

February 1, 2005

**Honorable Chairman and Members of the
Hermosa Beach Planning Commission**

**Regular Meeting of
February 15, 2005**

SUBJECT: CONDITIONAL USE PERMIT AMENDMENT 05-2 - TO ALLOW A CHANGE FROM ON-SALE BEER AND WINE TO ON-SALE GENERAL ALCOHOL IN CONJUNCTION WITH AN EXISTING RESTAURANT

LOCATION: 117 PIER AVENUE

APPLICANT: ROBERT ELLING AND KATE MARJANIEMI (HIBACHI)
117 PIER AVENUE
HERMOSA BEACH, CA 90254

Recommendation

To direct staff as deemed appropriate.

Background

PROJECT INFORMATION:

ZONING:	C-2, Restricted Commercial
GENERAL PLAN:	General Commercial
LOT SIZE:	7,301 Square Feet
TOTAL AREA OF ESTABLISHMENT:	2,000 Square Feet
FRONT RESTAURANT/SEATING/RETAIL AREA:	940 Square Feet
PARKING:	None
ENVIRONMENTAL DETERMINATION:	Categorically Exempt

The Planning Commission approved a Parking Plan in March of 1997 for a restaurant in combination with a retail use (The Mix), which included the City payment of in-lieu fees to allow for the restaurant use of the front portion of the building. At their meeting of September 15, 1998, the Commission granted a Conditional Use Permit to allow on-sale beer and wine in conjunction with the restaurant (Seafood Grotto). At the meeting of December 3, 1998, the Commission directed staff to work with the Seafood Grotto owner to allow the reconfiguration of the dining area to relocate 120 square feet of seating area to the rear of the restaurant as long as 250 square feet of retail area was maintained in the restaurant, consistent with the previously approved Parking Plan.

The condition of the required mix of retail and restaurant uses pursuant to the Parking Plan that governs the use of this building is unusual and difficult to monitor and enforce. Any removal of the existing retail sales area to expand the restaurant usage requires an amendment to the existing Parking Plan and may require additional in-lieu parking fees.

The current restaurant use (Hibachi) has been in business since December 23, 2002. The owner is not changing the emphasis of the restaurant, but desires to include general alcohol service to increase sales and compete effectively with other downtown restaurants with on-sale general alcohol. The project involves no additional seating or intensification of use.

Analysis

The applicant is requesting permission for on-sale general alcohol in conjunction with an existing restaurant. Pursuant to Chapter 17.26 of the Hermosa Beach Zoning Ordinance, a Conditional Use Permit is required to serve alcohol in conjunction with a restaurant use. Because the applicant only intends to serve “signature tropical drinks” such as Mai Tai’s and Navy Groggs, the applicant is not proposing to add a bar area as part of the CUP amendment and will not be significantly altering the existing beverage service area (part of the existing retail sales area). The applicant’s plan shows comparable areas for retail and restaurant use as per previously approved plans. The retail sales and merchandise display/storage areas are in two different locations within the restaurant, one in the front of the restaurant combined with the beverage area and one in the rear of the restaurant, both of which are similar to those shown on the plans approved by the Planning Commission at the meeting of December 3, 1998. The merchandise the applicant currently sells includes tee shirts and baseball caps. The restaurant’s retail sales also includes take-out orders. Based on financial viability, the applicant intends to sell souvenir glasses and/or tiki mugs in conjunction with the new “signature tropical drink” menu. The applicant is not changing the existing floor plan or seating plan, and no new tenant improvements are proposed for the restaurant.

The attached resolution of approval is similar to the previous CUP resolution approving on-sale beer and wine in conjunction with a restaurant, and contains the currently applicable standard conditions for on-sale restaurants, except that staff is recommending a more restrictive condition regarding hours of operation to limit the business hours from 7:00 A.M. to 11:00 P.M to ensure the use of the building as a restaurant. This is consistent with the applicant’s intent to be open no later than 11:00 P.M.

In 2000, staff prepared a survey of downtown on-sale alcohol establishments and found that there are 42 businesses offering on-sale alcohol in the downtown area. The business is listed in this survey as an on-sale beer and wine establishment and the proposed change to full alcohol increases the number of on-sale general alcohol businesses in comparison to the number of on-sale beer and wine businesses (from 22 full alcohol and 20 beer and wine to 23 full alcohol and 19 beer and wine). Also, approval of the change will result in the first restaurant on Pier Avenue between Hermosa Avenue and Valley Drive with approval for general alcohol sales. Staff believes the earlier closing hours and the plans showing no bar seating distinguishes this business from the other restaurant/bars on Hermosa Avenue and lower Pier Avenue that are open until 2:00 A.M.

CONCUR:

Scott Lunceford
Associate Planner

Sol Blumenfeld, Director
Community Development Department

Attachments

1. Draft Resolution
2. Applicant Correspondence
3. Location Map
4. Photos