CITY OF MANHATTAN BEACH PLANNING COMMISSION MINUTES OF REGULAR MEETING FEBRUARY 8, 2017

A Regular Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 8th day of February, 2017, at the hour of 6:30 p.m., in the City Council Chambers, at 1400 Highland Avenue, in said City.

1. ROLL CALL

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Apostol, Bordokas, Conaway, Ortmann, Chairperson Hersman

Absent:

None

Staff Present:

ent: Anne McIntosh, Interim Community Development Director

Eric Haaland, Associate Planner Laurie Jester, Planning Manager Michael Estrada, Assistant City Attorney

Rosemary Lackow, Recording Secretary

Chair Hersman welcomed Interim Community Development Director Anne McIntosh who is replacing former Community Development Director Marisa Lundstedt on an interim basis. Director McIntosh stated that she is happy to be helping the City realize its goals and her door is open to anyone who wishes to meet with her.

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2. AUDIENCE PARTICIPATION (3-minute limit) –

Gerry O'Connor, 36 year resident, stated his concern about the process the Planning Commission follows, in particular he believes that the Commission should exercise independent thought, and be aware of all information and where it comes from, with goal of promoting unity, not division. He cited his disagreement with the way the Commission processed a recent Variance that he thought should have been administratively approved.

Mark Lipps, new President/CEO of the Manhattan Beach Chamber of Commerce echoed the prior speaker's comments, noting that discord occurs when there is a lack or problem in communication. He also invited all interested persons to attend a "State of the City" event being hosted by the Chamber February 17th.

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3. APPROVAL OF THE MINUTES

02/08/17-1 Regular meeting – December 14, 2016

A motion was MADE and SECONDED (Ortmann/Apostol) to APPROVE the minutes of December 14, 2016 as submitted.

Roll Call:

25 AYES:

Apostol, Bordokas, Conaway, Ortmann, Chairperson Hersman

NOES: ABSENT: None None

ABSTAIN: None

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4. PUBLIC HEARING

02/08/17-2.

Consideration of a Master Use Permit for a Market with Off-Site Alcohol Sales and On-Site Alcohol Consumption and Tastings and a Bank at 707 North Sepulveda Boulevard; the Provision of Off-Site Parking at 801 North Sepulveda Blvd.; Reduced Parking; and Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program (Paragon Commercial Group-Gelson's Market)

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Planning Commission Meeting Minutes of February 08, 2017 Page 1 of 9

Chair Hersman thanked all for providing input, noting that the Commission had received a high number of emails and each Commissioner reads and considers all input in deliberating this matter. The Chair asked that all be aware of and respect the following process and order of speakers which is intended to give everyone a chance to address the Commission. After the staff presentation, the applicant will have 15-20 minutes to present, followed by the Manhattan Beach Residents for Responsible Development (15 minutes), after which all other individuals wishing to speak will each have 3 minutes. After these speakers, the applicant will have an opportunity to rebut. After all public comments have been heard, the Chair will close the public comment portion of the public hearing and the Commission will discuss and deliberate, towards a decision on the project. Chair Hersman noted that in the event there is not enough time to complete this process, the meeting will be continued. The Chair asked that anyone wishing to speak fill out a speaker form and submit to the Recording Secretary in advance.

Associate Planner Eric Haaland presented the staff report with aid of power-point slides, introducing the project, covering topics including but not limited to: proposed uses, the entitlements requested including parking reduction, code analysis, issues and concerns of the community and the environmental documentation. He noted that upon conduct of an environmental analysis per CEQA, staff determination that no significant impacts would be created therefore staff proposes a "Mitigated Negative Declaration" (MND) with accompanying Mitigation Monitoring Program. Upon receiving public comments and if in its deliberations the Commission votes to approve the project, a draft Resolution of approval has been provided for consideration. A 1-page Errata for the Draft Resolution was also distributed by staff.

Staff responded to requests for clarification from the Commission. Mr. Haaland clarified that staff has no further planned presentations, but the City Traffic Engineer is available to respond to questions. Interim Director McIntosh suggested that questions for the Traffic Engineer be held by the Commission until after hearing public comments.

Planning Manager Jester clarified the terms "MND" (Mitigated Negative Declaration) and "EIR" (Environmental Impact Report) as referring to levels of environmental review in CEQA. Ms. Jester further explained that the level of review followed by staff is determined after first establishing if a "project" as defined in CEQA is exempt or if not, and requires further environmental review. If requiring a review, then an "Initial Study" (IS) is undertaken which looks at potential environmental impacts, using a comprehensive list of impact types (traffic, parking, archeology, air quality, etc). If, in the conduct of the IS it is determined that impacts in all categories will be at or reduced to a level of "less than significant" after applying all mitigation measures, then staff may prepare an MND. If conversely, impacts in all categories are not at a level of less than significant (or not reduced to that level with mitigations), or, if additional study is needed, then an EIR must be performed. Regardless, as to whether an MND or EIR is prepared, the same entire comprehensive list of potential environmental effects is evaluated.

There being no further questions of staff, Chair Hersman invited the applicant to address the Commission.

Jim Dillavou, Principal, Paragon Commercial Group, the applicant, addressed the Commission with the aid of Power Point slides, noting that Paragon has worked diligently on the project with a very wide outreach and availability to the community. He feels that there is overwhelming support, believes that the environmental review, including a 2,000 page MND which has had City Attorney oversight, has been thorough and that there is no substantial evidence to support a fair argument that if an EIR were done, a conclusion different from the MND would be reached. Mr. Dillavou went over the project stating that all citizen comments have been taken into serious consideration, and he feels that the project has been designed to a higher standard than minimally meeting the code (e.g. all parking spaces to be full sized with wide aisles) and highlighted planned traffic circulation improvements such as widening the roadway shoulder on Sepulveda to provide an area for cars to decelerate and turn into the site, traffic signal upgrades and dedicated right turn lane on 8th Street. Regarding parking, the project can accommodate the absolute maximum parking needed during peak times and should not be compared to Trader Joes on Manhattan Beach Boulevard, as Gelson's does not have the same circulation and access challenges. He concluded by stating that he feels that the project will be an ideal addition to the Sepulveda corridor and community and will not result in detrimental impacts which cannot be mitigated.

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Eileen Neil, President, Manhattan Beach Residents for Responsible Development (MBRRD), began a slide presentation, stated the group is not against the developer, but is focused on the project being a responsible development. She noted that the parking and traffic studies have been commissioned and paid for by the applicant and they believe that the project is deficient in parking and will have serious traffic impacts. She is concerned that the analysis of the project may be focused too much on economic benefits from generation of sales tax revenue, which is a case that she believes is over stated, as opposed to impacts to residents.

Shawn Cowles, attorney with the firm Buckhalter Nemer and representing the MBRRD stated that an EIR requires a higher level of scrutiny than an MND. He believes that the environmental review process should be restarted and an EIR prepared, as he believes that the City has not complied with its duty under CEQA and the MND is insufficient and defective. He believes the MND has the following deficiencies: 1) the IS must precede the MND, but believes that the IS and the MND Notice of Intent to Publish were combined in that they are both dated July 15, 2016, showing that the preparation of an MND was a predetermined decision; 2) the traffic analysis should have used the current vacated condition (which has existed for 17 months) instead of the prior auto dealership use; 3) the time of year that traffic was studied (October, 2016) does not capture beach traffic and including such may result in greater traffic volumes; and comparison with the Hollywood Gelson's is not relevant since there is no beach traffic in Hollywood; 4) the conclusion of the noise analysis that the CNEL (Community Noise Equivalent Level) is below the 3 dB threshold is based inappropriately on the assumption of site use as an auto care facility, not a vacated use; 5) small truck traffic appears to not have been adequately considered; and lastly 6) the degree of public controversy evidenced by 83 letters of opposition should have triggered an EIR instead of the MND which did not involve evidence of consultation with responsible agencies.

The Chair invited the MBRRD traffic engineer to make a brief presentation.

