

Agenda Date: 9/19/2017

TO:

Honorable Mayor and Members of the City Council

THROUGH:

Mark Danaj, City Manager

FROM:

Anne McIntosh, Community Development Director
Nhung Madrid, Senior Management Analyst
Laurie Jester, Planning Manager
Erik Zandvliet, City Traffic Engineer
Andy Sywak, Economic Vitality Manager

SUBJECT:

Sepulveda Corridor Planning Initiatives (Community Development Director McIntosh).

DISCUSS AND PROVIDE DIRECTION

RECOMMENDATION:

Staff recommends that the City Council discuss the Sepulveda Corridor planning initiatives related to economic vitality, land use, parking, traffic, and corridor beautification, and:

1. Initiate a zone text amendment to:
 - a. Add incentives for the redevelopment of “opportunity sites” for hotels or mixed use developments;
 - b. Possibly limit (but don’t prohibit) new office uses using a cap, or a locational requirement, or allowing only in a mixed use project;
 - c. Update commercial parking requirements.
2. Amend the Sepulveda Boulevard Development Guide to include standards for addressing the commercial/residential interface on east/west streets, and at the rear of the commercial properties.
3. Consider appointing an ad hoc committee to work with staff and guide policy alternatives.

EXECUTIVE SUMMARY:

The Sepulveda Boulevard planning initiatives report includes the following:

- A broad overview of the various studies that have been performed along the Corridor
- An economic profile of the existing tenants and opportunity sites along the Corridor
- Planning, traffic, parking tools and community engagement efforts for a potential study.

Staff is requesting the City Council to review these various options and provide direction on next steps.

FISCAL IMPLICATIONS:

Undertaking these zone text amendments will require a significant commitment of staff time (planning, economic vitality, and transportation engineer). Although this project was anticipated in the preparation of the 2017/18 budget, it was anticipated that a consultant team would take the lead on a broader more comprehensive study. Staff taking the lead on this project with little or no assistance will preclude staff work on other long range planning projects that may arise later in the year and potentially delay current ones.

BACKGROUND:

Known as State Highway 1 and Pacific Coast Highway in other jurisdictions, Sepulveda Boulevard is a major transportation corridor for the South Bay region. In Manhattan Beach, this corridor runs north-south through the heart of the City, functions as a commercial corridor and houses major tenants such as The Manhattan Village Mall, Target, Toyota, Skechers Headquarters, as well as medical facilities, financial institutions, restaurants, salons, fitness studios, automotive shops, and small local businesses.

The Sepulveda Corridor has been discussed and studied many times over the years to determine if more intentional planning could result in more development or more cohesion along the highway. Most recently, there was talk of a Sepulveda Specific Plan. Rather than undertaking new planning efforts and hiring more consultants, staff has evaluated previous reports and recommendations. Further, staff does not believe that it is feasible, realistic or desirable to artificially manipulate development trends on Sepulveda from the northern to southern borders of Manhattan Beach. It is much simpler and more effective to amend the General Commercial (CG) zone along the corridor in measured and strategic ways.

Historic Context

Recently, local resident Jan Dennis published a book on the history of Sepulveda Boulevard. It is interesting to note that the first effort to create a “Plan” for the Boulevard occurred in 1940 and 1941. The Planning Commission at the time proposed that the two miles of Sepulveda in Manhattan Beach be zoned “residential.” The community and Sepulveda Property Owners Association advocated for a business corridor. Ordinance No. 500 established the General Commercial zone in June 1941. A number of transportation related uses such as auto dealers, a bicycle shop, mechanics and hotels were located along the corridor. Over time, very diverse uses serving a regional and local community have developed. There is no single industry that has dominated Sepulveda, although automobile, medical, and hospitality are notable among smaller retail and service uses.

Over the last 20 years, several studies have been completed along the corridor. These studies include the following:

Sepulveda Boulevard Development Guide

The Sepulveda Boulevard Development Guide and related Zoning Regulation modifications were adopted in October 1997. These guidelines are intended to encourage certain desirable elements to be included within development projects on the Sepulveda Boulevard Corridor and are to be used as a supplement to the City Zoning Code requirements during Use Permit and other discretionary project reviews. The Guidelines address such issues as vehicular access, pedestrian access, sidewalk dedication, building orientation, visual aesthetics, residential nuisances, landscaping, signs and utility undergrounding. Although these guidelines were adopted 20 years ago, the majority of the guidelines remain applicable. (Attachment 1).

Sepulveda Boulevard Corridor Study

About a decade later, a study of the Sepulveda Corridor was included in the City Council's 2008-2009 Work Plan as a result of new development proposed along the Sepulveda Corridor, specifically office and medical uses being proposed to replace retail uses, which caused staff to raise questions about economics, potential loss in revenue and appropriate land uses for Sepulveda. In late 2008, an economic development report was prepared for Sepulveda which included a summary of existing conditions, economic and financial considerations, land use considerations, zoning standards, Sepulveda ownership and potential street acquisition, liability issues, and consultant and developer observations for the corridor. Following staff's presentation of this report, the City Council and the Planning Commission held a joint meeting to discuss potential modifications to the Sepulveda Design Guidelines, which were later not pursued.

Sepulveda Boulevard Parking Corridor Study

Concurrently, with the Corridor study mentioned previously, in 2010, staff evaluated the potential impacts of parking prohibitions along the west side of Sepulveda Boulevard near the intersections of Manhattan Beach Boulevard and Marine Avenue to improve traffic flow and safety. Staff conducted an analysis of the existing off-street parking supply for each business and compared it to the Parking Code requirements for the specific land uses to determine where parking could be prohibited along this segment of the corridor. Using this criteria, the parking prohibitions were approved from 2617 to 2317 Sepulveda Boulevard inclusive, and between 1301 Sepulveda Boulevard to 11th Street inclusive eliminating a total of 24 parking spaces adjacent to two highly congested intersections to improve traffic flow.

Sepulveda Boulevard Business Owners Meeting

Stemming from the Sepulveda Corridor study, in November 2012, the City hosted a meeting and invited all Sepulveda Boulevard property owners to discuss future plans and improvements for the corridor, as well as the possibility of forming a Business Improvement District (BID) as a potential tool for promoting businesses and/or funding improvements. While there were many businesses, business owners and property owners interested in the possibility of forming a BID, the lack of an organized / formalized group hindered any progress towards formation of a group. Following this meeting, no further staff follow-up was pursued.

PCH Corridor Study (2009-14)

The South Bay Council of Governments (SBCOG) conducted a study to determine potential capacity enhancing projects to be funded with Sub regional Measure R funds. The study identified nine locations for possible improvements. The City conducted a subsequent study to

determine the feasibility of these locations for a potential Call for Projects application in 2015. The study found that five of the locations were candidates for future regional project funding.

Sepulveda Boulevard Parking Study (2014)

City Council approved removal of street parking on east side of Sepulveda Boulevard between Longfellow Avenue and Artesia Boulevard to improve sight distance and reduce collision rates.

Oak Avenue Neighborhood Traffic Study

In 2014, the Manhattan Village Shopping Center contributed \$20,000 towards a traffic study to determine whether non-resident traffic intrusion is prevalent in the neighborhood west of Sepulveda Boulevard due to shopping center traffic or bypass traffic between Rosecrans Avenue and Manhattan Beach Boulevard. The study will follow the City's Neighborhood Traffic Management Program methodology, which will include Before-After Traffic Counts, public workshops/hearings, analysis, recommendations, temporary measures, evaluation, and follow-up studies. The study is scheduled to begin in Fall 2017.

Gelson's Neighborhood Traffic Study

The Gelson's Market contributed \$75,000 towards a traffic study to determine whether project-related traffic and parking intrusion is evident in the neighborhood both east and west of the project development located at Sepulveda Boulevard and 8th Street. The study will follow the City's Neighborhood Traffic Management Program methodology, which will include Before-After Traffic Counts, public workshops/hearings, analysis, recommendations, temporary measures, evaluation, and follow-up studies. The study is scheduled to begin in Spring 2018.

DISCUSSION:

On May 3, 2017, the City Council and the City's Department Heads met in a facilitated retreat to discuss the City's Strategic Plan and organizational work plan to establish Council priorities, and to lay a foundation for effective governance. The Council brainstormed projects on their work plan using the Pillars of the Strategic Plan as a framework for organizing potential initiatives. During the Economic Vitality Pillar discussion, the Sepulveda Boulevard Corridor was raised as a potential project, in conjunction with utilizing the Economic Development Advisory Committee (EDAC) to discuss strategies for business development, traffic and parking, and new and/or revised development standards and guidelines.

On June 21, 2017, the City Council met with the Planning Commission and the Parking and Public Improvements Commission (PPIC) in a joint meeting and the three bodies discussed and provided initial input on potential topics which could be addressed in this corridor study. Based on the initial input received by the City Council and commissions, Staff has prepared a preliminary list of potential initiatives that could be included in studying the Corridor. The following initiatives have been organized into four strategy areas including Economic Vitality, Planning & Zoning, Parking & Traffic, and Community Engagement.

Economic Vitality

The office and retail establishments along Sepulveda Boulevard have long served as an important commercial hub in the City. Sepulveda Boulevard businesses, including the Manhattan Village Mall, contributed 48.5% of total sales tax received by the City in the first Quarter 2017 (Attachment 2). Moreover, 12 of the City's top 25 sales-tax generating businesses

are located on Sepulveda, as well as eight of the City's 12 hotels. Businesses along the Boulevard (not including the Mall) also saw a 4.4% year-over-year increase in total sales tax received in 2016 (Attachment 3) and an 11.3% year-over-year increase for the first quarter of 2017.

