

September 11, 2007

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

**Regular Meeting of  
September 18, 2007**

SUBJECT: PARKING PLAN 07-7

LOCATION: 1200 PACIFIC COAST HIGHWAY, SUITE 107

APPLICANT: ROBIN HAM  
4110 EAGLE FLIGHT DRIVE  
SIMI VALLEY, CA 93065

REQUESTS: PARKING PLAN TO ALLOW A CEREAL CAFÉ BUSINESS TO BE CLASSIFIED AS A SNACK SHOP IN ORDER TO BASE PARKING REQUIREMENTS AS A RETAIL COMMERCIAL USE LOCATED WITHIN AN EXISTING COMMERCIAL BUILDING.

**Recommendation**

To approve the request and adopt the attached resolution.

**Background**

PROJECT INFORMATION:

ZONING:

GENERAL PLAN:

LOT SIZE:

GROSS FLOOR AREA OF BUILDING:

AREA OF ESTABLISHMENT:

OFF-STREET PARKING:

C-3, General Commercial  
GC, General Commercial  
22,040 Square Feet  
Approximately 14,150 Square Feet  
Approximately 890 Square Feet  
Common Parking Facilities  
Lower Level – 14 Spaces  
Upper Level – 30 Spaces  
Categorically Exempt

ENVIRONMENTAL DETERMINATION:

The subject site contains a 2-story multi-tenant commercial building built in 1983. The commercial building currently contains a restaurant, general offices, medical offices, retail and the proposed business. The subject unit (890 square feet) was part of a dance studio that occupied two separate suites within the commercial building.

There are currently 44 parking spaces available on the property as shown on the site plan and confirmed by a site visit. The commercial building was developed when parking standards were 1 space per 300 square feet thus the building is nonconforming to current parking requirements. The parking is located in two levels with signage directing customers to the upper level parking area should the lower level parking is full.

The proposed business will be located on the first level comprised of approximately 890 square feet of the 14,150 square feet gross floor area in the commercial building. The applicant is proposing to operate a snack shop<sup>1</sup> that will offer different types of cereals with candy toppings, fresh and dry fruits. The business will also offer other snacks such as frozen yogurt, baked goods, shakes and coffee. The applicant is requesting a Parking Plan for the proposed business to be classified as a snack shop in order to base parking requirements as a retail commercial use.

**Analysis**

A snack bar or snack shop is defined as an establishment that contains 25 or less seats, no cooking facility and does not offer wait-person table service. The submitted floor plan indicates that the proposed establishment will have 4 tables with 9 fixed seats and will not offer a sit down wait-person table service. The establishment

will not have a cooking facility and it does not serve full meals. The proposed business is consistent with the definition of snack bar or snack shop under Section 17.04.050.

#### Parking Plan

The parking requirement for snack shop as set forth in Section 17.44.030(0) allows the Planning Commission to consider the type and intensity of snack shop use, its location, and if deemed appropriate apply the same parking requirements as would be applied for a retail/office use.

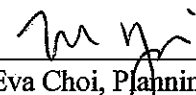
If a restaurant parking requirement is applied at a 1 parking space per 100 square feet, the required additional parking would be 5 spaces. Pursuant to Section 17.52.035(E) when a more intense use is proposed for a commercial building nonconforming to parking, the required parking is based on the difference between the proposed use and the previous use. The previous use, a dance studio, required 1 space per 250 square feet which equated to 4 parking spaces required for the subject unit and the proposed use would require 9 parking spaces if considered as a restaurant. Therefore, an additional 5 parking spaces is required.

If considered a snack shop use, it has the same parking requirement as the previous dance studio (1 parking space per 250 square feet). The parking requirement for a dance studio of less than or equal to 3,000 square feet is based on the requirement for a gymnasiums/health and fitness center which is 1 space per 250 square feet. Consequently, no additional parking space is required.

The proposed snack shop is not a destination sit-down restaurant and does not serve full meals. The applicant expects most of its clientele from residents and workers who live and work in the neighborhood and visit the snack shop while conducting other business in nearby areas.

#### Summary

Staff believes that the proposed business is a snack shop and will not intensify the existing land use in comparison to the previous dance studio use, and will not increase parking demand based on the limited seating floor plan and the former use of the site.

