CALIFORNIA COASTAL COMMISSION

South Coast Area Office 200 Oceangate, 10th Floor Long Beach, CA 90802-4302 (562) 590-5071

PETE WILSON, Governor

Filed: 2/26/98 49th Day: 4/16/98 180th Day: 8/25/98 Staff: CP-LB Staff Report: 8/27/98 Hearing Date: Oct. 13-16, 1998 Commission Action:

STAFF REPORT: PERMIT EXTENSION REQUEST

APPLICATION NO.: 5-94-074-E3

APPLICANT: Venice Senior Housing Corporation

AGENT: Benjamin F. Beckler, III, Director of Project Development, Southern California Presbyterian Homes

PROJECT LOCATION: 151-187 Ocean Front Walk, Venice, City of Los Angeles, Los Angeles County.

PROJECT DESCRIPTION: Construction of a four-story, 45 foot high, 64 unit very low and lower income senior citizen apartment building with 37 parking spaces provided in a subterranean parking garage (as approved and conditioned by the City of Los Angeles).

> Lot Area 22,600 sq. ft. Building Coverage 21,985 sq. ft. Pavement Coverage 0 sq. ft. Landscape Coverage 615 sq. ft. 37 Parking Spaces C1-1 Zoning Plan Designation Commercial Ht abv fin grade 54 feet (elevator housing)

SUMMARY OF STAFF RECOMMENDATION:

Staff recommends that the Commission find that there are no changed circumstances affecting the project's consistency with the Coastal Act, and grant another one-year extension before expiration of the permit.

LOCAL APPROVALS RECEIVED:

- City of Los Angeles Local Coastal Development Permit No. 93-001, 3/2/94.
- 2. Project Permit No. ZA 93-0084-PP, 3/2/94.
- 3. Hardship Exemption No. CPC 93-0020 ICO, 3/2/94.
- 4. Density Bonus No. CPC 93-0239 DB, 3/2/94.

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SUBSTANTIAL FILE DOCUMENTS:

- 1. Coastal Development Permit Transfer No. T-5-94-074 (Safran to Venice Senior Housing Corporation).
- 2. Mitigated Negative Declaration No. MND 92-0500.
- 3. California Coastal Commission Regional Interpretive Guidelines for Los Angeles County, 10/14/80.
- 4. City of Los Angeles Venice Interim Control Ordinance No. 169,239.
- 5. Coastal Development Permit Application P-81-7755 (Safran).
- 6. Coastal Development Permit Application 5-81-359 (Safran).
- 7. Coastal Development Permit Appeal No. 173-81 (Safran).
- Coastal Development Permit Application 5-82-253 & amendments (Safran).
- 9. Coastal Development Permit Application A5-85-701/5-85-710 & amendment (Safran).
- 10. Coastal Development Permit Application 5-89-1001 (Safran).

PROCEDURAL NOTE:

Section 13169 of the California Code of Regulations provide that permit extension requests shall be reported to the Commission if:

- The Executive Director determines that due to changed circumstances, the proposed development may not be consistent with the Coastal Act, or,
- Objection is made to the Executive Director's determination of consistency with the Coastal Act.

In this case, the Executive Director determined that there were no changed circumstances which could possibly affect the consistency of the proposed development with the Coastal Act. Subsequently, the Commission received three letters objecting to the Executive Director's determination of consistency with the Coastal Act (Exhibits \$6-8). Therefore, the extension request is being reported to the Commission.

If three (3) Commissioners object to an extension request on the grounds that the proposed development may not be consistent with the Coastal Act, the application shall be set for a full hearing as though it were a new application. If three Commissioners do not object, the permit will be extended for an additional one year period.

STAFF NOTE:

Approval of this Coastal Development Permit extension request will extend the expiration date of Coastal Development Permit 5-94-074 to May 12, 1999, one year from the previous date of expiration, and five years from the date of the original Commission approval.

I. <u>STAFF RECOMMENDATION</u>

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Staff recommends that the Commission grant the extension on the grounds that there are no changed circumstances which could cause the project, as originally approved, to be inconsistent with the Chapter 3 policies of the Coastal Act.

II. FINDINGS AND DECLARATIONS

The Commission finds and declares as follows:

A. <u>Project Description</u>

The applicant has requested a one-year extension of Coastal Development Permit 5-94-074 to construct a four-story, 64 unit apartment building on Ocean Front Walk in North Venice near the border of the City of Santa Monica (Exhibits 1-5). The proposed project will provide publicly subsidized rental housing for very low and lower income senior citizens and handicapped persons. Thirty-seven parking spaces are proposed in a subterranean parking garage. The proposed project has a roof height of 45 feet, but a three hundred square foot elevator and stairway enclosure structure on the roof will extend the height of the structure to 54 feet above Ocean Front Walk (Exhibit #4).

Coastal Development Permit 5-94-074 was approved with conditions by the Commission on May 12, 1994. The permit cannot be issued until a deed restriction required by special condition one is recorded. The first one-year permit extension was granted by the Executive Director in 1996. The permit extension was determined by the Executive Director to be an immaterial permit extension because there were no changed circumstances which could have caused the proposed development to be inconsistent with the Coastal Act. The determination of immaterial for the first extension request in 1996 was not objected to.

The second permit extension request in 1997 was also determined by the Executive Director to be an immaterial permit extension because there were no changed circumstances which could cause the proposed development to be inconsistent with the Coastal Act. Three letters of objection to the Executive Director's determination were received from Paul Resnick, James Arrington and Esther Lynn. After a public hearing on the matter on July 9, 1997, the Commission found that there were no changed circumstances which could cause the project, as originally approved, to be inconsistent with the Chapter 3 policies of the Coastal Act. The second extension was granted.