Vacancy rate

The overall vacancy rate on Sepulveda, including both retail and office uses, was 1.1% in August 2017 according to CoStar, a commercial property database. By contrast, the overall retail vacancy rate in the City was 2.8% with the office rate even lower at 1.8%. The total existing square footage on the street is approximately 1.75 million square feet including the Manhattan Village Mall (Attachment 4).

Business Mix

Every business that operates in Manhattan Beach is required to pay a business license tax. Using these records maintained by the City, there are 481 businesses operating on Sepulveda Boulevard. Staff analyzed the types of businesses using Standard Industrial Classifications (SIC) codes that all businesses are required to identify when they register (dataset is too large for an attachment but is available on request). Services, Retail, Professional Services, Medical and Eating/Drinking Establishments are the five most prevalent business categories by SIC code located on Sepulveda (Attachment 5). Together, these five categories account for about 82% of total business licenses on the boulevard.

Development Interest on Sepulveda & Opportunity Sites

City staff often fields inquiries from developers interested in redeveloping certain sites on Sepulveda. The majority of inquiries directed toward staff have been regarding hotel and medical office use with a large number of hoteliers in particular expressing interest. However, developers have cited the height limitation of 30 feet and 1.5 Floor Area Factor (FAF) as inhibitions to developing a larger building on the Boulevard, claiming that these restrictions would impede profitability of the overall project. Hotel developers maintain the high cost of land necessitates a high room count. Thus, the height restriction reduces the possible number of rooms able to build making profitability difficult. Additionally, a number of developers over the years have indicated that the additional height required for elevators, required for ADA access, as well as required rooftop safety ventilation and other equipment, is difficult to construct within the 30-foot height limit. The Downtown Specific Plan added a provision to allow elevators to exceed the height limit with very specific conditions and limitations.

There are currently two medical facilities undergoing construction on Sepulveda, and commercial real estate brokers report that demand is high for this use in Manhattan Beach. According to CoStar, there was no vacant medical office space in Manhattan Beach in August 2017 (Attachment 6) and demand is expected to remain strong for this use in the City and region at large.

The following are a list of some of the major "opportunity sites" on Sepulveda that staff has been approached about:

- 2nd Half Sports Grill (516 N. Sepulveda Blvd.) This property was recently put on the market. It sits across the street from the future Gelson's Market and is a relatively large

- parcel at 22,518 square feet.
- Rite Aid (1100 Manhattan Beach Blvd., 1100 N. Sepulveda Blvd.) Rite Aid signed a long term lease for the site covering two parcels back in 2009. The company received entitlements from the City and applied for building permits. However, the company ultimately chose not to begin construction and their permits and approvals have expired. Recently, they have indicated they may not develop a store on the site.
 - El Torito (600 S. Sepulveda Blvd.) This property was on the market earlier this year and was acquired by a resident who owns other properties on Sepulveda. The City received several inquiries from developers interested in building a hotel on the site. Potential hoteliers said that they could not make their concept work with the height limit and FAF on the site. A number of developers indicated that a hotel or a restaurant could be a highly desirable use for the site as it sits nearby the new Skechers Design Center and offices proposed in Manhattan and Hermosa on Sepulveda just north of the El Torito site.
 - Big Wok, Goat Hill and Pizza Hut (250-400 N. Sepulveda Blvd.) This site contains several parcels of land, all under common ownership and currently occupied by a variety of different retail, office, service and restaurant businesses. A senior housing corporation has expressed interest in building a large senior residence facility on the site.

There are a number of other larger and deeper sites along the entire Sepulveda Corridor that could potentially be redeveloped in the future. All of these could be considered possible “opportunity sites.”

Commercial Broker Input

On September 7, 2017, staff met with commercial property brokers regarding the current state of the commercial market in Manhattan Beach and along Sepulveda. Confirming staff’s experience, brokers reported that the main areas of demand continue to be for medical office, office and hotels. Although the 30-foot height limit has frustrated possible hotel development along Sepulveda, they indicated that raising the limit to even 35-feet could be beneficial to incentivize hotels.

There has been little demand for large retail spaces and the brokers reported that any possible medical office or office moratorium on the street could hamper efforts to create new developments. Brokers indicated that there is much less demand for brick-and-mortar retail uses as shoppers switch more to the internet; successful retail needs to create an experience to draw shoppers. Brokers also mentioned El Segundo as an example of where a thriving office economy supports restaurants and ancillary service businesses.

Regarding the Council’s desire to increase the amount of sales tax generated from the Boulevard, brokers mentioned that the City should consider the increase in property tax revenue generated when properties are developed with new buildings or significant tenant improvements. The resulting revenue from property reassessments on increased valuations (i.e., when a property is sold, new buildings constructed, long-term lease is signed) are substantial and may be more valuable from a public revenue perspective than the amount of sales tax generated by a particular business or property. Brokers also contend that incentivizing the construction of a hotel would be perhaps the single best way to increase the amount of public revenue generated on Sepulveda.

Meeting attendees also noted how the extended period of time and difficult process for Gelson's to gain approval has given the City a checkered reputation among developers. Some brokers contend that some developers are avoiding Manhattan Beach altogether due to this reason.

Issues raised by Council members and Commissioners at Joint Session

The following are some comments and questions regarding economic vitality that came up at the Joint Session with the Planning Commission and Parking and Public Improvements Commission. The City Council may wish to review some of these to guide the discussion:

- Opportunity Sites:
 - Distinguish between opportunity sites vs. those that will not be developed.
 - Is there recent interest from developers for uses along the corridor that are not currently supported?
 - Who is interested in building/developing on Sepulveda? (Mixed use, Office, Hotel, Multi-family)
 - What types of land uses are feasible, encouraged or desirable on Sepulveda?
- Can changes be made to the review process?
 - Should the Sepulveda Boulevard Development Guidelines be updated?
 - Should the City re-evaluate the review process, if so, for what end result?
 - Should there be a certain level of certainty in the review process?
- Existing Businesses/Sites on Sepulveda
 - Is the City looking to maintain and revitalize existing tenants, attract new tenants, or attract different tenants than what is existing?
 - Should there be a consideration for temporary uses of vacant sites?
 - What is the "supply and demand" for different uses on the corridor?
- Economic Vitality
 - As a commercial corridor, should the study focus on tax generators?
 - Is there interest in beautification along the corridor, if so, what type, plant/color palette, how will it be funded, where will it be located?
 - Should the City consider incentivizing new/good development with bonuses and/or other tools, or consider upzoning?

Planning and Zoning

One of the key questions on Sepulveda Boulevard is what is our goal from a land use perspective and do our current Codes, regulations and guidelines help us meet those goals and vision. The City's General Plan details the Goals, Policies and Objectives of the City and some of these key General Plan provisions for the corridor are included as Attachment 7. There are a number of options that exist to regulate and guide land uses as summarized below. Several of these tools could be combined such as an Overlay District to establish refined or new development standards and updated Design Guidelines or standards.

Development Regulations- Zone Text Amendments

Zoning Standards implement the goals, policies and objectives of the General Plan. The General Commercial (CG) zone includes Sepulveda Boulevard as well as four commercial pockets along Aviation Boulevard. The Manhattan Village Mall is the only property on Sepulveda Boulevard that is zoned primarily as Community Commercial (CC), and the site is regulated

primarily by their Master Use Permit. A Zoning Code Amendment could establish new development regulations for the Boulevard. The CG and CC zone regulations are included as Attachment 8.

Overlay District

The City has a number of Design Overlay Districts including the Gaslamp, Oak Avenue and North End Commercial Districts. These districts provide an opportunity to establish specific development standards, such as heights, setbacks, roof pitches, land uses, and review procedures for areas of the City with unique needs, consistent with General Plan policies. A Design Overlay District would require a Zoning Code Amendment and is a very effective tool for establishing standards for a specific area to address focused issues and goals.

Design Guidelines

The Sepulveda Boulevard Development Guide provides guidelines for development on the Boulevard. These are intended to encourage certain desirable elements to be included in projects and are used as a tool when reviewing new development proposals. As guidelines they are not mandatory, like development standards, they instead provide guidance to applicants, staff, Planning Commission and the City Council when reviewing projects. This Guide could be updated and continued as guidelines or some or all could be incorporated within an Overlay District or the CG regulations as standards.

Specific Plan

A Specific Plan is a combination of a General Plan document with goals and policies and a Zoning Code with development regulations and design guidelines. There are very specific State requirements that must be addressed within a Specific Plan and for an area as large and diverse as Sepulveda it is anticipated that a Specific Plan would take several years and several millions of dollars to complete. Staffs understanding is that this is not the route that the City Council would like to pursue.

Issues raised by Council members and Commissioners at Joint Session

The following are some issues and questions that came up about zoning during the Joint Study Session:

- What is the vision for Sepulveda?
 - Is there a project/inquiry that has come in recently that has caused concern?
 - Where is the gap of what the vision is for the corridor vs. what is out there now?
 - Look at uses that are tax generators vs. uses that are job generators.
- Sepulveda Boulevard Corridor Guidelines and Zoning Code
 - Is this document consistent with the City Council's vision for the Corridor?
 - How is the current code helping us meet the Land Use Goals?
 - Should there be a Sepulveda overlay zone?
 - Review the square footage requirements for a Use Permit
 - Neighborhood and land use compatibility and interface (Integration vs. buffering of commercial and residential uses)
 - Zoning Code height measurements limits development opportunities
 - Parking Code restraints. Should they be revised?

