

EXHIBIT A
CONDITIONAL USE PERMIT FOR OFF-SITE SALES OF BEER AND WINE
WALGREENS
5400 CHERRY AVENUE

Introduction

Walgreens (the "Applicant") seeks a Conditional Use Permit ("CUP") to allow for off-site sales of beer and wine at an existing store located at 5400 Cherry Avenue (the "Project"). Walgreens proposes to offer a limited selection of beer and wine that will make up a small portion of the existing store floor area. The modest selection will be tailored to provide a safe, convenient alternative to meet the needs of Walgreens existing customers. Walgreens will not sell distilled spirits, malt liquor, single servings or any other variation. Storage and display areas for beer and wine will occupy less than 1 percent of the total floor space in the existing store. The Project involves no physical change to the interior space (other than some minor rearrangement of merchandise, shelving and coolers) nor to the building envelope, building exterior or landscaping. These minor interior changes will involve no grading, construction or construction equipment at the store.

Location & Zoning

The Walgreens store is located at 5400 Cherry Avenue at the northeast intersection of Cherry Avenue and Market Street (the "Site"). The Site consists of an irregular shaped parcel with a lot area of approximately 52,742 square feet and is developed with a 13,599 square foot single story Walgreens and parking lot. The Site is zoned IL and designated as Restricted Industry in the General Plan. The immediate area is characterized by commercial and light industrial development to the west and commercial and residential uses to the east of Cherry Avenue.

Surrounding Zoning/Land Use

- North: The property to the north is zoned IL and developed with large shopping center and parking lot that includes K-Mart and Burger King.
- South: The property to the south across Market Street is located in the City of Lakewood and developed with an El Pollo Loco and self-storage facility.
- East: The property to the east is zoned IL and are developed with an animal medical facility. The property beyond that to the east is zoned R-4-N and developed with multi-family residential.
- West: The properties to the west across Cherry Avenue are zoned CCA and developed with a Blockbuster and a small commercial strip center.

About Walgreens

Walgreens is the second largest drugstore chain in the country and operates 7,000 stores in all 50 states, the District of Columbia and Puerto Rico. Walgreens provides access to consumer goods and services and pharmacy, health and wellness services through its retail drugstores, Walgreens Health Services division and Walgreens Health and Wellness division. These drugstores sell prescription and non-prescription drugs, and general merchandise. Its general merchandise comprises beauty care, personal care, household items, candy, photofinishing, greeting cards, seasonal items, and convenience food. Walgreens is an active member in each community performing outreach that revolves around access to health services and education. In 2008, Walgreens worked with the nation's largest network of food banks to provide \$24 million worth of products and provided more than a million free health screenings as part of the Take Care Health Tour 2008. The company was founded in 1901 and is based in Deerfield, Illinois.

Sales Policies and Security Measures

As in hundreds of locations across the country where Walgreens currently sells beer and wine, beer and wine will be merchandised and sold with a high degree of responsibility and conscientiousness. As a pharmacy, Walgreens possesses significant experience selling regulated products and complying with laws governing them. This expertise will ensure lawful and responsible beer and wine sales. Detailed policies and procedures are already in place and are strictly enforced without exception. Walgreens employees for each eligible store must undergo extensive training prior to beer and wine availability at an individual location. Once trained, all employees regardless of age must sign a Sale of Alcoholic Beverages Policy acknowledgement letter at the beginning of each shift. All employees will also complete any local or state required training before they can sell beer or wine. Alcohol sales training and policy acknowledgements are conducted annually every March. Employees are automatically enrolled in these training courses and new employees also will complete the alcohol sales training and policy procedures on their first day of employment. Walgreens established policy states that employees must request identification for any customer attempting to purchase alcohol who appears to be under the age of 40. The register prompts the employee before proceeding with the transaction and all under age employees are required to seek the assistance of a manager.

Walgreens uses a variety of security strategies to ensure the safety of their customers as well as the security of their merchandise. Security cameras and public view monitors are installed to deter criminal activity and promote a safe environment. The digital images captured from these devices are stored for up to 90 days on a Digital Video Recorder and give Loss Prevention the capability to share images of thieves with our stores and the LAPD. Additionally, beer and wine will be positioned on the opposite end of the store from where the entrance is located. This will force customers to walk the length of the store serving as an additional deterrent.

The intent behind offering beer and wine at this store fulfills Walgreens' commitment to save its customers time and money with the convenience of one-stop shopping. Thus, the same customers who currently shop at Walgreens will continue to shop there, with the new option of being able to purchase beer and wine at Walgreens as opposed to some other possibly more distant and inconvenient location. As such, the sale of beer and wine for off-site consumption will not change the existing numbers of customers at the store and because of the volume of goods Walgreens sells on a daily basis, devoting this small amount of shelf and refrigerator space to sell beer and wine will not materially increase the number of truck deliveries or vehicles that currently come to the store. In addition, there will be no additional traffic generated by the addition of beer and wine, and as a result, there will be no need for additional parking or loading spaces.

