



**MINUTES
PLANNING COMMISSION
CITY HALL COUNCIL CHAMBERS
154 SOUTH EIGHTH STREET
GROVER BEACH, CALIFORNIA
TUESDAY, APRIL 10, 2007
6:30 P.M.**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in a City meeting, please contact the City Clerk's Office (473-4568) at least 48 hours prior to the meeting to ensure that reasonable arrangements can be made to provide accessibility to the meeting.

CALL TO ORDER: 6:30 p.m.

PRESENT: Commissioners: Bright, Luce, Peterson, Snow, Vice Chair Keith, and Chair Marshall.

PUBLIC COMMENTS: *At this point of the meeting, members of the public may bring up any items within the jurisdiction of the Planning Commission that are not on the agenda. Please limit your comments to three (3) minutes. The Planning Commission will listen to all comments; however, in compliance with the Brown Act, the Commission cannot act on items not on the agenda.*

No one from the public wished to comment.

CORRESPONDENCE:

Director George Hansen stated that he received a letter dated March 27, 2007, from Commissioner Arlene Versaw, advising that as of April 6, 2007, she would be resigning her position on the Planning Commission.

There was a letter received from George Garcia, regarding Item 1.

CONSENT AGENDA:

The following routine items listed below are scheduled for consideration as a group. The recommendations for each item are noted in parentheses. A member of the audience may speak on any items listed on the Consent Agenda. Any Planning Commissioner or Staff may request that an item be withdrawn from the Consent Agenda to allow for full discussion.

REGULAR BUSINESS:

- 1) **Approval of Minutes of Planning Commission meeting of February 13, 2007. (Recommendation: Staff recommends the Planning Commission approve the minutes as submitted.)**

Commissioner Peterson made the motion to approve the minutes as written. Commissioner Bright seconded the motion, and it was carried.

PUBLIC HEARING ITEMS:

2) Development Permit Application No. 05-025

Applicant – IGIT, Inc.

This Development Permit Application is a request for approval of a Specific Development Plan, a Coastal Development Permit, Architectural and Site Plans, and a Vesting Tentative Tract Map to allow for the construction of a 29,189 square retail commercial/condominium hotel development. Specifically, the application proposes a two and three-story building complex, with 20 condominium hotel units, 2,855 square feet of visitor serving commercial, and a 37 space underground parking garage, and site landscaping. The application review also involves consideration of a Mitigated Negative Declaration to meet the project's environmental requirements. The subject property is generally located at 105 West Grand

Avenue, at the northwest corner of West Grand Avenue and State Highway 1, and is more specifically described as Assessor Parcel No. 060-201-009. The property is located in the City's coastal zone and is zoned Coastal Planned Commercial (C-P-C). The Planning Commission action is to provide a recommendation on the permit application and its components to the City Council. The project planner is Ray Hetherington.

Chair Marshall stated that staff's recommendation was to continue the item. City Attorney Koczanowicz recommended that the Commission open the public hearing, without taking public testimony, and continue the public hearing to a date certain.

Chair Marshall opened the Public Hearing. Commissioner Bright made the motion to continue the item to May 8, 2007; Commissioner Snow seconded the motion, and it was carried.

3) Development Permit Application No. 06-049

Applicant – Ron McKenna, Property Owner

This Development Permit Application is a request for approval of Site and Architectural Plans, a Use Permit, and a Coastal Development Permit to allow for the construction of a new commercial building. Specifically, the application proposes a building that includes commercial office space, underground parking, and two live/work units. This application review is to consider the enlargement of a previously approved commercial building and the inclusion of two live/work units. The subject property is generally located at 200 South 4th Street, at the southwest corner of South 4th street and Rockaway Avenue, and is more specifically described as Assessor Parcel No. 060-213-013. Currently, the property is zoned Coastal Industrial (C-I). The project planner is Janet Reese.

Planner Janet Reese presented the staff report. Planner Reese stated that previously, the Planning Commission had granted approval of site and architectural plans and a use permit for a proposed commercial three-story building at the subject location. Subsequent to project approval, the applicant expressed a desire for live/work residential units as a component of the project, and initiated a zoning code amendment to allow live/work units in a Coastal Industrial district. The amendment was subsequently approved by the City Council.

The proposed project has been revised from the original proposal to include two live/work units on the third level. This modification allowed the building to increase in size, because live/work units require less parking than general commercial area. As a result, this proposal is 10 feet longer on the 4th Street side, and eight feet longer on the Rockaway side, when compared to the original proposal. As with the original proposal, site parking comprises most of the ground level, with a drainage

retention system under the parking area. The second level is commercial space with two separate restrooms and a deck. The third level is made up of two live/work units.