Parking Standards

During the public hearing on the Paragon project, issues were raised regarding the use of parking demand studies to determine shared parking ratios. This brought attention to the fact that the parking standards in the zoning code are antiquated and do not reflect current practices in automobile usage in urban settings. The following issues could be considered in the update of the parking standards:

- **Parking Code Update**
 - To incentivize certain uses
 - Encourage mixed use development
 - Promote shared parking
- **Complete Street Design Features to revitalize corridor for all users**
 - Pedestrian Friendly Sidewalks (Min. widths, driveway crossings, street furniture)
 - Bus Stop Enhancements (Shelters, benches, amenities)
 - Bicycle Infrastructure (Bike racks, amenities)
 - Accessibility Improvements (Curb ramps, driveway crossings, obstructions)
 - Furniture Zones with landscaping and trees to buffer pedestrian area from street
 - Pedestrian Crossing Study to determine locations for enhanced crossing treatments
- **Corridor Beautification**
 - City Entryway and Wayfinding Signs to Establish City Identity/Branding
 - Roadway and Pedestrian Level Street Lighting
 - Street Name Change to Pacific Coast Highway
- **Public Parking**
 - Street Curb Parking Evaluation-commercial parking needs vs. traffic delays
 - Public Parking Lots/Structures

Summary

In summary, the economic environment on the Sepulveda Corridor is healthy. Staff recommends that initiating various zone text amendments and amending the Sepulveda Boulevard Corridor Guidelines may result in more development or more cohesion along the highway. Once direction has been received from City Council, staff will develop a timeline which includes staffing resources, and scope of work for those initiatives that require further action/analysis.

POLICY ALTERNATIVES:

ALTERNATIVE 1:

Take no action and do not amend the General Commercial zone district.

PROS:

This would require no staff time and staffing resources can be dedicated to other projects. The corridor would evolve organically through market driven forces.

CONS:

The Corridor may not evolve and change as rapidly as the market demands due to the existing land use and parking constraints, and the corridor could stagnate.

ALTERNATIVE 2:|

Allow for limited mixed use development on Sepulveda (including housing) as part of the zone text amendment.

PROS:

There is a demand for housing.

CONS:

Housing places an extra demand on City services compared to commercial and it is not clear what the economic benefit is. Too much housing could be in conflict with the General Plan and off-set the balance of the commercial corridor.

PUBLIC OUTREACH/INTEREST:

Since a formalized association or improvement district has not been established for the stakeholders along this Corridor, outreach and engagement will be instrumental in gaining community input. Additional resources for engagement could include reactivating the Economic Development Advisory Committee (EDAC), forming a Sepulveda Task Force (composed of property owners, business owners, and residents), creating a City Council subcommittee, using Open City Hall for survey opportunities, using social media, and holding town hall meetings throughout the City. Ensuring that outreach occurs at the onset of the project as well as performing outreach through various avenues will provide for a balanced cross-section of stakeholders.

ENVIRONMENTAL REVIEW:

The City has reviewed the proposed project for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines, the activity is not subject to CEQA. Thus, no environmental review is necessary at this time. A determination on CEQA requirements for future projects, as directed by the City Council, will be determined once those projects are defined.

LEGAL REVIEW:

The City Attorney has reviewed this report and determined that no additional legal analysis is necessary

Attachments:

1. Sepulveda Blvd Development Guide
2. Sales of Tax Revenues by Geographic Area - 1Q 2017
3. Sepulveda Historical Sales Tax Revenue Chart
4. Sepulveda Blvd Commercial Real Estate Snapshot
5. Sepulveda Blvd Business Licenses by SIC Code
6. Manhattan Beach Medical Office Snapshot
7. Applicable General Plan Goals & Policies
8. CG & CC Zone Regulations
9. PowerPoint Presentation

SEPULVEDA BOULEVARD DEVELOPMENT GUIDE



City of Manhattan Beach
Community Development Department
1400 Highland Avenue
310-802-5500
www.ci.manhattan-beach.ca.us

Updated: August 11, 1999

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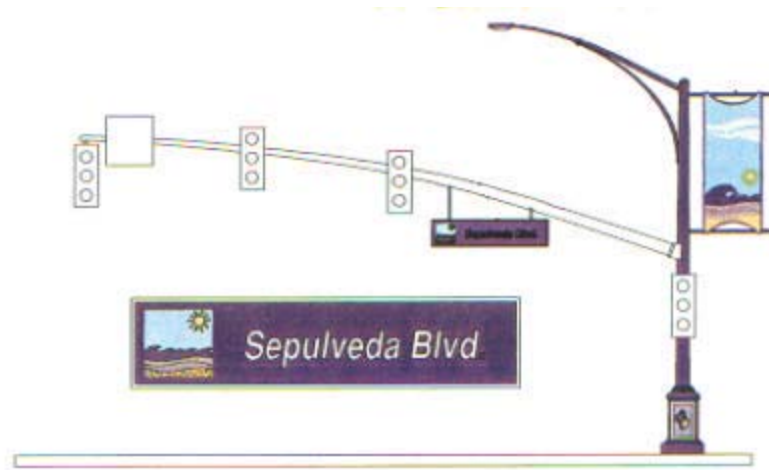
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BACKGROUND AND PURPOSE

In 1993 the Manhattan Beach City Council initiated the Sepulveda Corridor Study to assess conditions and establish a development improvement strategy for the primary commercial corridor of the City. Issues such as traffic, aesthetics, residential conflicts, small sites, and business vitality had been receiving the City's attention in the preceding years.

A seven member citizen advisory committee was selected in 1994 which held public meetings, reviewed Staff and consultant information, and received public input. The City Planning Commission subsequently conducted a series of public study sessions, and a public hearing in 1995 to review the committee's and other Sepulveda Corridor information. The Commission made recommendations to initiate Zoning Amendments, a streetscape program, and traffic/parking programs.

The City Council then conducted Study Sessions to review the project, and the Advisory Committee and Planning Commission's recommendations. They concluded the study portion of the project and directed that the Study be implemented as separate Zoning, and Public Works improvement projects.



The Public Works Department subsequently pursued a physical improvement project (landscaping, signs, etc.) for the Boulevard right-of-way while the Community Development Department and Planning Commission conducted hearings to amend the City's zoning regulations and procedures to improve development opportunities for the Sepulveda commercial properties. On October 7, 1997, the City Council adopted the Sepulveda Boulevard Development Guidelines and Zoning Regulation modifications contained herein.

The Guidelines are intended to encourage certain desirable elements to be included within development projects on the corridor. They are to be used as a supplement to the City Zoning Code requirements during Use Permit and other discretionary project reviews. The Planning Commission may decide if any of the guidelines are unnecessary or inappropriate for incorporation within a certain project. The Guidelines may be amended by the Planning Commission at any time subject to City Council review.

Development Procedures

Private Development within the City of Manhattan Beach is regulated by the Community Development Department, located at City Hall, 1400 Highland Avenue (310) 802-5503. Development information is available at the public counter Monday through Friday, 8am to 5pm. Please call in advance to learn when certain Planning and Building personnel are unavailable.

The Community Development Department recommends preliminary project designs be brought in to the public counter for **informal review** at the very beginning of the development process. Preliminary comments are typically very valuable in avoiding major project revisions or delays.

Minor remodeling and tenant improvements usually involve plan submittal for **basic plan check review**. Projects which typically involve **Use Permit** or other special Planning review include:

- ?? New developments, major remodels, and additions on sites larger than 10,000 square feet or containing more than 5,000 square feet of building area.
- ?? New or modified uses/businesses that are specially regulated such as eating and drinking establishments, entertainment, automotive uses, schools, etc.
- ?? Tenant changes that require more parking than currently required (e.g. general office to medical office).
- ?? Sign proposals that exceed the Sign Code standards.

Use Permits and other special Zoning applications involve plans, noticing materials, and other project information to be submitted to the Community Development Department in preparation for a **public hearing**. The Planning Commission and/or City Council conduct hearings and use the presented applicant, City staff, and public comment information to make a decision on a discretionary project.

Prior to formal submittal of a Zoning application, the Planning Division offers a **pre-application review** process. A meeting with a Planner to review preliminary application materials is held to assist in their preparation, and to discuss anticipated project issues.

Once a **formal application** is submitted, review and comments are done by all concerned City Departments. Any necessary clarification and additional information are requested until the application is ready for presentation at a public hearing.

Sepulveda Boulevard Zoning Standards

The City regulations for Sepulveda Boulevard development are primarily contained within Chapters 10.16 (commercial districts), 10.64 (parking), and 10.52 and 10.60 (miscellaneous). The Zoning districts found within the Sepulveda Corridor are CG - General Commercial, CC - Community Commercial , and RS-D6 - Single Family Residential with the Oak Avenue Commercial Overlay.

GENERAL COMMERCIAL DISTRICT

The CG district provides for very standard low-rise commercial arterial street development. Basic commercial uses such as retail sales, personal services, and offices, are permitted without special regulation. Restaurants, bars, automobile services (other than sales/rentals), schools, and churches require Use Permit approval. Residential development is not permitted. The primary CG design standards are as follows:

Setbacks	None, except for a 10 foot setback along the original westerly Sepulveda boundary line, and an angled residential boundary setback for an upper story level (see MBMC Section 10.16.030(E)).
Height	30 feet for a pitched roof or building with a parking structure, or 22 feet for a flat roof.
Floor Area	1.5 multiplied by site area equals total allowable building floor area excluding parking areas.
Landscaping	Minimum 8% of site area. Specific parking lot landscaping requirements (Section 10.60.070) may result in greater than 8% area.

