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Decision Date: August 13, 2026

Appeal Period Ends: August 28, 2026

Grocery Outlet, Inc. (A)
5650 Hollis Street
Emeryville, CA 94608

J.W. RICH Investment Co. (O)
1000 North Western Avenue, Unit 200
San Pedro, CA 90732

Steve Rawlings (R)
Rawlings Consulting
26023 Jefferson Avenue, Unit D
Murrieta, CA 92562

CASE NO. ZA-2026-1143-CUB
CONDITIONAL USE PERMIT

501 South Gaffey Street
San Pedro Community Plan

Zone: C2-1VL-CPIO

C.D.: 15 - McOsker

D.M.: 015B197

CEQA: ENV-2026-1144-CE

Legal Description: Lot FR 1, Tract 2110

Pursuant to California Environmental Quality Act, I hereby DETERMINE:

based on the whole of the administrative record, that the Project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines, Section 15301, Class 1 (Existing Facilities), and there is no substantial evidence demonstrating that any exceptions contained in Section 15300.2 of the State CEQA Guidelines regarding location, cumulative impacts, significant effects or unusual circumstances, scenic highways, or hazardous waste sites, or historical resources applies.

Pursuant to Section 13B.2.2 of Chapter 1A of the Los Angeles Municipal Code, I hereby APPROVE:

a Conditional Use Permit to allow the sale of a full line of alcoholic beverages for off-site consumption in conjunction with a proposed grocery market in the C2-1VL-CPIO Zone.

Upon the following additional terms and conditions:

1. All other use, height and area regulations of the Municipal Code and all other applicable government/regulatory agencies shall be strictly complied with in the development and use of the property, except as such regulations are herein specifically varied or required.

2. The use and development of the property shall be in substantial conformance with the plot plan and floor plan submitted with the application and marked Exhibit "A", except as may be revised as a result of this action.
3. The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Zoning Administrator to impose additional corrective Conditions, if, in the Administrator's opinion, such Conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
4. All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied within 24 hours of its occurrence.
5. A copy of the first page of this grant and all Conditions and/or any subsequent appeal of this grant and its resultant Conditions and/or letters of clarification shall be printed on the building plans submitted to the Department of City Planning and the Department of Building and Safety for purposes of having a building permit issued at any time during the term of this grant.
6. Within 30 days of the effective date of this grant, a covenant acknowledging and agreeing to comply with all the terms and conditions established herein shall be recorded in the County Recorder's Office. The agreement (standard covenant and agreement form CP-6770) shall run with the land and shall be binding on any subsequent owners, heirs or assigns. The agreement with the conditions attached must be submitted to the Development Services Center for approval before being recorded. After recordation, a certified copy bearing the Recorder's number and date shall be provided to the Development Services Center for inclusion in the case file.
7. Authorized herein is the sale of a full line of alcoholic beverages for off-site consumption in conjunction with a proposed 18,167 square-foot grocery store.
 - a. The hours of operation shall be limited to 7:00 a.m. to 11:00 p.m., daily.
8. After hour use shall be prohibited, except routine clean-up. This includes but is not limited to private or promotional events, special events, excluding any activities which are issued film permits by the City.
9. The establishment shall be maintained as a bona fide grocery store, offering perishable food items for sale as well as a selection of packaged food, fresh food, and household items. Items for sale may include fresh and packaged meats, drinks, dairy products, produce, dry goods, frozen goods, sundries, paper goods, and other similar products.
10. Parking shall be provided in compliance with the Municipal Code and to the satisfaction of the Department of Building and Safety. No variance from the parking requirements has been requested or granted herein.
11. Game machines, pool tables or similar game activities or equipment shall not be permitted. Official California State lottery games and machines are allowed.
12. There shall be no Adult Entertainment of any type pursuant to LAMC Section 12.70.

13. A camera surveillance system shall be installed and operating at all times to monitor the interior, entrance, exits and exterior areas, in front of and around the premises. Recordings shall be maintained for a minimum period of 30 days and are intended for use by the Los Angeles Police Department.
14. Only the front door shall be used for patron access. All other doors shall be equipped on the inside with an automatic locking device and shall be kept closed at all times, other than to permit access for deliveries, trash removal, and emergency access.
15. All exterior portions of the site shall be adequately illuminated in the evening so as to make discernible the faces and clothing of persons utilizing the space. Lighting shall be directed onto the site without being disruptive to persons on adjacent properties.
16. An electronic age verification device shall be purchased and retained on the premises to determine the age of any individual and shall be installed on at each point-of-sales location. This device shall be maintained in operational condition and all employees shall be instructed in its use.
17. The applicant shall be responsible for monitoring both patron and employee conduct on the premises and within the parking areas under their control to assure behavior that does not adversely affect or detract from the quality of life for adjoining residents, property owners, and businesses.
18. At least one on-duty manager with authority over the activities within the facility shall be on the premises at all times that the facility is open for business. The on-duty manager's responsibilities shall include the monitoring of the premises to ensure compliance with all applicable State laws, Municipal Code requirements and the conditions imposed by the Department of Alcoholic Beverage Control (ABC) and the conditional use herein. Every effort shall be undertaken in managing the facility to discourage illegal and criminal activity on the subject premises and any exterior area over which the building owner exercises control, in effort to ensure that no activities associated with such problems as narcotics sales, use or possession, gambling, prostitution, loitering, theft, vandalism or truancy occur.
19. **Good Neighbor Program.** A telephone number and email address shall be provided for complaints or concerns from the community regarding the operation. The phone number and email address shall be posted at the following locations:
 - a. Entry, visible to pedestrians
 - b. Customer service desk.

