



Honorable Mayor and Members of the Hermosa Beach City Council

**REQUEST FOR A PUBLIC CONVENIENCE OR NECESSITY DETERMINATION FOR
A DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL LICENSE TYPE 40 (ON-
SALE BEER) FOR THE SOUTH BAY GOLF CLUB AT 1601 PACIFIC COAST
HIGHWAY, SUITE 180**

(Community Development Director Alison Becker)

Recommended Action:

Staff recommends City Council:

1. Determine that the issuance of a liquor license at South Bay Golf Club, located at 1601 Pacific Coast Highway, Suite 180, will serve Public Convenience or Necessity and will not tend to create a law enforcement problem;
2. Grant the application for determination of Public Convenience or Necessity for the sale of alcoholic beverages, beer only, for on-sale consumption at South Bay Golf Club, located at 1601 Pacific Coast Highway, Suite 180; and
3. Instruct City staff to transmit this determination to the California Department of Alcoholic Beverage Control as required findings under Business and Professions Code Section 23958.4.

Executive Summary:

The following is a request for a Public Convenience or Necessity (PCN) determination for a California Department of Alcoholic Beverage Control (ABC) license Type 40 for on-sale alcohol, beer only, at an indoor virtual golf facility located at 1601 Pacific Coast Highway, Suite 180. The PCN finding is a requirement of ABC.

Background:

The subject site, 1601 Pacific Coast Highway is located within a multi-tenant building with 128,069 square feet of leasable area collectively known as Hermosa Pavilion, located at the corner of Pacific Coast Highway and 16th Street. The site is designated as Community Commercial (CC) and is located within Specific Plan Area 8 (SPA-8).

The applicant, South Bay Golf Club, began operating on November 5, 2024. At the May 20, 2025, meeting of the Planning Commission, the Planning Commission approved a Conditional Use Permit (CUP) for the on-sale consumption of alcoholic beverages, beer only, subject to conditions of approval (**Attachment 1**).

On October 23, 2025, South Beach Golf Club submitted a letter requesting that the City Council make a determination that the operation of an indoor virtual golf facility with a California Alcoholic Beverage Control (ABC) Type 40 (On-Sale Beer) license, operating Monday-Saturday from 9:00 a.m. to 9:00 p.m., and Sunday from 9:00 a.m. to 3:00 p.m., is of “public convenience or necessity” (**Attachment 2**).

Past Planning Commission Action

Meeting Date	Description
May 20, 2025	The Planning Commission approved a Conditional Use Permit allowing the on-sale consumption of alcoholic beverages, beer only, subject to conditions.

Analysis:

The California Department of Alcoholic Beverage Control (ABC) regulates the licensing of alcohol sales under Section 23958 of the California Business and Professions Code (BPC). ABC has the authority to deny a license if the issuance of that license would either be located in a district where there is a 20 percent greater number of reported crimes than the average number of reported crimes as determined from all crime reporting districts within the jurisdiction of the local law enforcement agency; or (2) the ratio of off-sale/on-sale retail licenses to population in the census tract or census division in which the applicant’s premises is located exceeds the ratio of off-sale/on-sale to population set forth by state law resulting in an “over-concentration.”

Per Section 23958.4(b) of the BPC, licenses may be approved in cases where the aforementioned criteria are exceeded if the local jurisdiction makes a determination of “public convenience or necessity.” A jurisdiction may choose to allow additional alcohol sales in an area where there is an overconcentration by deciding on “Public Convenience or Necessity”. If a PCN is not issued by the City the business can file an appeal. However, ABC generally does not issue a license that is contrary to a City’s determination.

The subject property, 1601 Pacific Coast Highway, is located within Census Tract 6210.01. According to ABC, this tract is currently authorized for a maximum of four (4) on-sale alcoholic licenses based on its population; however, there are currently eight (8) licenses held within the tract (**Attachment 3**). The eight (8) on-sale licenses within Census Tract 6210.01 follow:

ABC License Establishment Within Census Tract 6210.01		
Address	Business Name	ABC License Type
1101 Aviation Boulevard	Spumoni	Type 47
1121 Aviation Boulevard	Sora Sushi	Type 41
1141 Aviation Boulevard	Barsha Inc	Type 41
1200 Pacific Coast Highway	Fusion Sushi	Type 41

ABC License Establishment Within Census Tract 6210.01		
Address	Business Name	ABC License Type
1439 Pacific Coast Highway	Chipotle Mexican Grill	Type 41
2512 Pacific Coast Highway	Mama D's	Type 41
2515 Pacific Coast Highway	Hotel Hermosa	Type 41
703 Pier Avenue	California Sushi and Teriyaki	Type 41

Note: All ABC licenses have been mapped according to the census tract boundaries established by the U.S. Census Bureau. The Department of Alcoholic Beverage Control reports that the ABC license for El Pollo Inca, located at 1100 Pacific Coast Hwy., is situated within Census Tract 6211.02.

