

Administrative Report

N.1., File # 25-1091 Meeting Date: 8/5/2025

To: MAYOR AND CITY COUNCIL

From: MARC WIENER, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

DISCUSSION AND POSSIBLE ACTION ON THE GENERAL PLAN - LAND USE ELEMENT UPDATE WITH A SPECIFIC FOCUS ON POLICIES RELATED TO THE REVITALIZATION OF THE ARTESIA AND AVIATION CORRIDOR

EXECUTIVE SUMMARY

In late 2016, the City Council initiated the process of updating the General Plan by hiring a land-use consulting firm and appointing the General Plan Advisory Committee (GPAC) to work with staff and the consultant and help guide the project. The GPAC conducted a total of 28 meetings, with the final one occurring on January 31, 2024.

On October 1, 2024, the City Council was provided with an overview of the proposed updates with subsequent meetings occurring throughout the month. The project was segmented so items related to implementation of the 6th Cycle Housing Element would be adopted first, in order to meet a state deadline, while the remainder of the General Plan updates were deferred to a later date. At the November 5, 2024 City Council meeting, the Council introduced (and later, on November 12, adopted) three ordinances amending Title 10 Chapters 1, 2, and 5 of the Redondo Beach Municipal Code (RBMC) implementing the City's 6th Cycle Housing Element. The City Council also adopted a resolution certifying the associated Final Environmental Impact Report for the comprehensive General Plan update.

The updated Land Use Element, which is still pending adoption, is one of seven state-mandated elements of a General Plan, and serves as the community's blueprint for future physical development and land use. It sets the Floor Area Ratio (FAR) standards for the various zones in the City and includes policy statements and directives intended to guide future development. When the City Council reviewed the updated Land Use Element in October 2024, consideration was given to the following topics:

- Artesia/Aviation FAR allowance and development standards
- Public Institutional Zone FAR allowance
- Historic Preservation Policy
- Standards for nonconforming buildings and uses

Staff is reintroducing the updated Land Use Element for discussion, to provide for City Council direction on the Element's provisions, with an initial focus on the policies related to revitalization of

the Artesia/Aviation corridor. Other policy topics, such as Public Institutional FAR, historic preservation, and nonconforming uses will be the focus of future meetings at later dates. Once a final decision has been made regarding all of the Land Use Element policies, the item will be agendized for City Council consideration of approval. Following this, the Open Space and Conservation, Safety, and Noise Elements will be scheduled for Council consideration. A proposed project schedule is included (see Attachment 1), which includes the requirement for a special election for proposed zoning amendments pursuant to Article 27 of the City Charter.

BACKGROUND

FAR Allowance/Parking Requirements:

The Artesia and Aviation Corridor Area Plan (AACAP), which was derived from work that occurred on the General Plan update, includes a set of strategies and development standards intended to help incentivize the revitalization of the Artesia and Aviation corridor. It was informed by a 2017 Citywide market study and a 2019 development feasibility study, which concluded that the shallow lot depths, restrictive development standards including, story and height limits, floor area ratio, and parking requirements, coupled with high land values, significantly limited near-term redevelopment of the Artesia and Aviation corridor. It was recommended that the City relax some of the development standards (FAR, parking, building height, etc.) as a way of promoting redevelopment.

In response to this recommendation, the City amended the RBMC to increase the FAR allowance from 0.5 to 0.6. along Artesia and Aviation, relaxed the parking standard of 1 space per 250 sq. ft. of commercial use, and one space per 50 sq. ft. (or 4 seats) for restaurant uses; to 1 space per 300 sq. ft. for the AACAP preferred uses of restaurants and office. As a means of promoting revitalization and redevelopment of the Artesia and Aviation corridors, the updated Land Use Element proposes to further increase the allowable FAR from 0.6 to 1.5, effectively allowing up to 2.5 times more building space.

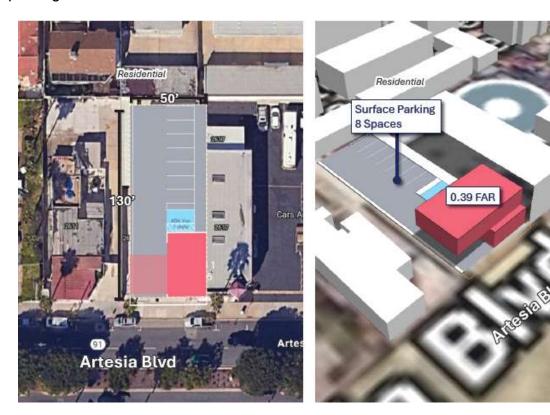
On May 22, 2025, the Community Development Department mailed a survey (see Attachment 2) to property owners along Artesia and Aviation and the results support the conclusion that the current development standards are an impediment to redevelopment. The survey received 24 responses and revealed that while 58% of property owners have generally considered redeveloping their properties, 71% would consider it if the development standards were modified. The following is a ranking of the most significant development barriers identified in the survey: 1) Parking - 26%, 2) Use Restrictions - 20%, 3) Permitting/Approval Timelines - 19%, 4) Building Code/Design Standards - 19%, 5) Floor Area Ratio - 16%. High construction costs ranked as the highest non-regulatory barrier at 39%, while market uncertainty or low demand earned 17% of the votes.

