Administrative Report

J.2., **File #** PC22-4182 **Meeting Date:** 5/19/2022

To: **PLANNING COMMISSION**

From: ANTONIO GARDEA, SENIOR PLANNER

TITLE

A PUBLIC HEARING FOR CONSIDERATION OF AN ENVIRONMENTAL ASSESSMENT (ENVIRONMENTAL IMPACT REPORT - STATEMENT OF OVERRIDING CONSIDERATIONS AND MITIGATION MONITORING AND REPORTING PROGRAM), VARIANCE, COASTAL DEVELOPMENT PERMIT, CONDITIONAL USE PERMIT (DENSITY BONUS), PLANNING COMMISSION DESIGN REVIEW, AND VESTING TENTATIVE MAP NO. 82561 TO PERMIT CONSTRUCTION OF A PROPOSED 30-UNIT RESIDENTIAL PROJECT WITH ADAPTIVE REUSE OF EXISTING NON-RESIDENTIAL BUILDINGS FOR COMMERCIAL PURPOSES ON PROPERTY LOCATED WITHIN A LOW-DENSITY, MULTIPLE-FAMILY RESIDENTIAL (R-3A) ZONE, IN THE COASTAL ZONE, AT **100-132 N. CATALINA AVENUE**. (CASE NOS. IES-EIR-2021-01; CUP-2022-01; VAR-2022-02; CDP-2022-03; PCDR-2022-01; VTPM 82561)

RECOMMENDATION:

1. Open the continued public hearing, administer oath, take testimony from staff, the applicant and other interested parties, and deliberate;
2. Close the public hearing; and
3. Consider the applications and proposed plans, and make a determination on the project;

a. Should the Planning Commission support the project, adopt the attached resolution by title only, waiving further reading:

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF REDONDO BEACH, CALIFORNIA, CERTIFYING A FINAL ENVIRONMENTAL IMPACT REPORT, AND ADOPTING ENVIRONMENTAL FINDINGS, STATEMENT OF OVERRIDING CONSIDERATIONS, AND A MITIGATION MONITORING AND REPORTING PROGRAM, AND GRANTING A COASTAL DEVELOPMENT PERMIT, CONDITIONAL USE PERMIT (DENSITY BONUS), VARIANCE, PLANNING COMMISSION DESIGN REVIEW, AND VESTING TENTATIVE MAP NO. 82561 FOR THE CONSTRUCTION OF A 30-UNIT RESIDENTIAL PROJECT AND ADAPTIVE REUSE OF EXISTING BUILDINGS FOR NON-RESIDENTIAL USES ON A SITE WITHIN A LOW-DENSITY, MULTIPLE-FAMILY RESIDENTIAL (R-3A) ZONE, IN THE COASTAL ZONE, LOCATED AT 100-132 N. CATALINA AVENUE

b. Because this project is utilizing the Density Bonus Law, should the Planning Commission not support the project, based upon substantial evidence, findings would need to be made that demonstrate how the requested waiver and concessions:
    i. Do not result in cost reductions;
    ii. Have a specific, significant, quantifiable, direct, and unavoidable adverse impact, upon public health and safety or the physical environment; or
    iii. The waiver and concessions are contrary to state or federal law.

Inconsistency with the zoning ordinance or general plan land use designation does not constitute a specific, adverse impact upon the public health or safety. (California Government Code 65915).

EXECUTIVE SUMMARY

Preservation Commission

On April 18, 2022, the Preservation Commission approved a series of entitlements by majority vote. The Historic District was designated, consisting of four of the five original buildings. A Certificate of Appropriateness was approved to remove the building located at 116 N. Catalina Avenue. Certificates of Appropriateness were also approved for alterations (partial demolition and additions) to the contributing buildings within the Historic District. A Certificate of Appropriateness for the residential development behind the Historic District and attached to the Masonic Hall was also approved, but as a condition of approval, the exterior materials and finishes would come back to the Preservation Commission for review. Lastly, the Preservation Commission recommended approval of the Historic Variance for reduced commercial parking.

