

CALIFORNIA COASTAL COMMISSION

South Coast Area Office
200 Oceangate, Suite 1000
Long Beach, CA 90802-4302
(562) 590-5071

**Th 8a****ADDENDUM**

TO: Commissioners and Interested Persons

Click here to go
to the original staff report.

FROM: South Coast District Staff

SUBJECT: Application No. A-5-LGB-11-134 (Mihaylo), Item No. Th8a, Scheduled for hearing on Thursday October 6, 2011 in Huntington Beach.

REVISIONS TO STAFF REPORT

Revise the staff report as follows. Deletions are marked in ~~strike-out text~~. Additions are marked in **bold, underlined text**.

On page 2 of the staff report, modify the last paragraph as follows:

The appellant asserts that because the City processed the proposed project as a new development, as opposed to as an addition to an existing structure, that the development is inconsistent with Coastal Act Section 30212(b)(1-3). The specific inconsistency is not explained by the appellant. **Section 30212 subsections (b)(1-3) do not apply to this project because (1) the project is not the replacement of a structure destroyed in a disaster (Section 30212(b)(1).); (2) the demolition of the existing single-family residence and reconstruction of the proposed home will increase the floor area by more than 10 percent as compared to the existing home (Section 30212(b)(2).); and (3) it is a demolition and rebuild project, thus section 30212(b)(3) does not apply. Therefore, the City was correct by processing this application as a new development since none of the exceptions in section 30212(b) applied to counter such a consideration. Generally,** Coastal Act Section 30212 refers to the requirement for public access to be provided in new development. ~~Section 30212, subsection (b)(3) specifically excludes improvements that do not change the intensity of use of the site.~~ The site is presently developed with a single family residence (though, partly demolished). The new development is a new single family residence with the same parking requirements for a single family residential use. No change to the intensity of use of the site ~~has~~ **will** occurred **as a result of the proposed new development.** **The proposed project is located within an existing locked gate community located between the sea and the first public road paralleling the sea. Public access through this community does not currently exist. The proposed replacement of a single family residence on an existing residential lot will not affect the existing public access conditions. It is the locked gate nature of the community that is the primary impediment to public access.** Thus, there is no inconsistency with Section 30212 of the Coastal Act.

On page 3 of the staff report, modify the first paragraph of Section 2, Landform Alteration as follows:

The appellant asserts the proposed project will result in significant landform alteration and grading that will impact the geologic safety of an adjacent residence. The appellant also suggests the home design isn't compatible with those in the area. The appellant doesn't cite inconsistency with any specific LCP policy, however, relevant policies include Land Use Element Policy 12-D, and Open Space Conservation Element Policies 4g, 7a, and 7k. The proposed development is located on an oceanfront lot, on top of a sandy slope which descends to a sandy beach. The grading cited by the appellant is in conjunction with construction of a basement, which are common in newer homes in Laguna Beach. **Grading for the basement would occur below the lower floor of the existing**

ADDENDUM
A-5-LGB-11-134 (Mihaylo),
Page 2

residence; however the grading would not result in development located lower on the face of the natural landform. The amount of grading associated with this basement is also typical. The proposed project would result in the landward movement of the seaward face of the residence. Additionally, whereas the existing development has a flat façade, the proposed project includes articulation, which reduces the mass and bulk of the development. Therefore, the development would result in improved visual characteristics at the subject site.

On page 4 of the staff report, modify Section 4, Hillside Development Guidelines as follows:

4. Hillside Development Guidelines

The appellant asserts the proposed development isn't consistent with the City's provisions regarding hillside development. **The Design Guidelines for Hillside Development contain criteria used during the Design Review process to alleviate visual impacts associated with new development. The proposed project incorporates articulation and would break up the mass of the development and is therefore consistent with the Guidelines for Hillside Development.** The hillside development guidelines are intended to restrict development located on the steep hillsides of Laguna Beach, rather than the subject oceanfront property. Of the **Open Space and Conservation Element policies related to hillside development** Hillside Guidelines cited by the appellant, the project is consistent with alteration to natural landform policies, as discussed in Topic 2, above, and is consistent with Water Quality requirements as the site includes area drains to collect runoff, a pervious driveway, native landscaping to reduce irrigation requirements, and erosion control measures to prevent sediment from reaching beach sand.

LETTER OF SUPPORT RECEIVED

Attached is a letter received in the South Coast District office on September 29, 2011 from the applicant's authorized agent. The letter states that the applicant agrees with the Staff Recommendation to find no substantial issue.

FRED GAINES
SHERMAN L. STACEY
LISA A. WEINBERG
REBECCA A. THOMPSON
NANCI S. STACEY
KIMBERLY RIBLE
ALICIA B. BARTLEY

LAW OFFICES OF
GAINES & STACEY LLP
1111 BAYSIDE DRIVE, SUITE 280
CORONA DEL MAR, CALIFORNIA 92625

TELEPHONE
(949)640-8999
FAX
(949)640-8330

September 28, 2011

Th8a

RECEIVED
South Coast Region

SEP 29 2011

CALIFORNIA
COASTAL COMMISSION

Commissioners
California Coastal Commission
45 Fremont Street, #2000
San Francisco, CA 94105

Re: Appeal No. A-5-LGB-11-134 (Mihaylo)
18 Lagunita Drive, Laguna Beach

Dear Commissioners:

On October 6, 2011, I will appear before you on behalf of Steven Mihaylo, the Applicant in connection with Appeal No. A-5-LGB-11-134. The Staff Recommendation is that the Commission find **no substantial issue** to the appeal. We agree with that recommendation.

The Applicant proposes to demolish a partially demolished home on the property and construct a new home which is lower, farther from the shoreline, and respects the stringline between the neighboring houses. The appeal is filed by the neighbor to the north, 17 Lagunita Drive, Laguna Beach ("Appellant"). The issues in the appeal are confusing.

First, the neighbor claims that public access should be provided. The Staff agrees that there is no basis under Coastal Act §30212 to require public access. Second, the Appellant complains about landform alteration. But the proposed landform alteration is a basement which the Staff notes is typical for the property in a similar location. The visual result of the new house will move the structure farther from the shoreline, provide articulation to minimize the appearance of mass, and lower the height from the existing structure. There is no evidence that construction will affect the Appellant's home. Third, the Appellant complains about lot coverage. The 55.4% lot coverage is typical for these oceanfront smaller lots. It is no different than numerous other homes that have been approved including the Appellant's home. Fourth, the Appellant complains that the Hillside Development Guidelines in the LCP are not met. The Hillside Development Guidelines were designed for the Laguna Beach hillside areas, not the oceanfront.