Most of the parcels along Artesia and Aviation are under 10,000 square feet and are occupied by single-story buildings with relatively low development intensity. While increasing the FAR to 1.5 aligns with the City's long-term vision for economic revitalization and redevelopment of Artesia and Aviation, it creates practical barriers due to the off-street parking requirements. For example, a 10,000 sq. ft. commercial lot currently allows 6,000 sq. ft. of building space (0.6 FAR); raising the FAR to 1.5 would allow 15,000 sq. ft. Under the current parking ratio (1 space per 300 sq. ft. of commercial use), this triggers a requirement for 50 parking spaces. A typical surface parking space (including drive aisles) requires 300-350 sq. ft., meaning the site would need up to 17,500 sq. ft. of space just for parking, which is nearly double the lot size. Subterranean parking structures would be necessary to develop in the range of 1-1.5 FAR, however, these are expensive to build, and likely

cost prohibitive. Additionally, buildings are currently limited to a two-story, 30-foot, height limit, which would need to be increased to a minimum of three stories with a height allowance of 35-40 feet to accommodate a 1.5 FAR. There is also a requirement that 10% of the FAR be devoted to useable public open space. The City should consider eliminating this requirement, as it is challenging to provide this on small lots while allowing a higher FAR.

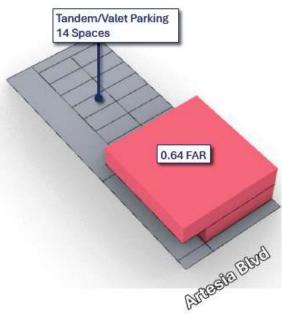
As part of the City's investigation of FAR options, a detailed site planning exercise was conducted (see Attachment 3) on three representative properties along Artesia Boulevard. The three types of properties included standard single lots that are 50' wide by 130' deep (6,500 sq. ft.), double-wide lots that are 13,000 sq. ft., and corner sites which are largely triple-wide lots that are approximately 19,500 sq. ft. in size. Different FAR scenarios were analyzed for the various types of properties. Below is a summary of some of the sample sites that were analyzed.

<u>Site 1A</u> - The image below represents the potential development of a 6,500 sq. ft. lot with a 0.39 FAR. The result would be a two-story, 2,500 sq. ft. building, with a requirement for 8-10 surface parking spaces. As represented in the drawings, over three-fourths of the land would be dedicated to surface parking under this scenario.



<u>Site 1B</u> - The image below represents the potential development of the same 6,500 sq. ft. lot with a 0.64 FAR. The result would be a two-story, 4,200 sq. ft. building, with a requirement for 17 parking spaces. In this scenario the 17 spaces could only be functional through valet parking, which would allow a more compressed parking area.





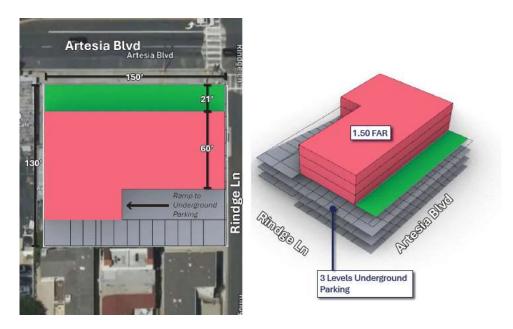
The same lot at a 0.84 FAR would allow for a three-story, 5,500 sq. ft. building, and would require 22 parking spaces. This could only be achieved through a triple stack parking lift, as demonstrated in the rendering below.





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<u>Site 3D</u> - The image below represents the potential development of a "typical" corner lot along Artesia Blvd that is 19,500 sq. ft. lot at a 1.5 FAR. The result would be a three-story, 29,200 sq. ft. building, with a requirement for 98-117 parking spaces. In this scenario the parking would have to be provided through a 3-level subterranean parking garage.



These examples demonstrate that it would be challenging to build up to the currently allowed 0.6 FAR under the City's current parking requirements; while building to 1.5 FAR would be nearly impossible. If the City Council decides to increase the FAR allowance, it should do so with associated reductions in parking requirements and some adjustments to story and height limits as well.

It is worth noting that several cities throughout California, including Los Angeles, San Diego, San Francisco, Sacramento, San Jose, Berkely and others have eliminated parking requirements citywide, or along specific corridors. These cities rely on the market to determine the amount of parking a project provides, which is typically supported by city-led parking management programs and strategies.

Staff has provided a list of parking management strategies (see Attachment 4) that the City may consider implementing along the AACAP. One option is that the City works to develop public parking lots or structures that serve multiple properties along the AACAP. The benefit of this approach is that it reduces the need for every individual property to provide on-site parking. New business or development projects opting not to provide all the required on-site parking could pay a parking-in-lieu fee to contribute towards any future parking facilities.

