Minutes Planning Commission – Regular Meeting April 21, 2022

CITY OF REDONDO BEACH PLANNING COMMISSION MINUTES April 21, 2022

A. CALL TO ORDER

A Virtual meeting of the Planning Commission was held pursuant to California Assembly Bill 361 and City Council action and was called to order by Chair Gaddis at 6:30 p.m.

B. ROLL CALL

Commissioners Present: Hazeltine, Hinsley, Godek, Behrendt, Boswell, Lamb, Chair Gaddis

Commissioners Absent: None

Officials Present: Mike Witzansky, City Manager Brandy Forbes, Community Development Director Antonio Gardea, Senior Planner Stacey Kinsella, Associate Planner Lina Portolese, Planning Analyst

C. SALUTE TO THE FLAG

Those assembled were led in a salute to the flag.

D. APPROVE ORDER OF AGENDA

Moved and seconded, to approve the order of the agenda, as modified to hear Item No. L.1., prior to the Consent Calendar. Motion carried unanimously.

E. BLUE FOLDER ITEMS – ADDITIONAL BACK UP MATERIALS

E.1. RECEIVE AND FILE BLUE FOLDER ITEMS

Moved and seconded to receive and file blue folder items. Motion carried unanimously.

L.1. DISCUSSION AND POSSIBLE ACTION ON RECOMMENDATIONS TO THE CITY MANAGER FOR THE UPCOMING FISCAL YEAR 2022-2023 BUDGET

City Manager Mike Witzansky presented a brief report and requested input from the Planning Commission regarding the upcoming Fiscal Year 2022-2023 Budget.

Discussion followed regarding the City's ability to improve parkways on Pacific Coast Highway, prioritizing planting and maintaining trees, budget allocations for outdoor living spaces, emails and business cards for Commissioners and feedback received during the recent budget community meeting.

Community Development Director Forbes reported the Planning Commission previously recommended hiring a consultant to review development of the City's cannabis ordinance.

Commissioner Boswell agreed with the need to maintain trees, have a more-holistic view of tree selections, to look for opportunities to install solar panels and to install permeable ground cover and spoke about working with Metro regarding extension of the Green Line.

F. CONSENT CALENDAR

F.1. <u>APPROVE AFFIDAVIT OF POSTING FOR THE PLANNING COMMISSION REGULAR</u> <u>MEETING OF APRIL 21, 2022</u>

F.3. <u>RECEIVE AND FILE PLANNING COMMISSION REFERRALS TO STAFF UPDATE OF</u> <u>APRIL 21, 2022</u>

Commissioner Hinsley requested an update regarding Item No. F.3. and Director Forbes reported she will provide additional information regarding the matter noting City Council sent the item for the Planning Commission to review and work with staff.

Commissioner Hinsley pulled Item No. F.2. for separate discussion.

There were no public comments on this item.

Motion by Commissioner Hinsley, seconded by Commissioner Lamb, to approve Consent Calendar Items No. F.1. and F.3., as presented. Motion carried unanimously, by the following roll call vote:

AYES:Hazeltine, Hinsley, Godek, Behrendt, Boswell, Lamb, Chair GaddisNOES:NoneABSENT:NoneABSTAIN:None

G. EXCLUDED CONSENT CALENDAR ITEMS

G.1. (F.2.) APPROVE MINUTES OF THE PLANNING COMMISSION ADJOURNED REGULAR MEETING OF MARCH 3, 2022 AND REGULAR MEETING OF MARCH 17, 2022

Commissioner Hinsley indicated he did not have an opportunity to review the meeting minutes from March 2022 and asked for a continuance.

Motion by Commissioner Hinsley, seconded by Commissioner Godek, to approve continue Consent Item No. F.2. to the next Planning Commission meeting. Motion carried unanimously, by the following roll call vote:

AYES:Hazeltine, Hinsley, Godek, Behrendt, Boswell, Lamb, Chair GaddisNOES:NoneABSENT:NoneABSTAIN:None

H. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

H.1. RECEIVE AND FILE PUBLIC WRITTEN COMMENTS ON NON-AGENDA ITEMS

Planning Analyst Lina Portolese read an eComment from Mark Nelson into the record.