  
Eva Choi, Planning Assistant

CONCUR:

  
Ken Robertson, Acting Director  
Community Development Department

#### Attachments

1. Resolution
2. Location Map
3. Radius Map and Poster Verification
4. Applicant's Project Description
5. Site photographs

<sup>1</sup> "Snack bar or snack shop" means an establishment with 25 or less seats that is distinguished from a restaurant as it does not include waiter/waitress table service, except queuing, (intermittent delivery of purchased goods) and does not serve full meals or have a kitchen capable of serving meals but instead serves snacks or non-alcoholic beverages for consumption on the premises or for take-out; specifically, items such as donuts and other baked goods, ice cream, yogurt, cookies, coffee, tea and juices are considered snacks.

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**P.C. RESOLUTION 07-**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF HERMOSA BEACH, CALIFORNIA, APPROVING A PARKING PLAN TO ALLOW A CEREAL BAR/CAFE BUSINESS, SOREAL TO BE CLASSIFIED AS A SNACK SHOP IN ORDER TO BASE PARKING REQUIREMENTS AS A RETAIL COMMERCIAL USE, LOCATED WITHIN AN EXISTING COMMERCIAL BUILDING AT 1200 PACIFIC COAST HIGHWAY LEGALLY DESCRIBED AS LOTS 2, 3 & 6, TRACY TRACT AND VACATED STREET ADJACENT ON SOUTHWEST AND LOTS 1 AND 2, SCOLAS TRACT.**

Section 1. An application was filed by Robin Ham, seeking approval of a parking plan to allow a cereal bar/café business, Soreal to be classified as a snack shop in order to base parking requirements as a retail commercial use located within an existing commercial building at 1200 Pacific Coast Highway.

Section 2. The Planning Commission conducted a duly noticed de novo public hearing to consider the application for a Parking Plan on September 18, 2007, at which testimony and evidence, both written and oral, was presented to and considered by the Planning Commission.

Section 3. Based on evidence received at the public hearing, the Planning Commission makes the following factual findings:

1. The subject business is to be located on the first level comprised of approximately 890 square feet, within an existing commercial building with 14,150 square foot gross floor area.
2. The applicant proposes to have four tables, nine fixed seats and will not offer a sit down wait-person table service. The proposed establishment will not have a cooking facility and does not serve full meals.
3. The previous use of the subject site was a dance studio which has the same parking requirement as a retail use.

Section 4. Based on the foregoing factual findings, the Planning Commission makes the following findings pertaining to the application for the Parking Plan:

1. The site is zoned C-3, and is suitable for the proposed business;
2. The proposed use is compatible with surrounding commercial and residential uses.
3. The imposition of conditions as required by this resolution will mitigate any negative impacts on nearby residential or commercial properties.
4. Pursuant to Section 17.44.030(O) applying retail commercial parking requirements is appropriate for the snack shop due to the characteristics of the building (a mix of retail uses and the proposed snack shop) the characteristics of the snack shop (a cereal bar/café business that is not a

1 destination sit down business, and offers no meals) and other mitigating factors (the location adjacent  
2 to a mix of other retail businesses within a shopping center with shared parking). Given that the  
3 business will be replacing an existing dance studio which has the same parking requirements as a  
4 retail use, no additional parking is required.

5 5. The proposed business is consistent with the definition of a snack shop in that the  
6 establishment will have 25 seats or less to accommodate customers, will not offer a sit-down wait-  
7 person table service and does not serve full meals.

8 Section 5. This project is Categorical Exempt pursuant to Section 15303c New Construction  
9 or Conversion of Small Structures of the California Environmental Quality Act.

10 Section 6. Based on the foregoing, the Planning Commission hereby approves the Parking  
11 Plan for a snack shop use with no additional parking, subject to the following **Conditions of**  
12 **Approval:**

- 13 1. **The project shall be substantially consistent with submitted plans. Minor modifications**  
14 **to the plan shall be reviewed and may be approved by the Community Development**  
15 **Director.**
- 16 2. **Any intensification or substantial change to the snack shop business or substantial**  
17 **change to the mix of uses within the entire retail building at 1200 Pacific Coast Highway**  
18 **shall require approval by the Planning Commission.**
- 19 3. **The business shall provide adequate staffing, management and supervisory techniques to**  
20 **prevent loitering, unruliness, and boisterous activities of the patrons.**
- 21 4. **Noise emanating from the property shall be within the limitations prescribed by the City's**  
22 **noise ordinance and shall not create a nuisance to surrounding residential neighborhoods,**  
23 **and/or commercial establishments.**

24 Section 7. This grant shall not be effective for any purposes until the permittee and the owners  
25 of the property involved have filed a the office of the Planning Division of the Community  
26 Development Department their affidavits stating that they are aware of, and agree to accept, all of the  
27 conditions of this grant.

