

RESOLUTION NO. PC 20-10

**RESOLUTION OF THE MANHATTAN BEACH PLANNING COMMISSION APPROVING
A MASTER USE PERMIT FOR A NEW 162-ROOM, 81,775 SQUARE-FOOT HOTEL
WITH FULL ALCOHOL SERVICE FOR HOTEL PATRONS AND A NEW 16,348
SQUARE-FOOT RETAIL AND OFFICE BUILDING; AND REDUCED PARKING WITH 152
PARKING SPACES AT 600 S. SEPULVEDA BOULEVARD (MB HOTEL PARTNERS,
LLC)**

THE MANHATTAN BEACH PLANNING COMMISSION DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. MB Hotel Partners, LLC ("Applicant") has applied for a Master Use Permit to construct a 162-room, 81,775 square-foot hotel with full alcohol service for hotel patrons and a 16,348 square-foot retail and office building with reduced parking (the "Project"), located at 600 S. Sepulveda Boulevard (the "site"). The property is owned by 600 Sepulveda LLC (the "Owner").

SECTION 2. On October 14, 2020, 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 members of the public both supporting and opposing the project. The Planning Commission also received and reviewed written testimony received by the City prior to the public hearing. The Commission requested that the applicant to modify the plans and provide additional information in order to address the Commission's and neighbor's concerns.

SECTION 3. The Planning Commission continued the duly noticed public hearing to the November 18, 2020, Planning Commission meeting to consider the modified Project and revised resolution. The Commission provided an opportunity for the public to provide evidence and testimony at the public hearing.

SECTION 4. The Project is Categorically Exempt from the requirements of the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15332 (Infill Development Projects) exemption, as it meets the definition of infill development; would be consistent with the applicable General Plan designation and all applicable General Plan policies as well as with the applicable zoning designation and regulations; occurs within city limits on a project site of no more than 5 acres substantially surrounded by urban uses; would be located on a site that has no habitat for endangered, rare, or threatened species; would not result in any significant effects relating to traffic, noise, air quality, or water quality; and could be adequately served by all required utilities and public services. Further, none of the exceptions to the use of a categorical exemption apply to the Project. The project will neither individually nor cumulatively have an adverse effect on wildlife resources, as defined in California Fish and Game Code Section 711.2.

SECTION 5. The record of the public hearing indicates:

A. The legal description of the site is: Portions of Lots 6 and 7, Block 2, Amended Map of Seaside Park, in the City of Manhattan Beach, County of Los Angeles. The site is located in Area District I and is zoned CG-D8, General Commercial- Sepulveda Boulevard Corridor Overlay. The surrounding properties are zoned CG-D8 to the North, CG General Commercial to the South (across Tennyson Street), RS Single-Family Residential to the East (across Chabela Drive), and commercial to the West (across Sepulveda Boulevard in the City of Hermosa Beach).

B. The uses are permitted in the CG-D8 zone subject to a Master Use Permit and are in compliance with the City's General Plan designation of General Commercial. The General Plan designation for the property is General Commercial. The General Plan encourages businesses in the General Commercial land use category that are "intended to meet the needs of local residents and businesses and to provide goods and services for the regional market." The Municipal Code's stated purpose of the D8- Sepulveda Boulevard Corridor Overlay is to provide "more flexible development standards are needed in order to continue to promote desirable development, uses and economic vitality within the General Commercial (CG) zone."

1 C. The proposed uses are located at a site on the Sepulveda commercial corridor. Any
2 potential impacts associated with the proposed uses are minimized by the physical distance
3 between the use's location and most residents in nearby blocks, with Chabela Drive,
4 Sepulveda Boulevard, other large commercial structures, walls, and landscaping providing
5 physical separation between the project site and many neighboring structures.

6 D. The site is the former home of an El Torito Restaurant which operated with a full
7 alcohol license.

8 E. The applicant is requesting to construct a 162-room, 81,775 square-foot hotel and a
9 16,348 square-foot retail and office building with reduced parking with 152 parking spaces.
10 The hotel includes limited dining options with accompanying full alcohol service that will be
11 limited to hotel patrons only.

12 F. The project is specifically consistent with General Plan Policies as follows:

13 LU-6: Maintain the viability of the commercial areas of Manhattan Beach.

14 LU-8: Maintain Sepulveda Boulevard as a regional-serving commercial district.

15 The project helps further the General Plan Policies identified above by providing more
16 overnight accommodation options to people visiting Manhattan Beach and the greater
17 Southern California region. The hotel's guests are likely to support other local businesses
18 during their stay. The project's other new commercial spaces provide opportunities for local
19 and regional businesses looking to locate in new, contemporary buildings.

