



Planning Commission Report

Planning Commission Meeting: February 17, 2021		Agenda Item: 8-B
To:	Planning Commission	
From:	Jing Yeo, City Planning Division Manager	
Permit:	Conditional Use Permit 20ENT-0262	
Address:	828 Pico Boulevard	
Applicant:	Sarah Hendrix, Lady and Larder	
Subject	Conditional Use Permit (20ENT-0262) to allow for the ancillary sale of beer and wine for off-site consumption (Type 20 ABC license) in conjunction with the operation of a new small-scale retail cheese shop within the GC (General Commercial) District. Pursuant to Santa Monica Municipal Code Section 9.31.040(B), a Conditional Use Permit is required for the dispensation of alcoholic beverages for on-site or off-site consumption.	

Zoning District	GC – General Commercial
Land Use Element Designation	General Commercial
Parcel Area (SF)/Dimensions	17,846 square feet 150' x 120'
Existing On-Site Improvements	10,965 square foot building
Rent Control Status	Commercial (Exempt)
Adjacent Zoning Districts & Land Uses	North: GC - Mix of Commercial Uses South: R2 - Residential Uses East: GC - Mix of Commercial Uses West: GC - Mix of Commercial Uses
Historic Resources Inventory	Subject property is not listed on the City's Historic Resources Inventory

Site Location Map:



Recommended Action	<ol style="list-style-type: none"> 1. Approve Conditional Use Permit 20ENT-0262, based on findings attached to the report. 2. Adopt the Statement of Official Action (STOA).
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Executive Summary

The applicant requests approval to permit the sale of beer and wine, in conjunction with a new specialty retail store, Lady and Larder. The retail establishment is located within a 1,389 square foot tenant space in the General Commercial (GC) district specializing in the sale of gourmet cheese and accompaniments, flowers, and prepackaged foods. The retail area occupies a 245 square-foot space within the 1,389 square-foot tenant space. The Type 20 alcohol license would allow the business to sell beer and wine to complement the cheese and meat selections they provide. On-site alcohol consumption or tasting is not permitted in conjunction with a Type 20 license. Beer and wine sales would be limited to the business's normal business hours of 11:00 a.m. to 7:00 p.m. daily. The beer and wine sales would be conducted in a manner that is ancillary to the primary retail use. Pursuant to SMMC 9.31.040, alcoholic beverage sale for off-site consumption requires a Conditional Use Permit approval.

The following issues should be considered by the Planning Commission in its review of the proposed project and are addressed in this report:

- Is the proposed sale of beer and wine for off-site consumption compatible with the surrounding neighborhood?
- Would the proposed conditions of approval mitigate potential alcohol-related adverse impacts on the area?
- Is the sale of beer and wine in conjunction with the operation of a specialty retailer consistent with the Land Use Element of the General Plan and the General Commercial (GC) zoning district?

Background

The subject 17,846 square-foot parcel is located on the south side of Pico Boulevard between Lincoln Boulevard and 10th Street in the General Commercial zoning district. Properties located along this portion of Pico Boulevard are primarily developed with a variety of ground floor commercial uses located within the Friends of Sunset Park neighborhood and adjacent to the Pico Neighborhood Association.

The subject retailer, Lady and Larder, would occupy one of the nine units of an existing single-story, multi-tenant commercial building at 828 Pico Boulevard. Adjacent tenants include a clothing retailer and a gym. The subject tenant space was previously occupied by a wholesale kitchen, and on September 29, 2020, a business license was issued to Lady and Larder to establish the retail sale of cheeses and meats. The subject business has not commenced operation. Parking for the subject property is provided within the off-street parking lot at the rear of the property.

Project Analysis

Project Description

The applicant requests approval of a Conditional Use Permit for a Type 20 (Off-Sale Beer and Wine) Alcoholic Beverage Control (ABC) license to allow for the off-site consumption of alcoholic beverages at a new specialty retail store, Lady and Larder. Lady and Larder

is one of nine tenants of the existing 10,965 square foot commercial building. Pursuant to Section 9.31.040(B) of the Zoning Ordinance, a Conditional Use Permit is required for the sale of alcoholic beverages for on-site or off-site consumption, unless otherwise exempted pursuant to the provisions of Sections 9.31.040(D) and 9.31.040(E) of the Zoning Ordinance. As proposed, the request to allow for off-site sale of alcoholic beverages does not satisfy the standards for the aforementioned provisions for an exemption and therefore requires Planning Commission approval of a Conditional Use Permit.