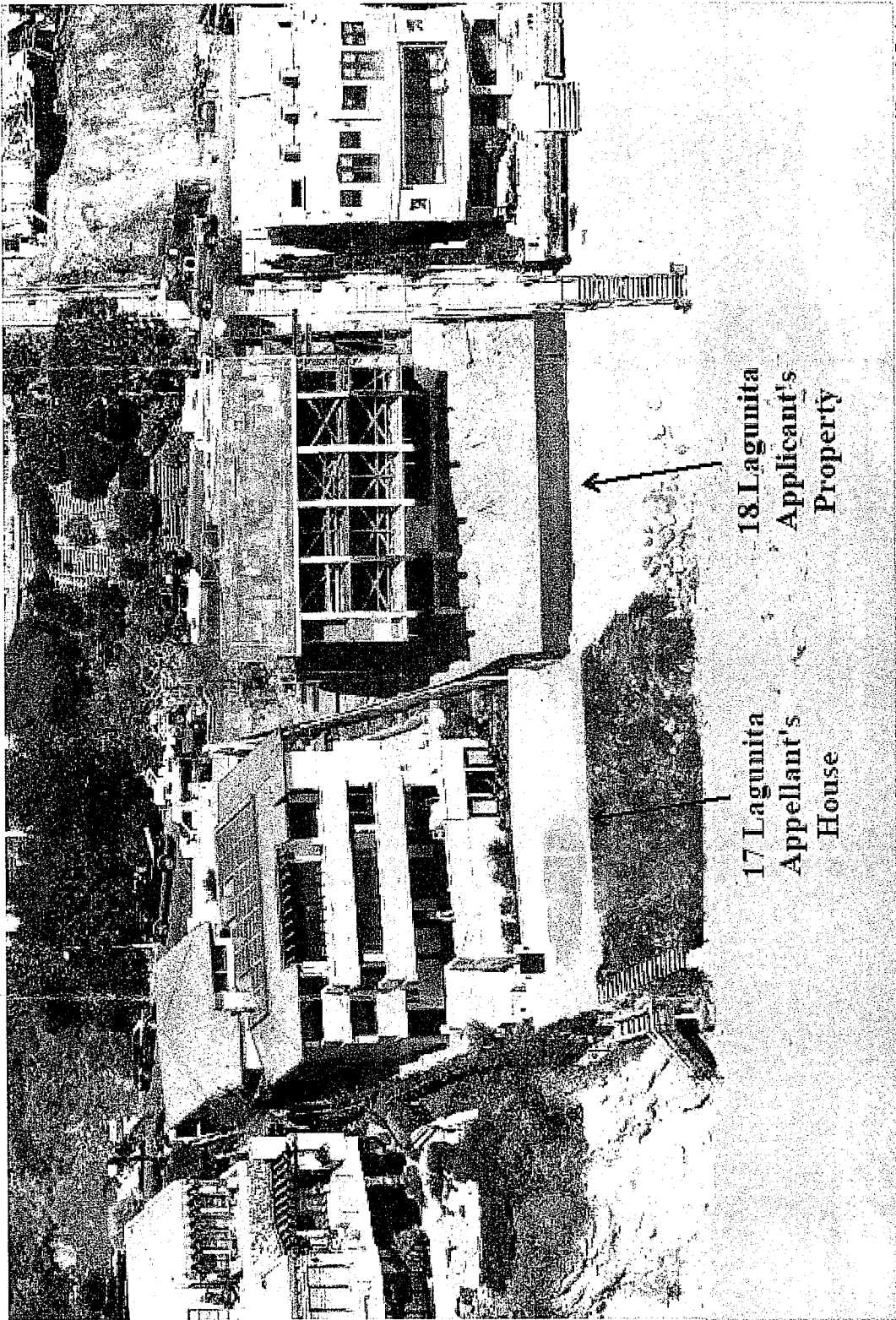
There is no merit to the appeal and the Commission should adopt the Staff Recommendation and find **no substantial issue**.

