Use Permit's conditions of approval.

The restaurant is a commercial use that is existing at the site. Conditions of approval have been proposed, which will ensure compliance with the required findings for a Use Permit and serve as an additional governing entitlement (in conjunction with the existing Resolution No. PC 19-03) for the development and operation of the subject site.

- D. The proposed use will not adversely impact or be adversely impacted by nearby properties. Potential impacts are related but not necessarily limited to traffic, parking, noise, vibration, odors, resident security and personal safety, and aesthetics, or create demands

exceeding the capacity of public services and facilities which cannot be mitigated for the following reasons:

The proposed use is located on a previously developed site along Manhattan Beach Boulevard and is consistent with uses surrounding the site, which include commercial uses. Project characteristics related to parking, noise, vibration, odors, security, personal safety, and aesthetics are addressed in the project design, Municipal Code requirements, and conditions of approval. Furthermore, the use will not create demands exceeding the capacity of public services and facilities.

The applicant contracted a transportation consultant to prepare a parking analysis, which analyzed the amount of additional parking required by the code based on the prior conversion of the second-floor space from residential to commercial use, and provided an explanation and copy of the required off-site parking lease because the site could not accommodate the additional parking required for the expansion, and analyzed the appropriateness of the proposed off-site parking location. The applicant also contracted an acoustic consultant to prepare an acoustic analysis for the proposed expansion. This study analyzed the project's potential noise impacts and proposed a sound attenuation plan. Measures outlined in the sound attenuation plan are included as conditions of approval for the Project in order to address potential adverse impacts, and remain applicable.

SECTION 12. Based upon the foregoing, the Planning Commission hereby APPROVES the applicant's request, subject to the conditions below.

General

1. All conditions applied to Planning Commission Resolution Nos. PC 19-03 and PC 24-13 remain in full effect, unless expressly modified by the conditions contained herein.
2. Any questions of intent or interpretation of any condition will be reviewed by the Community Development Director to determine if further Planning Commission review and action is required.
3. At any time in the future, the Planning Commission or City Council may review the Use Permit 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.
4. Community Development Department staff shall be allowed to inspect the Property at any time to determine compliance with the conditions imposed and Local Coastal Program requirements.

Operational

5. Condition of Approval No. 9 of Resolution No. PC 24-13 is hereby revised to read:

Hours of operation for the second story shall be limited to:

Indoor: 4:00 p.m. – 2:00 a.m. daily
Outdoor: 4:00 p.m. – 11:00 p.m. daily

The starting time for operations on the second story may be modified without a use permit amendment pursuant to Condition 21 of Resolution No. PC 24-13.

6. Condition of Approval No. 16 of Resolution No. PC 24-13 allowing expanded operating hours for the second story for a one-year trial period is hereby deleted.

Procedural

7. 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.

SECTION 13. Indemnity, Duty to Defend and Obligation to Pay Judgments and Defense Costs, Including Attorneys' Fees, Incurred by the City. The operator and owner (operator/owner) shall defend,

RESOLUTION NO. PC 26-XX

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/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/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/owner of any claim, action, or proceeding, or if the City fails to reasonably cooperate in the defense, the operator/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/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/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/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 14. 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 15. This Resolution shall become effective when all time limits for appeal as set forth in MBMC Chapter 10.100 have expired.

SECTION 16. The Secretary of the Planning Commission shall certify 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.

July 8, 2026

Rachel Hackett
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 **July 8, 2026**, and that said Resolution was adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Adam Finestone, AICP
Secretary to the Planning Commission

Rayvin Dennis
Recording Secretary