Complaints shall be responded to within 24-hours. The applicant shall maintain a log of all calls and emails, detailing: (1) date complaint received; (2) nature of complaint, and (3) the manner in which the complaint was resolved.
20. Loitering is prohibited on or around these premises or the area under the control of the applicant. "No Loitering or Public Drinking" signs shall be posted in and outside of the subject facility.
21. The applicant shall be responsible for maintaining the premises over which they have control, including the adjoining sidewalk and any public or temporarily closed alleys abutting the site, free of debris and litter.

22. **STAR/LEAD/RBS Training.** Within the first six months of operation, all employees involved with the sale of alcohol shall enroll in the Los Angeles Police Department "Standardized Training for Alcohol Retailers" (STAR) or Department of Alcoholic Beverage Control "Licensee Education on Alcohol and Drugs" (LEAD) training program or the Responsible Beverage Service (RBS) Training Program. Upon completion of such training, the applicant shall request the Police Department or Department of Alcohol Beverage Control to issue a letter identifying which employees completed the training. STAR or LEAD or RBS training shall be conducted for all new hires within three months of their employment.
23. The approved conditions shall be retained on the premises at all times and produced immediately upon request of the Police Department, Department of Alcoholic Beverage Control, the Department of Building and Safety, the Department of City Planning, or other responsible agencies. The on-site Manager and employees shall be knowledgeable of the conditions herein.
24. Smoking tobacco or any non-tobacco substance, including from electronic smoking devices, is prohibited in or within 10 feet of the outdoor dining areas in accordance with Los Angeles Municipal Code Section 41.50 B 2 C. This prohibition applies to all outdoor areas of the establishment if the outdoor area is used in conjunction with food service and/or the consumption, dispensing or sale of alcoholic or non-alcoholic beverages.
25. The applicant(s) shall comply with 6404.5(b) of the Labor Code, which prohibits smoking within any place of employment. The applicant shall not possess ashtrays or other receptacles used for the purpose of collecting trash or cigarettes/cigar butts within the interior of the subject establishment.
26. Any music, sound or noise which is under control of the applicant shall not violate Sections 112.06 or 116.01 of the Los Angeles Municipal Code (Citywide Noise Ordinance). At any time, a City representative may visit the site during operating hours to measure the noise levels. If, upon inspection, it is found that the noise level exceeds those allowed by the citywide noise regulation, the owner/operator will be notified and will be required to modify or eliminate the source of the noise or retain an acoustical engineer to recommend, design and implement noise control measures within property such as, noise barriers, sound absorbers or buffer zones.
27. There shall be no live entertainment or amplified music on the premises. There shall be no karaoke, disc jockey, topless entertainment, performers or fashion shows.
28. Trash storage bins shall be located within a gated, covered enclosure constructed of materials to match the exterior wall materials of the building.

ADMINISTRATIVE CONDITIONS

29. **Expedited Processing Section Fee.** Prior to the clearance of any conditions, the applicant shall show proof that all fees have been paid to the Department of City Planning, Expedited Processing Section.
30. **MViP – Monitoring Verification and Inspection Program.** Prior to the effectuation of this grant, fees required per L.A.M.C Section 19.01- E, 3 - Monitoring of Conditional Use Permits, Inspection, and Field Compliance for Review of Operations and Section 19.04 - Miscellaneous Clearance - ZA shall be paid to the City.

- a. Within 24 months from the beginning of operations or issuance of a Certificate of Occupancy, a City inspector will conduct a site visit to assess compliance with, or violations of, any of the conditions of this grant. A second inspection will take place within 36 months of the first inspection. Observations and results of said inspection will be documented and included in the administrative file.
 - b. The owner and operator shall be notified of the deficiency or violation and required to correct or eliminate the deficiency or violation. Multiple or continued documented violations or Orders to Comply issued by the Department of Building and Safety which are not addressed within the time prescribed, may result in additional corrective conditions imposed by the Zoning Administrator.
31. Should there be a change in the ownership and/or the operator of the business, the property owner and the business owner or operator shall provide the prospective new property owner and the business owner/operator with a copy of the conditions of this action prior to the legal acquisition of the property and/or the business. Evidence that a copy of this determination including the conditions required herewith has been provided to the prospective owner/operator shall be submitted to the Department of City Planning in a letter from the new operator indicating the date that the new operator/management began and attesting to the receipt of this approval and its conditions. The new operator shall submit this letter to the Department of City Planning within 30 days of the beginning day of their new operation of the establishment along with any proposed modifications to the existing floor plan, seating arrangement, or number of seats of the new operation.
32. Should there be a change in the ownership and/or the operator of the business, the Zoning Administrator reserves the right to require that the new owner or operator file a Plan Approval application if it is determined that the new operation is not in substantial conformance with the approved floor plan, or the operation has changed in mode or character from the original approval. The application, in association with the appropriate fees, shall be submitted to the Development Services Center, Department of City Planning, within 30 days of the date of legal acquisition by the new owner or operator. The purpose of the plan approval will be to review the operation of the premise and establish conditions applicable to the use as conducted by the new owner or operator, consistent with the intent of the Conditions of this grant. Upon this review, the Zoning Administrator may modify, add, or delete conditions, and if warranted, reserves the right to conduct a public hearing, that may also be conducted for nuisance abatement/revocation purposes.
33. At any time during the period of validity of this grant, should documented evidence be submitted showing continued violation of any condition of this grant and/or the ABC license of the location, resulting in an unreasonable level of disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator (Upon their initiative, or upon written request by LAPD or Department of ABC) reserves the right to call for a public hearing requiring the applicant to file for a plan approval application together with associated fees pursuant to LAMC Section 19.01 E, the purpose of which will be to review the applicant's compliance with and the effectiveness of these conditions. The applicant shall prepare a radius map and cause notification to be mailed to all owners and occupants of properties within a 300-foot radius of the property, the Council Office and the Los Angeles Police Department's corresponding division. The applicant shall also submit

a summary and any supporting documentation of how compliance with each condition of this grant has been attained. Upon this review, the Zoning Administrator may modify, add or delete conditions, and reserves the right to conduct this public hearing for nuisance abatement/revocation purposes.