Sincerely,


SHERMAN L. STACEY

cc: Steven Mihaylo
John Del Arroz, Long Beach CCC Office

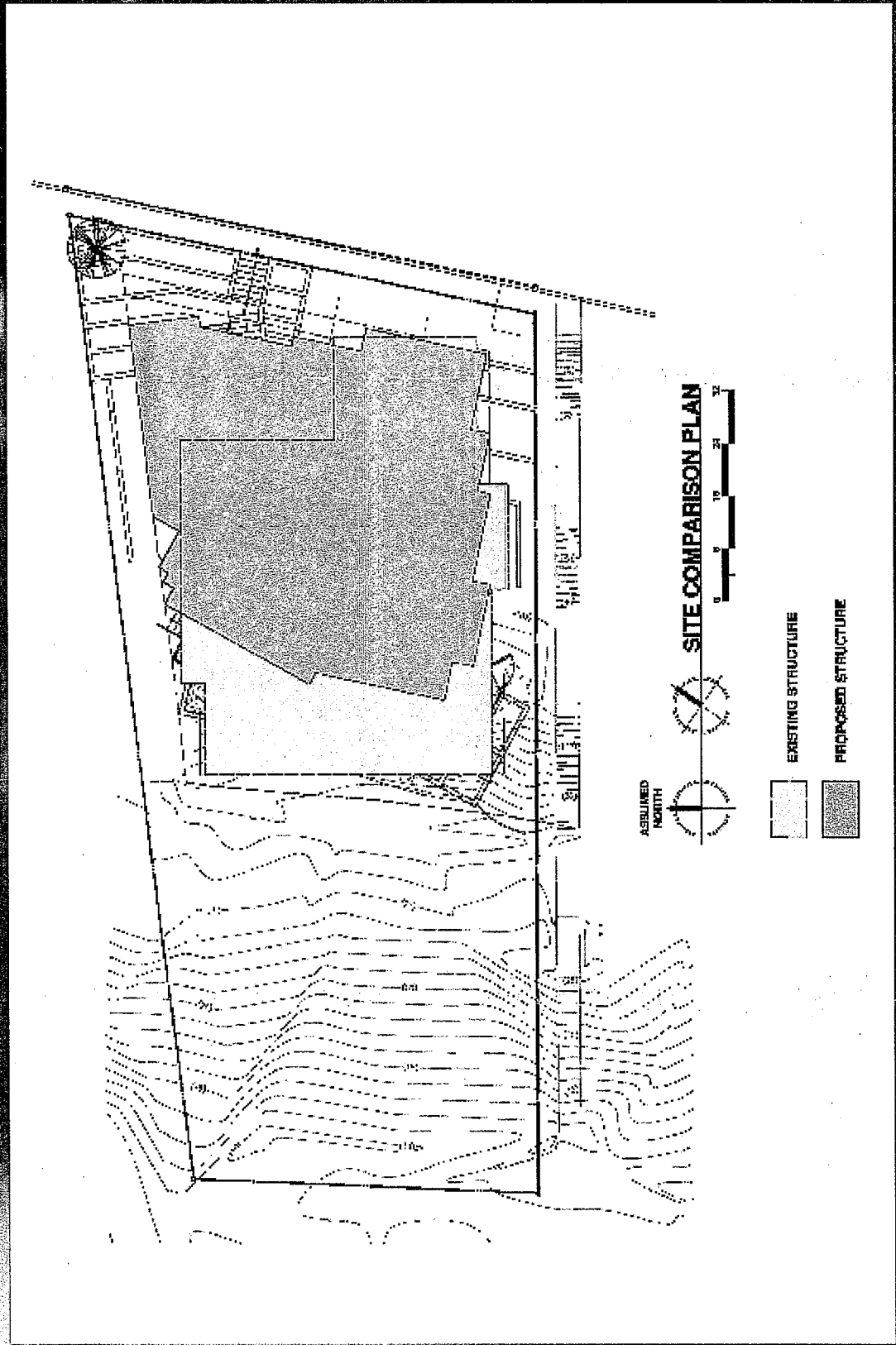
AERIAL



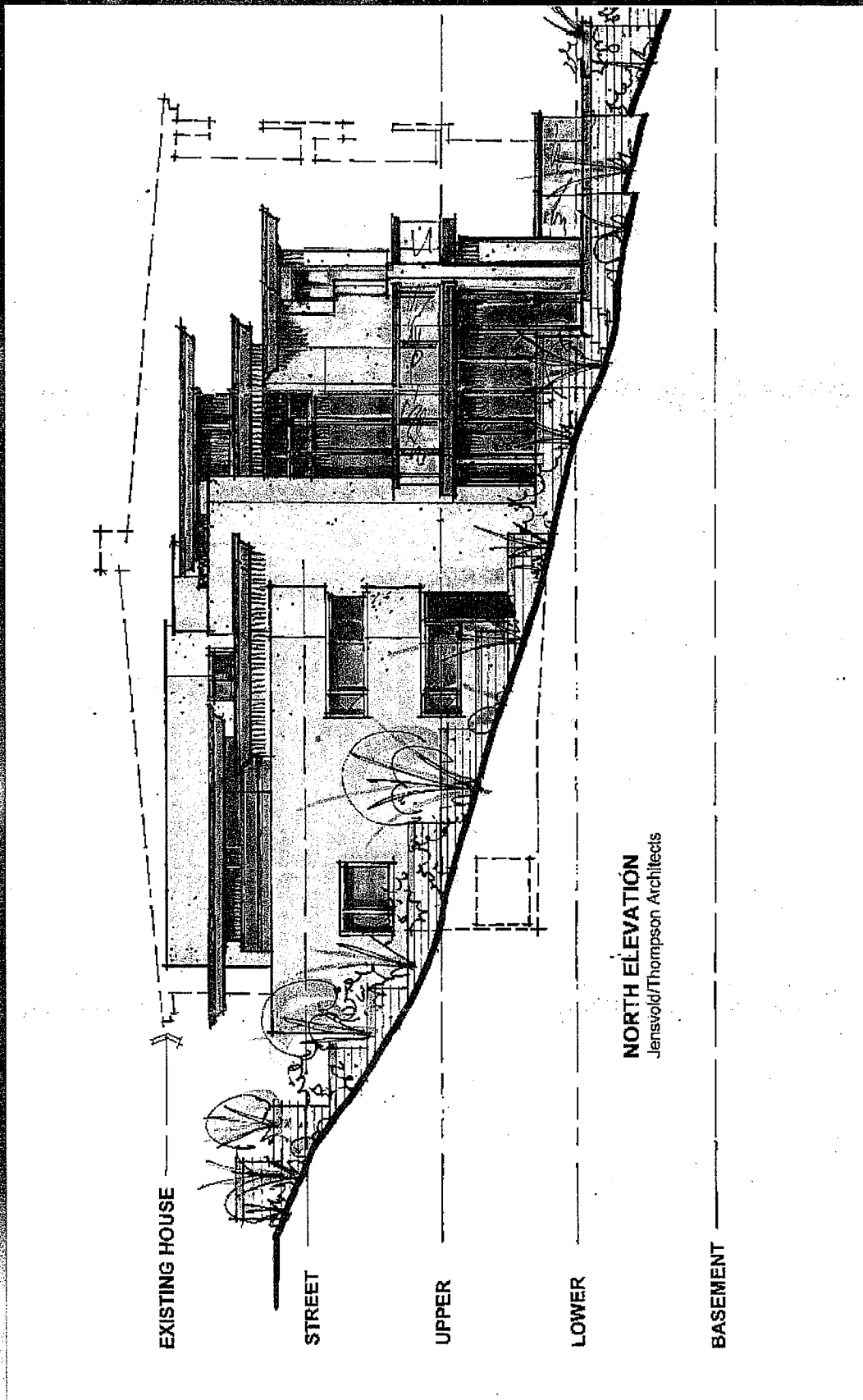
18 Lagunita
Appellant's
Property

17 Lagunita
Appellant's
House

SITE COMPARISON



NORTH ELEVATION



CALIFORNIA COASTAL COMMISSION

South Coast Area Office
200 Oceangate, Suite 1000
Long Beach, CA 90802-4302
(562) 590-5071

**Item Th8a**

September 15, 2011

TO: Coastal Commissioners

FROM: Sherilyn Sarb, Deputy Director, South Coast Area Office
Karl Schwing, Supervisor, South Coast Area Office
John Del Arroz, Coastal Program Analyst, South Coast Area Office

RE: Appeal A-5-LGB-11-134 (Mihaylo) 18 Lagunita Drive, Laguna Beach,
Orange County. Filed: March 25, 2011. 49th Day: July 13, 2011.

Recommendation: Staff recommends that the Commission determine that **no substantial issue** exists with respect to the grounds on which appeal A-5-LGB-11-134 was filed. Staff recommends a **YES** vote on the following motion and resolution:

Motion and Resolution. *I move that the Commission determine and resolve that: Appeal Number A-5-LGB-11-134 does not present a substantial issue with respect to the grounds on which the appeal has been filed under Coastal Act Section 30603 regarding consistency with the certified Local Coastal Program and/or the public access policies of the Coastal Act.*

Passage of this motion and resolution will result in a finding of no substantial issue and adoption of the following findings. The local action will become final and effective. The motion passes only by an affirmative vote of the majority of the appointed Commissioners present.

Findings: On March 3, 2011, the Laguna Beach City Council denied an appeal of the Design Review Board's decision to approve Coastal Development Permit 10-69 for the construction of a 6,837 square foot single family residence, 653 square foot attached three-car garage and 321 square feet of mechanical/storage area at 18 Lagunita Drive in Laguna Beach (see Exhibit 2). Pursuant to Coastal Act Section 30603, this approval is appealable to the Commission because it is development approved by the City and located between the sea and the first public road paralleling the sea and is within the Coastal Commission appeal jurisdiction, as shown on the Commission adopted Post-LCP Certification and Permit Appeal Jurisdiction map contained in the certified Laguna Beach Local Coastal Program. Exhibit 1 is the appeal to the Commission from Northwood Investors, LLC. The appellants claim that this approval is inconsistent with LCP requirements and the public access policies of Chapter 3 of the Coastal Act for the following reasons:

1. Alleging inconsistency with Section 30212 (b) (1-3) of the Coastal Act, the appellant asserts there is an issue with the fact the City processed the application as new development rather than an addition
2. Proposed development will require significant landform alteration and excessive grading, all of which will jeopardize the safety of the adjacent residence
3. Proposed development exceeds maximum allowed lot coverage
4. Proposed development does not comply with hillside development guidelines
5. Story poles not placed
6. Community Development has not approved most recent changes

The appellant also makes some claims in passing that do not relate to consistency with the certified LCP. Since those claims don't allege a specific inconsistency with the certified LCP or the public access policies of the Coastal Act, they are not valid bases for appeal and are not covered by this staff report. Nevertheless, those claims can be read in the appeal located at Exhibit 1.

Coastal Act section 30625(b) requires the Commission to hear an appeal unless it determines that no substantial issue exists with respect to the grounds on which the appeal has been filed.¹ Commission staff has analyzed the City's Final Local Action Notice for the development (Exhibit 2), the appellant's claims (Exhibit 1), the relevant requirements of the LCP, and the file records submitted by the City. The appeal raises no substantial issue with respect to the LCP as follows.

1. New Development / Public Access

Consistent with Section 13115 of the Commission's regulations, when an appellant appeals a local government's approval of development that is sited between the sea and the first public road paralleling the sea, the appellant may also, in addition to his or her LCP grounds, contend that the approved development raises a significant question with regard to the public access and/or public recreation policies of Chapter 3 of the Coastal Act. In this case, the appellant argues that the approved project violates section 30212 of the Coastal Act, a public access policy found in Chapter 3 of the Coastal Act. Thus, staff addresses this contention in the following analysis.

Coastal Act Section 30212 states:

(a) Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects except where: (1) it is inconsistent with public safety, military security needs, or the protection of fragile coastal resources, (2) adequate access exists nearby, or, (3) agriculture would be adversely affected. Dedicated accessway shall not be required to be opened to public use until a public agency or private association agrees to accept responsibility for maintenance and liability of the accessway.

(b) For purposes of this section, "new development" does not include:

(1) Replacement of any structure pursuant to the provisions of subdivision (g) of Section 30610.

(2) The demolition and reconstruction of a single-family residence; provided, that the reconstructed residence shall not exceed either the floor area, height or bulk of the former structure by more than 10 percent, and that the reconstructed residence shall be sited in the same location on the affected property as the former structure.

(3) Improvements to any structure which do not change the intensity of its use, which do not increase either the floor area, height, or bulk of the structure by more than 10 percent, which do not block or impede public access, and which do not result in a seaward encroachment by the structure.

The appellant asserts that because the City processed the proposed project as a new development, as opposed to as an addition to an existing structure, that the development is inconsistent with Coastal Act Section 30212(b)(1-3). The specific inconsistency is not explained by the appellant. Coastal Act Section 30212 refers to the requirement for public access to be provided in new development projects. Section 30212, subsection (b)(3) specifically excludes improvements that do not change the intensity of use of the site. The site is presently developed with a single family residence (though, partly demolished). The new development is a new single family residence with

¹ The term "substantial issue" is not defined in the Coastal Act or its implementing regulations. In previous decisions on appeals, the Commission has generally been guided by the following factors in making substantial issue determinations: the degree of factual and legal support for the local government's decision; the extent and scope of the development as approved or denied by the local government; the significance of the coastal resources affected by the decision; the precedential value of the local government's decision for future interpretations of its LCP; and, whether the appeal raises only local issues, or those of regional or statewide significance.

the same parking requirements for a single family residential use. No change to the intensity of use of the site has occurred. Thus, there is no inconsistency with Section 30212 of the Coastal Act.

2. Landform alteration

The Open Space and Conservation Element of the City's Certified Land Use Plan states:

- 4G Minimize Construction Impacts
Ensure that all development minimizes erosion, sedimentation and other pollutants in runoff from construction-related activities to the maximum extent practicable. Ensure that development minimizes land disturbance activities during construction (e.g., clearing, grading and cut-and-fill), especially in erosive areas (including steep slopes, unstable areas and erosive soils), to minimize the impacts on water quality.

