

January 5, 2022

CHAIR AND PLANNING COMMISSIONERS
City of Long Beach
California

RECOMMENDATION:

Accept Categorical Exemption CE-21-148 and approve Conditional Use Permit CUP21-014 and Local Coastal Development Permit LCDP 21-035, for a beer manufacturing alcohol license (Alcoholic Beverage Control License, Type 23) for the on-site and off-site sale of beer within a new 170 square-foot shipping container structure (SPR21-036) located within the Southeast Area Specific Plan (SP-2) Zoning District. (District 3)

APPLICANT: Gabriel Gordon for Beachwood Blendery, LLC
247 Long Beach Boulevard
Long Beach, CA 90802
(Application No. 2107-17)

DISCUSSION

The subject site is located at the 2nd and PCH shopping center, located at 6420 E. Pacific Coast Highway in the Southeast Area Specific Plan (SEASP) (SP-2) area. The shopping center is bounded by Marina Drive to the west, 2nd Street to the north, and Pacific Coast Highway (SR-1) to the east (Attachment A - Vicinity Map). The site abuts an existing shopping center to the south, Marina Shores Shopping Center.

The subject site is within the SP-2 Zoning District in the Coastal Zone. The 2019 General Plan Land Use Element Place Type designation is Regional Serving Facility (RSF). However, the California Coastal Commission (CCC) has not yet certified the City's 2019 Land Use Element. Therefore, the applicable General Plan Land Use Designation is No. 7 – Mixed Use from the 1989 Land Use Element. Land Use Designation (LUD) No. 7 is intended to blend compatible land uses with the goal of increasing the efficiency and vitality of an urban site.

The 2nd and PCH shopping center was approved by City Council on July 26, 2017 (App. No. 1704-22). The site contains nine (9) buildings including 32 restaurants. The commercial center is anchored by Whole Foods and provides 1,120 parking spaces along with landscaping and open space (Attachment B - Plans). On March 21, 2019, the Planning Commission approved a



Conditional Use Permit (CUP) for off-site alcohol sales for the Whole Foods grocery store. On September 19, 2019, the Planning Commission approved a Master Conditional Use Permit (CUP) for on-site alcohol sales for restaurants planned within the existing building.

BACKGROUND

Currently there are twenty-seven Type 47 and five Type 41 alcohol licenses for businesses within 2nd and PCH to allow the sale of beer, wine and distilled spirits for on-site consumption through the Master CUP (CUP19-013) for the shopping center. The Master CUP approval did not encompass the proposed Type 23 (Small Beer Manufacturer) alcohol license which would provide both on-site and off-site alcohol sales without a bona fide restaurant. The requested entitlements are therefore necessary under the Municipal Code; however, the operations of the center and the offering of alcoholic beverages remains consistent with the overall framework of the prior approvals.

The applicant is seeking approval of a CUP to allow on-site consumption and off-site sale of beer within a new 170-square-foot shipping container structure with outdoor patio (1,130 square feet). The shipping container would be located in the open promenade area within the shopping center. The design of the commercial shipping container was approved by the Site Plan Review Committee on September 8, 2021 and the Local Coastal Development Permit (LCDP) was approved by the Zoning Administrator on October 25, 2021.

Conditional Use Permit. The City recognizes that due to the nature of certain types of land uses, they require individual review to ensure they are compatible with surrounding uses, or, through the imposition of conditions, can be made compatible with surrounding uses (Attachment C - Conditions of Approval). In addition to the required CUP findings, Section 21.52.201 of the Long Beach Municipal Code (LBMC) establishes a number of special conditions that must be adhered to unless findings of fact can be made to provide relief from the condition (LBMC21.52.100).