28 The Parking Plan shall be recorded, and proof of recordation shall be submitted to the Community  
29 Development Department.

Each of the above conditions is separately enforced, and if one of the conditions of approval is found to  
be invalid by a court of law, all the other conditions shall remain valid and enforceable.

Permittee shall defend, indemnify and hold harmless the City, it agents, officers, and employees from  
any claim, action, or proceeding against the City or its agents, officers, or employee to attack, set aside,  
void or annul this permit approval, which action is brought within the applicable time period of the  
State Government Code. The City shall promptly notify the permittee of any claim, action, or  
proceeding and the City shall cooperate fully in the defense. If the City fails to promptly notify the

1 permittee of any claim, action or proceeding, or if the City fails to cooperate fully in the defense, the  
2 permittee shall no thereafter be responsible to defend, indemnify, or hold harmless the City.

3 The permittee shall reimburse the City for any court and attorney's fees which the City may be required  
4 to pay as a result of any claim or action brought against the City because of this grant. Although the  
5 permittee is the real party in interest in an action, the City may, at its sole discretion, participate at its  
6 own expense in the defense of the action, but such participation shall not relieve the permittee of any  
7 obligation under this condition.

8 The subject property shall be developed, maintained and operated in full compliance with the  
9 conditions of this grant and any law, statute, ordinance or other regulation applicable to any  
10 development or activity on the subject property. Failure of the permittee to cease any development or  
11 activity not in full compliance shall be a violation of these conditions.

12 The Planning Commission may review this Parking Plan and Conditional Use Permit and may amend  
13 the subject conditions or impose any new conditions if deemed necessary to mitigate detrimental effects  
14 on the neighborhood resulting from the subject use.

15 VOTE:           AYES:  
16                   NOES:  
17                   ABSENT:  
18                   ABSTAIN:

19 CERTIFICATION

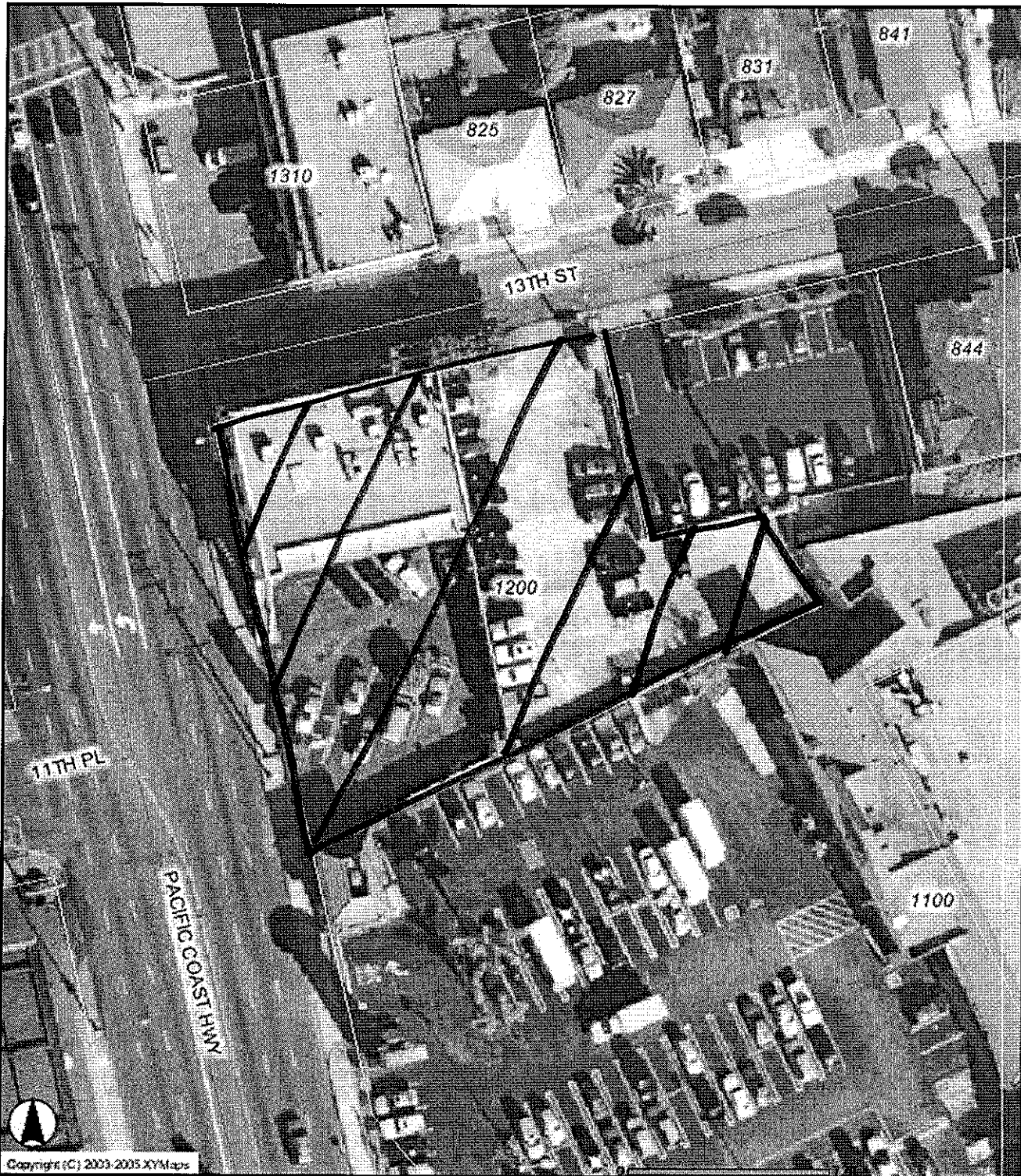
20 I hereby certify the foregoing Resolution P.C. 07- is a true and complete record of the action taken by  
21 the Planning Commission of the City of Hermosa Beach, California, at their regular meeting of  
22 September 18, 2007.