20 **SECTION 6.** Based upon substantial evidence in the record, and pursuant to Manhattan Beach Municipal
21 Code Sections 10.64.050 (B) and 10.84.060, the Planning Commission hereby finds:

22 **1. The parking demand will be less than the requirement in Schedule A or B.**

23 The applicant has provided a parking demand study, prepared by Kimley-Horn and reviewed by
24 the City's Traffic Engineer, that demonstrates that the parking demand generated by the
25 proposed uses is less than the required parking required under M.B.M.C 10.64.030.
26 Furthermore, the number of parking spaces provided on site significantly exceeds the project's
27 parking demand as projected in Kimley-Horn's analysis.

28 **2. The probable long-term occupancy of the building or structure, based on its design, will
29 not generate additional parking demand.**

30 The conversion of the hotel building to an alternative use with a higher parking demand would
31 be difficult considering the numerous hotel rooms on each floor that would need to be demolished
32 in order to reconfigure each floor space. Furthermore, the conditions of approval require that a
new parking demand study be conducted if new uses proposed at the site differ from the uses
approved by the Master Use Permit.

**3. The proposed location of the uses are in accord with the objectives of this title and the
purposes of the district in which the site is located.**

The project is located in the "CG-D8" (General Commercial, Sepulveda Boulevard Corridor
Overlay) design overlay district in Area District I. The Municipal Code stated purpose for the CG
General Commercial zone is that the district provides "opportunities for the full range of retail and
service businesses deemed suitable for location in Manhattan Beach, including businesses not
permitted in other commercial districts because they attract heavy vehicular traffic or have certain
adverse impacts; and to provide opportunities for offices and certain limited industrial uses that
have impacts comparable to those of permitted retail and service uses to occupy space not in
demand for retailing or services." Furthermore, the Municipal Code's stated purpose of the D8-
Sepulveda Boulevard Corridor Overlay is to provide "more flexible development standards are
needed in order to continue to promote desirable development, uses and economic vitality within

the General Commercial (CG) zone. The project takes advantage of the 40-foot height limit allowed for hotel uses in the D8- Sepulveda Boulevard Corridor Overlay zone.

The proposed location of the project (Sepulveda Boulevard) is in accord with the objectives of the Zoning Code and the purposes of the district in which the site is located because Sepulveda Boulevard is a main commercial thoroughfare and is within a commercial district where the uses will complement a full range of retail and service businesses suitable for Manhattan Beach.

4. **The proposed location of the uses 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.**

The proposed uses are commercial uses consistent with the General Plan's General Commercial land use designation assigned of the project site and lot, as well as neighboring properties. The proposed uses are consistent with neighboring uses, as the neighboring lots have also been developed with commercial uses. The proposed location of the uses and the proposed conditions under which they would be operated and maintained will not be detrimental to the public health, safety or welfare of persons residing or working on the Project site or in the surrounding area because Municipal Code requirements and conditions of approval address security, safety, aesthetics, hours of operation and parking. The Project will not be detrimental to properties or improvements in the vicinity or to the general welfare of the city, in that the area already supports commercial uses, and parking supplies are adequate. Further, Municipal Code requirements and conditions of approval address security, safety, aesthetics, and hours of operation. Specific conditions are designed to address concerns expressed at the public hearing, including conditions requiring architectural screening on the fourth floor of the hotel building's eastern façade. The General Plan recognizes that Sepulveda Boulevard corridor is a "regional-serving commercial district", and the proposed uses can be part of the commercial mix of businesses that help create a dynamic commercial corridor along Sepulveda Boulevard.

5. **The proposed uses will comply with the provisions of the City's Planning and Zoning Title, including any specific condition required for the proposed uses in the district in which they would be located.**

The proposed uses comply with all provisions of Municipal Code Title 10 Planning and Zoning and any specific conditions imposed.

6. **The uses will not adversely impact or be adversely impacted by nearby properties.**

The proposed uses are located at a site on the Sepulveda commercial corridor. Most of the surrounding properties are also zoned General Commercial and have uses that serve both residents and the greater South Bay. Any potential impacts associated with the proposed uses are minimized by the conditions of approval, as well as the physical distance between the use's location and most residents in nearby blocks, with Chabela Drive, Sepulveda Boulevard, other large commercial structures, fences, and landscaping providing physical separation between the project site and many neighboring structures. The project as conditioned requires hotel and security operation procedures that ensure minimal impacts to nearby properties. The uses will not create demands exceeding the capacity of public services and facilities.

