



Administrative Report

J.1., File # PC22-4808

Meeting Date: 9/15/2022

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;
3. Consider the applications and proposed plans; and
4. 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; or

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).

BACKGROUND

On April 18, 2022, the Preservation Commission granted a series of entitlements and made an affirmative recommendation regarding the parking variance. On April 21, 2022, the Planning Commission considered the mixed-use, density bonus project and requested a number of project revisions.

On May 19, 2022, the Planning Commission resumed the public hearing of the project. The developer presented the modified site layout that demonstrated that no units would exceed five bedrooms, increased on-site parking by seven spaces, reduced the outdoor dining area to 50 seats, and reduced the overall project scale by approximately 5,000 square feet. Information was provided regarding the project context and the location of roof decks. The Planning Commission requested further information regarding projected parking demand for the non-residential aspects of the project, as well as further analysis of the vehicle miles traveled, including a determination regarding a project scope to not exceed the impact threshold. The Planning Commission also requested the hazardous materials remediation plan, an updated table detailing the outdoor living space requirements, and a matrix of the land use entitlements. After consideration, the Planning Commission continued the item to a date uncertain in order for the additional analyses and information to be provided.

The applicant has provided a revised summary table detailing the penalties and bonuses for the outdoor living space. The applicant provided the dimensioned floor plans, public art concepts, and materials boards that show the exterior details, including, but not limited to, the various exterior siding materials, stone cladding, doors, windows, light fixtures, railings, decorative columns, roofing and paint colors. These documents are provided in the agenda packet.

The applicant was asked to not include the proposed workspace located in the adaptively reused lodge building as part of the outdoor living space calculation. In the revised summary sheet, the two spaces are noted as a recreation room, conference room, and lunchroom. While the area is not directly adjacent to a public space, nor furnished with recreational equipment, the area is accessible to all of the tenants and meets the minimum dimension requirements. The proposed recreation room is not specifically prohibited from qualifying as outdoor living space.

The applicant provided a parking demand study for the immediate neighborhood. A memorandum was also prepared by Fehr & Peers updating the vehicle miles traveled information, as well as reverse engineering the project to determine a scope that would not exceed the significance thresholds.

Land Use Entitlement Matrix

PRESERVATION COMMISSION	PLANNING COMMISSION
Historic District Designation 112 N. Catalina Avenue 124 N. Catalina Avenue 126 N. Catalina Avenue 132 N. Catalina Avenue	Certification of the Environmental Impact Report CEQA Findings Mitigation Monitoring and Reporting Program - Statement of Overriding Considerations
Certificate of Appropriateness - Demolition 116 N. Catalina Avenue	Density Bonus (Conditional Use Permit) Concessions - Lot Consolidation - Mixed Use Zoning
Certificate of Appropriateness – Alterations 112 N. Catalina Avenue 124 N. Catalina Avenue 126 N. Catalina Avenue 132 N. Catalina Avenue	124 N. Catalina Avenue 126 N. Catalina Avenue 132 N. Catalina Avenue - Stories
Certificate of Appropriateness - New Construction <i>Historic District</i>	Waiver - 30' Height Limit
Historic Variance - Recommendation 124 N. Catalina Avenue (Coffee Shop) - <u>126</u> N. Catalina Avenue Outdoor Dining Area (Tasting Room) - <u>132</u> N. Catalina Avenue	Historic Variance - Non-Residential Parking 124 N. Catalina Avenue (Coffee Shop) - <u>126</u> N. Catalina Avenue Outdoor Dining Area (Tasting Room) - <u>132</u> N. Catalina Avenue

Tentative Parcel Map - Non-Residential Subdivision

124 N. Catalina Avenue
126 N. Catalina Avenue
132 N. Catalina Avenue

Tentative Parcel Map - Airspace Subdivision

112 N. Catalina Avenue
124 N. Catalina Avenue
126 N. Catalina Avenue
132 N. Catalina Avenue

Residential Buildings 1-4

Conditional Use Permit – Airspace Subdivision**Conditional Use Permit – Bar / Cocktail Lounge**