34. **INDEMNIFICATION AND REIMBURSEMENT OF LITIGATION COSTS.**

Applicant shall do all of the following:

- i. Defend, indemnify and hold harmless the City from any and all actions against the City relating to or arising out of, in whole or in part, the City's processing and approval of this entitlement, including but not limited to, an action to attack, challenge, set aside, void, or otherwise modify or annul the approval of the entitlement, the environmental review of the entitlement, or the approval of subsequent permit decisions, or to claim personal property damage, including from inverse condemnation or any other constitutional claim.
- ii. Reimburse the City for any and all costs incurred in defense of an action related to or arising out of, in whole or in part, the City's processing and approval of the entitlement, including but not limited to payment of all court costs and attorney's fees, costs of any judgments or awards against the City (including an award of attorney's fees), damages, and/or settlement costs.
- iii. Submit an initial deposit for the City's litigation costs to the City within 10 days' notice of the City tendering defense to the applicant and requesting a deposit. The initial deposit shall be in an amount set by the City Attorney's Office, in its sole discretion, based on the nature and scope of action, but in no event shall the initial deposit be less than \$50,000. The City's failure to notice or collect the deposit does not relieve the applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (ii).
- iv. Submit supplemental deposits upon notice by the City. Supplemental deposits may be required in an increased amount from the initial deposit if found necessary by the City to protect the City's interests. The City's failure to notice or collect the deposit does not relieve the applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (ii).
- v. If the City determines it necessary to protect the City's interest, execute an indemnity and reimbursement agreement with the City under terms consistent with the requirements of this condition.

The City shall notify the applicant within a reasonable period of time of its receipt of any action and the City shall cooperate in the defense. If the City fails to notify the applicant of any claim, action, or proceeding in a reasonable time, or if the City fails to reasonably cooperate in the defense, the applicant shall not thereafter be responsible to defend, indemnify or hold harmless the City.

The City shall have the sole right to choose its counsel, including the City Attorney's office or outside counsel. At its sole discretion, the City may participate at its own expense in the defense of any action, but such participation shall not relieve the applicant of any obligation imposed by this condition. In the event the applicant fails to comply with this condition, in whole or in part, the City may withdraw its defense of the action, void its approval of the entitlement, or take any other action. The City retains the right to make all decisions with respect to its representations in any legal proceeding, including its inherent right to abandon or settle litigation.

For purposes of this condition, the following definitions apply:

“City” shall be defined to include the City, its agents, officers, boards, commissions, committees, employees, and volunteers.

“Action” shall be defined to include suits, proceedings (including those held under alternative dispute resolution procedures), claims, or lawsuits. Actions include actions, as defined herein, alleging failure to comply with any federal, state or local law.

Nothing in the definitions included in this paragraph are intended to limit the rights of the City or the obligations of the applicant otherwise created by this condition.

OBSERVANCE OF CONDITIONS - TIME LIMIT - LAPSE OF PRIVILEGES

All terms and conditions of the approval shall be fulfilled before the use may be established. Unless otherwise provided in Chapter 1A, Chapter 1 (General Provisions and Zoning), or in a project's conditions of approval, any approval by the Zoning Administrator, Director of Planning, an Area Planning Commission, or the City Planning Commission as initial decision makers that is not effectuated within three years of its effective date becomes null and void.

TRANSFERABILITY

This authorization runs with the land. In the event the property is to be sold, leased, rented or occupied by any person or corporation other than yourself, it is incumbent upon you to advise them regarding the conditions of this grant.

VIOLATIONS OF THESE CONDITIONS, A MISDEMEANOR

Section 13A.2.7.G. of the Los Angeles Municipal Code provides:

A Quasi-judicial action or any conditional approval granted by the Director, pursuant to the authority of this Chapter or Chapter 1 (General Provisions and Zoning) of this Code shall become effective upon utilization of any portion of the privilege, and the owner and applicant shall immediately comply with its conditions. The violation of any condition imposed by the Director, Zoning Administrator, Area Planning Commission, City Planning Commission, or City Council in connection with the granting of any action taken pursuant to the authority of this Chapter or Chapter 1 (General Provisions and Zoning), shall constitute a violation of this Chapter or Chapter 1 (General Provisions and Zoning) and shall be subject to the same penalties as any other violation of this Code.

NOTICE

The applicant is further advised that subsequent contact regarding this determination must be with the staff assigned to this case. This would include clarification, verification of condition compliance and plans or building permit applications, etc., and shall be accomplished **BY APPOINTMENT ONLY**, in order to assure that you receive service with a minimum amount of waiting. You should advise any consultant representing you of this requirement as well.

FINDINGS OF FACT

After thorough consideration of the statements contained in the application, the plans submitted therewith, and public comments received all of which are by reference made a part hereof, as well as knowledge of the property and surrounding district, I find that the requirements and prerequisites for approving a conditional use permit as enumerated in Section 13B.2.2, of the Municipal Code have been established by the following facts.