Allyn Rifkin, retired Traffic Engineer from City of Los Angeles, was hired to do a peer review of the project traffic analysis. He believes that there will be a significant traffic impact because he feels some important data has been omitted and he is also concerned about conditions at the intersection of 8th Street and Sepulveda. Additional data he would like to see included in the analyses are: operating speeds, accident data, summer and truck volumes on Sepulveda, Saturday traffic volumes for a supermarket, and daily traffic volumes on adjacent neighborhood streets. He believes that the proposed deceleration lane for the Sepulveda driveway is inadequate in that: Caltrans requested a longer (246 vs. 110 feet) and wider (12 feet vs. 10 feet) lane; no one reviewed the need for an acceleration lane, and there is missing data for traffic speeds and accident history. He is concerned that, if the left turn lane is too short there will be overflow impacts. Mr. Rifkin also pointed out that the analysis assumed that the City improvement of 8th Street (new north and southbound left turn arrows) would be constructed and therefore the project traffic was not analyzed without a left turn pocket. Regarding neighborhood impacts, peak hour counts in nonsummer times, based on Level of Service A at intersections were used but in his experience daily traffic should have been considered. He does not believe the response in the MND by staff that a construction management program can assuredly address neighborhood impacts because such a program is typically established after the project is built.

Chair Hersman invited the audience to address the Commission, requesting that each observe a 3-minute

PUBLIC COMMENTS

Louis Zakin, 2112 Chelsea Rd, Palos Verdes Estates, supports Gelson's in that it is a quality gourmet store and a good fit for the city.

Herb Harger 1230 6th Street, and a 66 year resident, looks forward to this because he will be walking to the store, not driving.

Jim Harger, 1420 6th St., 58-year resident is a very strong proponent, believes the store is badly needed and will ride his bike to the store. Regarding sales tax revenues, like medical care facilities which generate zero sales tax, the city needs such uses. He doesn't believe that the impact analyses should be based on a vacant lot, because that is not the historic use of the property.

Shail Versfelt, resident, expressed concerns including parking supply, traffic congestion and safety on Sepulveda, noting that she believes that the busiest retail activity will occur between 3 and 7 pm, which coincides with the heaviest traffic times on the corridor. She cited 236 accidents on Sepulveda between 2nd Street and Manhattan Beach Boulevard with 47 occurring at the 6th and 8th Street intersections and in the last 2 years when the site was vacant, 16 accidents at these intersection and 3 fatalities on the corridor in the last 5 years.

Greg Haylock, **P.E.** resident at 1560 9th Street is a transportation engineer with Caltrans, believes that the Encroachment Permit will be difficult if not rejected by Caltrans. He showed slides of the roadway on Sepulveda, including other nearby commercial developments and believes that the developer should have gone through that Caltrans process first, as he believes all of the state requirements will have to be addressed.

Mark Lipps, MB Chamber of Commerce, notes it's a tough line to walk because while everyone wants to have a small town appeal, it is also necessary to have a strong economic engine. As a resident he supports Gelson's, a "legacy company" as a reasonable and responsible use.

Bill Bloomfield, resident for many years at 940 1st Street, currently on the Strand, supports the project as a good corridor use and preferable to the former use, believes that residents who choose to live near the corridor should expect development will come and go along the commercial corridor.

Marilyn Scott, resident at 1141 8th, believes that the on-site parking will be deficient, especially regarding employees; is concerned that employees will park in the residential area, and truck deliveries will be noisy at night. Please consider neighbor impacts.

Jan Mills, 30+ year resident lives now on Larsson. She believes the project will destroy their quiet and walkable residential street. She suggested that people going to shop at Gelson's will use residential streets west of the project to get to Gelson's especially at 5:00 pm. She asked that the Commission not approve such an impactful use.

Steve Plenge, 301 John Street, resident in South Bay for 35 years, is a national shopping center developer, commended the developer on planning with sensitivity, believes that there is sufficient information in the MND to make a decision and supports the project.

Eric Bauer, 1146 8th Street, doesn't believe there is an inherent opposition of the developer or such a use, but he isn't confident that the project has been properly analyzed, requests transparency and that an honest and fair assessment with unbiased facts be utilized.

Dennis May, 718 Dianthus for 40 years, and a real estate broker for 45 years. Is concerned that the project will diminish the quality of life due to increased neighborhood traffic and that the parking will be deficient. He believes the developer had other options but sold off lots on 8th Street to be developed as homes, and underground parking or no bank should be considered to address parking.

Sue Vogl, 1206 6th Street, supports Gelsons in that it being close to residents, will be close enough to walk to.

Brad Sperber, resident and business operator of Manhattan Toyota, supports Gelson's as a good commercial use and the applicant has addressed all major concerns and believes the city is lucky to this use.

Sandy Savaiano, 40 year resident, lives on 28th Street and supports Gelson's. She disagrees that unfamiliar beachgoers will come through the neighborhood to go to Gelson's and doesn't think there will be backup at the entrances to the project, when comparing to Target, thinks a lot of people will use Valley/Ardmore to get there.

Richard Rizika, supports Gelson's and thinks the project is an architectural and aesthetic upgrade and will be a benefit and good fit to the community.

Don Whinfrey, 1421 3rd Street, supports the project and because he is legally blind and walks a lot, and

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because Gelson's will be only 8 - 10 minutes away, he is looking forward to the project because his walk will be reduced appreciably.

Zane Sax, resident of Hermosa Beach, supports the project, and he believes the traffic will be mainly from within the City. He encourages a fair debate but noted that there can be bias on both sides, by the developer as well as professionals hired by the residents. It is routine for a developer to pay for technical reports and it is the responsibility of staff to review all reports. He recognizes that the project is not perfect, but it is pretty good.

Tom Hastings, 809 N. Dianthus referred to Power Point slides that showed public comments. He pointed out the number of form letters/comments as well as unique comment letters both for and against and does not believe that the applicants comment that the public is overwhelmingly in favor of the store is accurate.

John Neill lives on Larsson expressed concerns with noise including from the parking lot and various equipment, and delivery trucks, particularly late at night with loud back up beepers and believes that there are big differences between the store and the most recent auto dealership use. He questions how the noise ordinance will be enforced and fears it will fall to the residents to enforce noise problems.

Julie Shaffner Brawn, resident, does not support the project due to safety, parking, traffic and noise concerns. She feels the project needs an EIR. She questions why the city would grant exceptions (e.g. width and length of deceleration lane and on-site parking) and is concerned in doing so would expose the City to a lot of liability and urged that the Commission send the project back for more study and require that the developer work with the residents.

Gary Troop, 511 Larsson, used Power Point slides to illustrate points, doesn't support the project due to traffic, including cut through cars and trucks in the neighborhood especially on 2nd, 6th and 8th Streets and on Larsson, Dianthus, Anderson and Poinsettia. He believes impacts especially on 6th Street will not be mitigated. He noted that there are no sidewalks in the neighborhood and is concerned about pedestrian safety, noting that there will be alcohol consumption on the premises.

Mary M. Padilla, Highland Avenue, believes that it will provide a much needed community service, and will be a good project if parking and traffic impacts can be mitigated.

At 9:30 pm Chair Hersman called for a break and at 9:41 pm Chair Hersman reconvened the meeting and called the next speaker.

Jim Zimmerman 1013 8^{th} St, turns from 8^{th} to Sepulveda southbound daily, and cars tend to accelerate on 8^{th} Street which he feels might contribute to accidents. He believes an EIR should be required to evaluated parking and traffic.

John DiLeva, 789 Larsson, directly behind Gelson's, believes that the developer should do everything "by the book" and questions the need to have a bank, and is concerned about traffic, the parking reduction and street and pedestrian safety, particularly with no sidewalks.

Jerry Pancake, 8th Street, is opposed to a project being done poorly and with the bank, on-premise alcohol and food consumption and takeout of prepared food, has concerns that the number of cars will exceed the parking supply. He is concerned about the substandard deceleration lane, delivery trucks merging into heavy traffic. He urged that the project be modified as it is too dense for the site and should be done right.

Mark Shoemaker, using Power Point slides, noted 8,000 daily entries and exits for the site, stated that deceleration lanes are encouraged in the Sepulveda Development Guidelines, and urged the project to comply with Caltrans in terms of width and length of a decel lane, including relocation of a storm drain and fire hydrant and also an acceleration or exit lane south of the Sepulveda apron. Noting that 205 persons signed a petition to require an EIR, he urged that the Commission deny the project and require an EIR.