The use permit has two purposes: to allow the building to be 35 feet in height, and to allow the live/work use. A height increase from 25 to 35 feet in height is permitted upon approval of a use permit. Although proposed at 35 feet, the proposed building will not be out of character for the neighborhood. There is a 4-story, 47 foot high building to the north of the project site, and tall two-story industrial buildings that exceed 25 feet in height south of the project site. The live/work use is allowed upon approval of the use permit by the Planning Commission.

There is a requirement that live/work units include windows oriented toward the public right-of-way so that pedestrians can view retail displays and activity areas. Since the ground floor in this case accommodates parking, and the only elements on the ground are elevators and stairways, it is staff's position that the condition does not apply. Also, the units are not intended for retail uses which would include retail displays. There are windows oriented to the public right-of-way. All other live/work regulations have been met.

A Coastal Development Permit is required for the project, because it is within the Coastal Zone; however, the project is outside the appeals jurisdiction of the Coastal Zone. The Coastal Commission has been notified of the project, and there have been no comments regarding the structure, however, they have inquired about the live/work use in this zoning district.

The Coastal Commission was notified of the change in the zoning ordinance; however, a Local Coastal Plan amendment has not been processed. Staff will be working on a comprehensive amendment encompassing all of the changes to the zoning ordinance that impact the Local Coastal Plan in the last few years.

Staff is recommending approval of the project, in accordance with the conditions and findings contained in the associated resolutions.

Vice-Chair Keith asked staff to clarify the issues related to the Local Coastal Plan (LCP).

Planner Hetherington stated that since the Live/Work is a new conditional use in this district, an amendment needs to be made to the LCP. Since the zoning ordinance is incorporated into the Coastal Plan document, anytime the zoning ordinance is changed for a coastal district, an LCP amendment is required. Some of those amendments are only administrative issues, and don't require a Coastal Commission hearing.

Planner Hetherington stated that staff is intending to put together an LCP amendment that will address the amendments that have been done over the last few years, and submit that to the Coastal Commission for processing. The Coastal Commission wants their document to be updated to be consistent with what is in the General Plan/zoning ordinance.

Director Hansen stated that this item would have to be conditioned that prior to issuance of a building permit, the LCP would have to be amended to provide for Live/Work units in this zone.

City Attorney Koczanowicz stated that until and unless the Coastal Commission approves the LCP amendment, the project can not move forward, even if it is approved by the Planning Commission.

Commissioner Bright asked staff to discuss the parking issues. Planner Reese stated that the parking regulations allow a reduction of 10 percent because the parking is below the building and near a transit route.

Commissioner Luce asked for clarification about the changes between the old approved project and this one.

Planner Reese stated that the length of the building had changed. Even though the height on the previously approved project was approved up to 35 feet, this still needs approval since it is a new building, even though it is similar.

Chair Marshall opened the public hearing and invited the applicant to address the Commission.

Bob Tomaszewski, architect, and Ron McKenna were present to represent the project. Mr. Tomaszewski stated that they agreed with the conditions but had a question regarding the Coastal Commission issue. He asked if the proposed condition could be changed to the LCP amendment being approved prior to occupancy, rather than issuance of building permit, so that the project was not delayed, since they are very close to being ready to request permits.

City Attorney Koczanowicz stated that if they were to construct their project, and the Coastal Commission did not approve the amendment to the LCP, they would be required to remove the building or change the use to something other than live/work.

Mr. Tomaszewski asked how long the process for that approval would take. City Attorney Koczanowicz stated that they cannot estimate the length of that process. He stated that it will be up to Coastal Commission staff to determine if it can be handled administratively or would require a Coastal Commission hearing.

Director Hansen stated that previous amendments to the LCP took approximately 120 days, and everything went smoothly. He stated that they can submit their plans prior to that approval, but the permits could not be issued.

Mr. Tomaszewski stated that they have been talking to PG&E regarding the undergrounding of the utility lines. He presented a model showing the location of utility poles and new poles that may be required.

Director Hansen stated that currently, the ordinance requires undergrounding of all lines. The City Council has directed staff to prepare an opportunity to pay in-lieu fees that would be applicable. Staff is working with PG&E to come up with a recommendation for the Council to review and approve. At this time, requests for the waiving of the undergrounding requirement must go before the City Council. One request has gone before the Council, and was denied. At that time, the Council requested that staff prepare an in-lieu fee ordinance.