BACKGROUND

The property is comprised of 17 lots measuring approximately 87,991 square feet (2.02 acres) located along Gaffey Street in the San Pedro Community Plan Area. The subject site has a frontage of 270 feet along Gaffey Street, a frontage of 308 feet along 5th Street and a 330 feet of frontage along 6th Street. The property is zoned C2-1VL-CPIO with a Neighborhood Commercial use designation, within the San Pedro Community Plan Implementation Overlay (CPIO) zone (ZI-2478). The site is located in the Central Commercial B Subarea of the San Pedro CPIO. The site is also located in the Transit Priority Area in the City of Los Angeles (ZI-2452), the State Enterprise Zone (ZI-2130), and the Restaurant Beverage Program Eligible Area. The property is not located within a Very High Fire Hazard Severity Zone, Landslide, High Wind Velocity Area nor within a Methane Hazard Zone. The subject property is located approximately 1.76 kilometers from the Palos Verdes Fault Zone.

The site is currently improved with a shopping center, consisting of several commercial/retail buildings and associated surface parking lot. The proposed grocery store ("Grocery Outlet") will be located within an existing tenant space that was previously utilized as a Rite Aid store, located at the northwest corner of the shopping center. Trash enclosures and delivery/loading are located on lots with access off 6th Street. The existing surface parking lot provides a total of 83 vehicular parking spaces that are shared among the various commercial tenants in the shopping center. The proposed project involves the sale of a full line of alcoholic beverages for off-site consumption in conjunction with a new 18,167 square-foot grocery store, with proposed hours of operation from 7:00 a.m. to 11:00 p.m., daily.

SURROUNDING PROPERTIES

Surrounding properties are zoned C2-1VL-CPIO, RD1.5-1XL, C2-2D-CPIO, [Q]R3-1-CPIO, and developed with a mix of commercial, multifamily residential, and retail uses. Properties to the north across 5th Street are zoned RD1.5-1XL, C2-1VL-CPIO, and developed with residential uses and restaurants. Properties to the east across Gaffey Street are zoned C2-1VL-CPIO and developed with a gas station, restaurants, and fast-food establishments. Properties to the south across 6th Street are zoned RD1.5-1XL, C2-1VL-CPIO, and developed with residential, retail, and commercial uses. The Cabrillo Avenue Elementary School is located approximately 375 feet south of the project site.

STREETS

Gaffey Street, adjoining the subject property to the east, is a designated Boulevard II, dedicated to a right-of-way width of 110 feet and roadway width of 80 feet, and is improved with curb, gutter, and sidewalk.

5th Street, adjoining the subject property to the north, is a Local Street – Standard, dedicated to a right-of-way width of 60 feet and roadway width of 36 feet, and is improved with curb, gutter, and sidewalk.

6th Street, adjoining the subject property to the south, is a Local Street – Standard, dedicated to a right-of-way width of 60 feet and roadway width of 36 feet, and is improved with curb, gutter, and sidewalk.

Previous relevant cases, affidavits, and orders on the subject property:

LADBS Permit No. 26016-10000-06035 – On March 6, 2026, a permit application was submitted to the Department of Building and Safety (LADBS) for the tenant improvement and change of use from retail to grocery store. At the preparation of this report, the permit has not been issued.

LADBS Permit No. 19016-10000-08983 – On June 14, 2019, a building permit was issued for interior remodel of an existing 17,664 single-story Rite Aid store.

ABC License No. 59708 – Type 21 (Off-Sale General) liquor license issued for the former Rite Aid store, issued on March 16, 1979 and transferred to ABC License No. 673871 on February 4, 2026.

LADBS Certificate of Occupancy 36730-1966 – On July 5, 1967, a Certificate of Occupancy was issued for a one-story (132 feet by 269 feet) structure, designated for market and retail stores. A total of 59 vehicular parking spaces were required.

Cases on Surrounding Properties:

ZA-2004-2945-CUB-CU-PA3 – On July 13, 2021, the Zoning Administrator approved a Plan Approval to permit the continued sale of a full line of alcoholic beverages for offsite consumption in conjunction with an existing retail pharmacy store, located at 700 South Gaffey Street.

ZA-2011-1729-CUB – On October 17, 2011, the Zoning Administrator approved a Conditional Use Permit to allow the sale of beer and wine only for off-site consumption, in conjunction with a 4,760 square-foot grocery store, located at 603 South Gaffey Street.

PUBLIC CORRESPONDENCE

A letter dated August 9, 2026, was received from the Los Angeles Police Department, Harbor Area Vice Unit, stating non-opposition for the proposed project.

A letter dated August 12, 2026, was received from the San Pedro Chamber of Commerce, stating support of the proposed project.

A letter dated July 24, 2026, was received from the Central San Pedro Neighborhood Council, which stated support for the subject application.

PUBLIC HEARING

A public hearing was held virtually by the Zoning Administrator over Zoom Webinar on August 12, 2026, at 9:30 a.m. The purpose of the hearing was to obtain public testimony from affected and/or interested persons regarding the application. Interested parties were also invited to submit written comments regarding the request prior to the public hearing.