23 \_\_\_\_\_  
24 Langley Kersenboom, Chairman

25 \_\_\_\_\_  
26 Ken Robertson, Secretary

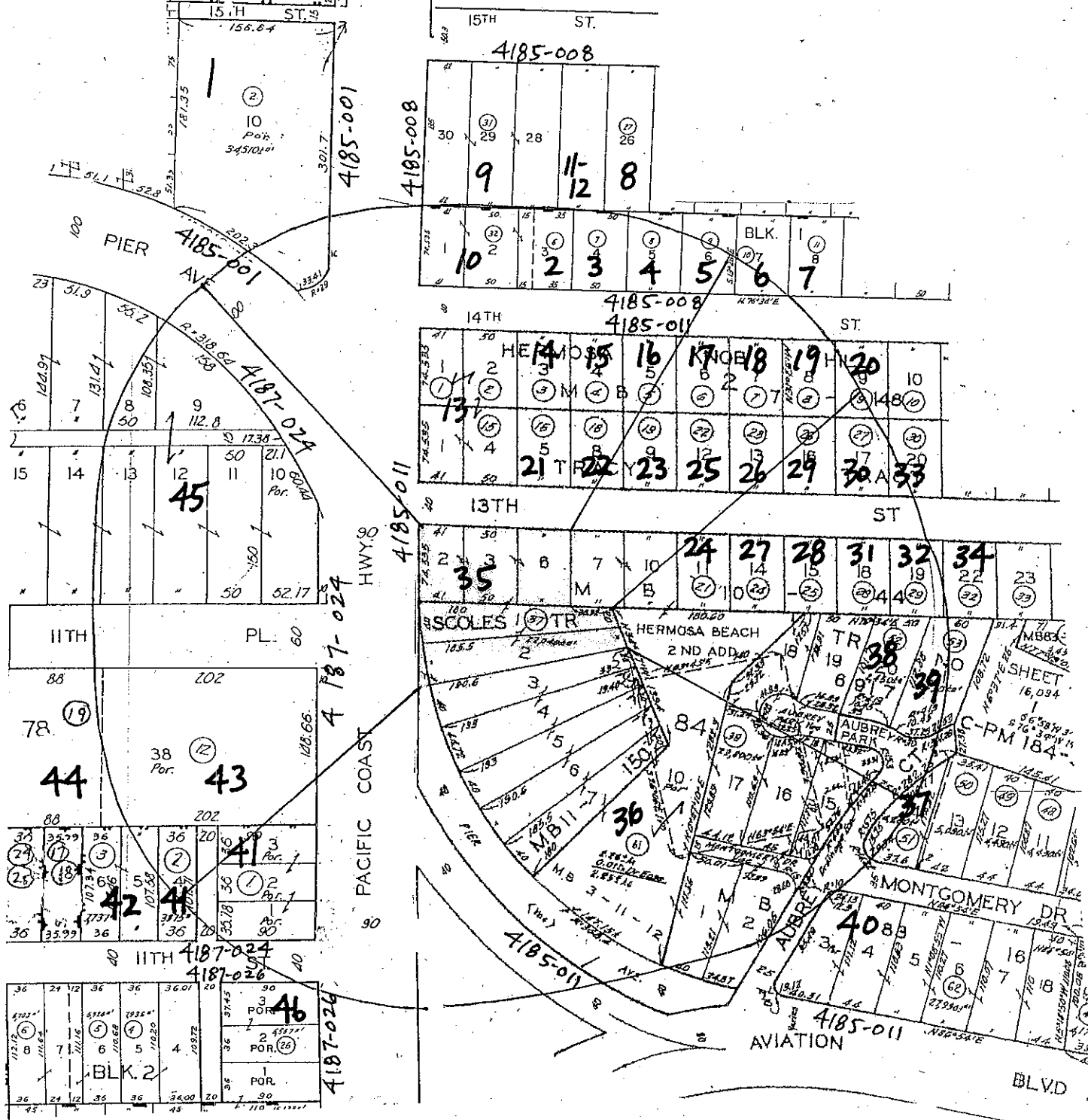
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29 Date



