



Administrative Report

N.5., File # 23-5602

Meeting Date: 2/21/2023

To: MAYOR AND CITY COUNCIL
From: LUKE SMUDE, ASSISTANT TO THE CITY MANAGER

TITLE

DISCUSSION AND POSSIBLE ACTION REGARDING LIFTING THE CITY'S BAN ON GENERAL FOOD SALES, INCLUDING BEER AND WINE, AT SERVICE STATIONS

EXECUTIVE SUMMARY

The City of Redondo Beach currently prohibits the sale of general food items, including beer and wine, at service stations. Since 1987, state law has prohibited cities from enacting new guidelines that prohibit the concurrent sale of motor vehicle fuel and beer and wine for off-premises consumption in zoning districts where these uses are allowed. The City's policy prohibiting the concurrent sale of these items was enacted in 1971 (Ordinance #1971-2044) and, as result, is still valid. Research indicates the City's prohibition is extremely rare. Nearly all cities surveyed by staff allow for the sale of general food items, including beer and wine, at service stations and regulate the activity through conditional use permits (CUP).

On November 1, 2022, staff presented a policy overview regarding general grocery sales at service stations. Following the presentation, the City Council directed staff to return with options to allow general food sales, inclusive of beer and wine, at service stations, including regulation of this activity through conditional use permits and to provide conditions under which CUPs could be issued and evaluated.

Staff has included a draft Ordinance to amend the Redondo Beach Municipal Code (RBMC) that could be utilized should Council choose to repeal the ban. Under California law, the City Council has discretion to implement additional regulations beyond what is required by the California Business and Professions Code (BPC). Before the City Council could formally consider the Ordinance for approval, a public hearing before the Planning Commission would be needed to review consistency with the General Plan and Local Coastal Plan.

BACKGROUND

There are currently 11 service stations in the City of Redondo Beach. Under current City policy, Ordinance #1971-2044, service stations are only permitted to sell incidental convenience items for the immediate consumption of the motoring public. This class of goods includes soft drinks, candy, cigarettes and other small items.

At the April 5, 2022 City Council Meeting, Council Member Obagi requested staff return with a discussion item exploring the concurrent sale of general grocery items at service stations within the City, a class of goods that includes beer and wine.

Staff presented a policy overview on November 1, 2022 that included information regarding alcohol sale licenses active in the City for on premises consumption and off premises consumption, the geographic location of existing RB service stations, how the City's regulations compare to surrounding jurisdictions, and the applicable BPC requirements that set the floor for any proposed policy change. Following the presentation, the City Council directed staff to return with options for repealing the ban on general food sales, inclusive of beer and wine, at service stations, including regulation through CUPs and the conditions under which CUPs would be issued and evaluated.

The attached draft Ordinance provides a framework for Council to consider as it evaluates this issue. Any proposed policy change must conform to the standards included in BPC Section 23790.5, which set the minimum state standards, but do not limit additional local regulation. BPC standards state:

- No beer or wine shall be displayed within five feet of the cash register or the front door unless it is in a permanently affixed cooler
- No advertisement of alcoholic beverages shall be displayed at motor fuel islands
- No sale of alcoholic beverages shall be made from a drive-in window
- No display or sale of beer or wine shall be made from an ice tub
- No beer or wine advertising shall be located on motor fuel islands and no self-illuminated advertising for beer or wine shall be located on buildings or windows
- Employees on duty between the hours of 10 p.m. and 2 a.m. who sell beer or wine shall be at least 21 years of age to sell beer and wine

The draft Ordinance also contains additional restrictions that could be applied at the discretion of Council, including, but not limited to:

- Compliance with all conditions required by the Department of Alcoholic Beverage Control
- Explicit limiting of alcohol sales to beer and wine
- Limiting the percentage of retail space dedicated to alcohol sales
- Requiring that coolers containing beer and wine be locked during hours they are not sold
- Prohibiting single serve/individual containers
- Prohibiting advertising visible from the location's exterior
- Ensuring that the proposed hours of operation are complementary, and will not negatively impact, the surrounding business district
- Prohibition on electronic games

Should the City Council choose to repeal the ban on general food sales at service stations, the City Attorney's Office would finalize the Draft Ordinances, for both the inland and coastal areas, according to the City Council's policy direction. The Draft Ordinances would then be considered at a public hearing of the Planning Commission to review consistency with the General Plan and Local Coastal

Plan and to make recommendations regarding the Ordinances to the City Council. Staff would then return to Council, holding another public hearing, for the consideration of Ordinances amending Title 10, Chapter 2, Section 10-2.1602 Service Stations (Inland) and Title 10, Chapter 5, Section 10-5.1602 (Coastal) of the RBMC, along with a companion resolution authorizing transmission of the Coastal Ordinance to the California Coastal Commission for consideration.

COORDINATION

This item was coordinated with the Community Development Department and the Police Department. The City Attorney's Office prepared the draft Ordinance.

FISCAL IMPACT

There is no fiscal impact associated with the preparation of this item and the associated documentation. Any fiscal impacts associated with CUP processing would be offset by fees collected by the City.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Ord - Draft Ordinance (Inland) amending RBMC Title 10, Chapter 2, Section 10-2.1602 Service Stations
- California Business and Professions Code Section 23790.5
- Ord - #1971-2044 Relating to Automobile Service Stations
- Admin Report - Discussion and Possible Action Related to the City's ban on General Food Sales at Service Stations, November 1, 2022
- Admin Report - Potential Code Amendment Permitting Food Sales at Service Stations and the Relationship to Allowing Alcohol Sales, October 4, 2016
- Torrance Municipal Code Section 95.3.43
- Map - Service Stations Citywide
- Maps - existing Service Stations and existing ABC On-Sale and ABC Off-Sale Locations