COMMUNITY COMMERCIAL DISTRICT

The CC District contains, and is adapted to the Manhattan Village Mall. It permits the same basic commercial uses as the CG District but does not allow some of the heavier, less typical, uses that are allowed in the CG zone. Most development activity within Manhattan Village is minor alterations and tenant changes. Written approval from Manhattan Village property management is usually required for any construction, including signs. The primary design standards for the CC District are the same as the CG district except for a minimum 12% landscaping requirement.

OAK AVENUE OVERLAY DISTRICT

The Oak Avenue Overlay District consists of 3 separate groups of commercial abutting lots (see Zoning Map) that front on the predominately single family residential street, but have some history of commercial use or intent. Property located within the Oak Avenue Overlay District may be commercially developed, redeveloped, or intensified in conjunction with abutting Sepulveda fronting property subject to strict rules intended to protect the neighboring residential neighborhood. A Use Permit is required for any such development, and design standards include the following:

Site Area	Minimum 25,000 square feet for the entire development site, although portions of the site may be in different ownership.
Access	No vehicle access to Oak Avenue is permitted.
Landscape Buffer	Minimum 5 feet from a street property line to parking area, minimum 20 feet from Oak Avenue to a building.
Height	26 feet for any buildings or building portions proposed on an Oak Avenue lot (consistent with residential).
Building Character	Residential character must be incorporated into the design of any buildings located on an Oak Avenue lot such as pitched roofs, eaves, bay windows, decks.

PARKING

Parking requirements on Sepulveda Boulevard are the City's standard requirements. Multiple tenant sites exceeding 5,000 square feet in area, are eligible for reductions in parking based on alternating usage of parking facilities through the Use Permit process.

The most commonly relevant parking quantity ratios are as follows:

Retail	1 per 200 s.f., 1 per 250 for areas beyond 5,000 square feet
Personal Services	1 per 300 s.f. (hair salons, laundry, dry cleaning)
General Office	1 per 300 s.f.
Medical Office	1 per 200 s.f.
Sit-down Restaurant	1 per 50 s.f. of dining area
Take-out Restaurant	1 per 75 s.f. of total floor area (including outdoor seating)

The most commonly relevant parking design standards are as follows:

Standard Stalls	8.5' x 18'
Compact Stalls	8' x 15' (30% maximum)

Back-up Aisle	24' (90 degree angle stalls)
Driveway width	20' - two way, 12' - one way

SIGNS

All new signs, face changes to existing signs, and temporary signs require sign permits. Signs are considered to be any text, graphic, or illumination identifying a business. Each commercial site is allowed a **total amount of sign area** equal to 2 times its street frontage in square feet. Corner sites may use the longer of the two frontages to calculate allowable sign area. Each face of a double faced sign is counted separately toward the total, and each face of a **pole sign** (freestanding sign exceeding 6 feet in height) is counted twice.

Signs not counted toward the total allowable sign area include the following:

Pedestrian oriented signs - one per entrance, 4 square feet maximum

Directional signs - one per entrance, 4 feet high, 4 square feet maximum

Incidental sign - one per business, 4 square feet maximum, 4 inch letters

Prohibited signs include:

Roof signs

Projecting signs

Moving signs

3-Dimensional signs

Changeable copy signs

Pole signs (if any other freestanding signs)

Sign Programs are required to be on file for any commercial property with multiple tenants prior to sign permit issuance. A sign program contains general information describing how the site does, and will, comply with sign requirements. An example is available at the Community Development Department.

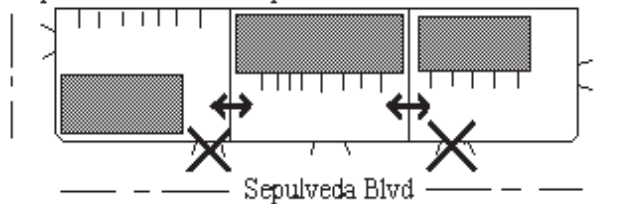


Sepulveda Boulevard Development Guidelines

Reciprocal Access

Reciprocal vehicle access should be provided between neighboring sites within the same block. This makes it possible to consolidate redundant curb cuts and provide continuous circulation throughout each commercial block. Reducing excessive numbers of curb cuts, while providing more access alternatives for each site, improves safety, circulation, attractiveness, and parking efficiency on and around the commercial block. Requirements for the provision of future reciprocal access are sometimes imposed on projects. Whether such access actually occurs depends on the site, design, and other characteristics of the future neighboring project. The photograph below shows an example of neighboring parking lots joined with reciprocal access.

Reciprocal Access Example

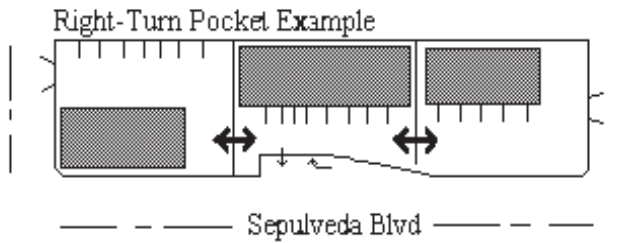


Providing access between parking lots allows two curb cuts to be removed and allows access to each site from three different streets.



Right-turn pockets

A right-turn deceleration pocket (and bus turnout when applicable) should be provided at the primary vehicle access point for each block from Sepulveda Boulevard to improve safety and circulation. Unusually long block faces should have multiple right-turn pockets. The appropriateness of requiring right-turn pockets will be reviewed individually for each project. The photograph below shows an existing right-turn pocket/bus turn-out.



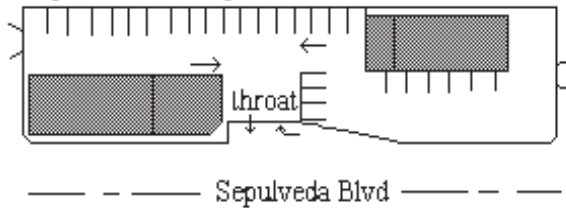
Providing right-turn pocket for Sepulveda driveway allows cars to slow down safely before turning into site without slowing down traffic on street



Driveway Throats

Driveways accessing Sepulveda Boulevard should be provided with a protected “throat” area near the street without intersecting driveways and parking spaces to avoid potential vehicle movement conflicts where cars are entering a site.

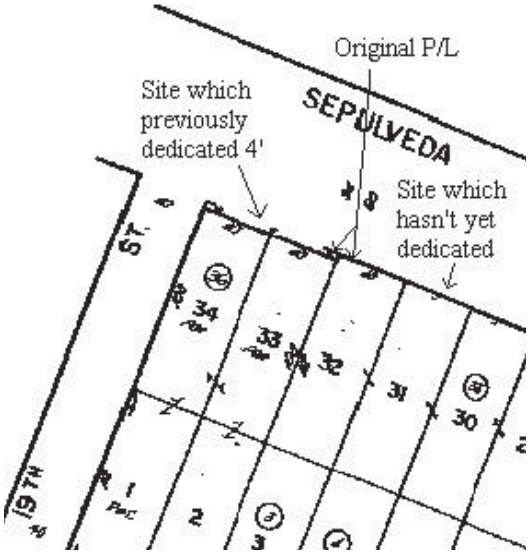
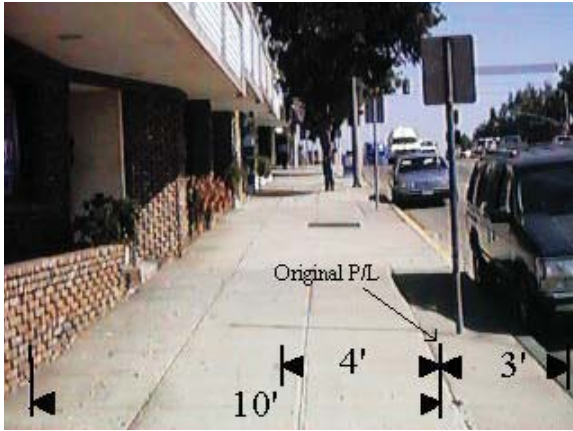
Driveway Throat Example



A protected throat area adjacent to the Sepulveda entrance provides a safety buffer between on-site traffic and traffic entering the site from the street

Sidewalk Dedication

On the west side of Sepulveda Boulevard, a 4 foot public sidewalk dedication or easement should be provided for properties that have not already done so. The additional 4 feet is to supplement the original 3 foot public sidewalk width typically along the west side to achieve a minimum 7 foot wide public sidewalk. No sidewalk dedication is presently needed on the east side of the street. The photograph below illustrates sidewalk conditions on the west side of Sepulveda from right to left: 3 foot original public sidewalk, 4 foot sidewalk dedication, and 10 foot building setback (measured from original property line).



Building Orientation

Buildings, storefronts, and windows should be oriented toward Sepulveda Boulevard when possible. Site and building designs that focus on, and directly relate to the street create a more attractive, comfortable, and interesting environment for the Boulevard. The photograph below shows a building with windows and entries oriented toward the street.



Visual Aesthetics

Visually less desirable elements such as large parking areas, parking structures, vehicle service areas, blank walls, storage areas, and trash areas should be hidden, or less prominent as viewed from Sepulveda Boulevard. The photograph below shows a site design with a building located in front to partially hide parking and service facilities.



Residential Nuisances

Extreme noise, and odor generating activities near residential boundaries should be avoided.

Pedestrian Access

Safe pedestrian access to buildings should be provided through parking lots, particularly from public sidewalks. The photo below shows a pedestrian path to Sepulveda from a building otherwise oriented toward a parking lot.



Landscaping

Required landscaping should be enhanced/supplemented as follows:

1. Install landscaping in areas that would otherwise be unused pavement.
2. Use landscape planters and other decorative treatments around buildings to avoid direct building-to-asphalt/concrete contact areas.
3. Provide tree-lined landscape buffers in parking lots along residential boundaries.