Vice-Chair Keith asked if there was an application fee to request the waiver from City Council. Director Hansen stated that there was.

Commissioner Snow expressed concern about the LCP issues. He asked if similar amendments had been approved by the Coastal Commission in the past. Director Hansen stated that they had.

Commissioner Peterson asked the applicants why they chose to change the project to a live/work project.

Ron McKenna stated that after the first approval, he received an inquiry about the possibility of having a live/work use in the building, to allow the person to relocate some employees to the area. It also helped with the financial aspects of the project.

Commissioner Luce asked what the previous approved project was going to be used for. Mr. McKenna stated that it was strictly a commercial use, to be occupied mostly by his own companies. Commissioner Luce asked what kinds of changes had to be made to accommodate the live/work use. Mr. Tomaszewski stated that the third floor would now be living space, and before, it was only offices. Mr. McKenna stated that the layout encompasses the living area and private offices within the live/work portion of the project.

Commissioner Bright asked if they still intend to occupy the building. Mr. McKenna stated that they do. Commissioner Bright stated that she likes the live/work concept, and likes the project.

Chair Marshall asked for public comment; there was no one present who wished to comment. Chair Marshall closed the public hearing.

Commissioner Snow stated that he is concerned about the LCP amendment condition, since we don't know exactly when or if that will take place. City Attorney Koczanowicz stated that staff is working on some revisions. There is a two-year period during which the project approval is valid, and the approval needs to be used. That period would not start until the LCP amendments are completed. The LCP amendment is necessary in order to ensure that there is a structure within the coastal zone that is consistent with the LCP. In the event that the Coastal Commission does not approve the live/work amendment, the space could be utilized for other purposes.

Director Hansen stated that they could start the plancheck process for their plans at the same time staff moves forward with the LCP amendments.

Commissioner Luce asked if there was a way to allow the applicants to get started on their project.

Mr. McKenna stated that it has been several months since the live/work amendment was approved for this zone. He feels that this was not expedited to the Coastal Commission, and now he's back for approval of the project, and staff is just now talking about taking it to the Coastal Commission. He expressed concerns about the delays in the project. He asked if this should have been done after the zoning amendment had been done. He stated that anything that would expedite that process would be appreciated.

Director Hansen stated that they have been working with the Coastal Commission for the past six months on a number of issues, and this one just recently came up. They know that it is a procedural issue, and they have done it in the past.

He stated to address the issue, staff recommended adding a condition to the Coastal Permit, and modify Condition G-5 in both of the other resolutions, indicating that building permits would not be issued until the LCP amendment had been approved by the Coastal Commission. In G-5, the resolutions should indicate that the two-year period for the permit would not begin until the LCP amendment had been approved.

Vice Chair Keith stated that if the Commission were to approve this project, they should follow staff's recommendation with the amendments to the conditions.

Mr. McKenna stated that he wanted to express his desire to get things expedited so they can move forward.

Chair Marshall asked if approval of this project negates the previously approved project. Director Hansen stated that the applicant has the option of developing the original approved project, within two years of the approval.

Vice Chair Keith stated that the modifications to the project are attractive. He stated that Grover Beach wants to attract and retain business in the area. He stated that it is something that he hopes it will be approved.

Commissioner Peterson made the motion to adopt the resolutions as recommended by staff, with the amendments recommended. Director Hansen stated that Condition G-5 in all three resolutions would be amended that the first sentence reads: "This resolution shall expire, if not used, within two years of the date of final necessary Coastal Commission approval." A condition should be added that states that building permits shall not be issued until the Coastal Commission approves the Local Coastal Plan amendment. Commissioner Bright seconded the motion, and it was carried, with a vote of 6-0-0-0.

**4) Development Permit Application No. 07-003
Applicant – Tom Rehder**

This Development Permit Application is a request for approval of a Use Permit to allow live music in conjunction with an established bar/night club and restaurant. The subject property is generally located at 359 West Grand Avenue, and is more specifically described as Assessor Parcel No. 060-211-028. Currently, the property is zoned Coastal Visitors Services (C-C-V). The project planner is Erin McGranahan.

Planner Hetherington presented the staff report. The City, in the past, has issued temporary permits to allow live music, for a specific period of time. Based on the desire of the applicant to do this on a more permanent, ongoing basis, staff requires a full conditional use permit. The Coastal Visitors Services district is to promote commercial uses that are visitor serving, and staff believes that this use fits in the district.