- 7-A *Preserve to the maximum extent feasible the quality of public views from the hillsides and along the city's shoreline.*

- 7K *Preserve as much as possible the-natural character of the landscape (including coastal bluffs, hillsides and ridgelines) by requiring proposed development plans to preserve and enhance scenic and conservation values to the maximum extent possible, to minimize impacts on soil mantle, vegetation cover, water resources, physiographic features, erosion problems, and require recontouring and replanting where the natural landscape has been disturbed.*

- 14F *Require grading projects to minimize earth-moving operations and encourage preservation of the natural topographic land features.*

The City's Certified Land Use Element Policy 12-D states:

As part of the Design Review process, maximize the preservation of views of coastal and canyon areas from existing residences, and public view points while respecting rights of property owners proposing new construction.

The appellant asserts the proposed project will result in significant landform alteration and grading that will impact the geologic safety of an adjacent residence. The appellant also suggests the home design isn't compatible with those in the area. The appellant doesn't cite inconsistency with any specific LCP policy, however, relevant policies include Land Use Element Policy 12-D, and Open Space Conservation Element Policies 4g, 7a, and 7k. The proposed development is located on an oceanfront lot, on top of a sandy slope which descends to a sandy beach. The grading cited by the appellant is in conjunction with construction of a basement, which are common in newer homes in Laguna Beach. The amount of grading associated with this basement is also typical. The proposed project would result in the landward movement of the seaward face of the residence. Additionally, whereas the existing development has a flat façade, the proposed project includes articulation, which reduces the mass and bulk of the development. Therefore, the development would result in improved visual characteristics at the subject site.

The geotechnical report for the proposed development states: "proposed new construction at the subject site is considered geotechnically feasible providing recommendations herein are integrated into design..." and, "construction should not affect or be affected by adjacent properties..." Therefore, the proposed project meets the requirement in Implementation Plan section 25.07.012 (F) (5) requiring that development not result in undue risks from geological hazards.

3. Maximum Lot Coverage

Section 25.50.020 (B) of the City's Zoning Code/Implementation Plan states that lot coverage on oceanfront residential lots shall not exceed 44%. At 55.4%, the proposed project exceeds that. The appellant asserts the City's approval of that variance is inconsistent with the LCP. In its approval of the proposed lot coverage, the Design Review Board relied on the provisions of Zoning Code/IP Section 25.10.008(E). Under that section, the 44% maximum can be exceeded if necessary to ensure compatibility with neighborhood development patterns, which the Design Review Board found existed in their approval of the project. A review of aerial photography shows similar lot coverages on residences located along Lagunita Drive. Therefore, there is no substantive basis on which to object to the proposed lot coverage in this case.

The proposed project meets stringline requirements, and does not result in further oceanward encroachment, but rather results in the landward movement of the line of development. The bulk, mass, and siting of the project is consistent with development in the surrounding neighborhood, and the project does therefore not raise issues with regard to neighborhood compatibility.

4. Hillside Development Guidelines

The appellant asserts the proposed development isn't consistent with the City's provisions regarding hillside development. The hillside development guidelines are intended to restrict development located on the steep hillsides of Laguna Beach, rather than the subject oceanfront property. Of the Hillside Guidelines cited by the appellant, the project is consistent with alteration to natural landform policies, as discussed in Topic 2, above, and is consistent with Water Quality requirements as the site includes area drains to collect runoff, a pervious driveway, native landscaping to reduce irrigation requirements, and erosion control measures to prevent sediment from reaching beach sand.

5. Community Development has not approved most recent changes

In Resolution CDP 11-007, on March 24, 2011 the Design Review Board approved the Coastal Development Permit for the proposed development. On May 3rd, the City Council denied the appeal of the Coastal Development Permit and upheld the Design Review Board's decision by passing Resolution 11.043, which approved the Coastal Development Permit subject to modifications. Therefore, the approval of the Coastal Development Permit by the City is valid.

For the reasons stated above, the Commission finds that Appeal Number A-5-LGB-11-034 does not present a substantial issue with respect to the grounds on which the appeal has been filed under Section 30603 of the Coastal Act regarding consistency with the certified Local Coastal Program and/or the public access policies of the Coastal Act.

List of Exhibits:

1. Appeal from Coastal Permit Decision of Local Government by Northwood Investors LLC
2. City of Laguna Beach Notice of Final Local Action and May 3, 2011 City Council Staff report for the public hearing on the appeal of the Design Review Board's Approval of Coastal Development Permit 10-69
3. March 24, 2011 Design Review Board Staff Report for the public hearing on Coastal Development Permit 10-69
4. Project Location Map
5. Proposed Project Site Plan and Exterior Elevations



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South Coast Region

MAY 25 2011

Rancho Flores Property Management, LLC

CALIFORNIA
COASTAL COMMISSION

Letter of Transmittal

To: John Del Arroz

Re: 18 Lagunita, Application No. 5-LGB-11-056

California Coastal Commission
South Coast Area Office
200 Oceangate, 10 th Floor
Long Beach, CA 90802-4302

Date	5/25/11
Job #	18 Lagunita Dr., Laguna Beach CA
Attention:	
CC:	

We are sending you Attached Under separate cover via the following items:

Shop drawings Prints Plans Samples Specifications

Copy of letter Change Order

Copies	Date	No.	Description
1	5/25/11		Appeal From Coastal Permit Decision of Local Government. Regarding 18 Lagunita, Laguna Beach, CA

These are transmitted as checked below:

For approval Approved as submitted Resubmit copies for approval

For your use Approved as noted Submit copies for distribution

As requested Returned for corrections Return corrected prints

For review and comment

For bids due: Prints returned after loan to us

Remarks:

Thank You,
Signed:

Received By: _____

Carlos Bishop
Owner's Representative
RFPM
858.759.4275 ext 109
858.759.3364 Fax

COASTAL COMMISSION

EXHIBIT # 1
PAGE 1 OF 5

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CALIFORNIA COASTAL COMMISSION

South Coast Region

SOUTH COAST DISTRICT OFFICE
200 OCEANGATE, 10TH FLOOR
LONG BEACH, CA 90802-4416
VOICE (562) 590-5071 FAX (562) 591-5084

MAY 25 2011



APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT

Please Review Attached Appeal Information Sheet Prior To Completing This Form.

SECTION I. Appellant(s)

Name: Northwood Investors, LLC (owner of 17 Lagunita, Laguna Beach, CA)
Mailing Address: 2670 Crimson Canyon Drive, Ste. 110
City: Las Vegas, Nevada Zip Code: 89128 Phone: (702) 384-3192

SECTION II. Decision Being Appealed

1. Name of local/port government:

City of Laguna Beach

2. Brief description of development being appealed:

City of Laguna Beach Design review and Coastal Development permit for a 6,184 square-foot single-family residence, 653 square-foot attached three-car garage and 260 square-foot of mechanical/ storage area in the Lagunita Zone. Design review is required for the new structure, excess covered parking excess lot coverage, elevated decks, grading, retaining walls, spa, landscaping and construction in an environmentally sensitive area due to oceanfront.

3. Development's location (street address, assessor's parcel no., cross street, etc.):

18 Lagunita Drive, Laguna Beach, CA 92651. APN #656-171-26.

4. Description of decision being appealed (check one.):

- Approval; no special conditions
Approval with special conditions:
Denial

Note: For jurisdictions with a total LCP, denial decisions by a local government cannot be appealed unless the development is a major energy or public works project. Denial decisions by port governments are not appealable.

TO BE COMPLETED BY COMMISSION:
APPEAL NO: A-5-LGB-11-134
DATE FILED: 5/25/11
DISTRICT: South Coast

COASTAL COMMISSION
EXHIBIT # 1
PAGE 2 OF 5

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT (Page 2)

5. Decision being appealed was made by (check one):

- Planning Director/Zoning Administrator
- City Council/Board of Supervisors
- Planning Commission
- Other

6. Date of local government's decision: May 3, 2011

7. Local government's file number (if any): Resolution No. 11.043

SECTION III. Identification of Other Interested Persons

Give the names and addresses of the following parties. (Use additional paper as necessary.)

a. Name and mailing address of permit applicant:

Stephen Thompson, Architect
2244 Carmel Valley Road
Del Mar, CA 92014

b. Names and mailing addresses as available of those who testified (either verbally or in writing) at the city/county/port hearing(s). Include other parties which you know to be interested and should receive notice of this appeal.