Planning Commission

At the April 21, 2022 Planning Commission meeting, the public hearing was opened, testimony was received, and consideration of the project was continued to the next regularly scheduled meeting. The developer was asked to modify the residential project reducing the number of bedrooms per unit, specifically omitting the units greater than five bedrooms, and generally reducing the overall scale or size of the buildings. The Planning Commission also asked that a greater number of parking spaces be provided on site. Other concerns were expressed about the project including, but not limited to, glare, noise, privacy intrusion, obstruction of ocean views, and compatibility.

Project Revisions

The applicant has provided revised architectural plans and renderings (both attached). The unit count remains at 30 but all of the units are now five bedrooms or less. The total bedroom count is reduced from 132 to 122. A portion of the residential structure behind the proposed outdoor dining area (within the Historic District) has been removed. This building change reduces the overall project size by 5,000 square feet. Three more commercial parking spaces and four more residential spaces are provided on site. The seating in the outdoor courtyard has been reduced to 50, thereby reducing the required parking for the outdoor dining from twelve (12) to six (6) spaces.

ANALYSIS

The Planning Commission raised several issues in the deliberation of the project including, but not limited to, demonstrating how the proposed buildings are in harmony and compatible with the historic buildings in the district, potential ocean view obstruction, privacy intrusion from the roof decks and balconies, light/glare from the outdoor dining area, the size and number of bedrooms, the potential tenancy and ongoing management of the units, and mitigating the parking concerns. The Commission also emphasized the importance of construction monitoring by an historic architect.

Parking

The Planning Commission discussed potential adverse parking impacts to surrounding properties. The historic variance for parking is likely to result in spill over parking demand that reduces the available on-street public parking. However, the adaptive reuse of the non-residential buildings is a concession that is allowed by right. In other words, retail uses (which include a snack shop/coffee shop) would be allowed to continue to operate. Any intensification of use requires design review by the Planning Commission and would need to comply with the required number of parking spaces.

The project presented to the Planning Commission on April 21, 2022 required 37 commercial parking spaces. Since the April meeting, the applicant has reduced the number of seats within the outdoor dining from 82 to 50 and provided three (3) additional commercial parking spaces for a total of eight (8) commercial spaces. The reduction in outdoor dining seats results in six (6) fewer parking spaces required. The following chart illustrates the revised parking calculations:

Use		Ratio	April 21st	May 19th
Tasting Room	919 (Seating / Dining Area)	1/50 SF	18	18
Coffee Shop	1,784	1/250 SF	7	7
Outdoor Dining	82 seats – 12 = 70	1/6 seats	12	-
Outdoor Dining	50 seats – 12 = 38	1/6 seats	-	6
			37	31

Because of the project layout, the nonconforming uses would still have a parking deficit as only eight (8) parking spaces are provided on site. However, nonconforming uses are allowed to remain without requiring a parking variance so long as the use is not intensified. If the commercial uses remained the same (coffee shop and retail), then only one space would be required for every 250 square feet of gross floor area. With 3,063 square feet of total floor area, only 12 parking spaces would be required. The project includes eight (8) commercial parking spaces, which would result in a deficit of four (4) parking spaces. Furthermore, the Municipal Code allows for up to 12 outdoor seats without any additional required parking. Because this project intensifies the commercial uses and creates an outdoor dining area with 50 seats, 31 commercial parking spaces are required. As compared to the existing coffee shop/retail uses requiring 12 spaces, the project requires 19 more parking spaces for a total of 31 parking spaces. Since the proposed uses are more intense and require additional parking spaces, a historic parking variance is necessary.

The revised project also includes an additional four (4) residential parking spaces, increasing from 67 spaces to 71 spaces. With the eight (8) commercial parking spaces, the project now includes a total of 79 parking spaces.