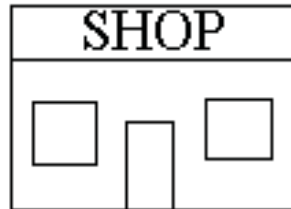
Landscaping Example



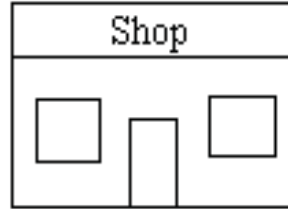
Signs

Signs and sign copy should be compatible with their related buildings, and not be crowded within their locations or backgrounds. Harsh plastic or illuminated backgrounds should be avoided. The photo below shows appropriate use of wall and monument signs.

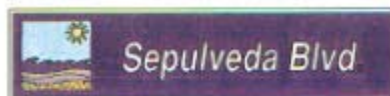
Sign Example



Sign crowded within background



Sign compatible with building and location



Utility Undergrounding

It is the City's desire to underground the utilities along Sepulveda Boulevard to enhance its appearance. The primary visible existing overhead facilities are located at curb along the east side of the street. Major projects should underground adjacent utilities. The photograph below shows a location where utilities have been undergrounded in the foreground, and remain overhead in the background.



G:\Planning\Counter Handouts\Sepulveda Boulevard Development Guide.doc

CITY OF MANHATTAN BEACH

SALES TAX REVENUES BY GEOGRAPHIC AREA - 1Q 2017

Geographic Area	Count	Current Year			Prior Year 1Q 2016	1Q 2017	4Q 2016	3Q 2016	2Q 2016	1Q 2016	4Q 2015	3Q 2015	2Q 2015
		1Q 2017	% Chg.	% of Ttl.									
0001 - Downtown Manhattan Beach	194	279,161	-1.5%	15.3%	283,352	279,161	299,987	332,543	315,335	283,352	295,989	326,260	314,423
0002 - Manhattan Village Mall	74	401,152	-3.7%	22.0%	416,502	401,152	545,386	419,222	453,221	416,502	553,919	448,190	471,979
0003 - Manhattan Market Place	41	75,261	5.9%	4.1%	71,039	75,261	81,208	74,744	77,377	71,039	76,200	70,816	73,797
0004 - Rosecrans Corridor	76	108,827	-4.2%	6.0%	113,561	108,827	137,109	108,713	137,136	113,561	128,153	121,149	125,796
0005 - Sepulveda Corridor	212	506,920	11.3%	27.8%	455,297	506,920	569,237	548,450	482,648	455,297	511,939	473,862	502,485
0006 - Artesia Corridor	34	43,442	2.7%	2.4%	42,289	43,442	48,717	44,525	45,450	42,289	47,305	43,262	42,919
0007 - Gateway Center	10	134,985	-1.4%	7.4%	136,878	134,985	196,112	151,845	158,436	136,878	183,503	152,564	161,704
0008 - Metlox Plaza	22	56,400	-7.7%	3.1%	61,098	56,400	60,309	74,842	65,951	61,098	58,857	59,271	60,547
0009 - North End	51	61,803	-4.9%	3.4%	64,974	61,803	65,153	74,487	67,980	64,974	71,901	72,168	67,663
Totals For Listed Geo Areas	714	1,667,950	1.4%	91.4%	1,644,991	1,667,950	2,003,220	1,829,372	1,803,535	1,644,991	1,927,766	1,767,542	1,821,313
Totals For All Outlets	1,488	1,824,087	1.4%	100.0%	1,798,695	1,824,087	2,166,833	1,990,006	1,968,518	1,798,695	2,094,458	1,944,873	2,060,683

CITY OF MANHATTAN BEACH
Sales Tax Revenue: Sepulveda Corridor
Adjusted for Economic Data

8/25/2017

Calendar Year	Quarter 1: Jan - Mar		Quarter 2: Apr - Jun		Quarter 3: Jul - Sep		Quarter 4: Oct - Dec		Full Year	
	Sales Tax Revenue	Yr over Yr Change	Sales Tax Revenue	Yr over Yr Change	Sales Tax Revenue	Yr over Yr Change	Sales Tax Revenue	Yr over Yr Change	Sales Tax Revenue	Yr over Yr Change
2004	393,092	-	428,717	-	440,770	-	491,684	-	1,754,263	-
2005	442,954	12.7%	475,008	10.8%	482,884	9.6%	491,507	(0.0%)	1,892,353	7.9%
2006	419,540	(5.3%)	468,954	(1.3%)	477,122	(1.2%)	499,936	1.7%	1,865,552	(1.4%)
2007	460,171	9.7%	484,886	3.4%	497,646	4.3%	506,613	1.3%	1,949,316	4.5%
2008	464,172	0.9%	503,584	3.9%	505,136	1.5%	461,573	(8.9%)	1,934,465	(0.8%)
2009	413,337	(11.0%)	435,933	(13.4%)	498,800	(1.3%)	478,022	3.6%	1,826,092	(5.6%)
2010	403,165	(2.5%)	421,053	(3.4%)	434,526	(12.9%)	477,754	(0.1%)	1,736,498	(4.9%)
2011	422,803	4.9%	420,613	(0.1%)	459,141	5.7%	564,317	18.1%	1,866,874	7.5%
2012	488,358	15.5%	505,848	20.3%	509,671	11.0%	528,324	(6.4%)	2,032,201	8.9%
2013	544,299	11.5%	522,923	3.4%	502,408	(1.4%)	519,366	(1.7%)	2,088,996	2.8%
2014	457,848	(15.9%)	501,547	(4.1%)	514,830	2.5%	528,896	1.8%	2,003,121	(4.1%)
2015	481,347	5.1%	502,485	0.2%	473,862	(8.0%)	511,939	(3.2%)	1,969,633	(1.7%)
2016	455,297	(5.4%)	482,648	(3.9%)	548,450	15.7%	569,237	11.2%	2,055,632	4.4%
2017	506,920	11.3%	-	-	-	-	-	-	506,920	11.3%

Sepulveda Blvd. Commercial Real Estate Snapshot

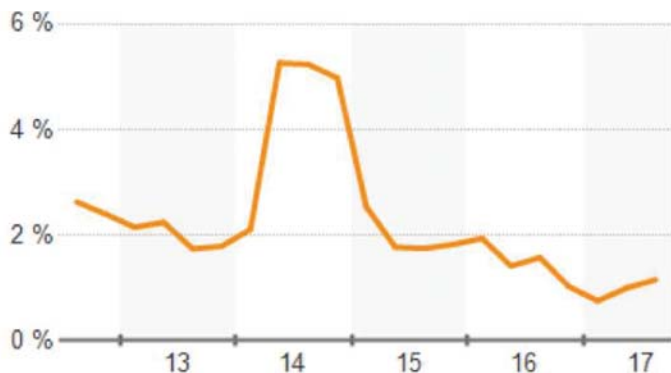
Availability	Survey	5-Year Avg
Rent Per SF	\$3.24	\$2.92
Vacancy Rate	1.1%	2.0%
Vacant SF	17,281	34,770
Availability Rate	1.7%	2.7%
Available SF	26,845	46,563
Sublet SF	0	1,629
Months on Market	5.1	9.7

Inventory	Survey	5-Year Avg
Existing Buildings	112	114
Existing SF	1,747,317	1,753,991
12 Mo. Const. Starts	36,744	36,744
Under Construction	36,744	36,744
12 Mo. Deliveries	0	0

Demand	Survey	5-Year Avg
12 Mo. Absorption SF	-3,685	2,057
12 Mo. Leasing SF	25,132	28,703

Sales	Past Year	5-Year Avg
Sale Price Per SF	\$1,179	\$587
Asking Price Per SF	\$898	\$827
Sales Volume (Mil.)	\$10	\$33
Cap Rate	1.9%	5.2%

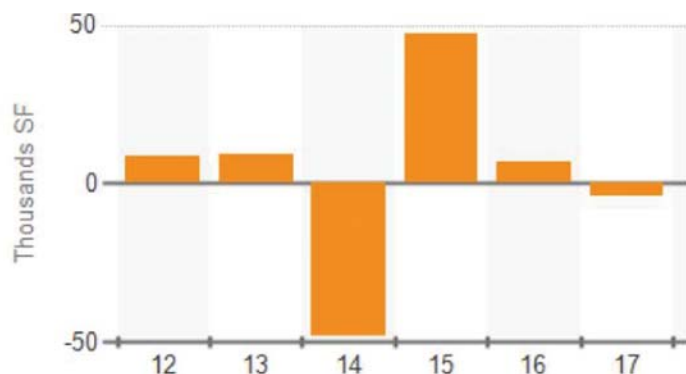
Vacancy Rate



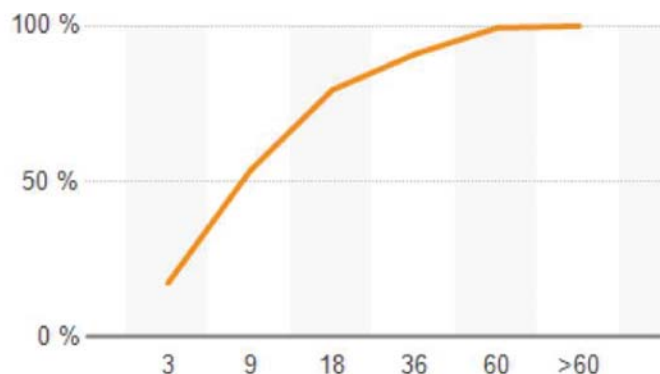
Asking Rent Per SF



Net Absorption



Probability of Leasing in Months



Sepulveda Blvd. Business Licenses
by Standard Industrial Classifications (SIC)

SIC Category	# Businesses on Sepulveda	% Businesses on Sepulveda
Services	145	30.15%
Other*	88	18.30%
Retail	78	16.22%
Professional Services	75	15.59%
Medical	53	11.02%
Eating/Drinking Establishments	42	8.73%

* Other category includes uses such as institutions, banks, contractors as well as other uses not related to land use.