(1) Carlos Bishop
San Diego Design Services
P.O. Box 9930
Rancho Santa Fe, CA 92067

(2)

(3)

(4)

COASTAL COMMISSION

EXHIBIT # 1
PAGE 3 OF 5

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT (Page 3)

SECTION IV. Reasons Supporting This Appeal

PLEASE NOTE:

- Appeals of local government coastal permit decisions are limited by a variety of factors and requirements of the Coastal Act. Please review the appeal information sheet for assistance in completing this section.
- State briefly **your reasons for this appeal**. Include a summary description of Local Coastal Program, Land Use Plan, or Port Master Plan policies and requirements in which you believe the project is inconsistent and the reasons the decision warrants a new hearing. (Use additional paper as necessary.)
- This need not be a complete or exhaustive statement of your reasons of appeal; however, there must be sufficient discussion for staff to determine that the appeal is allowed by law. The appellant, subsequent to filing the appeal, may submit additional information to the staff and/or Commission to support the appeal request.

The City of Laguna Beach has approved this application as a new development when there is an existing structure. This is not consistent with Section 30212, (b) (1), (2) & (3) of the Public Resources Code, Division 20, California Coastal Act (2010). In 2003, the owner of this residence went beyond the scope of the a foundation repair permit and substantially demolished the previous existing house. The City then determined that the proposed development should be processed as a new house rather than an addition.

The proposed development will require significant alteration to landform oceanward and dirt export in excess of 575c.y. This will require a 30' + retaining wall, within 11'-6" from the existing street and within 14' of my residence. I am concerned of the adjoining hazardous excavations for the basement, soil stability, drainage and maintaining the structural integrity of my residence. The proposed basement will require 1791 s.f. of grading (the existing structure does not have a basement). This is an undesirable encroachment and is not neighborhood compatible nor consistent with the City Council Resolution 92.014, Land Use and Open Space/Conservation General Plan Elements and Title 22 (Excavation and Grading). This is a lot of grading and export next to a public beach and in an environmentally sensitive area.

The Coastal Land Use Plan (Land Use & Open Space Elements of the General Plan) requires construction and grading to be concentrated on slopes of 30% or less (Policy 14A). It also encourages preservation of the natural topographical land features (Policy 14F) and ensure that development minimizes land disturbance activities to minimize the impacts on water quality (Water Quality Policy 4G). Despite the excessive proposed alteration to landform, the city has approved a Category Exemption 153.03. The lot coverage (BSC) proposed is 55.4% and the maximum allowed is 44%. This is a 6,000 s.f. lot with 77% impervious surfaces. The proposed new development does not adhere to the City Council Resolution 89.104 (Design Guidelines for Hillside Development) and is substantially larger than the adjoining neighbors.

Story poles have not been adequately placed to clearly represent the proposed building envelope as required by the City of Laguna Beach Zoning Submittal Checklist. Story poles have already been removed. Demolition of existing structure is required to clearly view the proposed building outline.

The Lagunita Community Development has not approved the recent plan revisions.

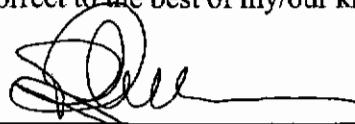
COASTAL COMMISSION

EXHIBIT # 1
PAGE 4 OF 5

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT (Page 4)

SECTION V. Certification

The information and facts stated above are correct to the best of my/our knowledge.



Signature of Appellant(s) or Authorized Agent

Date: 5/20/11

Note: If signed by agent, appellant(s) must also sign below.

Section VI. Agent Authorization

I/We hereby
authorize

_____ to act as my/our representative and to bind me/us in all matters concerning this appeal.

Signature of Appellant(s)

Date: _____

COASTAL COMMISSION

EXHIBIT # 1
PAGE 5 OF 5

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South Coast Region

MAY 11 2011

CALIFORNIA
COASTAL COMMISSION

*Please
Set up
Appeal Period*

**NOTICE OF FINAL LOCAL ACTION
FOR COASTAL DEVELOPMENT PERMITS**

Date: May 10, 2011

The following project is located within the City of Laguna Beach Coastal Zone:

Location: 18 Lagunita Drive, Laguna Beach, CA 92651

Coastal Development Project No: 10-69

Project Description: The applicant requests design review and a coastal development permit for a 6,837 square-foot single-family residence, 653 square-foot attached three-car garage and 321 square-feet of mechanical/storage area in the Lagunita Zone. Design review is required for the new structure, excess covered parking, excess lot coverage, elevated decks (184 square-feet), grading, retaining walls, spa, landscaping and construction in an environmentally sensitive area due to oceanfront. This is a re-noticed hearing (due to lack of a quorum on the originally scheduled hearing date).

Applicant: Steven Mihaylo

Mailing Address, POB 19790, Reno, NV 89511

On May 3, 2011 a coastal development permit application for the project was

- approved
- approved with conditions
- denied

Local appeal period ended April 7, 2011

This action was taken by:

- City Council
- Design Review Board
- Planning Commission

The action (X) did () did not involve a local appeal; in any case, the local appeal process has been exhausted. Findings supporting the local government action and any conditions imposed are found in the attached resolution.

This project is

- not appealable to the Coastal Commission
- appealable to the Coastal Commission pursuant to Coastal Act Section 30603. An aggrieved person may appeal this decision to the Coastal Commission within 10 working days following Coastal Commission receipt of this notice. Applicants will be notified by the Coastal Commission if a valid appeal is filed. Appeals must be in writing to the appropriate Coastal Commission district office and in accordance with the California Code of Regulation Section 13111. The Coastal Commission may be reached by phone at (562) 590-5071 or by writing to 200 Oceangate, 10th Floor, Long Beach, CA 90802-4416

Attn: CDP Resolution No. 11-007

COASTAL COMMISSION

EXHIBIT # 2
PAGE 1 OF 4

City of Laguna Beach
AGENDA BILL

No. _____
Meeting Date: 5/03/2011

SUBJECT: APPEAL OF APPROVAL OF DESIGN REVIEW 10-219, COASTAL DEVELOPMENT PERMIT 10-69, AND CATEGORICAL EXEMPTION AT 18 LAGUNITA DRIVE

SUMMARY OF THE MATTER:

The applicant was granted design review approval and a coastal development permit to construct a new 6,122 square-foot single-family residence and attached three-car garage in the Lagunita zone. Design review was required for the new structure, elevated decks, excess covered parking, excess lot coverage, grading, retaining walls, spa, landscaping and construction in an environmentally sensitive area.

Background:

The project site currently contains a dilapidated single-family residence which was substantially demolished a number of years ago. The applicant previously engaged in a protracted review process with the Design Review Board and City Council to reconstruct and enlarge the existing structure, filed litigation regarding the matter, and then ultimately entered into a settlement agreement with the City in order to process revised plans for a new home. (See the attached Settlement Agreement.)

The applicant subsequently submitted revised plans for zoning plan check and design review. The revised design is significantly lower and pulled back from the oceanfront, as compared to the existing structure. The revised design was approved by the Lagunita Community Association prior to scheduling for design review.

Design Review Action:

The Design Review Board considered the project on January 13 and on March 24, 2011. A copy of the staff reports and minutes from those meetings is attached for reference.

(continued)

RECOMMENDATION: It is recommended that the City Council:

Deny the appeal and sustain the Design Review Board's approval of Design Review 10-219, Coastal Development Permit 10-69 and Categorical Exemption at 18 Lagunita Drive.

Appropriations Requested: \$ None

Submitted by: _____

Fund: None

Coordinated with: _____

Attachments: Summary Tables; Appeal; Staff Reports

COASTAL COMMISSION

and DR Minutes of 1/13 and 3/24/11; Letters;

EXHIBIT # 2

Agenda Bill & Settlement Agreement; and Radius Map

Approved: _____

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City Manager

At the initial hearing, several neighbors spoke in support of the project. The immediate neighbors to the north, who are appealing the approval, testified with concerns related to the eave overhangs and potential glare. The Board liked the new design, but continued the project with direction to further reduce square footage, grading, and glazing to better comply with the design review criteria. The Board also asked that the applicant employ some technique, such as spray paint, to better represent the proposed building envelope, as the staking was hard to interpret with the existing structure on the project site.

On March 24, 2011, the applicants returned for a second hearing, having made the changes as previously directed. Again, several neighbors testified in support of the project, while the appellants testified with various concerns including the roof overhangs, view impacts, glare, chimney fumes and construction during the summer. The appellants also wanted the existing structure to be demolished so that the project staking would be clearly visible.