The applicant has been working with a traffic consultant to analyze the shared parking demand of the uses which may further justify the variance request, but that analysis is not yet ready for review. In order to grant the request for a Historic Variance, the Planning Commission is required to make findings that the Historic Variance is necessary for the adaptive reuse of the buildings and that it would not adversely impact neighboring properties. It is worth noting that CEQA case law determines that parking shortages are a social inconvenience and not an environmental impact.

Outdoor Living Space

The Commission requested more information regarding the outdoor living space requirements. The project complies with the minimum required 350 square feet of outdoor living space per unit (10,500 SF) by providing a public interior recreation room (roof lounge), a public roof deck, and a common work area, in addition to individual patios, private balconies, and roof decks. The project summary sheet includes a Unit Summary table indicating the private open space provided per unit. However, the bonuses were incorrectly applied. The following table shows the correct amount of outdoor living space:

Unit	Patio	Balcony*	Deck*	Subtotal	Number	Outdoor Living Space
A	99	204	55	358	6	2,149
B	99	204	55	358	7	2,507
A	-	204	55	259	1	259
B	-	204	55	259	2	518
D	-	364		364	4	1,456
E	99	204	55	358	2	716
H	-	153	-	153	1	153
I	-	-	-	-	1	-
J	-	-	-	-	1	-
K	-	161	-	161	1	161
L	-	123	-	123	2	246
M	-	344	-	344	1	344
N	-	167	-	167	1	167
					30	8,677
Roof Lounge						535
Common Roof Deck						203
Subtotal						9,414
Common Work Area						1,214
TOTAL						10,628

*Adjusted figure based on bonuses and allowed percentage.

CONCLUSION

Staff recommends that the Planning Commission make the findings as set forth in the staff report and resolution to certify the Final EIR and adopt a Statement of Overriding Considerations. Staff recommends that the Planning Commission consider the project as a whole and make findings pertaining to the required land use entitlements consisting of the Coastal Development Permit, Density Bonus, Conditional Use Permit(s), (Historic) Variance, Planning Commission Design Review, and Vesting Tentative Parcel Map No. 82561. A Notice of Final Action will be transmitted to the

Coastal Commission.

The State Density Bonus Law requires the City to grant a developer a density bonus and incentives or concessions for the production of lower income units. In this instance, the applicant is requesting a 36% density bonus, 8 additional dwelling units, by setting aside 18% (4 dwelling units of the 22 units allowed under the base density) as affordable to very low-income households. In order to facilitate the construction of the units, the developer is requesting three concessions (reduction/modification of development standards/zoning code requirements): mixed use zoning; lot consolidation limits; and two-story limit; and a waiver of the height limit in conjunction with the two-story limit concession. The City must grant the requests unless written findings, based upon substantial evidence, can be made that either: 1) the concession does not result in identifiable and actual cost reductions; 2) The concession would have a specific, adverse impact, upon public health and safety or the physical environment; or 3) The concession would be contrary to state or federal law. (California Government Code 65915)

COORDINATION

Environmental and traffic consultants on contract with the City have prepared the required CEQA documents. The CEQA documents have been reviewed by the Engineering Division, the Planning Division, and also by a contract attorney through the City Attorney's office. Draft Resolutions have been prepared by Staff and will be finalized with the City Attorney's office once determinations by the Planning Commission are made.

ATTACHMENTS

Beach City Capital Memo
Kaplan Chen Kaplan Memo
CDP Application - Updated Version
CUP Application - Updated Version
Revised Drawings - Site Layout
Revised Drawings - Sections and Elevations
Revised Renderings
Draft Resolution
Exhibit A - Statement of Overriding Considerations
April 21, 2022 Planning Commission Agenda Materials:
<https://redondo.legistar.com/LegislationDetail.aspx?ID=5555318&GUID=C9F8482A-F67F-48B8-=
April 18, 2022 Preservation Commission Agenda Materials:
<https://redondo.legistar.com/LegislationDetail.aspx?ID=5553584&GUID=F2B6FA84-505A-497E-=
April 18, 2022 Preservation Commission Draft Minutes