132 N. Catalina Avenue

Conditional Use Permit - Outdoor Dining Area

124 N. Catalina Avenue
126 N. Catalina Avenue

Design Review - Multi-Family Residential**Coastal Development Permit**

The table above outlines the required land use entitlements. As part of the density bonus concessions, mixed-use zoning is requested because of the restrictions on properties that are legal non-conforming uses. The developer intends to adaptively reuse the existing structures with more intensive non-commercial uses, including a tasting room and outdoor seating for the coffee shop. The

developer demonstrated that these more intensive uses, including the outdoor dining area that supports the coffee shop and tasting room, would both serve as an amenity for the residential use, but will also help offset some of the management and operational costs of the residential component of the project. Untangling the various components is complicated. Because of this, findings for denial would need to be based on a demonstrating a public health and safety impact.

The Preservation Commission's recommendation regarding the Historic Variance overlaps with the Planning Commission's decision for the parking variance. Similarly, the Preservation Commission's approval of the Certificate of Appropriateness for the construction within the designated historic district is peripherally related to Planning Commission Design Review, albeit the findings are different between the two entitlements.

ANALYSIS

Land Use Entitlements

As part of the mixed-use zoning concession, the coffee shop would be a use that is allowed by right and is not considered an intensification of use. However, the outdoor dining area is greater than 150 square feet in size and requires approval of a Conditional Use Permit and also requires a parking variance for six (6) spaces. The tasting room, classified in the zoning code as a bar/cocktail lounge, also requires both a Conditional Use Permit and parking Variance for 18 spaces. Although the coffee shop is considered a pedestrian-oriented use, it requires a minimum of seven (7) parking spaces. Combined, the parking requirement is 31 spaces. Since eight (8) parking spaces are provided on site, the Historic Variance is for a deficit of 23 spaces.

Historic Variance

The Preservation Commission recommended approval of the parking variance, as it enables the adaptive reuse of the properties under the Historic Variance provisions. Granting the Historic Variances provides greater flexibility for the more parking-intensive uses, while allowing the outdoor dining area that facilitates the long-term viability of the proposed tasting room and coffee shop.

The proposed uses will result in spill-over parking into the surrounding neighborhood, specifically the unmetered streets to the north, south, and east. Should the Planning Commission determine that the outdoor dining area and tasting room will cause an adverse parking impact to surrounding properties, either entitlement can be omitted and a resolution with findings for denial can be adopted.

On-Street Parking Demand Analysis - Peak Demand

The parking demand analysis completed by Linscott, Law & Greenspan was deemed acceptable by the Public Works Department's Engineering Division. The demand study shows that the parking utilization peak is anticipated during on Thursday (and Friday) evenings and Sunday afternoons. The study observes that on Thursday evenings approximately 80 percent of the parking spaces are occupied, with approximately 30 parking spaces available in the vicinity. On Sunday, peak demand of 74 percent occupancy (largely on Broadway) occurs in the morning at 10:00 a.m. This leaves approximately 39 on-street spaces available. The parking counts on Tuesday and Saturday demonstrate that parking demand during the morning hours does not exceed 53 percent of the on-street parking supply. Evening parking demand peaks at approximately 58 percent of the available

supply. Thursday evenings indicate a demand of approximately 80 percent of the on-street parking (30 spaces available). During these times, ample on-street parking is available to offset the requested variance of 23 parking spaces.

On-Street Parking Demand Analysis - Street Sweeping Days

The parking demand analysis indicates that during street sweeping days, when approximately half of the on-street parking spaces are available, the parking demand peaks at approximately 80 percent of the available spaces (61 occupied of 76 available). Should the parking demand be equal on Fridays, parking utilization would be 85 percent of available spaces (61 occupied of 72 available). A total of 15 on-street parking spaces are available at the morning peak hour, 9:00 a.m., on Thursday: one (1) parking space would be available on Diamond; seven (7) on Broadway; and seven (7) metered spaces on Catalina Avenue. On street sweeping days, this results in a parking deficit of eight (8) to twelve (12) spaces beyond the available on-street parking. The on-street parking phenomenon reverses on Thursday evening in anticipation of street sweeping on Friday. Because the parking spaces are occupied over-night, the inconvenience would be to coffee shop patrons, not the neighboring residents.