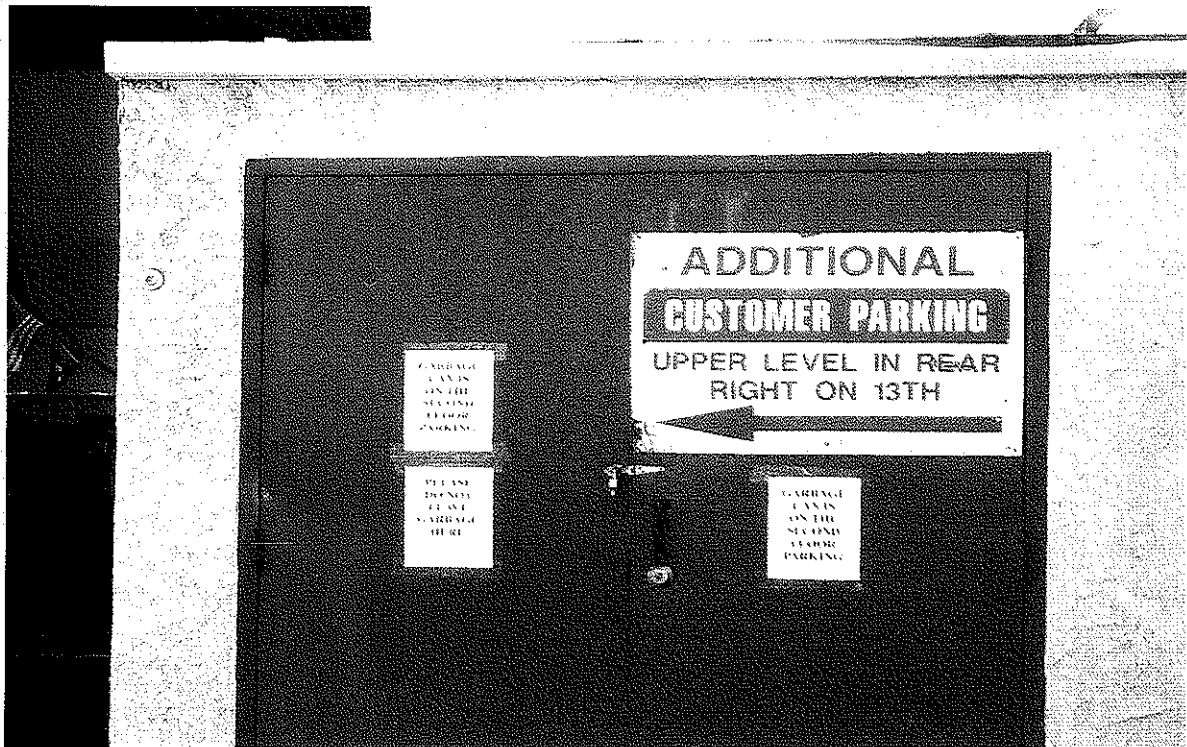
1200 Pacific Coast  
Highway #107  
Cereal Bar/Cafe