Steve Rawlings, the project representative, presented the project with the following:

- Grocery Outlet excited to come to San Pedro
- Fair amount of community outreach; local Chamber of Commerce excited
- Revitalize shopping center and in need after Rite Aid closed
- Area a food desert; no grocery store nearby
- Long beach and Inglewood have a Grocery Outlet and great reception

- Neighborhood Council had a similar feedback
- Rite Aid occupied here for 30 years and had same alcohol license during that time; Type 21
- Tenant improvements; parking lot improvements happening
- Another space being built out; energized; asset to the community
- Met with LAPD and they toured site; reviewed the plans and the specific location where alcohol is located; glad that cashier is between alcohol and exit; very effective design and no major issues
- Eighth store in City limits
- Well received in every community
- No particular issues
- Will be open after the first of the year
- Starting construction
- Not a late night; store closes early
- Spoke with LAPD and he didn't have any real concerns; typical training conditions
- Loading area is a gated area; fully secured area back there
- Enhanced trash enclosure; recycling; reputation of keeping shop

Elise Swanson, representing the San Pedro Chamber of Commerce, stated the following:

- Supporting full line of alcohol
- Location is important to community
- No grocery store options
- Provides affordable groceries
- Confident will operate a reasonable and responsible manner
- Thanks investment in San Pedro

CONDITIONS IDENTIFIED FOR CONSIDERATION BY THE STATE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL RELATIVE TO THE SALE AND DISTRIBUTION OF ALCOHOLIC BEVERAGES

In approving the instant grant, the Zoning Administrator has not imposed Conditions specific to the sale or distribution of alcoholic beverages, even if such Conditions have been volunteered or negotiated by the applicant, in that the Office of Zoning Administration has no direct authority to regulate or enforce Conditions assigned to alcohol sales or distribution.

The Zoning Administrator has identified a set of Conditions related to alcohol sales and distribution for further consideration by the State of California Department of Alcoholic Beverage Control (ABC). In identifying these conditions, the Office of Zoning Administration acknowledges the ABC as the responsible agency for establishing and enforcing Conditions specific to alcohol sales and distribution. The Conditions identified below are based on testimony and/or other evidence established in the administrative record and provide the ABC an opportunity to address the specific conduct of alcohol sales and distribution in association with the Conditional Use granted herein by the Zoning Administrator.

- No alcohol shall be allowed to be consumed on any adjacent property under the control of the applicant.
- There shall be no exterior advertising of any kind or type, including advertising directly to the exterior from within, promoting or indicating the availability of alcoholic beverages. Interior displays of alcoholic beverages or signs which are clearly visible to the exterior shall constitute a violation of this condition.
- No signs are permitted on the outside of the building or directed from the inside to the outside which display or advertise the availability of alcoholic beverages.

- The quarterly gross sales of alcohol shall not exceed the quarterly gross sales of food. The business operator shall maintain records which reflect these numbers and make them available to the Police Department upon request.
- The off-site sale of alcoholic beverages as a secondary use (i.e., "take out") is not permitted.
- Electronic age verification device(s) which can be used to determine the age of any individual attempting to purchase alcoholic beverages and shall be installed on the premises at each point-of-sale location. The device(s) shall be maintained in an operational condition and all employees shall be instructed in their use prior to the sale of any alcoholic beverages.
- No sale of alcohol shall be permitted at any self-service, automated check-out station (checkout conducted primarily by the customer, with assistance by a store monitor) if such are available on the site. All sales of alcohol shall be conducted at a full-service checkout station directly attended by a cashier/checkout clerk specifically assigned solely to that station.

BASIS FOR CONDITIONAL USE PERMITS

A particular type of development is subject to the conditional use process because it has been determined that such use of property should not be permitted by right in a particular zone. All uses requiring a Conditional Use Permit from the Zoning Administrator are located within Section 12.24-W of the Los Angeles Municipal Code and (Class 2 Conditional Use Permit) Section 13.B.2. of Chapter 1 of the Zoning Code. In order for the sale and dispensing of a full line of alcoholic beverages for off-site consumption be authorized, certain designated findings have to be made.

CONDITIONAL USE FINDINGS

1. **The project will enhance the built environment in the surrounding neighborhood or will perform a function or provide a service that is essential or beneficial to the community, city or region.**

The subject site is located along a commercial corridor in the San Pedro Community Plan Area. The subject site has a frontage of 270 feet along Gaffey Street, a frontage of 308 feet along 5th Street and a 330 feet of frontage along 6th Street. The property is zoned C2-1VL-CPIO with a Neighborhood Commercial use designation, within the San Pedro Community Plan Implementation Overlay (CPIO) zone (ZI-2478). The site is located in the Central Commercial B Subarea of the San Pedro CPIO.

The site is currently improved with a shopping center, consisting of several commercial/retail buildings and associated surface parking lot. The proposed grocery store ("Grocery Outlet") will be located within an existing tenant space that was previously utilized as a Rite Aid store, located at the northwest corner of the shopping center. The project involves the reutilization of an existing tenant space within a commercial building for a new supermarket, with the sale of a full line of alcoholic beverages for off-site consumption with proposed hours of operation from 7:00 a.m. to 11:00 p.m. daily.

A variety of commercial uses are an intrinsic part of the service amenities necessary for the conservation, development, and success of a vibrant neighborhood. The subject conditional use permit allows the sale of a full line of alcoholic beverages for off-site consumption in conjunction with a new grocery store. The Conditional Use enables the grocery store to offer its patrons a one-stop shopping experience to meet the shopping needs of the community. This will provide opportunities for enhanced neighborhood-serving options and brings convenience to nearby residents, employees, and visitors of the area with the proposed market and the offering of alcohol sales. The proposed grocery store will bring a neighborhood serving use to the site that will be beneficial to the surrounding neighborhood and community.

In addition, the project is does not propose the expansion of the existing commercial building. Furthermore, the grant to allow the alcohol service has been well conditioned to ensure that that use will not adversely impact neighboring residents or other sensitive uses. As such, the project will enhance the built environment in the surrounding neighborhood and will provide a service that is beneficial to the community, city and region.

2. The project's location, size, height, operations and other significant features will be compatible with and will not adversely affect or further degrade adjacent properties, the surrounding neighborhood, or the public health, welfare and safety.