Motion by Commissioner Hinsley, seconded by Commissioner Lamb, to receive and file public written comments on non-agenda items. Motion carried unanimously, by the following roll call vote:

AYES:Hazeltine, Hinsley, Godek, Behrendt, Boswell, Lamb, Chair GaddisNOES:NoneABSENT:NoneABSTAIN:None

There were no other public comments.

I. EX PARTE COMMUNICATION

Commissioner Boswell reported speaking with business owners in the area relative to Item No. J.1.

Commissioner Behrendt spoke with Chair Gaddis, with the applicants, with Councilmember Todd Lowenstein and Chris Munoz, President of the HOA on North Broadway, with Regina Fletcher, Member of the HOA and with City staff.

Commissioner Godek reported speaking with members of the community.

Commissioner Hazeltine reported speaking with Commissioners Lamb and Boswell, residents, the public and business owners.

Commissioner Hinsley reported watching the EIR Scoping meeting, received a draft EIR from staff and discussed the topic with City staff and members of the public.

Commissioner Lamb spoke with members of the public, with Councilmembers Nehrenheim and Lowenstein, Senior Planner Gardea and Commissioner Hazeltine.

Chair Gaddis reported speaking with Commissioner Behrendt, City staff and Councilmember Lowenstein and Mayor Brand.

J. PUBLIC HEARINGS

- J. 1. <u>A PUBLIC HEARING FOR CONSIDERATION OF AN ENVIRONMENTAL</u> <u>ASSESSMENT – (ENVIRONMENTAL IMPACT REPORT - STATEMENT OF</u> <u>OVERRIDING CONSIDERATIONS AND MITIGATION MONITORING AND</u> <u>REPORTING PROGRAM), VARIANCE , COASTAL DEVELOPMENT PERMIT,</u> <u>CONDITIONAL USE PERMIT (DENSITY BONUS), PLANNING COMMISSION DESIGN</u> <u>REVIEW, AND VESTING TENTATIVE MAP NO. 82561 TO PERMIT CONSTRUCTION</u> <u>OF A PROPOSED 30-UNIT RESIDENTIAL PROJECT WITH ADAPTIVE REUSE OF</u> <u>EXISTING NON-RESIDENTIAL BUILDINGS FOR COMMERCIAL PURPOSES ON</u> <u>PROPERTY LOCATED WITHIN A LOW-DENSITY, MULTIPLE-FAMILY RESIDENTIAL</u> <u>(R-3A) ZONE, IN THE COASTAL ZONE, AT 100-132 N. CATALINA AVENUE. (CASE</u> <u>NOS. IES-EIR- 2021-01; CUP-2022-01; VAR-2022-02; CDP-2022-03; PCDR-2022-01;</u> <u>VTPM 82561) RECOMMENDATION:</u>
 - 1. <u>Open the public hearing, administer oath, take testimony from staff, the applicant</u> <u>and other interested parties, and deliberate;</u>
 - 2. Close the public hearing; and
 - 3. <u>Consider the applications and proposed plans, and make a determination on the project;</u>
 - a. <u>Should the Planning Commission support the project, adopt the attached resolution</u> by title only, waiving further reading:

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF RECONDO BEACH, CALIFORNIA CERTIFYING A FINAL ENVIRONMENTAL IMPACT REPORT, AND ADOPTIN ENVIRONMENTAL FINDINGS, STATEMENT OF OVERRIDING CONSIDERATIONS, AND A MITIGATION AND MONITORING AND REPORTING PROGRAM, AND GRANTING A COASTAL DEVELOPMENT PERMIT, CONDITIONAL USE PERMIT (DENSITY BONUS), VARIANCE, PLANNING COMMISSION DESIGN REVIEW, 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 STE WITHIN A LOW-DENSITY, MULTIPLE-FAMILY REIDENTIAL (R-3A) ZONE, IN THETAL ZONE, LOCATED AT 100-132 N. CATALINA AVENUE

- b. <u>Because this project is utilizing the Density Bonus Law, should the Planning</u> <u>Commission not support the project, based upon substantial evidence, findings</u> <u>would need to be made that the requested waiver and concessions:</u>
 - i. Do not result in cost reductions;

- ii. <u>Have specific, significant, quantifiable, direct, and unavoidable adverse impact</u> <u>upon public health and safety or the physical environment; or</u>
- iii. Are contrary to state and 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).