In the Development Review Committee, conditions were recommended by various City departments, mainly from the Police and Fire Departments, regarding this use, and those are contained in the resolution.

The proposal is to set up a stage on the east side of the building. This venue has a bar and restaurant all in one unit. Comments have been received related to live music that are contained in the staff report. Planner Hetherington stated that according to Police reports, there have been five incidents related to noise. There have been mitigation measures proposed and implemented to address the noise. According to Chief Copsey, the noise is not a significant issue. Staff did not feel that the noise was significant enough to recommend denial of the use permit.

Commissioner Bright asked why there are different conditions for this project than for O'Reileys, related to the requested time.

Planner Reese stated that the hours shown in the condition were the hours requested by each applicant.

Planner Hetherington stated that there had been a question about the condition requiring a Fire Department inspection prior to live music events. He stated that he believes that is to ensure that exits are clear.

Commissioner Luce asked how long the temporary permits had been in use. Planner Reese stated that there were two issued for the site, at six month intervals, for one year.

Police Chief Copsey was present to answer any questions about the conditions of the project.

Commissioner Bright had questions about PD-4, which addresses consumption of alcohol outside of the bar. Chief Copsey stated that most of the conditions are governed by law. There have been problems in the past. This was added just to assure that this would not happen. He did recommend amending the condition: "No alcoholic beverages will be served to or consumed by patrons of the business in the parking lot."

Commissioner Bright asked about the outdoor seating area. She stated that there was no condition prohibiting that at Mongo's, but there was for the O'Reilly's permit. Chief Copsey stated that the patio area is just considered part of the business.

Commissioner Snow asked about noise issues, considering that the area of Grand Ave. that this business is in now has residential components, and they are trying to change the image of the area.

Chief Copsey stated that Grover Beach has a stringent noise ordinance that businesses must comply with. That is partly why there is a condition that brings up the noise ordinance. He stated that the live music has not posed any increase in noise levels. It is no different, and is sometimes less than, the noise level when there is a DJ. He stated that Mongo's has added noise proofing. Most of the problems that have occurred have been when doors have been left open. They have noise meters that they can use to measure noise levels, and they take the issues seriously. He stated that Mongos have been cooperative in trying to reduce noise issues. He stated that due to the nature of the business, the Police do have to respond to that area, but it isn't generally related to noise or live music.

Commissioner Snow noted that people, when they move into an area that has a business like this have to be aware that noise could be an issue.

Chair Marshall asked if the City was supporting this use. Chief Copsey stated that he had no reason not to. He stated they have experienced no problems related to the live music.

Chair Marshall opened the public hearing. Tom Rehder, owner of Mongo's, stated that they are trying to do their best to make Mongo's a good place, and be a good neighbor.

Commissioner Snow stated that he is much more comfortable with the project, since he knows that the Police Department has noise meters that can be used to enforce the noise ordinance.

Mr. Rehder stated that he works with the Fire Department and Police Department regularly to address issues and to keep an open line of communication with the City.

Chair Marshall opened the public hearing and asked for comment. There was no one present who wished to comment, and Chair Marshall closed the public hearing.

Commissioner Peterson stated that she feels much more comfortable after hearing from city staff and the owner, and that it will be monitored. She stated that it is mixed use in that area, and they want to create places where people will want to go.

Commissioner Bright stated that she is comfortable making a motion for the project, when they are ready.

Commissioner Bright made the motion to approve according to staff's recommendation, with a modification to PD-4, as detailed by Chief Copsey. Vice Chair Keith seconded the motion, and it carried with a vote of 6-0-0.

**5) Development Permit Application No. 07-004
Applicant – Jeff Wynn, Business Owner**

This development Permit Application is a request for approval of a Use Permit to allow for live music in conjunction with a bar and restaurant. The subject property is generally located at 295 West Grand Avenue, and is more specifically described as Assessor Parcel No. 060-135-020. Currently, the property is zoned Coastal Visitors Services (C-C-V). The project planner is Erin McGranahan.

Director George Hansen stated that three letters had been received in opposition to this request. One from Mark Menellis, Property Manager for 204 and 280 West Grand Ave; one from Michael and Donna Dais, residents at 280 West Grand Ave., and one from John Koepf, property owner of 280 West Grand Ave. Attached to the letter from Mr. Koepf were copies of police calls to O'Reilly's over the previous five years. Police Chief Copsey was present to address questions related to those issues.