Source: City of Manhattan Beach Department of Finance Business License Tax database

Manhattan Beach Medical Office Snapshot

Availability	Survey	5-Year Avg
Gross Rent Per SF	\$3.57	\$3.15
Vacancy Rate	0.0%	2.5%
Vacant SF	0	2,937
Availability Rate	0.0%	4.0%
Available SF	0	4,717
Sublet SF	0	1,747
Months on Market	-	10.3

Inventory	Survey	5-Year Avg
Existing Buildings	13	13
Existing SF	117,869	117,869
12 Mo. Const. Starts	0	0
Under Construction	0	0
12 Mo. Deliveries	0	0

Demand	Survey	5-Year Avg
12 Mo. Absorption SF	4,655	1,000
12 Mo. Leasing SF	12,363	6,655

Sales	Past Year	5-Year Avg
Sale Price Per SF	-	\$428
Asking Price Per SF	-	-
Sales Volume (Mil.)	\$0.0	\$3.1
Cap Rate	-	6.0%

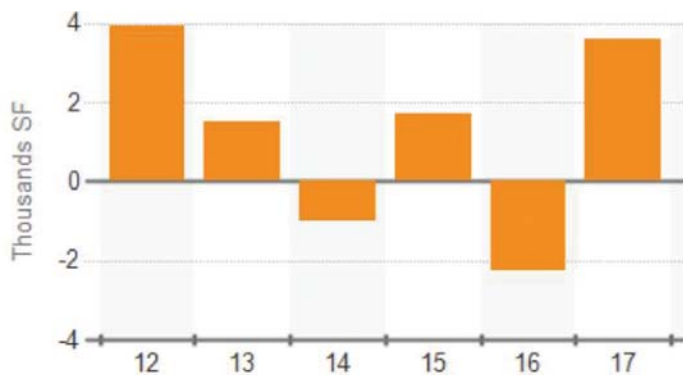
Vacancy Rate



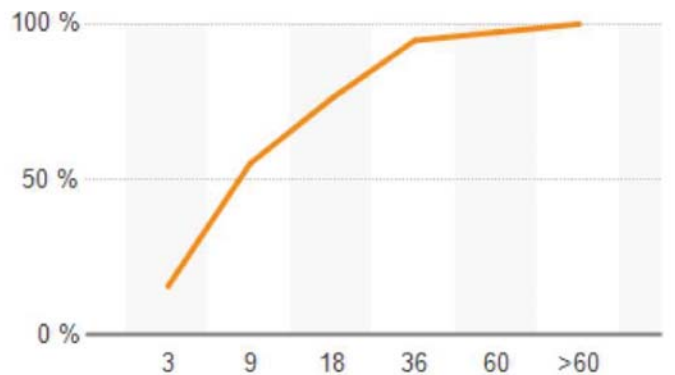
Gross Asking Rent Per SF



Net Absorption



Probability of Leasing in Months



Sepulveda Boulevard Corridor Study
City Council September 19, 2017
Attachment 7

<i>Goal LU-5: Protect residential neighborhoods from the intrusion of inappropriate and incompatible uses.</i>	
<i>Goal LU-6: Maintain the viability of the commercial areas of Manhattan Beach.</i>	
Land Use Element –Discussion- Regional-Serving Commercial Districts- Regional-serving commercial uses are concentrated along two major transportation corridors: Sepulveda Boulevard and Rosecrans Avenue east of Sepulveda Boulevard. Zoning and development standards must recognize the importance of these regional-serving commercial districts and support their vitality.	
<i>Goal LU-8: Maintain Sepulveda Boulevard, Rosecrans Avenue, and the commercial areas of Manhattan Village as regional-serving commercial districts.</i>	
Policy LU-8.1:	Ensure that applicable zoning regulations allow for commercial uses that serve a broad market area, including visitor-serving uses.
Policy LU-8.2:	Support the remodeling and upgrading needs of businesses as appropriate within these regional serving commercial districts.
Policy LU-8.3:	Recognize that shallow-depth commercial lots along Sepulveda Boulevard may be difficult to develop and that in limited circumstances, allowing parking facilities to be established on adjacent residential properties may be appropriate, provided such use does not result in significant adverse impact on abutting residential neighborhoods and further provided that access to residential streets located at the rear of the commercial uses is discouraged.

Attachment 8

Chapter 10.16 - C COMMERCIAL DISTRICTS

Sections:

10.16.010 - Specific purposes.

In addition to the general purposes listed in Chapter 10.01, the specific purposes of commercial district regulations are to:

A.

Provide appropriately located areas consistent with the General Plan for a full range of office, retail commercial, and service commercial uses needed by residents of, and visitors to, the City and region.

B.

Strengthen the City's economic base, but also protect small businesses that serve City residents.

C.

Create suitable environments for various types of commercial and compatible residential uses, and protect them from the adverse effects of inharmonious uses.

D.

Minimize the impact of commercial development on adjacent residential districts.

E.

Ensure that the appearance and effects of commercial buildings and uses are harmonious with the character of the area in which they are located.

F.

Ensure the provision of adequate off-street parking and loading facilities.

G.

Provide sites for public and semipublic uses needed to complement commercial development or compatible with a commercial environment.

The additional purposes of each district are as follows:

CL Local Commercial District. To provide sites for businesses serving the daily needs of nearby residential areas while establishing development standards that prevent significant adverse effects on residential uses adjoining a CL district.

CC Community Commercial District. To provide sites for planned commercial centers, such as Manhattan Village, which contain a wide variety of commercial establishments, including businesses selling home furnishings, apparel, durable goods, and specialty items and generally having a City-wide market area. Support facilities such as entertainment and eating-and-drinking establishments are permitted, subject to certain limitations to avoid adverse effects on adjacent uses.

CG General Commercial District. To provide opportunities for the full range of retail and service businesses deemed suitable for location in Manhattan Beach, including businesses not permitted in other commercial districts because they attract heavy vehicular traffic or have certain adverse impacts; and to provide opportunities for offices and certain limited industrial uses that have impacts comparable to those of permitted retail and service uses to occupy space not in demand for retailing or services.

CD Downtown Commercial District. To provide opportunities for residential, commercial, public and semipublic uses that are appropriate for the downtown area. This district is intended to accommodate a broad range of community businesses and to serve beach visitors.

CNE North End Commercial District. To provide for a mix of small, local and visitor-serving commercial, public and semipublic uses appropriate for the El Porto area and the business district along Highland Avenue and Rosecrans Avenue at the northern end of the City. Residential uses that are consistent with the standards of the RH Residential High-Density District are also permitted, consistent with the General Plan.

(Ord. No. 1832, Amended, 01/17/91; Ord. No. 1838, Renumbered, 07/05/91)

10.16.020 - CL, CC, CG, CD, CNE districts: land use regulations.

In the following schedules, the letter "P" designates use classifications permitted in commercial districts. The letter "L" designates use classifications subject to certain limitations prescribed by the "Additional Use Regulations" that follow. The letter "U" designates use classifications permitted on approval of a use permit. The letters "P/U" for an accessory use mean that the use is permitted on the site of a permitted use, but requires a use permit on the site of a conditional use. Use classifications that are not listed are prohibited. Letters in parentheses in the "Additional Regulations" column refer to regulations following the schedule or located elsewhere in this title. Where letters in parentheses are opposite a use classification heading, referenced regulations shall apply to all use classifications under the heading.

CL, CC, CG, CD, and CNE DISTRICTS: LAND USE REGULATIONS	P — Permitted U — Use Permit L — Limited, (See Additional Use Regulations) - — Not Permitted
---	---

	CL	CC	CG	CD	CNE	Additional Regulations
Residential						
Day Care, Small Family Home	P	-	-	U	L-11	
Day Care, Large Family Home	L-23	-	-	L-23	L-23	
Single-Family Residential	U	-	-	U	L-11	(I)(J)
Multi-Family Residential	U	-	-	U	U	(I)(J)
Public and Semipublic						(A)
Clubs and Lodges	U	U	U	U	U	
Cultural Institutions	U	U	U	U	U	
Day Care, General	U	U	U	U	U	
Emergency Health Care	U	U	U	U	U	
Government Offices	L-10	P	P	P	P	
Hospitals	-	U	U	-	-	
Park & Recreation Facilities	P	P	P	P	P	
Public Safety Facilities	U	U	U	U	U	
Religious Assembly	L-21	-	L-21	-	-	
Residential Care, General	-	-	U	-	-	
Schools, Public or Private	U	U	U	-	-	
Utilities, Major	U	U	U	U	U	
Utilities, Minor	P	P	P	P	P	
Commercial Uses						(B)(K)(L)
Adult Businesses	-	-	L-5	-	-	(C)
Ambulance Services	-	-	U	-	-	
Animal Sales & Services						
Animal Boarding	-	-	U	U	-	
Animal Grooming	P	P	P	P	P	
Animal Hospitals	-	-	U	U	-	
Animals						
Retail Sales	P	P	P	P	P	
Artists' Studios	P	P	P	P	P	
Banks and Savings & Loans	P	P	P	P	P	
	-	U	U	U	-	