Don McPherson, 1014 First Street, opposes the project including the parking reduction and he distributed

1	a nandout regarding banks. He believes that only 2 parking reductions have been granted by the City and is skeptical that the bank use will be realized as he thinks the size proposed is much larger than other banks.
2	building) will support a parking reduction.
3	Scott Yanofsky, Larsson Street resident, passed out material to the Commission, and he believes that
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9	should be an EIR to look more into traffic impacts.
10 11	Gary Steinhardt , resident at 32 nd and Vista supports Gelson's, believes the design is well thought out and studied, and trusts the Planning Commission to make a good decision.
	Douglas Brawn, 601 Larsson, hears common ground that there is support for the project, but believes that the project hasn't had enough study, and believes that the Commission should send the project back to staff to get an EIR Robert Levine, 1401 Manzanita Lane, supports Gelson's, and he experienced a similar situation in Culver City and the City found ways to alleviate citizen concerns. In various areas of the City there are going to be impacts and as a community the citizens learn to share resources. He does not believe that as a standard, sites that have a business that stops operating should be judged as a vacant site for new development. Tim McGinity, 1700 block of Magnolia, 2 year City resident, understands there are pros and cons and strong emotions on both sides. He favors the project because he has belief in the developer to be sensitive to concerns and trusts that the developer will be a responsible community partner and will address problems that will arise, based on his experience with Gelsons when he lived in Pacific Palisades.
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19	Marilyn Gillette Bennett , 1206 8 th Street, and in the nearby area for many years, believes that th southern end of Sepulveda is blighted, she supports the project, as well as new medical and Skecher instead of vacant sites, and is concerned that if the City turns away this developer due to a technicality, that something undesirable might take its place.
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22	Dr. Ramin Javahery , resident on Anderson Street and pediatric neurosurgeon, works with children who have had head trauma and is very concerned regarding child safety in the neighborhoods near the project because with high speed traffic there is a lot of risk, given the natural impulsivity of children. He urged that the store be held to applicable safety standards.
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	Mike Simpson , 1121 W. 6 th Street and 101 Dianthus, supports the project in that he believes that this use as opposed to another office building is much needed in this area. He lives next to commercial and understands that every use has some impacts.
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	Gerry O'Connor, longtime resident, is very interested in process and believes that the proper process must be taken to have a good result. He believes that there have been three issues with the process: 1- the primary planning has been done by a consultant, 2- the MND was only posted on the city website and no presented in a public forum, and 3- the staff presentation tonight was brief, only providing an overview He urged that the Commission send the project back to staff to do more work as there is no rush.
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30	Robert Schuman , 40 year resident and real estate broker and developer, believes that Gelson's took a risk in selling off the residential lots instead of using them for parking, pointed out that residential
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neighborhoods adjacent to Sepulveda have long had to live with commercial impacts, and while Gelson's will be a big gain they also need to address neighbor concerns.

There being no additional persons wishing to speak, Chair Hersman stated that, due to the late hour, it is appropriate to stop for the night and continue the public hearing to a future date. The Chair thanked all who had participated, and advised that additional new input only from those members of the public that did not have an opportunity to speak at this meeting, will be received at the continued hearing. The applicant was offered an opportunity to provide a brief comment while postponing their rebuttal to the next meeting.

Jim Dilavou, applicant stated briefly that he felt that all of the comments made tonight have already been addressed by Staff in the CEQA document and at the next meeting will be happy to highlight all responses to the comments received.

COMMISSION DISCUSSION

Chair Hersman asked the Planning Commissioners for direction to staff.

Commissioner Conaway stated that he would like a full, detailed presentation on the traffic studies including signal improvements, the decel and accel lane issues and specifics including surrounding public right of way info such as crosswalks, sidewalks, bike lanes, bus stops and intersections, including how they are addressed, how public parking on the three streets surrounding the project block will be affected and accident histories for the surrounding streets, project parking (how the number of needed spaces was arrived at), more info on noise including anticipated operating equipment and screening, info on anticipated site lighting including whether existing will be used, the height and if there is expected to be any spillover, and more information on the difference between an MND and EIR and the process on what is actually required with input from the City Attorney on the necessary process and responses to points made by the MBRRD attorney.

Commissioner Ortmann stated he is not interested in litigating the issue of MND versus EIR at the next meeting but is more interested in understanding staff's logic as to why an MND and not an EIR was required, not so much from a technical perspective, but more from the viewpoint of public interest and perception, and in the interest of full transparency and disclosure since there has been so much public interest.

Commissioners Bordokas and Apostol thanked the public for all comments and agreed with the prior Commissioner comments.

Chair Hersman stated that, while the Commission understands clearly the residents' concerns, there were a number of issues brought up by the public (e.g. status of public parking on 8th Street) that she would like staff to clarify. She wants the project details to be very clear and any misinformation clarified.

ACTION

The Chair subsequently **CONTINUED THE PUBLIC HEARING** for the Gelson's project to the date of March 22, 2017.

- 5. **DIRECTOR'S ITEMS** None.
- 6. **PLANNING COMMISSION ITEMS** None.
- 7. REORGANIZATION

Planning Manager Jester explained the process for selecting a new Chair and accordingly Commissioner Apostol would be the next in line. A motion was made and seconded (Ortmann/Bordokas) to appoint George Apostol as the new Chair. The motion passed unanimously 5-0 with a voice vote and Commissioner Apostol assumed the Chair. It was subsequently moved and seconded (Hersman/Bordokas) to appoint Commissioner Ortmann as Vice Chair. The motion passed unanimously

5-0 with a voice vote. **TENTATIVE AGENDA** – February 22, 2016 – None at this time. 9. **ADJOURNMENT** The meeting was adjourned at 10:43 P.M. to Wednesday, February 22, 2017 in the City Council Chambers, City Hall, 1400 Highland Avenue. ROSEMARY LACKOW Recording Secretary Interim Community Development Director Planning Commission Meeting Minutes of February 08, 2017 Page 9 of 9

CITY OF MANHATTAN BEACH PLANNING COMMISSION MINUTES OF REGULAR MEETING MARCH 22, 2017

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A Regular Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 22nd day of March, 2017, at the hour of 6:30 p.m., in the City Council Chambers, at 1400 Highland Avenue, in said City.

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1. ROLL CALL

Present:

Bordokas, Conaway, Ortmann, Chairperson Apostol

Absent:

None

Staff Present:

Anne McIntosh, Interim Community Development Director

Laurie Jester, Planning Manager

Michael Estrada, Assistant City Attorney

Eric Haaland, Associate Planner Erik Zandvliet, Traffic Engineer

Rosemary Lackow, Recording Secretary

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2. AUDIENCE PARTICIPATION (3-minute limit) –

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Chair Apostol called forward anyone wanting to address the Commission on any topic that is not related to the Gelson's item on the public hearing portion of the agenda.

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Eileen Neil, resident, spoke to the experience of becoming a community activist and what she has learned. She commented that residential community and project neighbors are important stakeholders who rely on the Commission to protect the community. She felt that the tone of the recent city election was "residents first" and she hopes that the Commission will keep that in mind when they deliberate the Gelson's project.

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Mark Shoemaker, lives on Poinsettia Avenue, spoke to the issue of the difficulty in obtaining public records in compliance with the California Public Records Act, the purpose of which is to promote transparency of government activity. He feels that requesters should not be required to pay for photocopying records that already exist in an electronic format. He also cited that only very recently has the City released some records to him prepared by the environmental consultant and there has not been enough time for him to review these documents for this hearing.

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Chair Apostol advised the audience that any comments that relate to Gelson's will be received only in the public hearing portion of the agenda.

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Scott Yanofsky, resident, believes there is a project on Manhattan Beach Boulevard/Sepulveda Boulevard that has a condition that has not been enforced by the City and requested that the Commission look into this. He suggested that the City either stop requiring CUPs or find out a way to enforce project conditions.

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3. APPROVAL OF THE MINUTES

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03/22/17-1 Regular meeting – February 8, 2017 - Revised

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A motion was MADE and SECONDED (Ortmann/Conaway) to APPROVE the February 8, 2017 minutes with no changes.

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Roll Call: AYES: NOES:

ABSTAIN:

Bordokas, Conaway, Ortmann, Chairperson Apostol

30 ABSENT:

None None None

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4. PUBLIC HEARING

03/22/17-2. Consideration of a Master Use Permit for a Market with Off-Site Alcohol Sales and On-Site Alcohol Consumption and Tastings and a Bank at 707 North Sepulveda Boulevard; the Provision of Off-Site Parking at 801 North Sepulveda Blvd.; Reduced Parking; and Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program (Paragon Commercial Group- Gelson's Market)

Chair Apostol opened the continued public hearing item and then stated that, after conferring with the City Attorney, he has determined he does not have a conflict of interest, however, to avoid any appearance of impropriety and out of an abundance of caution, he is recusing himself from the Gelson's hearing. Chair Apostol subsequently left the chambers and Vice-Chair Ortmann assumed the Chair.