Other Policy Considerations:

<u>Maximum Buildout Cap</u>: A zoning amendment that establishes a cap on the total amount of additional floor area available in a zone or planning area, distributed on a first-come, first-served basis, can promote property redevelopment by creating urgency, competition, and clear incentives for investment. When developers know there is a limited pool of additional FAR available, they are more likely to act quickly to submit redevelopment proposals before the cap is reached. This avoids

prolonged speculation and encourages faster mobilization of underutilized or obsolete properties. It would also help retain some of the existing scale and charter of the Artesia and Aviation Corridor by limiting the number of properties that can build to the maximum 1.5 FAR. If the City Council supports this approach, staff could return with specific recommendations on the cap limits and distribution methodology.

Allowing Mixed-Use: Currently, the C-2 and C-2-PD Zones, which are the primary zoning designations along Artesia and Aviation, do not permit residential uses. The City Council should consider allowing vertical mixed-use projects along the corridor, with residential units located above commercial. The intent of increasing the FAR is to incentivize property redevelopment by allowing a larger building envelope, which would result in additional stories. However, based on current market demand, it is most likely that residential units would be the preferred use on the upper stories and could help incentivize redevelopment projects. The benefits of a well-designed mixed-use project, with properly sized commercial space, include increased foot traffic and larger customer base for the local businesses, a more walkable environment, and a sense of community. The City's design standards should ensure that the project places sufficient emphasis on the ground-floor commercial component, including design standards such as requirements for minimum size, ceiling heights, delivery ingress/egress space, a certain amount of transparent glass, public-facing entrances, façade articulation, etc.

In addition to the aforementioned reasons for considering allowing mixed-use, it is worth noting that recent changes in State Housing laws (Assembly Bill 2011, Senate Bill 6 and Assembly Bill 2243) allow housing development projects along "commercial corridors" in zones where office, retail, or parking is a principally permitted use. Artesia and Aviation qualifies as a commercial corridor and in most instances would be subject to these State laws. Because the subject State laws only apply in zones where housing is not permitted, the City may retain more control over a project by permitting housing as an allowed use on the upper stories.

Property Maintenance Ordinance: A property maintenance ordinance requiring property owners to keep buildings and lots in safe, clean, and structurally sound condition can be a powerful tool for promoting economic development and revitalization. Well-maintained properties signal stability and community pride, which can attract investment. Businesses are more likely to locate in areas that look clean and cared for, and potential homebuyers or developers gain confidence in the area's long-term value. A maintenance ordinance compels owners of deteriorating buildings to bring them up to standard. This can motivate reinvestment through repairs, facade improvements, or even full redevelopment, which would enhance the value of individual properties and surrounding blocks. The City Council may wish to consider directing staff to prepare a Property Maintenance Ordinance (a sample Ordinance from the City of Laguna Beach has been provided, see Attachment 6), which would serve as an additional tool for promoting revitalization and economic development. The Ordinance could initially be applied to the Artesia and Aviation Corridor, as a pilot program, and eventually applied City-wide if the effort proves to be successful.

Conclusion

While the goal of encouraging redevelopment through a higher FAR is sound, doing so without updating parking requirements and other development standards may have little effect on actual site development. Staff recommends a coordinated approach between the development standards that support the City's goals for revitalization and redevelopment of Artesia and Aviation. Staff is seeking guidance from the City Council on the following policy questions:

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• Would the City Council like to increase the FAR so that is higher than 0.6? If so, does it support up to 1.5 FAR?

- Does the City Council support the concept of placing a cap on the total floor area allowed along Artesia and Aviation?
- Does the City Council recommend updating other development standards, such parking requirement reductions, increasing the number of stories from two to three, raising the allowable height from 30' to 45', and eliminating the open space requirement?
- If parking requirements are reduced, should this be in association with the development of a parking management plan?
- Does the City Council support mixed-use development with residential above commercial along Artesia and Aviation?
- Would the City Council like to further explore the preparation of a property maintenance ordinance?

Environmental Status

On November 5, 2024, the City Council adopted a resolution certifying the associated Final Environmental Impact Report for the comprehensive General Plan update (State Clearinghouse Number 202305073). The Final Environmental Impact Report accounts for a potential maximum of 1.5 FAR along the entire Artesia and Aviation Corridor and allows the City to set a cap at or below that amount in the Land Use Element.

COORDINATION

This administrative report was prepared in coordination with the City Manager's Office.

FISCAL IMPACT

On March 18, 2025, the City Council approved a seventh amendment to the Agreement with Placeworks Planning and Environmental consulting bringing the total cost of the General Plan update to \$2,459,846. It is not anticipated that any additional amendments or funding will be needed to complete the update.

APPROVED BY:

Mike Witzansky, City Manager

ATTACHMENTS

- Attachment 1 General Plan Update Schedule
- Attachment 2 Artesia and Aviation Survey Results
- Attachment 3 Building Massing/Parking Study
- Attachment 4 Parking Management Strategies
- Attachment 5 Artesia and Aviation Corridor Area Plan
- Attachment 6 City of Laguna Beach Property Maintenance Ordinance