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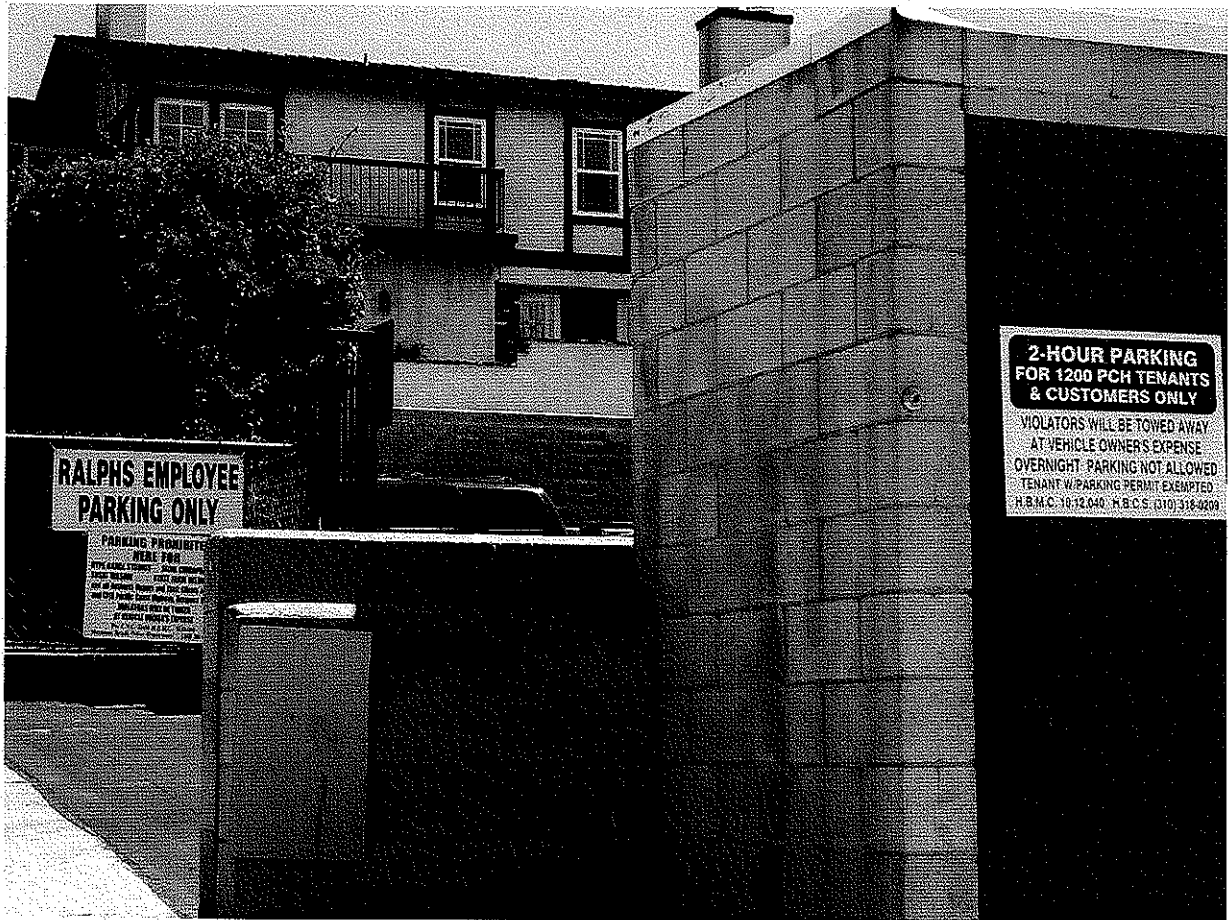


Location of the proposed snack shop. Sign displays previous business name.



One of two signs on the lower level parking area advising customers about additional parking available on upper level.





Signs are posted at the entrance of each parking area along 13<sup>th</sup> Street (upper level parking) clearly indicating that the front parking area services patrons of 1200 Pacific Coast Highway and the rear parking area is for Ralphs employees only.

SEP 04 2007

COMMUNITY DEV. DEPT.

Planning Commission Review (Parking)  
Soreal Cereal Bar/Cafe

Requesting to change the existing use from a dance studio to a snack bar.

Scope of operations:

A bout 920 sqft

No waiter/waitresses (no table serving)

No cooking involved

No Kitchen

Seating will be less than 10

Less than 5 tables

Menu will include cereal 30-35 types, fresh/dry fruit, and candy toppings, baked goods, frozen yogurt, cereal parfaits, cereal shakes/smoothies, and coffee.

Comparable businesses include:

Jamba juice, (juice bars)

Penquins, (frozen yogurt/ice cream shops)

Starbucks (coffee shops)

The store will be on the first floor level

Currently plaza includes 8 businesses with 9 spaces (Hype, the dance studio was renting out 2 spaces). Soreal will move into one of the spaces Hype was renting out.

The first floor level business include

Fusion Sushi

Every Angle music

Hype Dance studio

State Farm Insurance

Fantasy Nails & Hair Design

Note. Hype (Dance Studio) occupied two spots in this plaza. They have vacated both spaces.