The requested CUP would allow on-premises sale of beer for consumption within the shipping container structure and the adjacent outdoor tasting lounge as well as the sale of beer for off-premise consumption. The Small Beer Manufacturer Alcoholic Beverage Control (ABC) license would allow for beer service of less than 60,000 barrels per year. The privileges and limitations for this type of license are the same as for other beer manufacturers, with a difference in license fees. Brew pubs or other similar facilities that produce alcoholic beverages for onsite consumption are typically permitted by right in the SP-2 area, but the proposed operation does not include onsite brewing activity that would qualify the operation as an alcoholic beverage manufacturing use, as defined in Section 21.15.135 of the LBMC. Therefore, this application requires a CUP because there will be no brewing activities on-site and the on-site consumption will occur without a bona fide restaurant.

The applicant proposes the hours of operation, as shown in Table 1, Brewery Hours. The proposed hours are more limited than those permitted by the Master CUP, which permits alcohol sales from 6:00 a.m. to 2:00 am. (Attachment D - Master CUP Conditions of Approval). Given that the subject use permits off-site sales, which is prohibited in the Master CUP, the conditions

of approval for the subject use limits the hours of operation to 11:00 am to 11:00 pm to make allow some flexibility in the hours over the long term while ensuring compatibility with surrounding uses.

Table 1: Brewery Hours

Operating Area	Days of the Week	Hours of Operation
Beachwood	Monday through Saturday	11:30 am – 9:00 pm
	Sunday	11:30 am – 7:00 pm

In considering a CUP application for the sale of beer, wine and distilled spirits, staff evaluates the number of existing alcohol licenses in the subject Census Tract 5776.04 in which the shopping center is located (Attachment E - ABC Licenses), as well as the total number of reported crimes in the subject Police Reporting District. Section 21.52.201 of the Zoning Code requires that a new CUP for alcohol sales not be approved in a reporting district with an over concentration of alcohol sales, as recommended by the California Department of ABC, and that the use shall not be in a reporting district with a high crime rate as reported by the Long Beach Police Department (LBPD) unless findings of fact can be made to provide relief from these provisions.

Also, the LBMC recognizes that certain types of land use, due to the nature of the use, require individual review. Such review shall determine whether the type of use proposed, or the location of that use, is compatible with surrounding uses, or, can be made compatible with surrounding uses, through the imposition of conditions. Pursuant to Section 21.52.201 (Alcoholic beverage sales uses), CUPs for alcohol sales require compliance with a number of conditions. LBMC Section 21.25.100 allows a waiver of these conditions subject to written findings (Attachment F - CUP Findings). Following are the required conditions:

- Parking shall be provided equivalent to the parking required for new construction regardless of nonconforming rights;
- Night lighting shall be provided, along with other security measures, to the satisfaction of the Chief of Police;
- The operator shall prevent loitering that would be a nuisance to adjacent uses and/or residential neighborhoods;
- The use shall not be in a reporting district that is overconcentrated (except within Downtown) with existing alcohol establishments;
- The use shall not be in a police reporting district with a high crime rate; and,
- The use shall not be located within five hundred feet of a public school or park.

As it relates to parking, the proposed establishment comprises a 170-square-foot space that is integrated into a large multi-building, multi-tenant commercial shopping center, known as 2nd and PCH, that is served by more than 1,100 parking spaces. It is anticipated that the existing

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on-site parking is adequate to serve the small footprint of the proposed establishment. The proposed use is located in a high crime area per the LBPD and the Census tract has an overconcentration of licenses for on-site alcohol sales. The site is within Police Reporting District 623 with 142 reported crimes in this district for ABC purposes. The average crime rate across reporting districts is 97. Pursuant to Section 21.15.3338, "high crime" is defined as twenty percent above the City-wide average for all crimes. The threshold for high crime is 116, therefore this area is considered high-crime. As part of review of the application, the LBPD was consulted. The proposed project is located in a Census tract for which the State Department of Alcohol Beverage Control recommends one license for on-site and zero licenses for off-site alcohol sales, and there are currently 47 on-site alcohol licenses and six off-site alcohol licenses in the Census tract. However, the 2nd and PCH shopping center and much of the surrounding area is located in the SEASP Specific Plan area which is designated by the General Plan as the Regional Serving Facility PlaceType in acknowledgement of the role the area plays in serving as both a regional and visitor-serving destination for city residents and tourists alike. Given this function, the area has a concentration of commercial and entertainment uses including restaurants, retail shops and grocery stores that sell alcohol. The proposed project is located within a large commercial development, is surrounded by other commercial uses is located more than a one quarter of a mile away from any low density residential uses. In light of this and with the conditions of approval placed on the project, Staff and LBPD find that the operation of the container would not be detrimental to the surrounding community and would not create a nuisance with the imposition of the proposed conditions of approval.