SECTION 7. Based upon the foregoing, the Planning Commission hereby **APPROVES** the Master Use Permit to allow the construction of new commercial buildings and a reduction in parking subject to the following conditions:

1. The project shall be in substantial conformance with the plans and project description submitted to, and approved by the Planning Commission on November 18, 2020 as conditioned. Any substantial deviation from the approved plans and project description, as conditioned, shall

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- require review by the Community Development Director to determine if approval from the Planning Commission is required.
2. Any questions of intent or interpretation of any condition will be reviewed by the Community Development Director to determine if Planning Commission review and action is required.
3. A Construction Management and Parking Plan (CMPP) shall be submitted by the applicant with the submittal of plans to the Building Division. The CMPP shall be reviewed and approved by the City, including but not limited to, the City Traffic Engineer, Planning Division, Fire Department, Police Department and Public Works Department, prior to permit issuance. The Plan shall include, but not be limited to, provisions for the management of all construction related traffic, parking, staging, materials delivery, materials storage, and buffering of noise and other disruptions. The Plan shall minimize construction-related impacts to the surrounding neighborhood, and shall be implemented in accordance with the requirements of the Plan.

Operation

4. Hotel guests will be limited to a maximum stay of 30 consecutive days.
5. The management of the hotel shall follow M.B.M.C. Chapter 8.20 in collecting and remitting to the City all required Transient Occupancy Taxes.
6. The management of the property may be required to employ a private security firm to patrol the site if the Police Department determines that the site's operations are creating a significant number of dispatch calls.
7. Security cameras shall be installed throughout the site.
8. The site's light fixtures shall possess sharp cut-off qualities at all property lines and shielding shall be provided as necessary so that lighting does not shine on adjacent properties.
9. The management of the property shall police the property and all areas adjacent to the business during the hours of operation to keep it free of litter and food debris.
10. The operators of the businesses shall provide adequate management and supervisory techniques to prevent loitering and other security concerns outside the subject businesses.
11. All rooftop mechanical equipment shall be screened from the public right-of-way.
12. Hours of operation for the hotel's limited dining options, including full alcohol service, shall be permitted as follows:
- | | |
|-----------------|-----------------------|
| Monday – Sunday | 7:00 a.m. – 1:00 a.m. |
|-----------------|-----------------------|
13. Operation of the hotel's eating and drinking areas shall be in substantial compliance with all restrictions imposed by the California Department of Alcohol Beverage Control (ABC) prior to service of beer, wine, and distilled spirits.
14. Alcohol service shall be conducted only in conjunction with food service during all hours of operation. The hotel's eating and drinking options are for the use of hotel patrons only.
15. Live entertainment is prohibited on the fourth-floor outdoor terrace unless all of the following criteria are met:
- A The live entertainment is provided for the enjoyment of hotel patrons only.
 - B. An Entertainment Permit shall be obtained by the hotel management as outlined in M.B.M.C 4.20.050

C. No live entertainment shall be allowed after 9:00 p.m.

16. Noise emanating from the property shall be within the limitations prescribed by the City's Noise Ordinance and shall not create a nuisance to nearby property owners. Noise shall not be audible beyond the premises.
17. The hotel's management shall control the volume of any background music in the lobby and on the fourth-floor terrace.
18. After its daily closing time, the outdoor terrace shall be closed to all users, with an exception for hotel staff who are actively working.
19. Architectural screening shall be installed and maintained along the fourth floor of the hotel's eastern façade along Chabela Drive in order to limit the line-of-site of hotel patrons into neighboring residential properties to the east. Screening on the fourth floor of the hotel building's eastern façade shall be bolstered to ensure privacy for the first floor of the first row of homes along Chabela Drive to the satisfaction of the Community Development Director.
20. Applicant shall revise landscaping plan to increase the size of the proposed plant material (upon installation) along the property's eastern perimeter such that the plant material achieves a height up to the third floor plate height upon issuance of Certificate of Occupancy.
21. At any time in the future, the Planning Commission or City Council may review the Master Use Permit for the purpose of revocation or modification in accordance with the requirements of the MBMC Chapter 10.104. Modification may consist of conditions deemed reasonable to mitigate or alleviate impacts to adjacent land uses.
22. The Community Development Department staff shall be allowed to inspect the site at any time.