Interim Director McIntosh explained that the City Council, at its meeting of March 21, accepted Nancy Hersman's resignation from the Planning Commission in anticipation of her upcoming membership on the City Council and therefore her seat is now vacant.

Vice-Chair Ortmann announced that this is a continued public hearing and the Commission will receive input tonight only from those who have not yet addressed the Commission. The order of testimony for the continued public hearing will be: new public comments from those who have not yet addressed the Commission, followed by a 10-minute rebuttal by the applicant, followed by a detailed presentation by staff. The Commission reserves the right to permit additional input from those who have already testified, if substantial new information arises. After closing the hearing, the Commission will deliberate.

PUBLIC HEARING

Vice-Chair Ortmann opened the continued public testimony.

Robert Bush, distributed a handout and indicated that he opposes Gelson's out of concern that it will encroach into the neighborhood, citing impacts such as car accidents, noise, increased crime, air pollution from car exhaust, and alcohol impacted drivers due to on-site alcohol consumption. Other potential impacts include increased congestion in the parking lot on 8th Street leased by the applicant for overflow parking and impacts due to inadequate number of on-site parking and deceleration lane on Sepulveda. He questions that the traffic generated will increase more than 1.1 percent, indicated the applicant should have retained the three 10th Street lots and used those for parking and requested an EIR to be required due to significant impacts.

Shirin Bush, resident, provided a handout and expressed concern that the project will create impacts such as traffic congestion, auto accidents, alcohol consumption on the premises and driving, inadequate on-site parking and safety at the intersection of 8th and Sepulveda as well as cut-through traffic.

Brent Troop, 511 Larsson, using a slide presentation stated concern over the parking amount, due to ancillary activities like the store in Silverlake (e.g. wine bar, live music, classes and special events, restaurant) beyond a typical grocery store. He referenced newspaper articles regarding the "sip and shop" concept and he is concerned that this use will result in less frequent turnover of parking spaces and drunk driving.

Brett Troop, 511 Larsson, showed aerial photos of the proposed project location, other existing Gelson's stores, Ralph's, VONS, Target, Trader Joe's in Manhattan Beach, Whole Foods El Segundo, VONS and Trader Joe's Hermosa Beach, and a potential Lazy Acres in Hermosa Beach (Artesia/Sepulveda) all of which he believes due to their location will not result in cut-through neighborhood traffic. By comparison he believes that the proposed Gelson's is too close to single family residential and will result in cut-through traffic. He requested that an EIR be required.

Bonnie Selway, 809 N. Dianthus Street, provided a handout and has concerns about traffic safety, noting a history of fatalities on Sepulveda. She noted that topography on Sepulveda results in limited visibility and encourages speeding, the combination with alcohol is a safety issue and she believes that the project is too big for this location citing the problems at the 8th Street intersection, limited access and anticipated 4,000

March 22, 2017

service would add to the danger.

Derek Zielin, Larsson Street resident, presented slides, expressing concern that 34 curb parking spaces may be lost on 8^{th} Street and Sepulveda, and possibly 10 more on 6^{th} Street if, in the future conditions warrant it. He believes this loss will result in pushing commercial parking deeper into neighborhood streets and urged that an EIR be done with a neighborhood parking impact study between 6^{th} and 8^{th} Streets all the way to Ardmore.

Margaret Nesbitt, 216 Larsson Street, questioned the parking reduction, is concerned with safety, and believes the developer should play by the rules.

Walter Urban, 514 N. Poinsettia, has a law office on Sepulveda, and recalls problems with Champion Chevrolet test driving but believes this project will have far greater impacts due to the lack of sidewalks, narrow roadways and increased large delivery truck traffic. He questioned the need for the bank.

Mary Ruth Newman, 916 9th Street, believes that the developer is taking short cuts, citing the small size of the deceleration lane and lack of acceleration lane, and is also concerned about impacts on Dianthus. She suggested that if an EIR is not to be required, at least provide a standard deceleration lane.

Tracey DiLeva, 709 Larsson Street; Paragon needs to comply with all regulations and do an EIR. Her children cross Sepulveda daily to go to school and there have been many accidents at 8th and Sepulveda. She is very concerned about safety as related to the proposed alcohol use and the deceleration lane needs to be longer.

Judi Bloom, 29-year Tree Section resident, suggested that the Commission consider that vehicle trips to Gelson's would mean one less trip to Ralphs or Vons. She believes that Gelson's is a responsible operator, is part of and understands the Jewish community. She does not believe that alcohol will be an issue.

Donna Tyndall, Gelson's operations executive over 20 years, spoke to the way the store operates. Gelson's has 8 stores, some operating since the 1960's, that either directly abut or are separated from a residential area by a narrow street. The have 25 total Southern California stores. They area a small local company and all of the executives deal personally with the stores and solve problems. Two of their stores have a wine bar which is operated under very strict ABC licensing requirements. The wine bars have about 20-40 customers per day and they do not sell to people who are drunk. The wine bar is not a huge part of the total amount of transactions, which typically number 1,500 to 2,000 per day, and no store has more than 3,000 transactions per day, including employee transactions. Customers are often shopping within their own neighborhood.

Darby Silverberg, resident at 916 6^{th} Street for well over 40 years, has lived happily in the area. He is very disappointed that residents who don't live in the neighborhood are supporting the project. He would like to continue being happy living on 6^{th} Street.

John Policastro, 1200 9th Street, believes the streets are not designed for this traffic and it is a safety issue.

Einav Aviram, stated that Paragon should not have sold off the 3 lots, they should have been used for parking. While she would love to walk from her home to get a croissant, she does not want to do so at the expense of the neighborhood and urged that the Commission require an EIR.

Bill Victor, resident, wants to live in a happy community and feels that it is clear residents are not happy with the proposed Gelson's. He does not believe that the staff report is adequate, and the project needs additional parking and an EIR.

Kay Gilbert, 800 John (at 8th Street), does not live close enough to feel a direct impact but works at the residential community "Eco Village" in Korea Town and has witnessed commercial impacts such as from commercial trucks and is concerned that trucks will line up on Larsson, 6th and 8th Streets. She urged preparation of an EIR.

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Carol Kasten, 37-year resident on 10th Street, supports Gelson's as a needed use, but wants to see compliance with rules for parking, access and safety, understands the pain that the nearby residents have been going through.

Vice-Chair Ortmann closed the public testimony, and also responded to an audience question, informing that no repeat testifiers will be heard at this time.

APPLICANT REBUTTAL

Vice-Chair Ortmann requested that Gelson's representative address the Commission, with a rebuttal (10 minutes).

Mr. Jim Dillavou, Paragon Commercial Group, and resident of Alma Street, addressed the Commission using a slide presentation, as they want to provide all details that the Commission needs to make a decision and believes there is a need to clarify facts. He summarized factual information that is already in the 2,500 pages of environmental documents and public record, as follows:

- <u>Project size</u>: is 75% less than allowed by code and 15% less than existing and the project is sized to be a perfect fit for the city and neighborhood.
- Traffic and parking: Paragon is not requesting a parking variance but a "parking reduction" as authorized in the code with a UP. A total of 135 on-site spaces is being provided on the main and auxiliary sites which is the actual total number of spaces determined to be required for the project. None of the customer spaces will be "compact." The back of house storage area is parked at a rate 5 times over that required at Target, and the inside seating area is parked double for dining seating required at Bristol Farms. The spaces in an off-site lot being leased on 10th Street are not part of the 135 required spaces, he expects that new curbside no parking zones will be enforced as a condition of the approval and Gelson's has maintained its support for establishing a future parking permit program for the residents if wanted in the future.
- <u>Deceleration lane</u>: This is not being required by Caltrans or the City. The proposed "widened shoulder", has voluntarily been proposed to improve traffic flow and is fully consistent with others installed for commercial projects on Sepulveda Boulevard in Manhattan Beach. The applicant will comply with all Caltrans requirements.
- Truck traffic: Has been studied extensively. This occurs along the entire length of the commercial corridor, is not a new activity and is expected within the applicable "general commercial" zone on Sepulveda Boulevard. The operator will enforce all truck delivery activities to occur off of Sepulveda Boulevard and not use any residential streets. Truck deliveries will also be staggered and have a limited time frame (no later than 1:30 p.m.)
- Noise: All noise will be less than ambient levels, and this was not a significant impact issue raised in the environmental review.
- <u>Conditions of approval</u>. 31 conditions plus 2 new tonight have been reviewed by Gelson's and they will comply with all and any others deemed needed.