CEQA Considerations

VMT Analysis

In response to the Planning Commission's requests, Fehr & Peers prepared an updated VMT analysis. The memo addresses the following two questions: 1) Are the impacts of the revised project below a level of significance? and 2) What project options would fall below the VMT screening threshold?

While the revised project reduced the total VMT, the impact magnitude is proportionally equivalent because the ratio of VMT to population remains the same.

Regarding the second question, three options were explored that would not trip the VMT trip threshold. Each of the options has drawbacks. The first option would omit all of the non-residential uses and result in no net external daily trips after application of existing use credits. However, this would involve either adaptive reuse of the single-story buildings to residential uses or removal altogether of the existing buildings. Reuse of the existing structures poses certain challenges. The second option substantially reduces the square footage of the commercial buildings and may render them physically obsolete. The last option reduces the size of the coffee shop and removes the tasting room building. All three options are deemed to result in significant unavoidable impacts with the substantial removal of the potentially historic structures. As noted above, the applicant incorporates the adaptive reuse of the existing buildings with non-commercial uses as an amenity to the density bonus project.

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

Draft Resolution Catalina Village
Memorandum Catalina Village Parking Study (LL&G)
Memorandum Catalina VMT Analysis (F&P)
Dimensioned Floor Plans
Roof Deck Section
Materials Boards
Public Art Concepts - Catalina Canvas
Revised Project Summary (Sheet 03.00)
Soil Treatment Workplan Peer Review (Rincon Consultants)
LA County Fire Workplan Approval
Exhibit A - Statement of Overriding Considerations

Links to Previous Agenda Materials:

[Final EIR <https://www.redondo.org/civicax/filebank/blobdload.aspx?BlobID=40580>](https://www.redondo.org/civicax/filebank/blobdload.aspx?BlobID=40580)

May 19, 2022 Planning Commission Agenda Materials:

[City of Redondo Beach - File #: PC22-4182 \(legistar.com\)](https://redondo.legistar.com/LegislationDetail.aspx?ID=5652731&GUID=80B03640-4ADA-4D6F-AD43-EACF4845F11C&Options=&Search=>)

[<https://redondo.legistar.com/LegislationDetail.aspx?ID=5652731&GUID=80B03640-4ADA-4D6F-AD43-EACF4845F11C&Options=&Search=>](https://redondo.legistar.com/LegislationDetail.aspx?ID=5652731&GUID=80B03640-4ADA-4D6F-AD43-EACF4845F11C&Options=&Search=>)

April 21, 2022 Planning Commission Agenda Materials:

[City of Redondo Beach - File #: PC22-4010 \(legistar.com\)](https://redondo.legistar.com/LegislationDetail.aspx?ID=5555318&GUID=C9F8482A-F67F-48B8-89B3-BE1CAE1079A4&Options=&Search)

[<https://redondo.legistar.com/LegislationDetail.aspx?ID=5555318&GUID=C9F8482A-F67F-48B8-89B3-BE1CAE1079A4&Options=&Search>](https://redondo.legistar.com/LegislationDetail.aspx?ID=5555318&GUID=C9F8482A-F67F-48B8-89B3-BE1CAE1079A4&Options=&Search)

April 18, 2022 Preservation Commission Agenda Materials:

[City of Redondo Beach - File #: PREZ22-4003 \(legistar.com\)](https://redondo.legistar.com/LegislationDetail.aspx?ID=5553584&GUID=F2B6FA84-505A-497E-A6B8-6F73BAE265AB&Options=&Search)

[<https://redondo.legistar.com/LegislationDetail.aspx?ID=5553584&GUID=F2B6FA84-505A-497E-A6B8-6F73BAE265AB&Options=&Search>](https://redondo.legistar.com/LegislationDetail.aspx?ID=5553584&GUID=F2B6FA84-505A-497E-A6B8-6F73BAE265AB&Options=&Search)

April 18, 2022 Preservation Commission Draft Minutes

Original Drawings Catalina Village

Legal Ad Proof

Written Public Comments