Refuse

23. A covered enclosure(s) with adequate capacity for different types of trash for all tenants shall be constructed. This trash enclosure shall be constructed per the latest City standard including drainage to the sanitary sewer system. The enclosure shall be subject to specifications and approval of the Public Works Department, Community Development Department, and the City's waste contractor. A trash and recycling plan shall be required to be submitted to the Public Works Department.
24. The management shall arrange for special on-site pickup as often as necessary to ensure that the refuse area has adequate space to accommodate the needs of the subject business.
25. No refuse generated at the subject site shall be located in the Public Right-of-Way for storage or pickup, including the disposal of refuse in any refuse container established for public use.

Signage

26. The applicant shall obtain a Master Sign Program, and all new signs shall receive permits and shall be in compliance with the City's sign code.
27. Any signage above the first floor on the hotel structure's southern façade closest to Tennyson street shall remain unilluminated in order to decrease ambient light from the property.
28. A-frame or other sidewalk signs in the public right-of-way shall be prohibited.
29. No temporary banner or other signs shall be placed on the site without City permit and approval.

Parking

30. All compact spaces, electric vehicle charging, and clean air vehicle spaces shall be posted with signs and labeled with stencil markings at the back of each space.
31. No fewer than 152 parking spaces shall be maintained on the site at all times.
32. A stop sign shall be installed and maintained at the top of the ramp's ascending lane in order to ensure the driver stops and looks for moving vehicles.
33. A change in the site's uses shall require a parking demand study that shall demonstrate the site's existing parking supply is adequate to meet the parking demand of any new uses that differ from the uses approved by this Master Use Permit.
34. Bicycle parking shall be provided at a rate of five percent (5%) of all parking spaces (M.B.M.C. 10.64.80).
35. Height clearance signs and clearance warning bars shall be provided at the top of the parking ramp entrance. If a gate is installed in the subterranean parking area, the gate shall remain open during business hours and automatic gate operation using vehicle detection shall be provided.
36. All surface parking spaces shall remain available for retail, office, and hotel guest check-in parking during retail and office business hours. All employees on the site shall be required to park in the parking structure and shall not be charged for parking. Two-hour free parking shall be provided in the parking structure for retail, office and hotel visitors during retail and office business hours. No changes in parking restrictions or access shall be made without City approval.
37. The parking garage ramp shall be at least 26 feet wide to provide sufficient width inbound and outbound vehicles to pass without crossing vehicle paths on the ramp. Minimum outside turning radius of the vehicles shall be 24 feet (plus one foot when adjacent to a vertical obstruction).
38. Hotel management shall discourage hotel patrons from parking on Tennyson Street and Chabela Drive. A directional and parking sign program shall be implemented in the surrounding neighborhood discouraging hotel parking in the residential neighborhood to the satisfaction of the Community Development Department.

Public Works

39. The applicant shall be required to construct a minimum of six-foot clear sidewalk behind the curb (i.e. 6.5-foot clear from the face of the curb) per City Standard MBSI-112 and MBSI-115, driveway approach per City Standard MBSI-116, and replace any damaged curb and gutter per City Standard MBSI-120 along the property frontage of Tennyson Street and Chabela Drive. Eight-foot clear sidewalks are required along Sepulveda Boulevard. In order to comply with City sidewalk standards MBSI-112 and MBSI-115 additional street rights-of-way dedication may be required. MBSI-115 specifically addresses ADA clearances for sidewalk flaring next to street furniture such as fire hydrants, poles, etc. All sidewalk shall be constructed to comply with the latest ADA requirements including meeting the cross-slope grade of less than 2%.
40. All proposed pedestrian/ADA walkways and stairs/door landing shall conform to the grades proposed in the City's street improvement plans. All of the applicant's off-site street improvement plans, on-site grading plans, on-site drainage plans, landscaping plans and other plans described herein shall be prepared by a registered Civil Engineer in order to be reviewed and approved by the Public Works Department.
41. All Sepulveda Boulevard associated street right-of-way dedications shall be separately processed for dedication to Caltrans or to the City as required by Caltrans encroachment/right-of-way permit.