Second Floor Businesses include:

Hollywood Tans

Advanced Sports Medicine

Silva chiropractic

The plaza has two levels of parking. The first level allows 14 parking spaces while, the second level allows 30. A total of 44 spaces are granted to the 8 businesses operating within the plaza.



right most spaced is space leased (second level parking above the businesses pictured )



first level parking



second level parking

**Soreal**  
**The Cereal Bar/Café**

RECEIVED

AUG 23 2007

COMMUNITY DEV. DEPT.

**August 10 2007**

## **Executive Summary**

SoReal is an exciting cereal bar concept that focuses on one of the staples in American breakfast culture. For generations, children, as well as adults, have enjoyed cereal not only for breakfast, but as a snack and other meals throughout the day. With three major industry trends making significant impact on the food and food service industries, SoReal's concept is created to take advantage of these major trends. With industry trends showing a great movement towards product innovation, SoReal will create cereal spinoff items (i.e., cereal shakes, cereal parfaits) that can be enjoyed as snacks. A second industry trend favoring SoReal is the growing collective health consciousness. Cereal can be a healthy alternative to what is being offered today. Convenience rounds out the third major trend. Americans are now spending more than half of their food budget on eating out. Consumers now want convenience.

Our customers will be young and trendy, as the two biggest groups consuming cereal are families with children ages 6-17, and singles under 35. Based on demographic research, SoReal will look to position itself in an area with a high concentration of these target groups.

The marketing campaign will be designed to get consumers familiar with the concept. Because our product is popular and marketed well, we will focus on pushing our concept.

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## Menu

*Cereal 30-35 types*

*Milk*

*Whole*

*Low fat*

*Non fat*

*Soy milk*

*Almond milk*

*Chocolate*

## Toppings

Fresh

Strawberries

Peaches

Blueberries

Banana

Pineapples

Raspberries

Jams

Strawberry

Apple

Blueberries

Dried

Mango

Dried apples

Cranberries

Raisins

Coconut

Nuts

Almonds

Walnuts

Grapenuts

Pecans

Candy

Yogurt chips

Chocolate chips

Sprinkles

Oreo's



M&M's  
Gummy candies  
Reese's Pieces  
Mini Marshmallows  
Graham Crackers

**Syrups**

Chocolate  
Strawberry  
Honey  
Maple syrup  
Fresh ground peanut butter

*Frozen Yogurt*

Plain, low fat (vanilla)  
Soy

*Shakes/Smoothies*

Our own creative blended cereal shake recipes  
Fresh fruit smoothies

*Parfait*

Customers will be allowed to create their own parfaits

*Snack/Baked goods*

Cereal bars, cereal chex mixes, and trail mixes

*Coffee*

Full coffee bar

## **Business Concept**

Creativity and innovation will be the driving forces behind SoReal. With a specialization in cereal, we will spin off fun, creative ways for cereal to be enjoyed. These creations will be unique, tasty, and quick to eat. This will allow the consumers to eat it as a snack, or as a meal. Cereal consumption has shown great flexibility in terms of when it is eaten. Many eat it for breakfast, others substitute other meals with it, while some consume cereal as a snack throughout the day. The cereal spin-off items to be created will uphold this flexibility theme.

The consumers will have menu items to choose from, along with the option of creating their own bowl, allowing different combinations of cereal. In addition, consumers will even be able to choose from a variety of toppings to go on top of their cereal. These toppings will include, nuts, candy, syrups, along with fresh and dried fruits. (Example of bowl creation; Two scoops of cereal, and two toppings, with a choice of milk) SoReal will be offering healthy snacks, and quick meals that the American culture has enjoyed for generations. With health consciousness on the rise, we will also be offering different milks, along with soy milk. With a specialized knowledge on cereal, SoReal will also create cereal parfaits, along with cereal shakes/smoothies, and cereal coated frozen yogurt, putting a new spin on frozen yogurt. With the option of creativity given to the consumers, the variations of tastes and combinations will be limitless.

## **Industry trends**

The two industries SoReal will continuously keep an eye on are the food industry and the food service (restaurant) industry.

Convenience, health consciousness, and product innovation are currently major trends having significant effects on the industry.

A new movement has been taking place over the last 50 years. The data compiled by the US Department of Agriculture is staggering. In 2004, 50% of consumer food dollars were spent on eating out, compared to 1960 when only 24% of food dollars were spent on eating out. Due to time constraining lifestyles, consumers have shown a great attraction towards convenience. Single parent families and dual income families have now become the majority makeup of American families. According to the Bureau of Labor Statistics, two income families represent greater than half of the families in the U.S. Americans spending less time in the kitchen has given a successful rise to many food service establishments.