With Drive-Up Service						
Body Art Studios	-	U	U	-	-	(N)
Building Materials and Services	-	-	P	-	-	
Catering Services	P	P	P	P	P	
Commercial Filming	U	U	U	U	U	
Commercial Recreation and Entertainment	-	P	P	L-7	L-7	(D)
Communication Facilities	-	P	P	P	P	
Eating and Drinking Establishments	U	U	U	U	U	(E)
w/ Fast-Food or Take-Out Service	U	U	U	L-7	L-7	
Drive-Through	-	U	U	-	-	
Food and Beverage Sales	L-9	P	P	L-9	L-9	
Funeral and Interment Services	-	-	L-5	-	-	
Laboratories	-	-	U	-	-	
Maintenance and Repair Services	P	P	P	P	P	
Nurseries	P	P	P	-	-	
Offices, Business and Professional	P	P	P	L-24	L-24	
Pawn Shops	-	-	U	-	-	
Personal Improvement Services	P	P	P	P	P	
Personal Services	P	P	P	P	P	
Psychic Advisor	-	-	P	-	-	
Research and Development Services	-	-	U	-	-	
Retail Sales	P	P	P	P	P	
Secondhand Appliances/Clothing	-	-	P	U	U	
Swap Meets, Recurring Travel Services	P	P	P	P	P	
Vehicle Equipment/Sales and Services						
Automobile Rentals	-	P	P	-	-	
Automobile Washing	-	-	L-8	-	-	
Commercial Parking	-	U	U	U	U	
Service Stations	U	U	U	U	-	(F)
Vehicle Equip. Repair	-	-	L-6	L-6	-	
Vehicle Equip. Sales and Rentals	-	P	P	-	-	
Vehicle Storage	-	-	U	-	-	

Visitor Accommodations						
Hotels and Motels and Time Shares	-	U	U	U	U	
Residential Hotels	-	-	U	-	-	
Warehousing and Storage, Ltd.	-	-	P	-	-	
Industrial						(B)
Industry, Custom	L-7	L-7	P	L-7	L-7	
Industry, Limited	-	-	L-7	-	-	
Wholesaling, Distribution and Storage	-	-	U	-	-	
Accessory Uses						
Accessory Uses and Structures	P/U	P/U	P/U	P/U	P/U	
Temporary Uses						(G)
Animal Shows	-	-	U	-	-	
Christmas Tree Sales/Pumpkin Sales	P	P	P	P	P	
Circus and Carnivals	-	U	-	U	U	
Commercial Filming, Limited	-	U	U	U	U	
Food Truck Sales	-	U	U	-	-	
New Year's Eve	U	U	U	U	U	
Real Estate Sales	P	P	P	P	P	
Retail Sales, Outdoor	P	P	P	P	P	
Street Fairs	U	U	U	U	U	
Trade Fairs	-	U	U	-	-	
Nonconforming uses						(H)
Mixed Use	U	-	-	U	U	

C Districts: Additional Land Use Regulations

- L-4 Only allowed above ground level with a use permit.
- L-5 Only mortuaries are allowed, subject to a use permit.
- L-6 A use permit is required, and body and fender shops are permitted only as part of a comprehensive automobile-service complex.
- L-7 Only "limited" or "small-scale" facilities, as described in use classifications, are allowed with a use permit.
- L-8 Attended facilities permitted; unattended facilities allowed with a use permit.
- L-9 A use permit is required for Food and Beverage establishments operating between 10:30 p.m. and 6 a.m.
- L-10 Only post offices and other offices occupying less than 2,500 square feet are permitted.

L-11 Single-family residential permitted if located (1) on a site which fronts on Crest Drive; or (2) on the rear half of a site which fronts on Highland Avenue; or (3) on a site which fronts on the east side of Highland Avenue between 38th Place to the south and Moonstone Street to the north; or (4) on a site which does not abut Rosecrans Avenue or Highland Avenue; otherwise a use permit is required.

L-21 A use permit is required, except for legally existing church facilities, including private schools and day-care contained therein, which do not exceed an overall floor area factor greater than half of the maximum floor area factor permitted by the development standards of the base district.

L-23 See [Section 10.12.020](#) (L-22): regulations for "Day Care, Large Family Home".

L-24 A Use Permit is required for a project with more than 2,500 square feet of Buildable Floor Area.

(A) Facilities on sites of 2 acres or more are subject to the regulations of [Chapter 10.28](#) (PS District) precluding those of this chapter. See [Section 10.28.020](#): PS District Applicability.

(B) A use permit is required for a single use or tenant project with more than five thousand (5,000) square feet of buildable floor area or more than ten thousand (10,000) square feet of land area. A master use permit is required for a multiple use or tenant project with more than five thousand (5,000) square feet of buildable floor area or more than ten thousand (10,000) square feet of land area. See [Section 10.84](#) for use permit provisions.

(C) The exterior walls of an adult business shall be at least two hundred feet (200') from an R district and a school, and at least one thousand feet (1,000') from the exterior walls of another adult business.

(D) See [Section 10.56.050](#): Game centers.

(E) See [Section 10.56.020](#): Eating and drinking establishments with take-out service. An establishment providing group entertainment is subject to [Title 4, Article 4](#), Dances and Cafe Entertainment and must obtain a permit from the City Manager.

(F) See [Section 10.56.030](#), Service stations, vehicle/equipment repair, and automobile washing.

(G) See [Section 10.84.110](#), Temporary use permits.

(H) See [Chapter 10.68](#), Nonconforming uses and structures.

(I) The keeping of domestic animals is permitted including: dogs and cats not to exceed five (5) for each residential living unit in any combination thereof and the young thereof not exceeding four (4) months in age, and other small domestic household pets such as rabbits, hamsters, guinea pigs, etc., not to exceed five (5) in any combination thereof. Common varieties of farm animals, livestock, exotic animals or wild animals (as defined in [Section 10.04.020](#)) are prohibited except for Vietnamese pot-bellied pigs, also known as pygmy pigs or mini-pigs, as permitted by the Animal Control Department.

(J) A maximum of three (3) garage or lawn sale permits per calendar year, of miscellaneous household items of personal property accumulated by the occupant of the residence as a normal matter of course may be held on any building site occupied by residents, provided a permit has been acquired from the City's Licensing Authority. Each permit shall be valid for a maximum of three (3) consecutive days and may include standard regulations on the garage sale permit (in accordance with provisions of [Section 6.08.020](#) MBMC).

(K) Valid discretionary permits approved prior to January 17, 1991 may satisfy the requirement for an individual use permit or master use permit, provided the scope of the project, including use(s) approved and intensity (buildable floor area) of development, remain in substantial conformance with the approved project, and the project complies with all conditions of approval. The Community Development Director shall approve the conversion of such permits in conformance with this section.

(L) A use permit, or use permit amendment, shall be required for any new alcohol license or modification to an existing alcohol license.

(M) Certain commercial businesses, such as eating and drinking establishments and visitor accommodations, with use permits and other discretionary zoning approvals that limit the hours of operation may operate for extended hours for New Year's Eve as designated in [Section 6.01.330](#) of the Businesses, Professions and Trades Code.

(N) A use permit shall be required for any new body art studio use as set forth in [Section 10.56.070](#): Body Art Studios. In addition, body art studios shall comply with the regulations set forth therein. Body art studios are not permitted in CG zoned parcels that are adjacent to RS-D6 (Oak Avenue Overlay District) zoned parcels.

(Ord. No. 1832, Amended, 01/17/91; Ord. No. 1838, Renumbered, 07/05/91; Ord. No. 1860, Amended, 10/29/92; Ord. No. 1864, Amended, 02/18/93; Ord. No. 1891, Amended, 01/06/94; Ord. No. 1902, Amended, 05/05/94; § 2, Ord. 1942, eff. February 22, 1996; § 2, Ord. 2000, eff. May 20, 1999; § 4, Ord. 2126, eff. September 3, 2009; § 4, Ord. 2130, eff. December 31, 2009; § 2, Ord. 2155, eff. February 17, 2012 and § 3, Ord. 2156, eff. March 9, 2012)

10.16.030 - CL, CC, CG, CD, and CNE districts: development regulations.

The following schedule prescribes development regulations for the CL, CC, CG, CD, and CNE districts. The first five (5) columns prescribe basic requirements for permitted and conditional uses in each district. Letters in parentheses in the "Additional Regulations" column reference regulations following the schedule or located elsewhere in the planning and zoning ordinance.

CL, CC, CG, CD, and CNE DISTRICTS:
DEVELOPMENT REGULATION

	CL	CC	CG	CD	CNE	Additional Regulations
Residential Development						(A)(B)
Nonresidential Development						
Minimum Lot Area (sq. ft.)	4,000	10,000	5,000	2,700	2,700	(B)
Minimum Lot Width (ft.)	40	100	50	30	30	(B)
Minimum Setbacks						(B)(C)
Front (ft.)	-	-	-	-	-	(D)
Side (ft.)	-	-	-	-	-	(E)
Corner Side (ft.)	-	-	-	-	-	(D)
Rear (ft.)	-	-	-	-	-	(E)
Maximum Height of Structures (ft.)	30	30	30	(G)	30	(F)(H)
Maximum Floor Area Factor (FAF)	1.0	1.5	1.5	1.5	1.5	
Minimum Site Landscaping (%)	8	12	8	-	-	(I)
Fences and Walls						(K)
Off-Street Parking and Loading						(N)
Outdoor Facilities	See Section 10.60.090				(O)	
Screening of Mechanical Equip.	See Section 10.60.090					
Refuse Storage Areas	See Section 10.60.100					
Underground Utilities	See Section 10.60.110					
Performance Standards	See Section 10.60.120					
Nonconforming Structures	See Chapter 10.68					
Signs	See Chapter 10.72					
Telecommunications Facilities	See Chapter 13.02 of MBMC					
Mixed Use Development						(B)(P)
CL, CC, CG, CD, and CNE Districts: Additional Development Regulations						

(A) Dwelling units as the sole use on a site shall be subject to the standards for residential development in the RH district and the area district in which the site is located, except as follows:

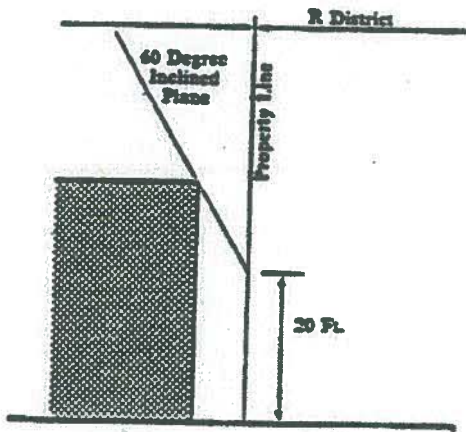
(1) CD district: the commercial standard for building height shall apply when dwelling units replace commercial use.