Lady and Larder is a specialty food retailer that specializes in the sale of cheese and meat boards, flowers and gift items, and prepackaged foods. In an effort to enhance the specialty store, the applicant proposes to feature beer and wine pairings available for purchase. The retail space is approximately 245 square feet in area and includes a cheese display case, retail display, merchandise wall shelving, and beer and wine shelving. Additional areas within the tenant space include a 245 square-foot office, a 317 square-foot kitchen, and a 408 square-foot storage room. The floor plan does not involve any customer seating, lounge, or entertainment area/uses. The alcohol sales would be conducted in a manner that is ancillary to the specialty food sale, would not be intended to account for a large percentage of the store's overall sales, and would be consistent with the project specific recommended conditions as detailed in this staff report and in the draft Statement of Official Action (Attachment B). The alcohol display area would consist of four beer and wine shelving units that are approximately three square feet each for a total of approximately 12 square feet. The alcohol display area occupies less than 1% of the overall retail space as shown on the floor plan below in Figure 1.

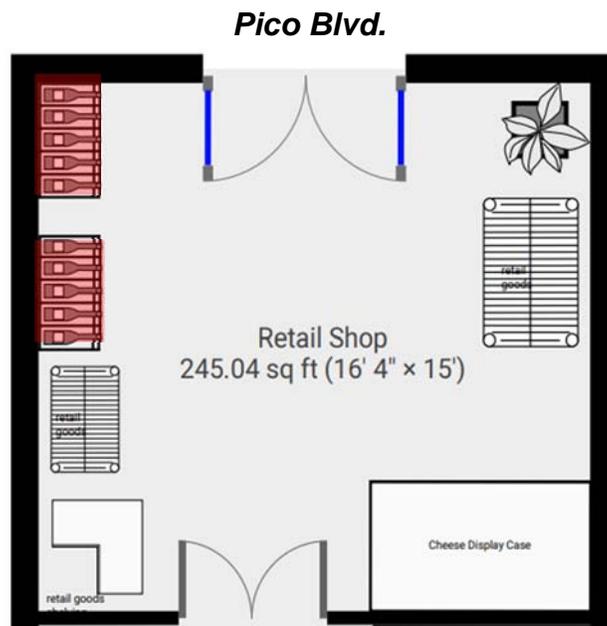


Figure 1: Proposed Floor Plan (Showing Retail Space Only)

Retail Business Operations

The primary business involves the retail sale of cheese, meats, flowers, gifts, and prepackaged foods. To ensure that the sale of alcohol would remain incidental to the primary specialty food retail use, staff recommends the following conditions:

- Condition No. 2 requires that the alcohol sales shall be conducted during regular business hours of 11:00 a.m. to 7:00 p.m., daily.
- Condition No. 18 limits the alcohol sales to 35% of gross revenue sales.
- Condition No. 19 states that the business operator is subject to operational limitations specified in SMMC Section 4.12.150 (Business Support Operations). Employees of the establishment shall walk a 100-foot radius from the facility at some point prior to 30 minutes after closing and shall pick up and dispose of any discarded beverage containers and other trash left by patrons.

Neighborhood Compatibility

The subject site is located along Pico Boulevard which consists of various commercial uses with primarily multi-family residential development to the north and south beyond Pico Boulevard. The proposed sale of beer and wine for off-site consumption would be compatible with other uses in the area, in that the selling of beer and wine would be an ancillary component of the primary small-scale retail use, would not present any significant intensification to the specialty food store, and would not result in any adverse impacts to the proposed use or the surrounding area. Staff does not anticipate any alcohol-related problems associated with the proposed specialty food store; however, the Conditions of Approval further ensure that the use operates in a harmonious manner with the surrounding land uses.

Alcohol Outlets in the Area

There are four (4) existing alcohol licenses within a 500-foot radius of the proposed project, as identified below.

Establishment	Address	Hours of Operation	ABC License Type
German American Club	1843 Lincoln	Varies	Type 51- Club
7-Eleven	1865 Lincoln	7:00 a.m. – 1:00 a.m.	Type 20- Off-Sale Beer & Wine
Ed's Liquor Store	825 Pico	Monday-Thursday: 7 a.m. – 11:00 p.m. Friday-Saturday: 7 a.m. – 12:00 a.m. Sunday: 7 a.m. – 11:00 p.m.	Type 21- Off-Sale General
Sushi Hanashi	1928 Lincoln	11 a.m. – 11 p.m. daily	Type 41- On-Sale Beer & Wine – Eating Place

Parks, Schools, and Churches in the Area

There are no schools or parks within a 500-foot radius of the proposed project. The nearest school (Santa Monica High School) is located approximately 750 feet from the subject site and the nearest park (Herb Katz Dog Park) is located approximately 1,200 feet away. There are no churches located within a 500-foot radius of the proposed project.