Ray Hetherington presented the staff report for the project. He stated that there was a temporary use permit issued for the location for live music. There was review by the Police and Fire Departments, who developed conditions that are contained in the resolutions. Staff was recommending approval of the Use Permit.

Police Chief Jim Copsey stated that O'Reilly's has changed ownership in the last year and the new owners have been very cooperative with the Police Department. He stated that they have some conditions that are imposed because of conditions with their ABC permit. After 10 p.m., they can not have anyone outside on the passageway where people were allowed to drink and the door would be open and created a lot of issues with the parking lot and with noise. The condition has been effective since it was imposed.

Regarding the 32 pages of police calls submitted by Mr. Koepf, Chief Copsey stated that there are probably similar numbers of calls for service at other bars in the area. Listed on those pages are police responses to O'Reilly's. There are 10 listed on each page, and there are only two related to noise in 2006 and none regarding noise to date in 2007. There are several related to noise in the previous four years. There have been issues related to noise complaints regarding Beach Place, because the sound resonates up into the apartments. Most of the issues raised in the pages are not necessarily indicating a problem. Some of them are security checks, which are proactive by the police officers. The list contains entries that are not necessarily related to calls for service. Traffic stops and parking enforcement issues are listed as well. The bars work cooperatively with the Police Department and will call if there are problems inside. They are responding to problems ahead of time. Those issues are why it seems like there is a lot of activity. He stated that bars do pose problems for Police Departments. Live music will not change that. It hasn't made it any worse over the last year.

Chief Copsey stated that PD-4 should be amended to read "No Alcoholic Beverages will be served to or consumed by patrons of the business in the Parking Lot" and Condition 8 should be deleted from the conditions, since food is served in the establishment.

Vice Chair Keith asked how long that the business had been conducted in that location. Chief Copsey stated that it went back at least 10 years.

Commissioner Bright asked Chief Copsey if the new owners had been more cooperative with the Police Department. Chief Copsey stated that the new owner is an on-site owner. In the past, the owners have had managers run the bar. They have been working extensively with O'Reilly's over the last year and they have been more cooperative. He felt that the owner had made a lot of improvements. He stated that at this point, the Police Department does not have any issues with the establishment that can't be worked out.

Commissioner Snow asked if any sound proofing or other measures had been done to the bar to mitigate noise issues, or if anything had been planned. Chief Copsey stated that to his knowledge they have not made any improvements to the building regarding the sound issue. Chief Copsey stated that there haven't been that many noise complaints about the business.

Chair Marshall opened the public hearing.

Jeff Wynn, owner of O'Reilly's, stated that he is the new owner. They are struggling to try to make the place nicer. The previous owners were in the bar business, but his background is in the food business. The restaurant is his focus. They want to make it a place where people like to come. They are now open for breakfast, lunch and dinner, trying to attract more people to that area. They would like to be able to bring in live music so that they can have more than just DJs, with the same crowd. They would like to be able to attract new customers and have local bands. They want to improve the quality of entertainment. They have been working with the Police Department and ABC. He stated that he works most of the day. He hopes that the permit will be granted, and they are doing their best to comply with the rules. Regarding noise mitigation, he stated that to this point they have not done anything. He doesn't know what they could do that wouldn't be very expensive to begin with. It will take one step at a time to get where they are going. He stated that when he stands in his parking lot or walks across the street, he cannot hear the music coming out of their building.

Chair Marshall asked for further public testimony, and there was none. He then closed the public hearing.

Commissioner Bright stated that O'Reilly's used to be a really fun place, and as the years went on, it became a place that she didn't want to go. She is really pleased to see that they are trying to move in a different direction.

Commissioner Snow asked if the permits are transferable. Director Hansen stated that the permit goes with the property, and if it were sold, the permit would still be valid.

Commissioner Bright asked if the permit could be revoked if the conditions were not complied with. Director Hansen stated that there is a revocation process that would come back to the Planning Commission. He stated that the Temporary Use Permit was issued for six months for events to occur on specific days. This would be a permanent permit. The owners have to comply with the Sound Ordinance, and how they do that is up to them.

Vice Chair Keith made the motion to approve staff's recommendation, with the modifications previously stated. Commissioner Snow seconded the motion, and it was carried on a vote of 6-0-0.

ADJOURNMENT: 8:32

/s/
CHAIR PETERSON

/s/
SECRETARY TO THE PLANNING COMMISSION
GEORGE HANSEN, COMMUNITY DEVELOPMENT DIRECTOR

(Approved at PC Meeting: July 10, 2007)