(2) CNE district, D-5 overlay: if an RH district standard conflicts with an overlay standard ([Section 10.44.040](#)), the overlay standard shall apply.

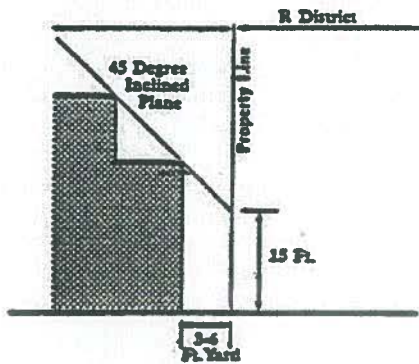
(B) See [Section 10.60.020](#), Development of substandard lots.

(C) See [Section 10.60.040](#), Building projections into yards and required open space. Double-frontage lots shall provide front yards on each frontage.

- (D) A minimum ten-foot (10') building setback shall be provided along the west side of Sepulveda Boulevard as measured from the Sepulveda street property line prior to any required dedications.
- (E) Along a rear property line abutting an R district, structures shall not intercept a 1:1 or forty-five-degree (45°) daylight plane inclined inward from a height of fifteen feet (15') above existing grade at the property line. Along a side property line abutting an R district, structures shall not intercept a sixty-degree (60°) daylight plane inclined inward from a height twenty feet (20') above existing grade at the property line.
- (F) A roof pitch of at least four (4) vertical feet for each twelve (12) lineal feet of roof area is required. If the roof pitch is less, the maximum building height is twenty-two feet (22') unless structure parking is provided at or below the ground level.
- (G) Within the CD district, the height limits shown on the accompanying diagram entitled "Section 10.16.030 (G), CD Downtown Commercial District Height Limits" shall apply.
- (H) See [Section 10.60.050](#), Measurement of height, and [Section 10.60.060](#), Exceptions to height limits.
- (I) Planting Areas.
 - (1) Required yards shall be enclosed by a solid concrete or masonry wall at least six feet (6') in height or shall be planting areas, provided that a wall within fifteen feet (15') of a street property line shall not exceed three feet (3') in height.
 - (2) In the CG and CC districts, the minimum percentage of the site to be landscaped may be reduced one percent (1%) for each section of street frontage improved with an adjoining landscaped strip, the dimensions of which are minimally: twenty-five feet (25') in width and, in length, a dimension equivalent to twenty percent (20%) of the street frontage, where width is measured perpendicular to the street and length is measured parallel to the street. For purposes of calculation, the frontage allocated to driveways and walks shall not be counted.
 - (3) For additional site landscaping requirements, see [Section 10.60.070](#), Landscaping, irrigation and hydroseeding. Conformance with the design standards specified in [Section 10.60.070](#) may result in a total site landscaping requirement that exceeds the minimum site requirements of this section.



SIDE PROPERTY LINE



REAR PROPERTY LINE




REAR PROPERTY LINE

(E) REQUIRED DAYLIGHT PLANE AT ADJOINING DISTRICTS

(The diagram is illustrative)

CD DOWNTOWN COMMERCIAL DISTRICT HEIGHT LIMITS



	CD Downtown Commercial District Boundary
Maximum Building Heights in Feet	
	A 30' with parking structure or a pitched roof 22' with a flat roof
	B 26'

Section 10.16.030(G)

(J) (Reserved)

(K) Fences and Walls. A solid masonry or concrete wall is required for all commercial properties where they abut or adjoin a ground-floor residential use or residentially zoned property. The minimum height of a fence or wall is six feet (6') as measured from the finished grade of the commercial property. However, a wall within five feet (5') of a street property line shall be a minimum of three feet (3') in height as measured from the residential property.

The maximum height of a fence or wall shall be eight feet (8') as measured from the finished grade of the commercial property unless a greater height is mutually agreed upon for a common property line by the abutting property owners and approved by the Community Development Department.

(L) (Reserved)

(M) (Reserved)

(N) See [Chapter 10.64](#), Off-Street parking and loading regulations.

(O) See [Section 10.60.130](#), Antennas and microwave equipment; and [Section 10.60.140](#), Solar-assisted water heating.

(P) In a mixed use development, the residential standards for the RH district and area district in which the site is located shall apply to a building or portion of a building intended for residential use, and commercial standards shall apply to a building or portion of building intended for commercial use, except as follows:

(1) CD district:

(a) FAR: the commercial standard for maximum FAR shall apply to the entire project.

(b) Building height: the commercial standard shall apply to all portion(s) of the project except when an existing residential use that is legally established as of February 22, 1996 and occupies a solely residential building, is altered or replaced with a solely residential building, in which case the RH district standard shall apply.

(2) CL and CNE districts:

(a) FAR: the commercial standard for maximum FAR shall apply to the entire project.

(b) CNE district D-5 overlay: if an RH district or commercial standard conflicts with an overlay standard ([Section 10.44.040](#)), the overlay standard shall apply.

(Ord. No. 1832, Amended, 01/17/91; Ord. No. 1838, Renumbered, 07/05/92; Ord. No. 1860, Amended, 10/29/92; Ord. No. 1891, Amended, 01/06/94; § 3, Ord. 1942, eff. February 22, 1996; § 2, Ord. 1951, eff. July 14, 1996; §§ 1, 2, Ord. 1972, eff. November 20, 1997; § 4, Ord. 2075, eff. July 7, 2005)

Sepulveda Corridor Planning Initiatives

City Council Meeting
September 19, 2017

Community Development Director McIntosh &
Economic Vitality Manager Sywak



Recommendation

Discuss economic vitality, land use, parking, traffic, and corridor beautification, and:

1. Initiate a zone text amendment to:

- Add incentives for the redevelopment of “opportunity sites” for hotels or mixed use developments;
- Possibly limit (but don’t prohibit) new office uses using a cap, or a locational requirement, or allowing only in a mixed use project;
- Update commercial parking requirements.

2. Amend the Sepulveda Boulevard Development Guide to include standards for addressing the commercial/residential interface on east/west streets, and at the rear of the commercial properties.

3. Consider appointing an ad hoc committee to work with staff and guide policy alternatives.



Summary

- ▶ Various studies have been performed
- ▶ Economic profile of the existing tenants and opportunity sites
- ▶ Planning, traffic, parking tools and community engagement efforts



History

- ▶ Book: Sepulveda Boulevard History
- ▶ Sepulveda Boulevard Development Guide
- ▶ Economic/Land Use and Parking Corridor Studies
- ▶ Sepulveda Boulevard Business Owners Meeting
- ▶ PCH Corridor Study
- ▶ Sepulveda Boulevard Parking Study
- ▶ Oak Avenue & Gelson's Neighborhood Traffic Studies
- ▶ Joint City Council, PPIC, PC Meeting



Economic Vitality

- ▶ 48.5% of total sales tax revenue in Q1 2017
- ▶ 12 of top 25 sales-tax generating businesses located on Sepulveda
- ▶ 1.75m sq. ft. of commercial space
- ▶ Overall vacancy rate is 1.1%

Business Mix

SIC Category	# Businesses on Sepulveda	% Businesses on Sepulveda
Services	145	30.15%
Other*	88	18.30%
Retail	78	16.22%
Professional Services	75	15.59%
Medical	53	11.02%
Eating/Drinking Establishments	42	8.73%

* Includes uses such as banks, contractors as well as uses not related to land use.



Economic Vitality

- Strongest area of demand: Hotels, Office/Medical Office
 - Medical office vacancy rate in MB=0%

- Opportunity Sites:
 - 2nd Half Sports Grill
 - Rite Aid
 - El Torito
 - Big Wok, Goat Hill and Pizza Hut

- Broker input:
 - Little interest in traditional retail brick-and-mortar at available sites
 - City should consider revenue received from property tax increases related to new development when evaluating revenue-maximizing land use policies on Sepulveda
 - Raising the height limit (35 ft.) would incentivize hotel development

- Issues raised at Joint CC/PC/PPIC Meeting



Planning & Zoning

- ▶ What is our goal from a land use perspective and do current Codes, regulations and guidelines help meet those goals/vision?
 - Development Regulations - Zone Text Amendments
 - Overlay District
 - Design Guidelines
 - Specific Plan

- ▶ Issues raised at Joint CC/PC/PPIC Meeting



Parking Standards

- ▶ Issues to consider in the update of parking standards:
 - Parking Code Update
 - Complete Street Design Features
 - Corridor Beautification
 - Public Parking

- ▶ Issues raised at Joint CC/PC/PPIC Meeting



Recommendation

Discuss economic vitality, land use, parking, traffic, and corridor beautification, and:

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