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42. Applicant shall pay for the upsizing of affected water and sanitary sewer mains (including system impacts) and laterals based on projected demands and hydraulics analysis. Applicant shall be required to install a new fire hydrant at the intersection of Tennyson Street and Chabela Drive.
43. All electrical, telephone, cable television system, and similar service wires and cables shall be installed underground to the appropriate utility connections in compliance with all applicable Building and Electrical Codes, safety regulations, and orders, rules of the Public Utilities Commission, the serving utility company, and specifications of the Public Works Department. The applicant shall install City and/or Southern California Edison concrete/marbelite street light poles with LED light fixtures and glare shields to the satisfaction of the Public Works Director.
44. The applicant shall be required to resurface the full width of Tennyson Street and Chabela Drive for the blocks surrounding the project site at the end of project construction.
45. The project shall comply with all provisions of the Municipal NPDES Permit as identified in the M.B.M.C. Chapter 5.84. Erosion and sediment control devices BMPs (Best Management Practices) shall be implemented around the construction site to prevent discharges to the street and adjacent properties. BMPs shall be identified and shown on the plans. Control measures shall also be taken to prevent street surface water entering the site.
46. The curb lane along Sepulveda Boulevard between Tennyson Street and the proposed westerly driveway entrance into the development shall be widened to a minimum of 20 feet wide.
47. The existing street barricade at the intersection of Chabela Drive and Tennyson Street, as well as the existing street barricade at the intersection of Chabela Drive and Shelley Street, shall be replaced with a new design to the satisfaction of the Public Works Director.
48. It shall be the responsibility of the applicant to protect all street signs, hydrants, and other street furniture around the property. If they are damaged, lost or removed, it shall be the responsibility of the applicant/contractor to replace them at their expense.
49. No discharge of construction wastewater, building materials, debris, or sediment from the site shall be permitted. No refuse of any kind generated on a construction site shall be deposited in residential, commercial, or public refuse containers at any time. The utilization of weekly refuse collection service by the city's hauler for any refuse generated at the construction site shall be strictly prohibited. Full documentation of all materials/trash landfilled and recycled shall be submitted to the Permits Division in compliance of the city's Construction and Demolition Recycling Ordinance.
50. All unused driveways shall be reconstructed with curb, gutter and sidewalk.

Procedural

51. 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 Department of Community Development within 30 days of the adoption of this Resolution. Notwithstanding the foregoing, the Director may, upon a request by Owner, grant an extension to the 30-day time limit. The project approval shall not become effective until recordation of the covenant.

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52. *Indemnity, Duty to Defend and Obligation to Pay Judgments and Defense Costs, Including Attorneys' Fees, Incurred by the City.* The Applicant shall defend, indemnify, and hold harmless the City, its elected officials, officers, employees, volunteers, agents, and those City agents serving as independent contractors in the role of City officials (collectively "Indemnitees") from and against any claims, damages, actions, causes of actions, lawsuits, suits, proceedings, losses, judgments, costs, and expenses (including, without limitation, attorneys' fees or court costs) in any manner arising out of or incident to this approval, related entitlements, or the City's environmental review thereof. The Applicant 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 Applicant of any claim, action, or proceeding and the City shall reasonably cooperate in the defense. If the City fails to promptly notify the Applicant of any claim, action, or proceeding, or if the City fails to reasonably cooperate in the defense, the Applicant 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 Applicant 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 Applicant 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 Applicant shall deposit said amount with the City or enter into an agreement with the City to pay such expenses as they become due.

- SECTION 8. 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 9. This Resolution shall become effective when all time limits for appeal as set forth in MBMC Chapter 10.100 have expired.
- SECTION 10. The Secretary of the Planning Commission shall certify to the adoption of this Resolution and shall forward a copy of this Resolution to the Applicant. The Secretary shall make this resolution readily available for public inspection.
- SECTION 11. This Master Use Permit shall lapse two years after its date of approval, unless implemented or extended pursuant to 10.84.090 of the Municipal Code.

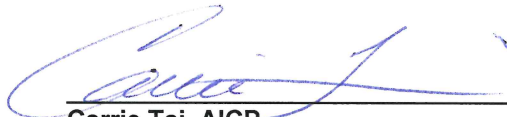
November 18, 2020

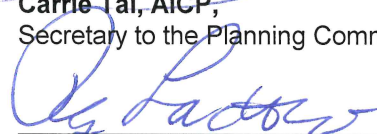

Planning Commission Chair

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 **November 18, 2020** and that said Resolution was adopted by the following vote:

- AYES:** Ungoco, Chair Morton
- NOES:** Thompson
- ABSTAIN:** Fournier
- ABSENT:** None

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Carrie Tai, AICP,
Secretary to the Planning Commission


Rosemary Lackow,
Recording Secretary