The majority of the Board found the project to be approvable, subject to several minor conditions including a requirement that the eave over the family room which posed a concern to the neighbor (appellant) be cut back. The project was approved on a 4-1 vote. The dissenting Board member agreed that the project was an improvement over the existing development, but felt that the project needed to be further reduced in size to be neighborhood compatible and location-sensitive.

Basis for Appeal:

The Board's approval has been appealed by the adjacent northerly neighbors, who testified at both design review hearings. The appeal identifies six grounds, each of which is discussed below:

1. The approved structure is substantially larger than the adjacent structures. The pattern of development is not neighborhood compatible in an environmentally sensitive area.

Staff response: The approved square footage exceeds the square-footage of a number of the existing homes in the immediate vicinity. That being said, the majority of the Board found the proposed building well-designed for the site, and since it is lower than the existing structure and pulled back from the oceanfront, the Board also found the approved project to be a substantial improvement over the existing home in terms of views, articulation, neighborhood compatibility and design integrity.

2. The project staking does not clearly define the building outline, therefore the existing structure should be demolished prior to granting approval of the new residence.

Staff response: Since the proposed structure is substantially 'within' the walls of the existing structure, it is not possible to stake the proposed building in the manner that would normally be done on a vacant site. This posed a frustration for the both the appellants and the Board. It seems likely that the applicant wanted to keep the existing structure through the design review process for comparative purposes, and the Board has historically not required that applicants remove a structure in order to stake a site.

3. The stepped 'fin' mass and 3' roof overhang appear to obstruct beach view from appellants property.

Staff response: The Board reviewed this issue during design review and addressed it by requiring that the structure be stepped back, and by imposing a condition that the eaves be pulled back to the additional building setback line.

COASTAL COMMISSION

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4. The extensive glazing on the northwest building elevation will create glare towards the appellants property.

Staff response: The Board carefully reviewed the quantity and location of proposed glazing, and required modifications and reductions during the design review process.

5. The proposed eaves extend beyond the Additional Building Setback.

Staff response: The Board recognized the appellants concern about the eave projection, and conditioned the project approval upon these eaves being pulled back to the setback line.

6. The approved chimney may direct gas fireplace fumes (carbon monoxide) towards appellants property.

Staff response: Household appliances such as water heaters or gas fireplaces do emit carbon monoxide. In the open air, fireplace fumes dissipate fairly quickly. In this case, the chimney is located at least twelve feet away from the appellants structure, and the top of the chimney is 9'-0" feet above the appellant's deck. Any emitted fumes would continue to rise vertically as they dissipate.

COASTAL COMMISSION

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**CITY OF LAGUNA BEACH
COMMUNITY DEVELOPMENT DEPARTMENT
STAFF REPORT**

HEARING DATE: ~~March~~
January 24, 2011

TO: DESIGN REVIEW BOARD

CASE: Design Review 10-219
Coastal Development Permit 10-69

APPLICANT: Stephen Thompson, Architect

LOCATION: 18 Lagunita Drive
APN # 656-171-26

**ENVIRONMENTAL
STATUS:** Categorically Exempt, Class 1

PREPARED BY: Nancy Csira, Principal Planner
(949) 497-0332

REQUESTED ACTION: The applicant requests design review and a coastal development permit for a ~~6,122~~ ~~6,837~~ square-foot single-family residence and a 653 square-foot attached three-car garage and ~~321~~ square feet of mechanical area in the Lagunita Zone. Design review is required for the new structure, excess covered parking, excess lot coverage, elevated decks (~~277~~ ~~184~~ square-feet), grading, retaining walls, spa, landscaping and construction in an environmentally sensitive area due to oceanfront.

BACKGROUND: The project was presented to the Board on January 13, 2011. The Board had concerns with viewing the project staking due to the existing building still in place. They found it difficult to review neighborhood compatibility and the impacts of the requested excess lot coverage and excess covered parking. They felt the proposed square-footage including the basement was larger than most homes in the immediate neighborhood and the required additional grading which is problematic on this environmentally sensitive oceanfront site. The Board also had concerns with the adherence to the hillside guidelines, the amount of glazing, the amount of impervious surfaces and the amount of exterior lighting. The Board liked the proposed architectural design, colors, materials, the vaulting of mechanical equipment and was pleased that ocean views would be improved.

RESPONSE: The applicant proposes to re-stake the project and paint the proposed roofline on the existing structure to help the Board and neighbors visualize the proposed structure. The basement has been reduced by 715 square-feet, the mechanical area has been reduced to a subterranean low ceiling five foot high vault area and the basement ceiling height has been reduced from nine feet to eight feet, resulting in 605 cubic yards less total grading export. To better adhere to the hillside guidelines the dining room has been pulled back one foot and the master bedroom has been pushed out one foot for an appearance of a two-foot offset. A 93 square-foot elevated deck has been added adjacent to the dining room. To address excessive glazing concerns, the applicant has reduced the glazing 172 square-feet and added some vertical elements to shield neighboring properties and break up the building mass.

COASTAL COMMISSION

EXHIBIT # 3
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Impervious surfaces have been reduced by 125 square-feet by increasing landscape areas and proposing concrete surfaces at the west terrace with permeable paving. The exterior lighting has been reduced by eliminating 15 soffit lights. The spa has been lowered 18 inches.

STAFF ANALYSIS:

Access: Lagunita is a gated private community improved with curbs and gutters. The parking requirement for the proposed residence greater than 3,600 square-feet is three onsite parking spaces - two covered and one uncovered. The applicant proposes a three-car garage. The Board must make findings that the additional covered parking spaces do not add to the appearance of mass and bulk.

Environmental Context: Although the proposed development expansion occurs primarily within the existing building footprint, substantial excavation is required to build the basement. Alteration to the landform oceanward of the existing retaining wall is proposed to build the two lowest levels. The proposed grading quantities are 775 cubic yards of cut and 200 cubic yards of fill for a total export of 575 cubic yards.

Lighting: Sheet 11 indicates the proposed building and site lighting. Soffit lighting is indicated outside the exercise room where no exterior doors are proposed. The lighting quantities itemized by type of fixture are listed in the chart below:

Level	Soffit	Wall	Foot
Street	3	3	0
Upper	8	1	4
Lower	5	1	12
Basement	0	0	0
Totals	16	5	16

Neighborhood Compatibility: The proposed 6,122 square-foot four level residence is larger than the immediately adjacent structures approved prior to the implementation of the "mansionization" ordinance. Properties at 17 and 19 Lagunita Drive consist of 4,599 square-feet and 4,476 square-feet of living area, respectively. The proposed design, excluding the 1,729 square-foot basement area, yields a visible residence of 4,393 square-feet which appears neighborhood compatible with the directly adjacent properties.

Excess Lot Coverage/Guideline Violations: The allowable lot coverage for this oceanfront lot is 44% of the net lot area or 1,923 square-feet. The net lot area does not include the property ocean ward of the building stringline. The proposed lot coverage is 55.4% or 2,422 square-feet, 499 square-feet more than allowed. Excess site coverage may be allowed by the Design Review Board if it is determined to preserve views, preserve privacy, reduce heights or maintain neighborhood development patterns [LBMC 25.50.020(B)]. The proposed lot coverage appears to be consistent with other oceanfront homes and within the immediate neighborhood development patterns.

COASTAL COMMISSION

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Coastal Development Permit: A Coastal Development Permit is required for all new structures within the coastal zone. Three (3) findings must be made when approving a Coastal Development Permit;

Finding 1: The project is in conformity with all the applicable provisions of the General Plan, including the Certified Local Coastal Program and any applicable specific plans in that the landform alteration and visual impacts have been minimized due to the building height which is within the allowable height limit; the limited amount of grading which serves to terrace the development; and the landscape plan which serves to visually screen the development from views (1I).

Finding 2: Any development located between the sea and the first public road paralleling the sea is in conformity with the certified local coastal program and with the public access and public recreation policies of Chapter 3 of the Coastal Act in that vertical and lateral access exists to and along this portion of the coast and the proposed development will not create any adverse impacts to this access; therefore, no clear nexus can be demonstrated in this case for a public access dedication (2B).

Finding 3: The proposed development will not have any significant adverse impacts on the environment within the meaning of the California Environmental Quality Act in that the proposed project is in compliance with the applicable rules and regulations set forth in the Municipal Code and will not cause any significant adverse impacts on the environment (3A).

COMMUNITY INTEREST: There have been no letters or telephone calls received by the City as of the date of this report (2/14/11).