CONTACT: ANTONIO GARDEA, SENIOR PLANNER

Motion by Commissioner Godek, seconded by Commissioner Hazeltine, to open the Public Hearing. Motion carried unanimously, by the following roll call vote:

AYES:Hazeltine, Hinsley, Godek, Behrendt, Boswell, Lamb, Chair GaddisNOES:NoneABSENT:NoneABSTAIN:None

Chair Gaddis administered the audience oath to those wishing to speak on this item.

Senior Planner Antonio Gardea referenced Blue Folder Items and narrated a PowerPoint presentation with details of the proposed project.

Chair Gaddis invited the applicant to address the Commission.

Jason Muller, Beach City Capital, applicant, provided a brief history of the property; discussed zoning and preservation of some of the existing buildings; described the proposed development and approval process and introduced members of his team.

Pam O'Connor, Kaplan Chen Kaplan, historic preservation consultant, talked about the adaptive reuse and rehabilitation project of historic buildings and provided a history of the site and buildings.

Kate Hirsch, Beach City Capital, applicant, presented the site layout, drawings and architectural highlights of the proposed project; reported it was their priority to save commercial components and discussed placement of the courtyard and the new residential components.

Michael Shonafelt, Attorney for applicant, spoke about the developer's efforts to help deliver on the City's RHNA numbers to the State; addressed restoration of existing buildings; noted this is a housing project being presented in the middle of the State's declaration of a housing emergency; commented on density bonuses and offered to answer questions from the Commission.

Mr. Muller talked about the purpose of the project; discussed the benefits of the project; highlighted the proposed landscaping; addressed community outreach and thanked the Commission for its consideration.

Chair Gaddis invited public comments. MINUTES – PLANNING COMMISSION Thursday, April 21, 2022 Page 5 Miriam Burgos spoke in support of the proposed project and felt the design honors that part of Redondo Beach.

Amy Hudson reported her HOA met with Mr. Muller about the project and expressed concerns regarding the height of the project, roof top decks and noise and felt the proposed density is not needed in the neighborhood.

Holly Osborne understood some of the homes will have up to seven bedrooms and six bathrooms; expressed concerns the units will be used as party houses and short-term rentals; wondered about parking requirements; asked to ensure the property will not be sold to foreign investors and suggested banning short-term rentals in the Coastal Zone.

Planning Analyst read eComments into the record from Mark Nelson, Brock Rogerson, Kathy Bebe, Susan Kowalski, Karen Kaminskas, Emmett Jones, Regina Fisher, Kelsey I, Ryan Halvorsen, and Sam Harmon.

There were no other public comments.

Brief discussion followed regarding the definition of "air space" subdivisions, whether the residents on Broadway currently have ocean views, the historic designation process, the lack of view protection ordinances in Coastal cities, combination of and division of parcels, the possibility of selling the different parcels, buildings on the commercial parcels, eligibility of the Masonic Lodge for the National Register and benefits of local designation.

Commissioner Hazeltine disagreed that the site qualifies as historical; pointed out modern elements of the buildings and discussed challenges with parking in the area.

In response to Commissioner Hinsley's question about shared living and the number of proposed bedrooms for the units, Mr. Muller reported this will be a for-rent, market rate housing project; noted they will implement tech-based leasing; addressed protecting the front facades of the buildings; stated this will be a multi-family project and explained how they reduced the parking requirements and preserved the neighborhood-serving commercial uses. He added that four units will be allocated as affordable housing.

Senior Planner Gardea stressed the Commission must be careful with trying to craft conditions that will influence the households based on the layouts of the units and commented on the conservative approach to vehicles miles traveled and the overall impacts of the project. He added that each individual apartment, regardless of the number of bedrooms, is considered one dwelling unit.

Nico Boyd, Fehr and Peers, explained the process for analyzing the project; noted the size per unit is atypical and discussed the traffic analysis.