Mr. Dillavou concluded by stating he believes the project, a boutique grocery store and community gathering place that can be easily accessed by residents without crossing Sepulveda Boulevard, is something that the community needs and wants. He also has three small children and shares everyone's concerns about the safety of children. He believes that the project has been studied extensively and has broad community support as well as staff recommendation for approval.

Ellen Burkowitz, Akerman LLP, representing Paragon, believes that there is a misperception that potential impacts have not been studied enough in the Initial Study/Mitigated Negative Declaration (IS/MND) and therefore an EIR should be prepared. She stated that all potential impacts have been thoroughly addressed in the IS/MND together with the Responses to Comments to that document. In accordance with CEQA, it is appropriate for an agency to prepare an EIR when there is substantial evidence that there will be a significant impact resulting from the project, not because there is a public clamor. Absent substantial evidence as with Gelson's, an MND must be prepared. Another reason why in this case, an EIR is not required is that the IS/MND was prepared with the same detail and comprehensiveness, including 2,500 pages of expert analysis for all categories of potential impacts, as would be studied in an EIR.

As a point of order, Vice-Chair Ortmann stated that Ms. Burkowitz is limited to 3 minutes out of fairness to other testifiers.

Ms. Burkowitz concluded by stating that the IS/MND also, though not required to, provided written responses to over 94 public comments, as is required in an EIR. In summary, there is nothing further that could be commented on, analyzed or responded to in the IS/MND that could be provided in an EIR.

Vice-Chair Ortmann commented on the notion that CEQA is prescriptive in stating what an agency **must** do (emphasis by speaker) in preparing an MND or an EIR, and he stated he has never seen it suggested that a city could **not** require an EIR in lieu of an MND and he asked the Assistant City Attorney for clarification as he thinks this is an important issue as to the integrity of the processing of the project.

Assistant City Attorney Estrada opined that, based on his understanding of the CEQA Guidelines, if the Commission feels that there is some substantial evidence that there may be a significant impact, that would not be mitigated to a level of less than significant by the project conditions, then it would be within the discretion of the City to require an EIR. Further, Mr. Estrada opined that it is unlikely that a decision to require an EIR would be successfully challenged.

Ellen Burkowitz commented further that her firm has cited in its letter to the City, specific sections of the CEQA Guidelines that say when an MND or an EIR should be used, and words "must" or "shall" are in the Guidelines where it states that an agency is to prepare an MND, when there is no substantial evidence that there is a potential significant impact.

STAFF PRESENTATION

Interim Director McIntosh stated that staff is prepared to make a detailed presentation by the staff planner, the City Traffic Engineer, the environmental consultants, and peer reviewer, in an effort to address all questions and issues in the public record so far. She emphasized that the Commission should feel free to ask any or all questions in order to have the information they need to make a decision.

Interim Director McIntosh further explained that the Commission's role as the decision making body in this quasi-judicial hearing, that this application is a Master Use Permit, and the staff report, including the environmental documentation, provides the information needed to make a decision. She reminded that the purpose of the EIR is not to tell the Commission how to vote but is informational. Another compelling and very important aspect of making a decision is public testimony, which has been done in a fair manner. Ms. McIntosh directed the Commission's attention to the required findings in Section 6 (A) of the Resolution that must be made and Planning Manager Laurie Jester further guided the Commission through other draft findings in Section 6 of the resolution that relate to alcohol sales (B), the parking reduction (C) and Sign Program (D) and Sections 7 and 8 which relate to the Final MND and the Mitigation Monitoring Program.

For Commissioner Conaway, Ms. McIntosh clarified that the Commission, if deciding that the project would be good for the City and the findings can be made, should adopt one Resolution which contains all findings and conditions. Conversely if the Commission decides that it cannot make the findings, it would be appropriate to adopt a resolution denying the project. This would be prepared by staff and brought back for adoption at a future meeting. The Commission also has the option to approve with added or modified conditions.

Eric Haaland, project planner, explained after re-introducing the application, he will be followed by other experts to specifically address other topics in more detail such as the environmental analysis and parking and traffic. Using a power point presentation, he recapped that the Master Use Permit application requests approval for a 27,900 sf food and beverage sales with partial on-site dining and beer and wine service in a remodeled auto service building, and a 6,684 sf bank building, and a parking reduction from 171 to 135 on-site spaces. He reviewed the location, the auxiliary parking site, and project architectural renderings. He summarized the staff recommendation: to conduct the continued hearing, discuss, and adopt the revised Proposed Resolution, that adopts a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program, and approves the project subject to conditions.

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At 8:52 p.m. a short recess was taken; Vice-Chair Ortmann reconvened the meeting at 9:03 p.m.

Mr. Haaland continued with the staff presentation, focusing on the main site and explaining the Sign Program, parking lot lighting, and roof equipment, truck unloading at the site's southwest corner and the widened shoulder at the Sepulveda driveway. Mr. Haaland noted all signage will conform to code requirements. All existing light poles will be removed and replaced at a code height limit of 20 feet, except where within 25 feet of residential properties where the height limit is 12 feet. Glare shielding is also required for all fixtures within 200 feet of a residential property and a lighting plan will be required at the plan-check stage. Roof equipment is expected to be in approximately the same locations as the existing and will be required to meet the code requirements for noise and visual screening.

Mr. Haaland deferred a question from Commissioner Conaway regarding street parking surrounding the project to the City Traffic Engineer who will go over parking and traffic in detail. Mr. Haaland explained the interior grocery store floor plan and locations of dining seating areas that once approved cannot be expanded. He concluded by confirming that he has not provided any new material not discussed at the February meeting.

Commissioner Conaway asked about the methodology for the parking requirement of 135 spaces, as he is used to seeing simple calculations of a ratio based on use(s) of areas that are proposed. Mr. Haaland explained that the code specifies different ratios of parking spaces to square feet of area depending on the use: the following parking ratios can be applied to this project: for the retail food and beverage use, 1:200, for the restaurant seating areas: 1:75 applied to 145 square feet interior and just over 500 square feet exterior seating, and the bank has a 1:300 ratio. However, the Code also anticipates that larger, more complex multi-tenant projects may warrant a reduction in those rates, and provides for such. The parking reduction is a part of the Use Permit application.

City Traffic Engineer Erik Zandvliet responded regarding the parking requirement methodology, explaining that the zoning code provides 3 basic methods for determining a parking requirement for a multi-use multi-tenant project: 1) use the tables that establish ratios applied to the various proposed uses (e.g. dining seating areas, retail, and bank uses) which are added up creating a total aggregate requirement (MBMC 10.64.030); 2) apply a collective parking reduction of up to 15%, based on findings, which can be authorized administratively by the Community Development Director (MBMC 10.64.040); or. 3) establish a specific parking requirement through a Use Permit application, which is the method that has been applied for Gelson's, upon showing in a parking study that the demand will be less than otherwise calculated in the zoning tables, and subject to certain findings (MBMC 10.64.050). Parking reductions that are authorized in methods 2 and 3 are not variances. In applying for option 3, a study must be prepared that can show what the anticipated parking demand will be. For Gelsons, ITE parking generation rates were used, along with ULI shared parking methodology, which allows reduction for shared parking in sites with multiple uses. For example a bank may have a different peak use than a retail use. Also a parking survey can be useful in showing demand of a similar use (not used for Gelson's). In this case, a 135 space demand was determined with the ITE and ULI rates and shared parking, as detailed in the parking study and staff supports this conclusion.

Planning Manager Jester announced that the environmental consultants for the project will now address the Commission.

Katrina Hardt-Holoch, AICP, Michael Baker International, emphasized that the purpose of the IS/MND is to be an informational document that identifies impacts, requires feasible mitigation measures and describes why there are no impacts or why an impact would be less than significant, using an environmental checklist in CEQA. She detailed the chronological processing of the IS/MND including the NOI (Notice of intent), public comment period and notifications including posting the notice at the project site, publishing in the Beach Reporter and mailing to anyone who had requested such. She described the analysis that was contained in the draft IS/MND including but not limited to: lighting, air quality, noise, traffic and parking as well as detailed written responses to over 90 public comments letters. She described the three types of impacts, noting that for Gelson's all potential impacts were determined to be either less than significant or, potentially significant, but reduced to less than significant with mitigation measures imposed. As there were no significant and unavoidable impacts, under CEQA an MND is required, not an

EIR. Ms. Hardt-Holoch concluded that the City went beyond what is required in CEQA in noticing the IS/MND and chose to analyze parking impacts which is no longer required by CEQA. The study found, using the City's significance threshold that no significant traffic or parking impacts would result, so no mitigation measures were required for those categories. Ms. Hardt-Holoch confirmed for Commissioner Conaway that some comments were received during the 30-day input period that requested an EIR and the response that was given was an explanation as to when, under CEQA, an MND and EIR is required.