IDENTIFIED ISSUES: Findings for Excess Covered Parking
Findings for Excess lot Coverage
Neighborhood Compatibility - Structure's size

ATTACHMENTS: Minutes of Design Review Board meeting 1/13/11

COASTAL COMMISSION

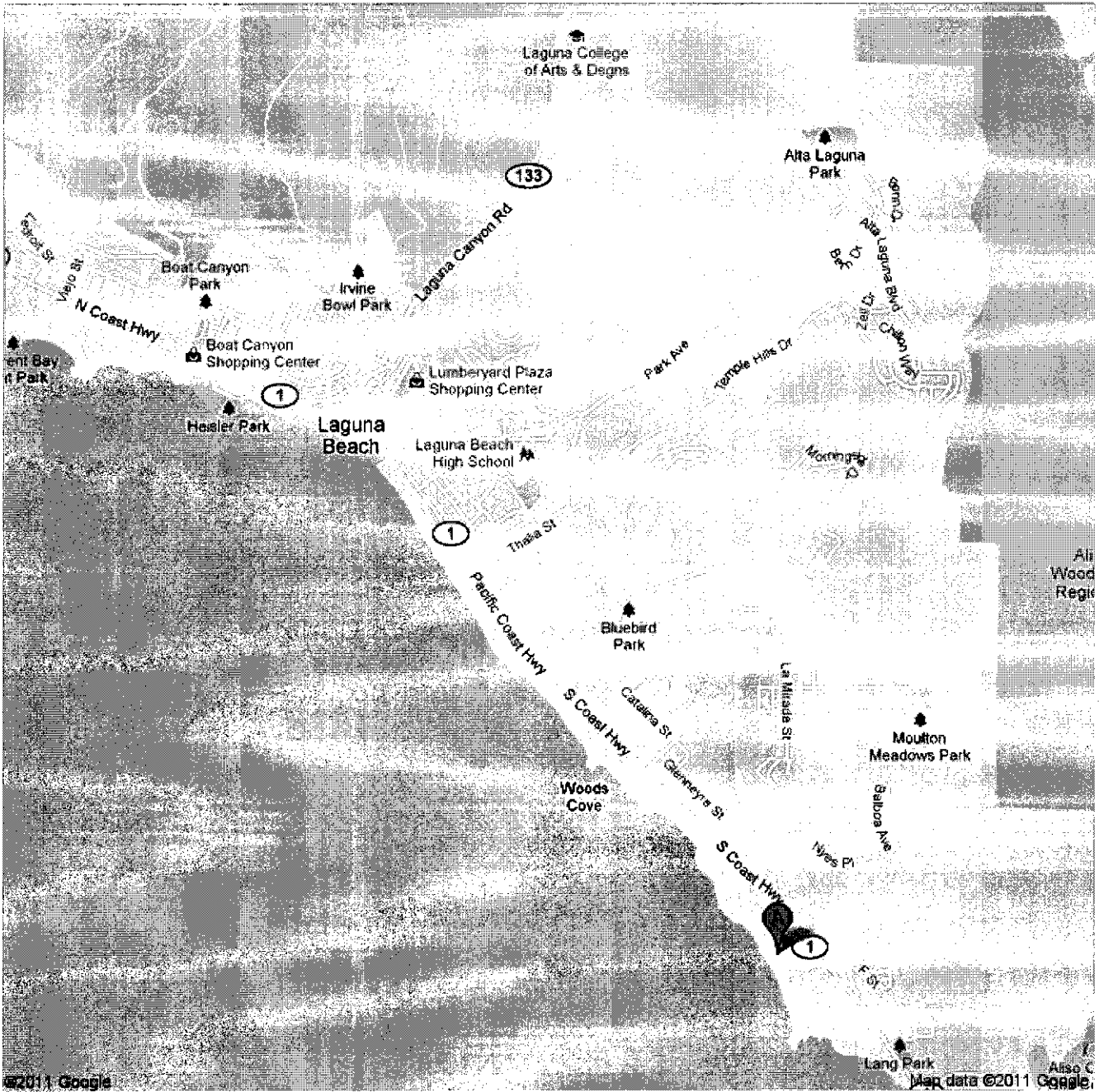
EXHIBIT # 3
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Google maps

Address 18 Lagunita Dr
Laguna Beach, CA 92651

Get Google Maps on your phone

Text the word "GMAPS" to 466453



COASTAL COMMISSION

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DR 3-24-11

PROJECT DATA:

ADDRESS: 19 LAGUNITA, LAGUNA BEACH, CALIFORNIA
 OWNER: CHAMBERLAIN
 DESIGNER: THE STEVENS ARCHITECT FIRM, INC.
 DATE: 01/20/11

PERMITS SUMMARY TABLE:

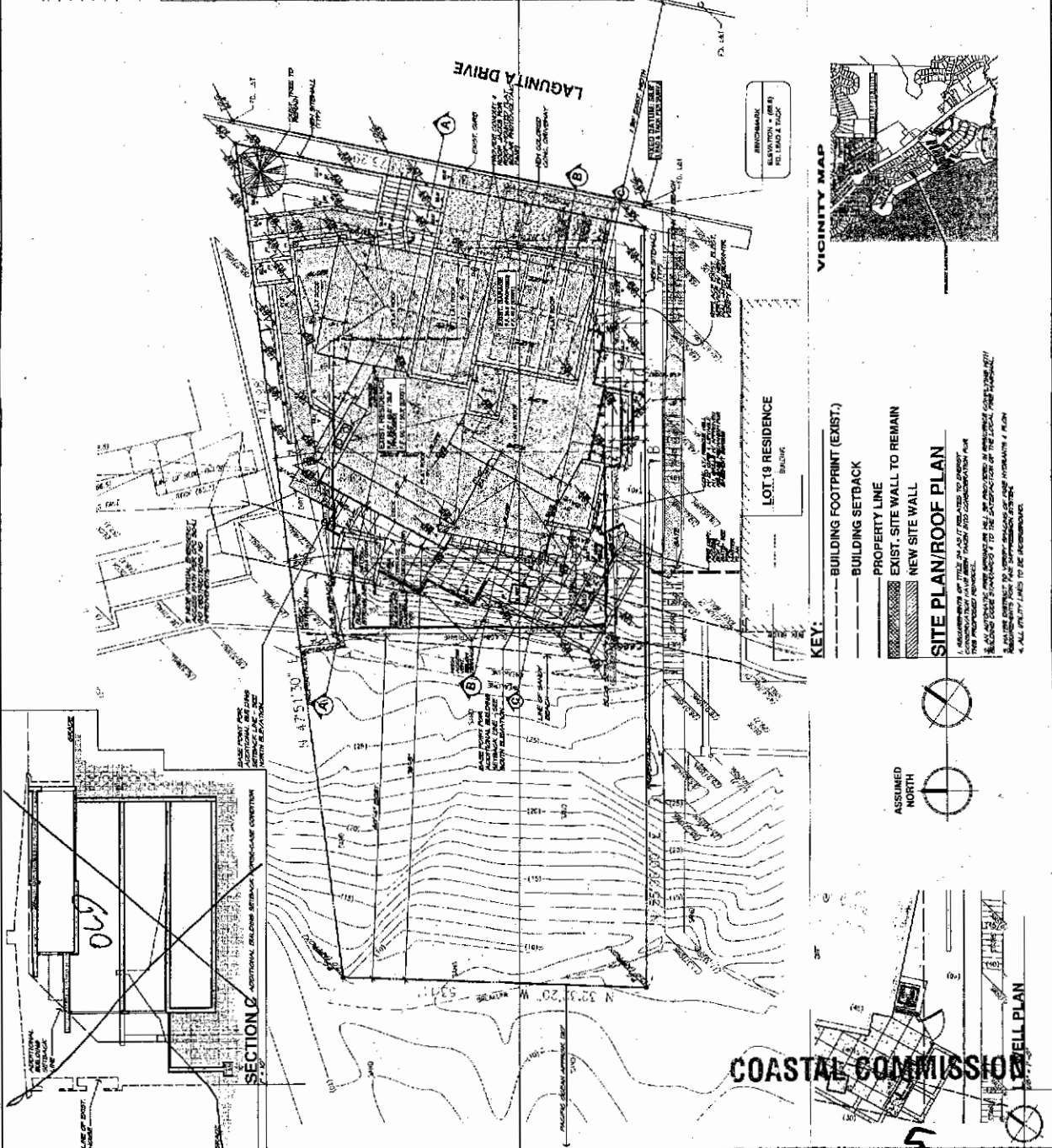
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FOUNDATION	FOUNDATION	YES	YES
CONCRETE	CONCRETE	YES	YES
WALLS	WALLS	YES	YES
ROOFING	ROOFING	YES	YES
MECHANICAL	MECHANICAL	YES	YES
ELECTRICAL	ELECTRICAL	YES	YES
PLUMBING	PLUMBING	YES	YES
PAINT	PAINT	YES	YES
LANDSCAPE	LANDSCAPE	YES	YES
FINAL	FINAL	YES	YES