Another trend with significant impact is a collective health consciousness. People are now making conscious efforts regarding nutrition. We have become a nation that has seen obesity on the rise. General health care costs associated with obesity is increasing. The Centers for Disease Control, (CDC) has identified lack of exercise and poor nutrition as the second highest preventable cause of death after smoking. The public awareness regarding nutrition is continuously growing. Consumers are now paying attention to the labels on food packaging. Many food establishments label nutritional value on items they serve. With health consciousness on the rise, the food industry has seen a rise in products

that are perceived "healthy." Products such as water, and products labeled, "diet, all natural, and fat free" have all seen increases in sales. According to Standard and Poor's Industry Surveys, water has seen a 14% rise in sales from 2003 to 2004. Retail sales have exceeded, \$11.4 billion. Within the industry segment, snacks have seen growth in sales revenue. "Healthy" snacks, specifically yogurt and snack/granola bars have seen rises in sales. According to Information Resources Inc., yogurt totaled sales of \$2.5 billion while snack and granola bars topped \$1.8 billion in 2005. These two categories enjoyed a 5.7%, and 2.2% increase respectively from the previous 52 week period.

Data collected by the IRI indicates that 5 out of the top 10 revenue generating new products launched in a 52 week period from 2003 to 2004 were the products deemed "healthful products." Food companies have adjusted to consumer demands by creating new healthy products. There has also been a shift in marketing tactics. The industry is now focusing on differentiation and product innovation. The discount strategies of the past are left in the past. People now expect value. Consumers have shown that they see food as more than a means of sustenance. (stats) The restaurant industries fast food segment leader McDonald's have adopted the product innovation method. McDonalds has implemented new "healthy" offerings that have been geared toward the health conscious. Even with their happy meals, they now include options of milk, yogurt, fresh fruit, and vegetables. Product differentiation has given new life to the restaurant industry. With uniqueness, companies have been able to demand a higher price. This higher price has led to higher sales raising the avg. per ticket price per customer. Product innovation has increased profit in the restaurant industry, and will continue to play a huge role in the future.

There are many companies that sell the same type of product. (ie, burgers, pizzas, coffee)  
It's the companies ability to differentiate from its competitors that allows consumers to choose easily. Product innovation and differentiation allows companies to create and develop higher perceived value to its customers.

Consumers wanting value has given rise to the "quick casual" concepts. Dubbed by the market research group Technomic Inc, quick casual restaurants are not quite full service restaurants, but not quite fast food either. Examples of quick casuals include, Quiznos, Panera Bread, Baja Fresh, establishments with a higher perceived value (upscale menu items). These places might serve gourmet soups, salads, and sandwiches.

## **Hermosa Beach**

Beach and coastal cities have shown to be very active, and health conscious. There are a great number of dog walkers, bikers, runners, and other various outdoor activities enjoyed by people around these areas. With emphasis on fitness and a focus on health consciousness, Hermosa Beach would be a great location for Soreal's concept.

## **Parking**

Currently, there are 44 parking spaces available in the shopping center at 1200 PCH.

Tenants presently occupying are; tanning salon, sports medicine facility, chiropractic, music store, dance studio, hair-nail salon, insurance office, and a sushi restaurant.

Of the businesses mentioned, Soreal customers have the best chances to be in and out the quickest.

Soreal has firmly based its concept on the research that has been done over the past several months. According to our research, snacks have become big business. These segments in the food and food service industry have seen steady rises, and have been forecasted to continually rise. Our concept is a snack bar. We will provide snack and snack related items that can be eaten quickly, and conveniently. Our main product, cereal, has shown to be eaten throughout the day as a snack. Our customers will not require time to wait for food preparation. There will be no waiters or waitresses. In addition they will be offered foods that can be eaten quickly. Even our packaging has been designed for people on the go.

Our operation also saves our customers time. Without a full service kitchen, there will be no cooking involved. This significantly reduces the wait time for our customers. They can truly be in and out as fast as they choose.

Although a new concept, comparable businesses include, juice bars, coffee bars, frozen yogurt, ice cream, and doughnut shops.

In addition to our concept, there can be other factors which can aide in the requirement of minimal parking spaces:

- With keeping our occupancy low, and depending on city requirements for public restrooms, we can choose not to offer restroom use for the public.
- we can post time limit signage on designated parking spaces.
- Provide minimal seating

In all regards, this cereal cafe will be small, and will be more like a stop and go snack bar.