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Beer and wine will be merchandised and sold with a high degree of responsibility and conscientiousness. Detailed policies and procedures are already in place, and are strictly enforced without exception. Walgreens employees for each eligible store must undergo extensive training prior to beer and wine availability at an individual location. Once trained, all employees regardless of age must sign a Sale of Alcoholic Beverages Policy acknowledgement letter at the beginning of each shift. All employees will also complete any local or state required training before they can sell beer or wine. Alcohol sales training and policy acknowledgements are conducted annually every March. Employees are automatically enrolled in these training courses and new employees also will complete the alcohol sales training and policy procedures on their first day of employment. Walgreens established policy states that employees must request identification for any customer attempting to purchase alcohol who appears to be under the age of 40. The register prompts employees to ensure compliance before proceeding with the transaction and all under age employees are required to seek the assistance of a manager. These security measures and sales policies will ensure that the modest addition of beer and wine will not be detrimental to the surrounding community including public health, safety or general welfare, environmental quality or quality of life.

C. The approval is in compliance with the special conditions for specific conditional uses, as listed in Chapter 21.52; and

The existing store is not located within five hundred feet (500') of a public park or public school. The Department of Alcoholic Beverage Control indicates that in Census Tract No. 5722.02, the maximum number of off-site licenses permitted is 3, with 4 currently existing. There exists a minor concentration of licenses but does not rise to the level of being undue. The existence of a slight overconcentration of off-sale licenses in areas such as the subject vicinity is not

JUSTIFICATION AND FINDINGS

CONDITIONAL USE PERMIT-ALCOHOL CUB (LBMC Section 21.25.206):

A. The approval is consistent with and carries out the General Plan, any applicable specific plans such as the local coastal program and all zoning regulations of the applicable district;

The Site is designated in the General Plan as Land Use District (LUD) No. 9R (Regulated Industrial) which allows for non-industrial uses such as restaurants and retail uses which includes the existing Walgreens that was approved in 2007. The modest addition of beer and wine is consistent with the uses allowed in the IL land use district. The Site is zoned IL which allows for off premises sales of beer and wine within 500 feet of a district allowing residential uses with a Conditional Use Permit. The conditional use permit is proper in relation to adjacent uses and the development of the community in that it will be located entirely within a carefully controlled, existing Walgreens store that has been in operation at this location for several years. Walgreens is a retail drugstore selling prescription and over-the-counter medicines as well as a variety of general merchandise, sundries and grocery items to the public. The selling of a very limited selection of beer and wine will make up a small portion of the overall store floor area and sales and is tailored to provide a safe, convenient alternative to meet the needs for existing customers. The use expands services in the immediate neighborhood and does not introduce a use uncommon to the area. The store will continue to serve the public convenience and is compatible with the character of the surrounding uses, the General Plan and the zoning regulations.

B. The proposed use will not be detrimental to the surrounding community including public health, safety or general welfare, environmental quality or quality of life;

The Site is located in an area primarily characterized by commercial and light industrial uses that includes the existing Walgreens store. The approval of the Conditional Use will not detrimentally affect nearby residentially zoned properties. Residential zoned properties located to the east are located approximately 275 feet from the store and buffered other commercial uses including an animal medical facility. Moreover, the limited additional of beer and wine to the large product base that Walgreens offers will not detrimentally affect nearby residentially zoned properties and would provide an neighborhood serving amenity within walking distance to multi-family residences. The modest addition of beer and wine will comprise less than 1% of the total floor area and comprise less than 5% of the total sales of the store that is composed of a variety of general merchandising items. The addition of wine and beer will provide an additional amenity for the neighborhood in a safe, convenient location operated by a trusted brand. The Project will not contain any type of use which may typically be associated with adverse effects upon the economic health of a neighborhood, such as a liquor store, stand-alone bar or nightclub.

automatically inappropriate and does not necessarily constitute an undue concentration. This is substantially because in this case, the applicant is requesting the authorization to sell beer and wine only for offsite conjunction in conjunction with an existing store. The store will be significantly different from typical liquor stores which usually offer a wide range of alcoholic beverages, both in terms of price and type. It is not anticipated that the addition of beer and wine that comprises 1% of the total floor and 5% of the total sales of the existing store would exacerbate existing levels of crime or be a magnet for criminal activity. The modest selection will be tailored to provide a safe, convenient alternative to meet the needs for Walgreens existing consumer base. As in hundreds of locations across the country where Walgreens currently sells beer and wine, these products will be merchandised and sold with a high degree of responsibility and conscientiousness.

D. The related development approval, if applicable, is consistent with the green building standards for public and private development, as listed in Section 21.45.400.

The green building standards for private development are not applicable to the subject request. The Project involves no physical change to the interior space (other than some minor rearrangement of merchandise, shelving and coolers) nor to the building envelope, building exterior or landscaping. These minor interior changes will involve no grading or construction.