In response to a question from Vice-Chair Ortmann as to what the ramifications would be if the City decided to do an EIR to address general concerns of the community, Assistant City Attorney Estrada stated that the decision to require an EIR boils down to whether the City determines if there was substantial evidence that there may be a significant impact. If the conclusion was there was not significant impact, then the MND would be appropriate. If there is conflicting testimony, the City has the discretion to make a determination.

Vice-Chair Ortmann stated that his line of inquiry is more in line with the issue of whether CEQA provides that an agency "must" do an MND vs. "may" require an EIR and he finds it questionable that a city legally must do an MND. After brief discussion, the environmental consultant was asked how much technical work had to be done before a decision could be made whether to process an MND or required an EIR. Ms. Hardt-Holoch, responded that the decision to process either as an MND or EIR would become clear after all of the CEQA checklist impacts have been analyzed, because at that time one can see if one or more thresholds are being exceeded in which case an EIR would be needed. In this case after doing the impact analysis, seeing no significant impacts, the decision was to process the MND. Ms. Hardt-Holoch also clarified that her contract is with the developer, not the city.

Upon request by Commissioner Conaway, Ms. Hardt-Holoch explained how the content of an EIR would differ from the MND. She noted that with an EIR the content changes very little although there would be a different format and an alternatives analysis would also be required. She explained typically an alternatives analysis looks at build alternatives that would lessen or remove unavoidable significant impacts, but in this case because there are no unavoidable significant impacts, she is not clear what such an alternatives analysis would look like. In a follow-up question, Ms. Hardt-Holoch explained that thresholds of "significance" are often numeric thresholds established by either the City in its codes or General Plan (e.g. noise, intersection LOS) or they can be thresholds established by a regulatory agency, such as AQMD for air quality. Some impacts like glare, do not have a numeric threshold, but there is a City code requirement that addresses glare and the project will comply with those standards.

Cameron Hile, MIG, the 3rd party environmental peer review consultant contracted by the City, described the role of MIG was to review the MND and Responses to Comments for completeness and identify any errors, inaccuracies or omissions. MIG found that all environmental documentation work including the responses to comments and any revisions are adequate and appropriate pursuant to the requirements of CEQA and the final revised MND document will be suitable for final approval.

Planning Manager Jester announced that the City Traffic Engineer will now present a summary of the Parking and Traffic portion of the IS/MND including responses to public comments. She noted that this is a summary only and that the full detailed comments and responses are on record on the Community Development web page on the City's website.

Erik Zandvliet, City Traffic Engineer, using a slide presentation, summarized public comments and provided responses regarding the Parking and Traffic impacts analysis as follows:

1. Methodology questioned. Response: The analysis has been prepared according to LA County Congestion Management Plan Guidelines, including intersection level of service analysis which has an A-F rating system, as the City does not have its own impact guidelines and criteria. The analysis used a more intense development scenario than proposed and did not apply some trip credits, such as for public transit. The study concluded that the expected increase in traffic is less than significant, because none of the studied intersections will have an LOS rating increase to "F" or if already at "F", the added traffic will not increase by 2% or more. He confirmed that the same standard is applied whether it is a residential or arterial street and stated that the intersection at Sepulveda Boulevard and 8th Street complies with this threshold because although it will have a 7.5% decrease in capacity, it

would still have a 30% capacity reserve before going to level F. Essentially, the reserve capacity will drop, but not fail according to the applied threshold.

- 2. Use of trip credits questioned. Response: The baseline counts were done in March and December, 2014 when the auto repair shop was in operation and when the project analysis commenced. It is proper to take a trip credit for the repair use because those trips were included in the "existing conditions" counts within the last two years and should be subtracted from the new project conditions.
- 3. Weekend trips should be counted. Response: It was suggested that the counts should be done on weekends. While it is true that weekends trip generation would be somewhat higher for the grocery store, this would not be the case with other sources of traffic including the proposed bank (to be closed weekends) as well as normal work and school commutes which are not present on weekends.
- 4. Project trip distribution is inaccurate. Response: The study followed LA County guidelines but also used local knowledge at the sub-regional and City level, including the General Plan Circulation Element and professional engineering practices, in determining the final trips assignment for the project. This included assigning a "pass-by" trip credit as appropriate pursuant to ITE Trip Generation Guidelines. For example a car already on the road going home from work and stopping for groceries does not create a new trip. Mr. Zandvliet commented on summertime traffic and noted that you want to capture a typical day, which is a school day, Tuesday through Thursday, not a day with abnormal volumes. Further the grocery store and bank are not considered a summertime recreational land use and beach traffic typically does not occur during the peak traffic volumes.
- 5. Hollywood Gelson's is not representative. Response: Using a comparison of another Gelson's is among five methods for determining actual parking demand. The final requirement for parking was based on ITE parking rates with a shared parking analysis, not on the Hollywood Gelson's store, because it was determined that that other Gelson's stores had various characteristics that would be too dissimilar to the store in Manhattan Beach.
- 6. Truck traffic including delivery and vendors, was not considered in traffic analysis. Response: Truck trips were included in the traffic impact analysis, by applying the ITE Trip Generation rates. The project is designed to accommodate the largest types of trucks that typically use a grocery store. The delivery routes and access points are restricted in the conditions of the draft resolution.
- 7. A 236-foot long deceleration lane is required. Response: A 246' long, full 12-foot wide lane was referenced in a letter from Caltrans with reference to a standard in the Caltrans Highway Design Manual, but this has not been required by Caltrans in either meetings with the applicant or in their response letter to the City as part of the CEQA process. A widened shoulder, not a deceleration lane, has been proposed by the applicant voluntarily because it was determined that the queueing for the main driveway will not warrant a required deceleration lane. The proposed widened shoulder will be 110 feet in length, which is similar to those installed for other projects along Sepulveda (El Pollo Loco, Panda Express, and a proposed Skechers in Hermosa Beach). Two locations where a full width (not length) deceleration lane has been constructed are at Target and UCLA Medical at Marine Avenue. The widened shoulders, which do improve traffic safety, are typically not striped because they do not meet the Caltrans design standard width for a "lane". Staff's position is to defer the issue of the project driveway design to Caltrans because the project will be required to obtain an Encroachment Permit from the State. The requirement to obtain an Encroachment Permit from Caltrans is included in the Resolution as a condition.
- 8. More analysis is needed regarding the northbound left-turn pocket on Sepulveda Boulevard during summer and Saturdays. Response: The length of the left turn pocket has been questioned, however, Caltrans has an adaptive signal system that changes over the course of a day and can increase left turn green time in response to higher volume directions. This timing also compensates for periodic truck trips and seasonal fluctuations.
- 9. The length of the northbound left turn pocket on Sepulveda Boulevard at 8th Street is too short. Response: Northbound traffic in the left turn pocket is expected to clear due to additional green time that can be provided by the existing and proposed adaptive traffic signal system which adjusts the

signal timing based on traffic demand. The traffic study found that this intersection will operate at level "D" in the future plus the project conditions, with a 20% reserve capacity for higher left turn volumes at the peak hours, on weekends and during summer.