In response to Chair Gaddis's questions, Mr. Muller discussed the calculations used to determine parking and the optimal number of units; reported the plan includes soil remediation and addressed the tasting room and indoor/outdoor courtyard. He added that the Historical

Commission reviewed and approved the project, including the variance for parking to honor and preserve the commercial building and felt there will be no overflow of parking into surrounding neighborhoods.

Commissioner Hazeltine believed a seven-bedroom unit is not a family home and questioned whether the proposed business model works.

Mr. Muller explained tech-based leasing; reported multiple bedroom units are in demand and spoke about combining units in order to reduce the parking requirements.

In response to Commissioner Lamb's question regarding inadequate parking, Senior Planner Gardea addressed parking requirements and proposed parking and reiterated calculations relative to State standards for parking.

Mr. Boyd reported a parking analysis was not conducted as it is not CEQA related but to determine vehicle miles traveled, they assumed vehicle occupancy of 2.5 persons per vehicle.

Commissioner Hinsley asked about density bonuses and Senior Planner Gardea reported it is determined on a scale, depending on income levels; explained incentives and concessions and addressed outdoor living space requirements.

Commissioner Godek noted the concept of six- and seven-bedroom units is not common; spoke about families wanting homes and not apartments; commented on architectural historians versus historic architects; suggested the requirement for a Sector of the Interior standards review memo to be provided to the City be provided along different points in the design process and spoke in favor of construction monitoring.

Mr. Muller stated he is not opposed to reducing the number of bedrooms; discussed amenities and sustainability and stated he is flexible and willing to incorporate suggestions from the Commission.

Commissioner Boswell wondered about impacts of the project; spoke about challenges with enforcement; questioned the use of five-, six- and seven-bedroom units and asked about the projected rental rates per unit.

Commissioner Behrendt mentioned the certificate of appropriateness and in response to his question, Senior Planner Gardea reported the certificate of appropriateness is under the purview of the Preservation Commission and confirmed at its recent meeting, the Preservation Commission required that the project return to them for review of fine-grained details.

Gregg Kettles, Special Counsel, discussed mitigation of cultural resource impacts; reported the certificate of appropriateness and the EIR point to a plan to follow the Sector of the Interior guidelines and addressed consideration by the Planning Commission and its authority.

Commissioner Behrendt confirmed the development must be compatible and in harmony with the historic district; spoke about the Preservation Commission's desire for additional information; felt the Planning Commission should also wait for additional information before approving the

project; referenced the Municipal Code, citing that the historic variance may not adversely impact property within the neighborhood and expressed concerns regarding the ability to make that finding.

Senior Planner Gardea discussed the criteria for granting a historic variance and noted it is up to the Planning Commission to decide if the finding can be made.

Commissioner Behrendt indicated he would like to learn more about the impacts to the neighborhood before deciding to grant the historic variance and stated he will need additional time to review and consider whether the findings are supported, especially relative to parking.

Senior Planner Gardea confirmed the City has a prohibition on short-term rentals.

Discussion followed regarding average vehicle trips per day and the need to confirm the unit summary information (Page 331).

Commissioner Hazeltine wondered if the decision of the Historic Preservation Commission can be appeal and Special Counsel Kettles reported the Planning Commission does not have appellate jurisdiction over the Historic Preservation Commission.

Community Development Director Forbes noted the item was not listed on the agenda and therefore, cannot be discussed and could not say if the Planning Commission has the ability to appeal a decision from another entity, as a body.

Discussion followed regarding historic districts.

Senior Planner Gardea reported any interest party may appeal the Historic Preservation Commission's decision to the City Council.

Commissioner Boswell questioned whether the key objective of the project is to preserve the historical buildings; spoke about how the Catalina Coffee House will be shortened; wondered about the viability of the businesses once their footprint is reduced; noted that none of the renderings look "historical" and stated he is conflicted about the project.

Commissioner Godek reported since the buildings have been declared historic, the body appealing the decision would need a preponderance of evidence in order to overturn the determination and commented on continuing the item to obtain additional information.

In reply to Commissioner Hinsley's question, Community Development Director Forbes reported the historical variance is a discretionary approval of the Planning Commission by the City's regulations. Senior Planner Gardea explained there is a limit on the number of incentives and concessions as the parking variance falls outside the density bonus requests.