Staff consulted with the LBPD for this application and they expressed no opposition to approval given the fact there are no residents within 500 feet of this site and security measures such as security cameras and lighting have been incorporated to ensure minimization of any negative impacts associated with the operation of the project. These measures have been included as conditions of approval. The site is equipped with a surveillance system, which will include exterior video security cameras at the front and rear of the business to capture the shipping container and patio with full view of the public right-of-way. The cameras shall record video and store footage for a minimum of 30 days and be accessible via the internet by the LBPD. The installation of cameras on the property is intended to deter criminal activity, including loitering, and promote safety. The proposed CUP for the on-site and off-site sale of alcoholic beverages will not cause substantial adverse effects on the neighboring land uses or the community at large. The shopping center is located within 600 feet of Dennis Williams Greenway Park and the location of the proposed use within the shopping center is more than 1,000 feet from the park, which, by both measures, is a greater distance than the 500-foot distance required by the Zoning Code.

Staff believes that the approval of this CUP application will have minimal impact on the surrounding land uses with the implementation of operational requirements included as conditions of approval, which are designed to reduce any potential negative effects from the proposed on-site and off-site sales of beer including the allowance of food from surrounding restaurants within proposed tasting area, and hours of operation.

A Local Coastal Development Permit (LCDP) is required whenever a discretionary application is considered within the designated coastal area. Such applications are required to be consistent

with the certified Local Coastal Program and not affect any affordable housing. The on-site and off-site sales of beer are consistent with the commercial uses allowed in the Southeast area as found in the certified Local Coastal Program. The Local Coastal Program encourages visitor-serving uses, which is consistent with the intended use and the existing shopping center use. Additionally, no low- and moderate-income housing will be removed as a result of this use.

Accordingly, staff recommends that the Planning Commission approve the CUP and LCDP subject to conditions (Attachment C - Conditions of Approval and Attachment F - Findings).

PUBLIC HEARING NOTICE

A total of 310 Public Hearing notices were distributed on December 22, 2021 in accordance with the requirements of Chapter 21.21 of the Long Beach Municipal Code. No comments were received at the time the report was prepared.

ENVIRONMENTAL REVIEW

Pursuant to the California Environmental Quality Act (CEQA) this project is eligible for a categorical exemption per Section 15303 (New Construction or Conversion of Small Structures) and 15304 (Minor Alterations to Land) of the California Environmental Quality Act Guidelines (CE-21-148). The physical construction associated with the project relates to the installation of the shipping container, which was conditionally approved by the Site Plan Review Committee on September 8, 2021 and Zoning Administrator on October 25, 2021.

Respectfully submitted,



ALEX MULDROW
PROJECT PLANNER



ALEXIS OROPEZA
CURRENT PLANNING OFFICER



PATRICIA DIEFENDERFER, AICP
PLANNING BUREAU MANAGER



CHRISTOPHER KOONTZ, AICP
DEPUTY DIRECTOR OF DEVELOPMENT
SERVICES

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A handwritten signature in blue ink, appearing to read 'Oscar W. OrCI', is positioned above the printed name.

OSCAR W. ORCI
DIRECTOR OF DEVELOPMENT SERVICES

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Attachments:

- Attachment A - Vicinity Map
- Attachment B - Plans
- Attachment C - Conditions of Approval
- Attachment D - Master Conditions of Approval
- Attachment E - ABC Licenses
- Attachment F - Findings