If public convenience or necessity is determined, then South Beach Golf Club would hold the ninth ABC on-sale license in this tract. City staff consulted with the Hermosa Beach Police Department prior to the Planning Commission's hearing on the CUP and again following the request for a PCN determination from the applicant. HBPD does not oppose the issuance of the PCN determination provided all conditions of approval of the CUP are adhered to (**Attachment 5**).

Applicants Request

In the applicant's Public Convenience or Necessity request letter (**Attachment 2**), the applicant states the proposed alcohol sales are intended to enhance the social and recreational environment provided to their members and guests, and further the establishment as a valued community amenity. Per the City's General Plan (PLAN Hermosa), the establishment is located within the Pacific Coast Highway Corridor, which serves as a primary entry point into Hermosa Beach and aims to provide a variety of uses serving both local residents and the region. The proposed on-sale service and consumption of alcoholic beverages, specifically beer, would provide an additional amenity and serve both residents and visitors, enhancing the virtual golf experience.

The enhanced virtual golf experience would attract further customers, both locally and regionally, supporting local economic growth. Furthermore, the on-sale of alcoholic beverages is consistent with the goals and policies established in PLAN Hermosa:

General Plan Consistency	
Land Use Element	Findings
<p>Goal 1. Create a sustainable urban form and land use patterns that support a robust economy and high quality of life for residents.</p> <p>Policy 1.5 Balance resident and visitor needs. Ensure land uses and business provide for needs of residents as well as visitors.</p>	<p>The proposal put forth is consistent with policy 1.5 as the project promotes quality coastal uses, with minimal impact on adjacent residential properties. Specifically, the establishment serving alcohol to patrons and their guests in order to provide a premium golf experience to members and guests only would enhance the experience offered by the establishment in order to serve the need of both local and visiting patrons.</p>
<p>Goal 3. A series of unique, destination-oriented districts throughout Hermosa Beach.</p> <p>Policy 3.3 Provide incentives to transform existing single-use commercial properties that are accessible into retail destination by adding a diversity of uses, providing new pedestrian connections to adjacent residential areas, reducing the visual prominence of parking lots, making the center more pedestrian-friendly and enhancing the definition and character of the street frontage and associated streetscapes.</p>	<p>The proposal put forth is consistent with policy 3.3 as the project contributes to a diverse retail landscape by offering residents and visitors the consumption of beer accessory to a brand-new high-tech recreation/retail center.</p>
<p>Goal 4. A variety of corridors throughout the city provide opportunities for shopping, recreation, commerce, employment and circulation.</p> <p>Policy 4.3 Diverse range of uses. Allow a wide variety of uses to locate in Gateway Commercial nodes along corridors, including destination retail centers, lifestyle centers, hotels, and office employment, among other uses.</p>	<p>The establishment with the proposed sale and consumption of alcoholic beverages, beer only, offers a unique service to patrons and their guests of indoor virtual golf. The sale of alcoholic beverages is accessory to the primary use and overall enhances the experience of patrons and their guests.</p>

Fiscal Impact:

There is no fiscal impact associated with the recommended actions.

Attachments:

1. City of Hermosa Beach Planning Commission Resolution 25-07

2. South Bay Golf Club request public convenience or necessity
3. Map of ABC Licenses within Census Tract 6210.01.
4. California Business and Professions Code
5. Hermosa Beach Police Department Letter

Respectfully Submitted by: Johnny Case, Assistant Planner

Concur: Alexis Oropeza, Planning Manager

Concur: Alison Becker, AICP, Community Development Director

Noted for Fiscal Impact: Henry Chao, Finance Manager

Concur: Brandon Walker, Administrative Services Director

Legal Review: Jason Baltimore, Interim City Attorney

Approved: Steve Napolitano, Interim City Manager