The requested Type 20 (Off-Sale Beer and Wine) ABC license would not adversely impact the existing area as the primary use of the small-scale retail store would not change as a result of the sale of beer and wine for off-site consumption. There are no sensitive uses located within a 500-foot radius of the project site, and the sale of beer and wine would be an ancillary component of the small-scale retail use that would be unnoticeable from the exterior of the structure. The alcohol outlets within a 500-foot radius of the subject site include two off-sale alcohol outlets, and the subject application does not operate in a similar nature with the existing 7-Eleven and Ed's Liquor Store. The sale of beer and wine for the subject business is intended to complement the wide selection of food items and would occupy a small portion of the overall floor area. Alcohol sales for the business would be from 11:00 a.m. to 7 p.m. daily, consistent with the retail store hours.

Police Department Comments

The Police Department has reviewed the project's proposed security plan and at this time does not have any comments or objections to the request for alcohol as proposed by the applicant.

Conformance with Land Use and Circulation Element (LUCE)

The subject site is designated as General Commercial in the City's Land Use and Circulation Element (LUCE) along Pico Boulevard which is intended to maintain an area for a broad range of commercial uses that provide necessary daily services such as auto sales and auto repair, convenience retail, hotels, hardware stores, and small restaurants. At the ground floor, commercial uses such as local-serving retail, limited auto services, walk-in office uses, and small restaurants are encouraged. Lady and Larder operates as a small-scale specialty food retailer seeking to enhance its business operations in a general commercial area that corresponds with the goals and policies of the General Plan's Land Use Element. As the LUCE applies to the subject site within the Pico Boulevard corridor, the LUCE goals and policies for this area are to support a mixed-use development pattern along the entire length of Pico Boulevard, as reflected in the following policies:

- Policy B18.2 - Ensure that buildings fronting Pico Boulevard have their primary façades facing the street and located on the property line or back side of the sidewalk.
- Policy B18.7 - Limit ground floor uses to mostly active retail with generally continuous, transparent (non-tinted) display windows facing the sidewalk.

The proposed request would achieve the aforementioned policies by facilitating the establishment of a new small-scale retail use by allowing the subject retailer to expand its services and offerings to the surrounding neighborhood. Additionally, the proposed sale of beer and wine for off-site consumption would be compatible with other uses in the area, in that the selling of beer and wine would be an ancillary component of the primary specialty food store. As of the writing of this report, staff has not received any communication from the public.

Environmental Analysis

This request is exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Section 15301 (Class 1), Existing Facilities, of the State Implementation Guidelines in that the project involves allowing a small-scale retail store the ability to conduct ancillary sales of alcohol with a Type 20 (off-sale beer and wine) ABC license.

Alternative Actions:

In addition to the recommended action, the Planning Commission could consider the following with respect to the project:

- A1. Continue the project for specific reasons consistent with applicable deadlines and with agreement from the applicant;
- A2. Articulate revised findings and/or conditions to Deny, with or without prejudice, the subject application.

Conclusion

The applicant requests approval to permit the sale of alcoholic beverages (beer and wine) in conjunction with a small-scale specialty retail store. The small-scale retail store is located within a 1,389 square foot tenant space in an existing multi-tenant building in the GC, General Commercial, district and specializes in the sale of cheese, meats, gifts, and associated accompaniments. The Type 20 alcohol license would allow the business to sell beer and wine to accompany their expanded offering of goods and food items. On-site alcohol consumption or tasting is not permitted in conjunction with a Type 20 license. Alcohol sales would be limited to normal daily business hours of 11:00 a.m. to 7:00 p.m. daily and conducted in a manner that is ancillary to the primary retail use. There would be no observable differences to the use from beyond its structure, and the proposed use would not create any adverse impacts to the surrounding neighborhood.

Prepared by: Tiffany Lin, Associate Planner

Attachments

- A. General Plan and Municipal Code Compliance
- B. Draft Statement of Official Action
- C. Public Notification & Comment Material
- D. Project Plans