The site is currently improved with a shopping center, consisting of several commercial/retail buildings and associated surface parking lot. The proposed grocery store ("Grocery Outlet") will be located within an existing tenant space that was previously utilized as a Rite Aid store, located at the northwest corner of the shopping center. Trash enclosures and delivery/loading are located on lots with access off 6th Street. The existing surface parking lot provides a total of 83 vehicular parking spaces that are shared among the various commercial tenants in the shopping center.

Surrounding properties are zoned C2-1VL-CPIO, RD1.5-1XL, C2-2D-CPIO, [Q]R3-1-CPIO, and developed with a mix of commercial, multifamily residential, and retail uses. Properties to the north across 5th Street are zoned RD1.5-1XL, C2-1VL-CPIO, and developed with residential uses and restaurants. Properties to the east across Gaffey Street are zoned C2-1VL-CPIO and developed with a gas station, restaurants, and fast-food establishments. Properties to the south across 6th Street are zoned RD1.5-1XL, C2-1VL-CPIO, and developed with residential, retail, and commercial uses. The Cabrillo Avenue Elementary School is located approximately 375 feet south of the project site.

The sale of alcohol is an expected offering of full-service grocery stores and allows the San Pedro community to enjoy the same level of amenities and beverage options and as expected in other grocery stores. The sale of alcohol is only a portion of the goods and services offered from the specialty grocery market, where groceries, sundries, beverages, and meats, in addition to other goods typically offered at supermarket. Conditions of approval have been imposed to encourage responsible management and deter criminal activity. These conditions will ensure that the operation will not adversely affect or further degrade adjacent properties, the surrounding neighborhood, or the public health, welfare, and safety by ensuring security and safety, provide STAR training, and responsible management. In addition, a 24-hour complaint hotline and email address are required to be posted on the site to allow the community to inform the applicant/operator of any complaints due to the operation of the subject grocery store.

The conditions of the grant will ensure that the location and other characteristics of the use of the subject site will be compatible with and will not adversely affect or degrade adjacent properties, the surrounding neighborhood, or the public health, welfare, and safety.

3. The project substantially conforms with the purpose, intent and provisions of the General Plan, the applicable community plan, and any specific plan.

The General Plan is the City's roadmap for future growth and development. The General Plan Elements establish goals, policies, purposes, and programs that provide for the regulatory environment in managing the City, and for addressing environmental concerns and problems. The majority of the policies derived from these elements are implemented in the form of Municipal Code requirements. The General Plan is comprised of the Framework Element, seven state-mandated elements, and four additional elements. The Framework Element establishes the broad overall policy and direction for the General Plan.

The Land Use Element of the City's General Plan divides the City into 35 Community Plans. The site is located within the San Pedro Community Plan and designates the property for Neighborhood Commercial use designation, within the San Pedro Community Plan Implementation Overlay (CPIO) zone (ZI-2478). The site is located in the Central Commercial B Subarea of the San Pedro CPIO.

The San Pedro Community Plan text is silent with regards to alcohol sales, therefore in such cases the Zoning Administrator must interpret the intent of the Plan. Approval of the applicant's request is consistent with the objectives and policies of the Plan:

Goal LU5: Strong and competitive commercial districts that are aesthetically appealing, pedestrian-oriented, easily accessible and serve the needs of the community while preserving the unique commercial and cultural character of the community.

Policies

LU6.1 Neighborhood services. Encourage the retention of existing and the development of new commercial uses that are primarily oriented to the residents of adjacent neighborhoods and promote the inclusion of community services.

The granted use is also consistent with Chapter 7 of the General Plan Framework Element objectives:

Objective 7.2 Establish a balance of land uses that provides for commercial and industrial development which meets the needs of local residents, sustains economic growth, and assures maximum feasible environmental quality.

Policy 7.3.2 Retain existing neighborhood commercial activities within walking distance of residential areas.

The availability of the sale of a full line of alcoholic beverages for off-site consumption is often an expected component of grocery stores. It will serve the residents, workers and visitors of the community by meeting their grocery needs. Moreover, the proposed use will contribute to furthering the development of San Pedro as a center of population, employment, retail services, and entertainment and provide an amenity to residents, tourists, and employees of the area. Therefore, the proposed use of the subject site conforms to the intent, purpose, and provisions of the General Plan and the San Pedro Community Plan and advances the objectives and intent of the plan by offering a service that will address the needs of the visitors and residents in the community.

4. The proposed use will not adversely affect the welfare of the pertinent community.

The subject property is located in the C2-1VL-CPIO Zone where conditional authorization for the sale of a full line of alcoholic beverages is allowed through the approval of the Zoning Administrator subject to certain findings. The proposed grocery store is permitted by-right and is appropriate given the surrounding context and General Plan land use designation. The proposed grocery store will cater to the customers by providing an additional amenity incidental to the products offered by the grocery store. This use may reduce the need for local residents and visitors to travel to other areas of the City. Additionally, the project will not result in the physical expansion of the existing commercial building.

Negative impacts commonly associated with the sale of alcoholic beverages, such as criminal activity, public drunkenness, and loitering are mitigated by the imposition of conditions requiring responsible management and deterrents against loitering. Employees will undergo training on the sale of alcoholic beverages, including training provided by the Los Angeles Police Department Standardized Training for Alcohol Retailers (STAR) Program or the Department of Alcoholic Beverage Control's Licensee Education on Alcohol and Drugs (LEAD) Program, or the Responsible Beverage Service (RBS) Training Program.