- 10. Should the signal project at Sepulveda Boulevard /8th Street have been excluded from the analysis? Response: The City and Caltrans have already approved a signal improvement that is expected to be completed before the project is opened. This will provide left turn arrows on Sepulveda Boulevard in both directions. This doesn't change the level of service but increases the safety of the intersection. A number of accidents have occurred when drivers "jump the gun" and turn left too early. The project design is 95% completed. Since this is a public improvement that is reasonably anticipated to be completed before the project is constructed, it is reasonable that it is included in the future baseline condition.
- 11. Southbound safe stopping distance and safety issues should be considered. Response: The Caltrans standard for stopping distance at 35 mph is 250 ft. There will be adequate stopping distance for southbound traffic approaching the project as the crest of the hill on Sepulveda is 280 feet north of 8th Street, and there will be at least 600 feet of stopping distance to the driveway on Sepulveda.
- 12. Caltrans site review should precede completion of environmental documents. Response: The applicant met with Caltrans in July 2015 and discussed the site plan and preliminary traffic study findings. Caltrans also reviewed the plans and submitted comments as part of the CEQA review.
- 13. Delivery truck turning radius and access should be considered. Response: The study evaluated the longest delivery truck expected to service the site, which is a semi-truck trailer combination with a length of 61 feet. It was determined that the turning radii for trucks is satisfactory for both on-site and off-street operation and access. In addition, conditions have been proposed that will restrict semi-trailer routes so to avoid southbound right turns at 8th Street and peak pm periods. Mr. Zandvliet clarified that Gelson's management will be required to control the movement of their large semi-trailer trucks and if they fail, they risk losing their Use Permit.
- 14. What is the number of project driveway trips to be generated? Response: Mr. Zandvliet clarified that the traffic study calculated that approximately 5,317 driveway trips per day will be generated, of which 2,233 would use the Sepulveda Boulevard driveway and 3,084 would use the 8th Street driveway. He also clarified that a trip is one directional movement into the driveway and another trip is counted going out of the driveway. Breaking this down, there would be, in the AM/PM peak hour, 122/120 trips at the Sepulveda driveway and 200/248 trips at the 8th Street driveway. Regarding roadway trips, the study calculated there will be 3,062 total new daily trips, and this assumes a 15% reduction for the auto repair operation trip credit and a 27% reduction for existing pass-by trips.
- 15. Neighborhood traffic impact concerns: Response: Manhattan Beach has no maximum street volume standard for CEQA, so significant impact uses the intersection LOS rating system as a threshold. Three residential intersections were studied as well as local residential trips through the neighborhood. It was calculated that 18% of trips will use Larsson, 15% on 6th Street, and 15% on 8th Street (550 total per day). A right turn only restriction was recommended by the study for the 8th Street driveway for site exiting traffic. This will help distribute the traffic away from the neighborhood a little bit. In response to an inquiry from Commissioner Conaway, Mr. Zandvliet explained that traffic on Larsson Street is anticipated to come from local traffic approaching the site through the neighborhood from the south and west.
- 16. *Pedestrian Safety concerns*. Response: The City has no master plan for sidewalks in this area. With the project, new public sidewalks will be installed along each of the adjoining streets with ADA compliant pathways constructed between buildings and sidewalks. There is a marked crosswalk at 8th Street / Sepulveda Boulevard and an unmarked crosswalk at the stop sign at 6th Street / Sepulveda Boulevard.
- 17. Traffic collision analysis concerns. Response: There have been an average of 3.2 reported collisions per year in this street segment of Sepulveda, and no collisions have been reported that relate to the proposed site/driveways. Improvements that should improve safety include the widened

shoulder and signal improvement, removal of the visibility obstruction due to the show room building at the north east corner of the site, and installation of sidewalks with ADA compliance.

- 18. Should the bus stop be relocated to the widened shoulder? Response: This is entirely up to Metro because this decision is within their jurisdiction.
- 19. Parking demand and supply. Response: As noted there are 3 methodologies allowed in the code that can be applied and any or all of these can be used. As previously described, the methodology used is a parking demand study, and the Traffic Engineer's recommendation is based on that analysis resulting in a total of 135 on-site parking spaces be provided.
- 20. Neighborhood parking intrusion concerns. Response: The concern is that if street parking is removed on the streets surrounding the project, people may start to park on neighborhood streets. The calculation for the parking demand was very conservative. Also, the project conditions would prohibit employee parking in the neighborhood.
- 21. Employee parking: The 18 spaces in the north lot are to be used for employees and when that lot is full, employees will be required to park in the main lot. The parking demand study did take into account the full employee parking demand. The project conditions of approval include a requirement that the store prepare and enforce an Employee Parking Management Plan that would prohibit and discourage overflow parking onto surrounding streets.
- 22. Street parking will be eliminated resulting in impacts. Response: 8 curb spaces will be eliminated on 8th Street and 12 on Sepulveda Boulevard which are not currently being used. In the opinion of the Traffic Engineer, the removal of the 8th Street parking will increase safety because sight distance will improve. There is no anticipation that any parking lost on Sepulveda Boulevard and 8th Street will relocate to residential streets. In addition, for safety reasons some curb parking next to a commercial driveway may be eliminated for driver visibility; and similarly at an intersection to avoid vehicle turning conflicts.
- 23. Site parking layout. Mr. Zandvliet highlighted positive aspects of the on-site parking plan including the absence of small car sized spaces in the main lot; good driveway visibility for parking movements, only 1 vehicle maximum queued at driveways, and 30 feet of storage area between the curb and first parking stall.

Traffic Engineer Zandvliet asked if the Commission had any questions relating to the parking and traffic portion of the project analysis. He clarified the definition of a "trip" for Commissioner Bordokas, explaining a car driving into and then leaving the site equals 2 trips. This is in line with the anticipated number of "transactions" that have been anticipated by the store. The number of anticipated trips comes from the ITE Trip Generation Manual.

Commissioner Conaway, pointing out that there was clear concern with spillover parking into neighborhoods as a result of the loss of curb spaces, asked if staff looked into any ways to mitigate this loss? For example, on Larsson, adjacent to the project, could angled parking be installed? Mr. Zandvliet responded that this was considered, but staff felt it was best to wait until the store opened to identify whether there is problem and then consider a menu of items including traffic calming measures, or, if the City Council agrees, a permit parking program.

Commissioner Conaway asked why the City has not implemented traffic calming in the City to discourage cut-through traffic, and Mr. Zandvliet noted that the City has actually implemented several traffic calming plans, many for the schools, and the City uses a toolbox to implement more significant changes if warranted. Any neighborhood can request a traffic calming plan that would be tailored to the conditions and problems at a specific location. If the City wants to consider installing cameras for speed enforcement, he believes that this may be restricted by the federal government. In response to Commissioner Conaway's concern that remedies are not being proposed to mitigate traffic cut through concerns at this time, Mr. Zandvliet responded that general concerns are not factual evidence and traffic solutions should be carefully considered, because it is common that when a measure is implemented on one street, this can cause a new impact on another. Commissioner Conaway stated that his concern about

letting Caltrans design the improvement on Sepulveda Boulevard for the City and complying to the Caltrans design manual for a full deceleration lane could have negative effects. Traffic Engineer Zandvliet responded that installing a full sized deceleration lane when unwarranted could indeed have undesirable effects, explaining it is natural human behavior that the wider a street or travel lane is, the faster people want to drive. Mr. Zandvliet explained that the 110 foot long widened shoulder was proposed by the applicant as a good will measure, and staff believes that this design will work well, because of the size of the project. Mr. Zandvliet also stated his opinion that an acceleration lane out of the Sepulveda driveway is not needed due to the fact that there will be sufficient gaps in the traffic to give opportunities for safe exiting without needing to widen the street.

Vice-Chair Ortmann stated his opinion that the mission of Caltrans and transportation departments should be to enhance and support communities, however he believes that their mission, which is to widen and eliminate friction along their routes is actually antithetical to building community and a sense of place. He believes that Caltrans is the tail that is wagging the dog and the City needs to be thinking as a community about what type of development it wants for the corridor in the future, and not deal with projects on a piecemeal basis. If this is not dealt with, problems will only be compounded. Mr. Zandvliet advised that the City Council has placed a Sepulveda Corridor Master Plan on its Work Plan list, which is how this would be addressed. Commissioner Ortmann concluded by stating his opinion that without an overall corridor plan, issues like the deceleration or widened shoulder will keep coming up with other projects however in his opinion, such things are a symptom, not a cure.

Commissioner Bordokas pointed out that the deceleration lane for Target was 153 feet long, but their store area is 4 times bigger than Gelson's and she has never seen any back up on Sepulveda. It was noted that there are two driveways on Sepulveda Boulevard at Target. Commissioner Bordokas reiterated her belief that a full deceleration lane may not be needed given the size of the Gelson's project.

Planning Manager Jester announced that the staff presentation was complete and pointed out a few late attachments received today and other late attachments were posted on the City website on Monday or Tuesday. Vice-Chair Ortmann noted that the public hearing has been closed. Ms. Jester summarized the options for the Commission. Ms. Jester also stated that as input was received stating concern that the market wine bar would be a "sip and shop" use, she wanted to emphasized that no classes or live music are being proposed, and responded to Commissioner Bordokas that there is little difference in this proposal from other wine tasting areas approved in the City such as at Ralphs and Bristol Farms, where the tasting is a very incidental use. Further, staff is not aware of any alcohol consumption related problems raised by the Police Department. Ms. Jester suggested that the Commission start deliberating by discussing any concerns with the required findings.