PERMITS SUMMARY TABLE:

CONSTRUCTION	PROJECT	PROPOSED	COMPLETED
FOUNDATION	FOUNDATION	YES	YES
CONCRETE	CONCRETE	YES	YES
WALLS	WALLS	YES	YES
ROOFING	ROOFING	YES	YES
MECHANICAL	MECHANICAL	YES	YES
ELECTRICAL	ELECTRICAL	YES	YES
PLUMBING	PLUMBING	YES	YES
PAINT	PAINT	YES	YES
LANDSCAPE	LANDSCAPE	YES	YES
FINAL	FINAL	YES	YES

PERMITS SUMMARY TABLE:

CONSTRUCTION	PROJECT	PROPOSED	COMPLETED
FOUNDATION	FOUNDATION	YES	YES
CONCRETE	CONCRETE	YES	YES
WALLS	WALLS	YES	YES
ROOFING	ROOFING	YES	YES
MECHANICAL	MECHANICAL	YES	YES
ELECTRICAL	ELECTRICAL	YES	YES
PLUMBING	PLUMBING	YES	YES
PAINT	PAINT	YES	YES
LANDSCAPE	LANDSCAPE	YES	YES
FINAL	FINAL	YES	YES



- KEY:**
- BUILDING FOOTPRINT (EXIST.)
 - BUILDING SETBACK
 - PROPERTY LINE
 - EXIST. SITE WALL TO REMAIN
 - NEW SITE WALL
 - SITE PLAN / ROOF PLAN
- ASSUMED NORTH**
- COASTAL COMMISSION**

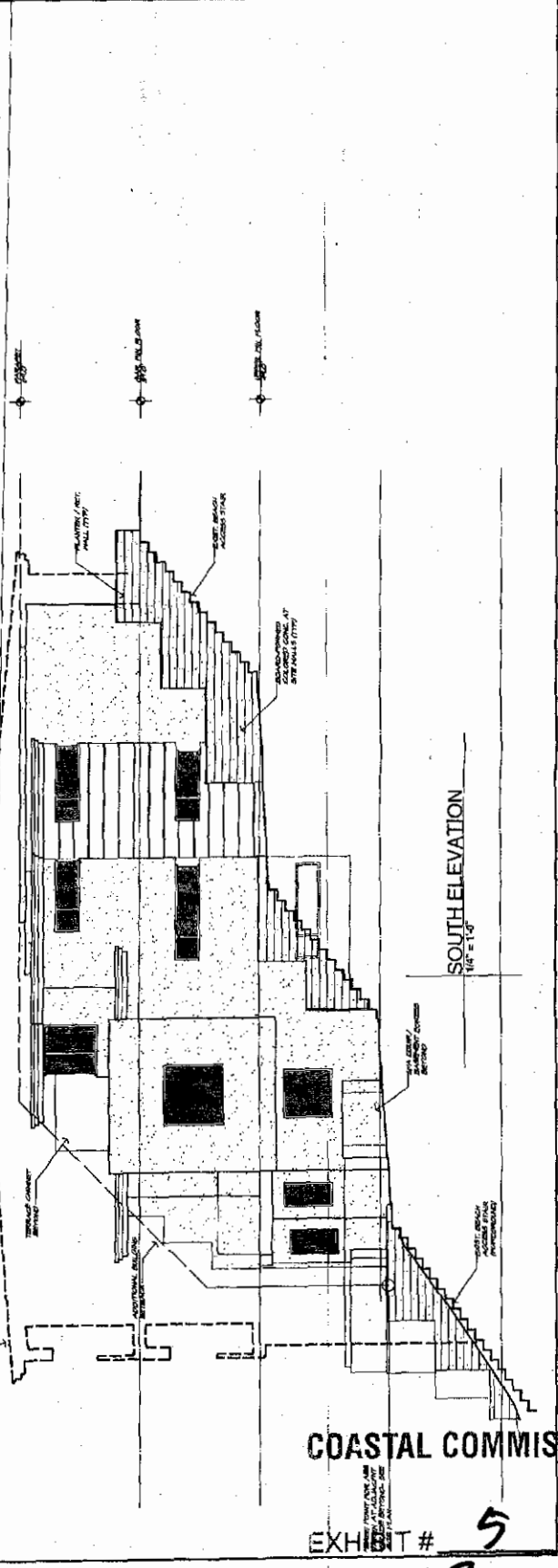
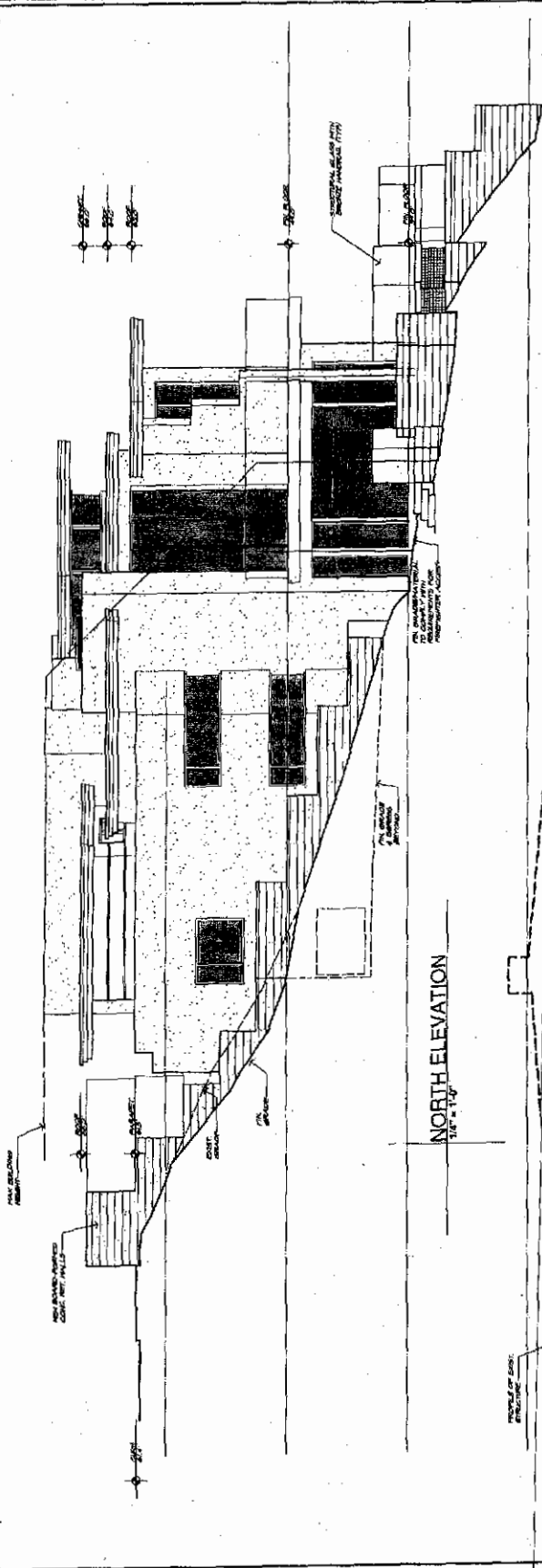
EXHIBIT # 5
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THE MIHAYLO RESIDENCE
 A NEW HOUSE CONCEPT
 19 LAGUNITA, LAGUNA BEACH, CALIFORNIA

JENSVOLD / THOMPSON ARCHITECTS
 2222 DANFORTH VALLEY RD.
 2ND FLOOR, CALIFORNIA 92653

PROJECT DATA:

ADDRESS: 19 LAGUNITA, LAGUNA BEACH, CALIFORNIA
 OWNER: CHAMBERLAIN
 DESIGNER: THE STEVENS ARCHITECT FIRM, INC.
 DATE: 01/20/11



COASTAL COMMISSION

EXHIBIT # 5

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