In addition, the Zoning Administrator has imposed numerous conditions to integrate the use into the community as well as protect community members from adverse potential impacts. The applicant is proposing a restaurant that is modest in nature with minimal potential for noise impacts and other nuisance-type activity. All activity occurring on the subject premises will be required to adhere to the imposed conditions. Additional conditions have been included to ensure the operation provides adequate security measures, including a surveillance system, adherence to the City's Noise Ordinance, and responsible management practices. The City's conditions of approval and any conditions by the California Department of Alcoholic Beverage Control are intended to protect the public health, welfare and safety of the community. Therefore, it is expected that the sale and dispensing of a full line of alcoholic beverages for off-site consumption in conjunction with a proposed grocery store will not adversely affect the welfare of the pertinent community.

5. The granting of the application will not result in an undue concentration of premises for the sale or dispensing for consideration of alcoholic beverages, including beer and wine, in the area of the City involved, giving consideration to applicable State laws and to the California Department of Alcoholic Beverage Control's guidelines for undue concentration; and also giving consideration to the number and proximity of these establishments within a one thousand foot radius of the site, the crime rate in the area (especially those crimes involving public drunkenness, the illegal sale or use of narcotics, drugs or alcohol, disturbing the peace and disorderly conduct), and whether revocation or nuisance proceedings have been initiated for any use in the area.

According to the California Department of Alcoholic Beverage Control ("ABC") licensing criteria, there are five (5) on-sale and three (3) off-sale licenses allocated for the subject census tract (Census Tract No. 2966.00). There are currently twenty (20) active licenses within this census tract which includes nine (9) off-site licenses.

According to statistics provided by the Los Angeles Police Department Harbor Division, which has jurisdiction over the subject property within Crime Reporting District No. 557, a total of 395 crimes were reported in 2025, compared to the Citywide Average of 194 crimes and the High Crime Reporting District Average of 232 for the same period. In 2025, there were one (1) curfew/loitering/vagrancy violations, one (1) disorderly conduct, five (5) driving under the influence, fourteen (14) drug/narcotic offenses, fifty-eight (58) all other offenses, one (1) arson, one hundred and eighteen (118) assault offenses, seventeen (17) burglary/breaking and entering, one (1) counterfeiting/forgery, fifty-seven (57) destruction/damage/vandalism of property, six (6) fraud offenses, one (1) homicide offenses, forty-nine (49) larceny/theft offenses, thirty-three (33) motor vehicle theft, ten (10) robbery, six (6) sex offenses, eleven (11) trespass of real property, and six (6) weapon law violations. These numbers do not reflect the total number of arrests in the subject reporting district over the accountable year. Arrests for this calendar year may reflect crimes reported in previous years.

Concentration can be undue when the addition of a license will negatively impact a neighborhood. However, concentration is not undue when the approval of a license provides a public service and benefits the community. In this case, the granting of the application will not result in undue concentration as the project will enable the provision of an additional service and destination to complement the neighborhood. Although the number of existing licenses exceeds the number allocated to the subject census tract, a higher number of alcohol-serving establishments is to be expected in an area which functions as a major commercial center with a variety of jobs, commercial services, and amenities. In active commercial areas where there is a demand for licenses beyond the allocated number, the ABC has recognized that high-activity retail and commercial centers are supported by significant employee population, in addition to the increasing resident population base in the area. The ABC has discretion to approve an application if there is evidence that normal operations will not be contrary to public welfare and will not interfere with the quiet enjoyment of property by residents. The project will provide a valuable amenity and a desirable service that is compatible within the surrounding neighborhoods. Additionally, the incorporation of conditions relative to the specific operation of the establishment will address and minimize any possible adverse impact on the welfare of the surrounding area, including restrictions on noise, safety, and security to ensure the proposed use is conducted with due regard for surrounding properties and to reduce any potential crime issues or nuisance activity.

The above statistics indicate that the crime rate in Reporting District No. 557 is higher than the citywide average of crimes. There has been no evidence submitted for the record establishing any nexus between the subject site and the area's crime rate. The project consists of a long-established, existing retail store that will be governed by a number of conditions of approval that would reduce the possibility of alcohol-related offenses. The project will not adversely affect public welfare because it is a desirable use and convenient amenity in an area designated for such neighborhood- and regional-serving commercial uses. The Los Angeles Police Department submitted a correspondence in non-opposition of the proposed project, dated August 9, 2026.

Nevertheless, to safeguard the welfare of the community and provide for a reasonable operation, conditions have been imposed as a part of this approval. Negative impacts commonly associated with the availability of alcohol such as criminal activity, public drunkenness, and loitering are minimized through compliance with public safety measures to mitigate nuisance and criminal activities, such as participation in a STAR/LEAD/RBS Training Program, age verification, security cameras, and staff monitoring, which have been incorporated into the grant by the Zoning Administrator to assure better oversight in

conjunction with this approval. The ABC also has discretion to approve an application if there is evidence that normal operations will not be contrary to public welfare and will not interfere with the quiet enjoyment of property by residents. These imposed conditions are a necessary and integral part of this action and requires diligent compliance on the part of the applicant for effectiveness. As conditioned, allowing the sale and dispensing of a full line of alcoholic beverages for on-site consumption at the subject location will benefit the public welfare and convenience because a successful restaurant business supports the economic vitality of the area. Therefore, as conditioned, the granting of the application will not result in an undue concentration of premises for the sale or dispensing for consideration of alcoholic beverages in the area of the City involved.

6. **The proposed use will not detrimentally affect nearby residentially zoned communities in the area of the City involved, after giving consideration to the distance of the proposed use from residential buildings, churches, schools, hospitals, public playgrounds and other similar uses, and other establishments dispensing, for sale or other consideration, alcoholic beverages, including beer and wine.**

There following sensitive uses were observed within a 600-foot radius of the subject property.