Vice-Chair Ortmann noted that he has a few questions for the developer. He heard five issues over and over that he would cluster in the three categories of kids, bikes and pedestrians. He questioned the applicant as to how the site plan will enhance the environment for kids, bikes and pedestrians around the development? Jim Dillavou, Gelson's, responded that new sidewalks will improve safety and Gelson's is also open to traffic measures such as road humps, and any others that can be identified such as bike parking.

Vice-Chair Ortmann stated that he looked at the project on the applicant's website and feels that the site plan resembles any other typical suburban model that doesn't connect to the community. What can be done? Jim Dillavou acknowledged that more access is better and explained that they decided to reuse the existing building because they did not believe that an open direct access to the site on Larsson would be amenable to the neighbors to the west. They believe that they have done all they can within their boundaries. If they can do anything else to support sustainability, such as bike improvements or supporting the Downtoner, they are in full support.

Vice-Chair Ortmann asked if there was any thought about ways to slow speed down on Sepulveda Boulevard and Mr. Dillavou responded that they would be open to implement whatever traffic calming measures that can be identified by the City.

Vice-Chair Ortmann asked Mr Dillavou what he has done to reach out to the neighborhood. It doesn't appear that there has been effective communication and outreach. Jim Dillavou stated he has knocked on

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doors in a two block radius and has been handing out his card, attended multiple block parties and showed plans, and has maintained much information on their website including a standing invitation to meet with neighbors. He has stated to the community that he is open to all discussion about what they can do to better the project for the community.

Commissioner Conaway inquired as to how important the bank was to the project, and Mr. Dillavou stated that the bank, which is a business bank, not a retail bank, is very important. The bank is expected to attract fewer visitors than a retail bank and the traffic and parking demand is much lower than a Wells Fargo. They believe it will perfectly complement the grocery use, in that the peak times would be different. They are not symbiotic uses, so the bank and the store are not in conflict with each other and to lose the bank would be a deal breaker.

Mark Harrigian, Gelson's, spoke to the number for required on-site parking spaces, noting that, as this is a multiple use project, the goal is to provide the number of parking spaces to meet the entire demand of the site, not to have a sea of parking. The parking ratios in the Code are established anticipating stand-alone commercial uses and do not necessarily accurately reflect demand for larger multiple use projects. They have also leased a lot on 10th Street for extra parking for employees for the holidays and their goal is to coexist with the Post Office and strip center which is supposed to be leasing spaces in that lot. They are refurbishing the existing building near Larsson Street because they believe that the neighbors would rather have the building remain at that location, and it would be less costly to tear it down and build a new structure. The upgrading of sidewalks will address enhancing safety of people walking to the project. In response to Commissioner Ortmann, who stated he is concerned about truck traffic on 8th Street, Mr. Harrigian stated that Gelson's does not support eliminating the driveway on 8th Street as it would be inappropriate and detrimental to the operation.

Vice-Chair Ortmann confirmed that, as no new information has been heard, no new public comments will be received from those who have already addressed the Commission.

PLANNING COMMISSION DISCUSSION

Commissioner Conaway thanked staff for a more complete presentation and remarked that he believes that the Commission has sufficient information now from both the community and staff. Regarding the findings, he keeps going back to the issue of "significant" and does not believe that he can support the findings without additional conditions. The parking count has been difficult and he would like to see more discussion on that, and traffic seems to be a more gray area. He is looking for the project to be more responsive to the community - they need to stop thinking of Sepulveda Boulevard as a "highway" and more like the downtown for the local residents. It's a regional corridor but should be tied to the neighborhood. He has six improvements that he would like to see conditioned to the project, with the Commission's agreement. They are: 1) an 8-foot sidewalk with a 3-foot "furnishing zone" on Sepulveda Boulevard to make the area more pedestrian friendly; 2) at Sepulveda Boulevard and 8th Street, all 4 corners should be upgraded with special emphasis crosswalks to enhance safety at the intersection: 3) a midblock crosswalk to service employees crossing 8th Street from the north side parking lot, including "KEEP CLEAR" markings on the street in front of the driveway; 4) new standard crosswalks on Larsson Street at 6th Street and on Larsson Street at 8th Street; 5) move the bike racks from the loading dock area closer to 8th Street, providing a clear access path and; 6) install a new Class 2 bike lane on 8th Street from the opposite side of Larsson Street to at least the driveway entrance. He commented that a bike lane would be consistent with the South Bay Bike Plan.

Commissioner Bordokas asked and Mr. Zandvliet responded that the high visibility crosswalks can be accomplished on Sepulveda Boulevard by either the City or applicant.

Commissioner Bordokas initiated discussion regarding on-site parking, and commented that she has looked at other projects in the City in terms of the ratio between the amount of parking required and building size and area of the site. She mentioned both Target (37% store area to parking spaces) and the Rubio's retail center at Sepulveda Boulevard and 19th Street compared to Gelson's which is at 45%. She feels that the Rubio's center is a better comparison which has 176 parking spaces, 37,000 square feet of building area and 19 businesses. She figures that the ratio of building square footage to parking space at the Rubio's center will be even lower than Gelson's but with many more businesses, and with customers

that stay much longer with restaurants and dance studios. She wondered if the parking at Gelson's would not be far off from what will work.

Commissioner Conaway explained that he also did a rough analysis of use and parking ratios and concluded that the 135 parking spaces comes out to be about 4 spaces per thousand considering the grocery/retail use only and this is not unreasonable. Clearly there is a lot of push-back from the community but also he acknowledges that "following the rules" also includes applying the code provision for a mixed use parking analysis as provided for in the code and has been applied to other sites.

Vice-Chair Ortmann stated that his main concerns continue to be that there hasn't been enough coordination with the residents (recognizing that not everyone can be on the same page), and he still has enough technical issues with the site plan that seem to be intractable from the developer's perspective. He will not support the project until he sees the applicant make a more explicit effort to address the concerns of the neighborhood and modifies the design in such a way that the project feels like it is the start of a solution rather than a continuation of the problems that exist on Sepulveda.

Vice-Chair Ortmann responded to Commissioner Conaway that he cannot support findings 2 and 4 in that, respectively, he believes that the project will be a detriment to the public health (will make the environment worse) and will cause adverse impacts to neighbors, as currently proposed.

Commissioner Bordokas believes that there has been a lot of fear and scare tactics and this is a concern for her. Examples include the comments made about the drinking bar and the representations made about Caltrans requirements for a deceleration lane and a variance being needed and not following the rules. She believes this fear that drives these comments makes it hard to move forward and find some middle ground to arrive at a solution. She believes that the applicant has done outreach to the community.

Vice-Chair Ortmann reiterated that he doesn't believe that there has been adequate communication leading to a give and take between the developer and neighbors. He believes that a way forward can be arrived at and that projects like this, if designed properly, have the opportunity to be designed such that they are part of the solution, instead of the problem. The Vice-Chair stated he believes there is a "greater good of the community" at stake and believes that this project, if designed to not be a typical car-centric suburban footprint that doesn't turn its back on a neighborhood, but is pedestrian friendly and speaks to alternative transportation and access to the site, can be the start of creating a solution for the corridor.

Commissioner Bordokas stated that she was not comfortable in jumping ahead of the corridor study with this project and does not feel comfortable in dictating design on private property. She does not believe that the community is asking for a community oriented space but wants a deceleration lane, more parking and more safety in general.

Commissioner Conaway stated that he loves and does not disagree with what the Vice-Chair is saying, but he feels the Commission's role is to examine whether the findings can be made and understand the testimony. He summarized what he has heard: that there is a lot of support for the project and the main issues are with the project size, parking, traffic, safety and noise. He kept hearing that issues should be mitigated and fixed, not derailed.

Interim Director McIntosh suggested that a motion be made which is followed by discussion and noted that two of three votes is a quorum.

Commissioner Conaway double checked and received confirmation from Commissioners Bordokas and Ortmann that they were comfortable with aspects of the project including the alcohol use, the parking calculation, signage or any other aspects of the project. Commissioner Conaway indicated that he is not 100% comfortable with the parking calculation but appreciates that if there arises a problem that there is a safety outlet in that there are other parking alternatives that can be used for parking.

COMMISSION ACTION

A motion was MADE and SECONDED (Conaway/Bordokas) to adopt the staff recommendations approving the project with the incorporation of six new conditions of approval that address

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