Special Counsel Kettles reported the waivers are tide to the residential project with the affordable units that trigger the density bonus and the waiver that has been requested is on the height limitation on the residential development and noted the commercial part is separate. Mr. Shonafelt reported this is one mixed-use project; felt the applicant appears to be punished by a desire to make a historical district out of the commercial buildings; noted this could be subject to a waiver; commented on the likelihood of the Commission continuing the matter and asked for input so that they may return with a project that is feasible and that the Planning Commission can approve.

Discussion followed regarding the possibility of providing subterranean parking.

Commissioner Boswell agreed that it would be beneficial to continue the item and mentioned the possibility of hazardous material issues.

Mr. Muller addressed results of soil analyses and reported they have hired a remediation specialist.

Chair Gaddis asked the Commission to provide suggestions to make the project "more palatable".

Commissioner Lamb suggested that the applicant listen to residents relative to parking and general intrusion into their quality of life; commented on the possibility of having a bar on the site and asked for information regarding the gathering place and breakfast pantry.

Mr. Muller reported the coffee shop and breakfast pantry will be combined into one building; discussed the tasting room; talked about his investment; spoke about the use of outdoor living space and addressed the number of trees to be planted.

Mr. Shonafelt reported there has been a lot of compromise between the developer and staff regarding this project.

Commissioner Godek commented on rent restrictions; recommended transitioning to marketbased housing on attrition; asked whether a market study was done to support the first objective as listed in the EIR; suggested the developer rethink the six- and seven-bedroom units and commented favorably on a density bonus project near public transit.

Commissioner Hinsley commented on vehicle miles travelled as an unavoidable impact and considered significant and pointed out alternatives in the EIR.

Mr. Boyd explained Alternative 3 noting it is driven by the mix of affordable housing and reported affordable housing generates trips at a lesser rate than market rate housing.

Discussion followed regarding development of project objectives, considering undue hardships, making projects feasible, the statement of overriding consideration and the need for more information regarding the historical district, outdoor living space calculations, using shared space.

Chair Gaddis felt there will be significant overflow of parking in the neighborhood and stated he would like to see parking being mitigated.

Commissioner Behrendt stated he would like to see how the historic variance will not impact properties within the neighborhood in terms of parking and how the project is compatible and in harmony with the historic buildings.

In reply to Commissioner Behrendt's question, Mr. Muller reported they will issue an RFP for a property management company.

Planning Analyst Portolese read eComments from Brock Rogerson and Mark Nelson.

Motion by Commissioner Boswell, seconded by Commissioner Lamb, to continue the hearing to the next regular Planning Commission meeting on May 19, 2022. Motion carried unanimously, by the following roll call vote:

AYES:Hazeltine, Hinsley, Godek, Behrendt, Boswell, Lamb, Chair GaddisNOES:NoneABSENT:NoneABSTAIN:None

Motion by Commissioner Hinsley, seconded by Chair Gaddis, to receive and file staff presentation materials. Hearing no objections, Chair Gaddis so ordered.

K. ITEMS CONTINUED FROM PREVIOUS AGENDAS - None

L. ITEMS FOR DISCUSSION PRIOR TO ACTION

L.1. DISCUSSION AND POSSIBLE ACTION ON RECOMMENDATIONS TO THE CITY MANAGER FOR THE UPCOMING FISCAL YEAR 2022-2023 BUDGET

This item was heard at the beginning of the meeting.

M. ITEMS FROM STAFF

Community Development Director Forbes reported the Planning Commission will meet in person, in City Council Chambers next month and noted Zoom will be available to the public but not to the Commissioners.

N. COMMISSION ITEMS AND REFERRALS TO STAFF

Commissioner Hinsley requested information regarding the status of the Galleria project and Community Development Director Forbes reported she will follow up on the matter.

Chair Gaddis suggested considering parking requirements in the near future.

O. ADJOURNMENT

Motion by Commissioner Godek, seconded by Commissioner Lamb, to adjourn the meeting. Hearing no objections, Chair Gaddis so ordered.

At 11:30 p.m., Chair Gaddis adjourned the meeting to May 19, 2022.

All written comments submitted via eComment are included in the record and available for public review on the City website.

Respectfully submitted,

Brandy Forbes Community Development Director