- Cabrillo Avenue Elementary School, 732 South Cabrillo Avenue
- Mary Star Of The Sea Elementary / Church, 717 South Cabrillo Avenue
- Lighthouse Seventh-Day Adventist Church, 580 West 6th Street
- The Anchor: Calvary Chapel San Pedro, 600 West 8th Street
- Harbor Interfaith, 663 West 10th Street
- Faro De Esperanza, 439 South Grand Avenue
- Child Lane, 769 West 3rd Street
- Residential Uses

The project site is zoned for commercial use and will be utilized as such with the proposed grocery store. The project is consistent with the zoning and in keeping with the existing uses adjacent to the subject site. The surrounding neighborhood is characterized with a mixture of commercial and residential uses. The Zoning Administrator has considered the distance of the subject establishment from the sensitive and residential uses that are within close proximity to the subject grocery store. The conditions of the grant address safety, noise and security to protect the health, safety and welfare of the community. The availability of a full line of alcoholic beverages for off-site consumption within the proposed grocery store will contribute to the development of the community and will serve residents and the local employees as well as visitors. Therefore, as conditioned, the project will not detrimentally affect residentially zoned properties or any other sensitive uses in the area.

FLOOD HAZARD FINDING

7. The National Flood Insurance Program rate maps, which are a part of the Flood Hazard Management Specific Plan adopted by the City Council by Ordinance No.186,952, have been reviewed and it has been determined that this project is not located in a flood zone.

HOW TO FILE AN APPEAL

An appeal application must be submitted and paid for before 4:30 PM (PST) on the final day to appeal the determination. Should the final day fall on a weekend or legal City holiday, the time for filing an appeal shall be extended to 4:30 PM (PST) on the next succeeding working day. Appeals should be filed early to ensure the Development Services Center (DSC) staff has adequate time to review and accept the documents, and to allow appellants time to submit payment. Appeals may be filed either online or in person as referenced below:

Forms are available online at <http://planning.lacity.gov/development-services/forms>.

ONLINE APPEAL FILINGS THROUGH ONLINE APPLICATION SYSTEM (OAS)



QR Code to
Online Appeal Filing

Online Application System (OAS): The OAS (<https://planning.lacity.gov/oas>) allows entitlement appeals to be submitted entirely online. Appeal fees may be paid for by credit card or e-check.

IN PERSON APPEAL FILINGS



QR Code to Forms
for In-Person Appeal
Filing

Drop off at DSC. Appeals of this determination can be submitted in-person at the Metro or Van Nuys DSC locations, as well as the South Los Angeles DSC on Tuesdays and Thursdays only, and payment can be made by credit card or check.

- City Planning has established drop-off areas at the DSCs with physical boxes where appellants can drop off appeal applications;
- Alternatively, appeal applications can be filed with staff at DSC public counters.

CITY PLANNING DEVELOPMENT SERVICES CENTERS – PUBLIC COUNTERS

Office	Address	Phone Number	Email
Metro DSC	201 N. Figueroa St 4th Floor Los Angeles, CA 90012	(213) 482-7077	planning.figcounter@lacity.org
Van Nuys DSC	6262 Van Nuys Blvd Suite 251 Van Nuys, CA 91401	(818) 374-5050	planning.mbc2@lacity.org
South LA DSC <i>Tuesday and Thursday Only</i>	8475 S. Vermont Ave, 1st Floor Los Angeles, CA 90044	(213) 978-1465	planning.southla@lacity.org

City Planning staff may follow up with the appellant via email and/or phone if there are any questions or missing materials in the appeal submission, to ensure that the appeal package is complete and meets the applicable LAMC provisions.

If you seek judicial review of any decision of the City pursuant to California Code of Civil procedure Section 1094.5, the petition for writ of mandate pursuant to that section must be filed no later than the 90th day following the date on which the City's decision became final pursuant to California Code of Civil Procedure Section 1094.6. There may be other time limits which also affect your ability to seek judicial review.

DETERMINATION EFFECTIVE DATE

This determination will become effective after the end of the appeal period date on the first page of this document unless an appeal is filed with the Department of City Planning.

This grant is not a permit or license and any permits and/or licenses required by law must be obtained from the proper public agency. If any Condition of this grant is violated or not complied with, then the applicant or their successor in interest may be prosecuted for violating these Conditions the same as for any violation of the requirements contained in the Los Angeles Municipal Code (LAMC).

SCHEDULING CASE CONDITION CLEARANCE AND BUILDING PERMIT SIGN-OFFS



QR Code to
BuildLA
Appointment
Portal for
Condition
Clearance

In order to clear conditions and/or obtain building permit sign-offs, you must make an [appointment](#) with the Department of City Planning's Development Services Center (DSC). You may schedule a Case Condition Clearance Appointment with the DSC at appointments.lacity.org after the effective date of the determination..

See instructions on how to prepare for your appointment at planning.lacity.gov/project-review/case-filings

Inquiries regarding this matter shall be directed to Iris Wan, Planning Staff for the Department of City Planning at iris.wan@lacity.org or (213) 978-1397.

A handwritten signature in blue ink, appearing to read 'C. Toy Lee', with a stylized flourish at the end.

CHRISTINA TOY LEE
Associate Zoning Administrator

CTL:HB:IW:nm

cc: Councilmember Tim McOsker
Fifteenth Council District
Neighborhood Council
Adjoining Property Owners



ONLY TENANT IMPROVEMENTS PROPOSED.
NO INCREASE IN BUILDING SIZE