This, the third permit extension request, was also determined by the Executive Director to be an immaterial permit extension because there are no changed circumstances which could cause the proposed development to be inconsistent with the Coastal Act. The Executive Director's determination was noticed on May 11, 1998. On May 18, 1998, an unsigned letter from Pam Wise objecting to the permit extension was received by fax machine in the Commission's Long Beach office (Exhibit #6). On May 21, 1998, a second objection letter was

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received from Marian T. Brayton (Exhibit #7). A third objection letter from the attorneys for Navy Street Estates Condominium Association was received on May 26, 1998 (Exhibit #8).

B. Grounds for Objection

On February 26, 1998, the applicant submitted an application to extend Coastal Development Permit 5-94-074 for a new one-year term. On May 11, 1998, the Executive Director determined and sent notice that there were no changed circumstances which could affect the proposed development's consistency with the Coastal Act. Three objection letters were received within the ten working day period in which an objection could be submitted to the Commission (Exhibits #6-8).

On May 18, 1998, an unsigned letter from Pam Wise objecting to the permit extension was received by fax machine in the Commission's Long Beach office (Exhibit #6). The objection letter states that the proposed senior housing project is impractical in the proposed location because the busy summer traffic would slow down the ambulances and other emergency vehicles that may be needed to help the elderly residents of the proposed project.

Marian T. Brayton's objection letter, received on May 21, 1998, states that there are several changed circumstances that affect the project area, including: 1) an increase in traffic, 2) the Ocean Front Walk refurbishment project, 3) commercial intensification of the Venice Main Street area, and 4) a high water table (Exhibit #7).

A third objection letter was received from the attorneys for Navy Street Estates Condominium Association on May 26, 1998 (Exhibit #8). This objection questions the legal authority of the Commission to grant more than one permit extension. The attorneys for Navy Street Estates Condominium Association claim that, pursuant to Section 13169(a) of the California Code of Regulations, the Commission may grant one, and only one, one-year permit extension. Therefore, they claim that the permit expired in 1997 when the first permit extension expired.

C. <u>Issue Analysis</u>

The criteria stated in Section 13169 of the California Code of Regulations for extending a Coastal Development Permit is whether there are any changed circumstances which would affect the consistency of the proposed development with the Coastal Act. In this case, the objectors have not specified any changed circumstances that could affect the consistency of the proposed development with the Coastal Act.

Opponents of the proposed project have continuously claimed that it has an excessive height, will block ocean views, and place additional pressures on local services. The Commission addressed the height and view issues in the original approval and found that the proposed four-story, 54 foot high low income senior citizen apartment building conforms to the Chapter 3 Policies of the Coastal Act and previous Commission actions. There are no new or changed circumstances that could affect the consistency of the proposed development with the Coastal Act with regards to the project's height or its impacts on ocean views and local services.

In regards to traffic impacts, the objectors have not submitted any evidence of changed circumstances that would effect the project's impacts on local or regional traffic. The parking and traffic impacts of the proposed project were addressed at the previous Commission hearings. There is no evidence that the traffic in the project area has substantially increased in the four years since the permit was approved by the Commission. Nor is there any evidence that the water table has changed since 1994.

Marian T. Brayton's objection letter states that the Commission's approval of the Ocean Front Walk refurbishment project is a changed circumstance [See Coastal Development Permit 5-96-176 (City of Los Angeles). While the refurbishment of Ocean Front Walk is, hopefully, a change that will improve the Venice Beach area, it is not a changed circumstance which affects the consistency of the proposed development with the Coastal Act. The City's Ocean Front Walk refurbishment project is located entirely on public property located seaward of the first row of privately owned lots. The refurbishment of Ocean Front Walk will not conflict with the construction of the approved senior citizen apartment building that is the subject of this hearing.

Section 13169(a) of the California Code of Regulations allows the Commission to grant applicants a one-year permit extension provided that the permit has not expired prior to the submittal of the extension application and there are no changed circumstances which would affect the consistency of the proposed development with the Coastal Act. Section 13169(a) of the California Code of Regulations does not limit the number of times the Commission may grant a permit extension. The Commission routinely grants one-year permit extensions, and many permits have been extended for two or more consecutive one-year terms. Since there is no limit on the number of one-year permit extensions that the Commission may grant consistent with Section 13169(a) of the California Code of Regulations, the objectors' claim that Coastal Development Permit 5-94-074 expired in 1997 after the first permit extension is not valid. Moreover, the objectors' claim is not a changed circumstance that would affect the consistency of the proposed development with the Coastal Act and does not constitute a ground to deny the applicant a third one-year extension to Coastal Development Permit 5-94-074.

Staff has reviewed the applicant's extension request and the letters of objection and has determined that there are no changed circumstances which would affect the project's consistency with Chapter 3 of the Coastal Act. Therefore, staff recommends that the Commission grant the extension request on the grounds that there are no changed circumstances which could cause the project, as originally approved, to be inconsistent with the Chapter 3 policies of the Coastal Act.

D. <u>Project History</u>

The site of the proposed project has a long and complicated history. The proposed project is situated on ten commercially zoned lots which occupy the

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entire block between Ocean Front Walk, Navy Street, Ozone Avenue, and Speedway, the rear alley (Exhibit #2). Ocean Front Walk is a popular commercial and residential pedestrian street on the beachfront which attracts many tourists and day visitors. The public beach and a public beach parking lot are located across Ocean Front Walk in front of the site.

The immediate neighborhood has long been popular for elderly persons living on fixed incomes because of the numerous old hotels which have been converted to affordable residential units. The displacement of the low income elderly population by newer development has long been an issue of local importance.

The Commission has taken several actions affecting the site beginning in the early 1980's. All of the previous Commission actions have addressed the following planning issues: 1) land use, 2) coastal access, 3) replacement parking, 4) traffic and parking demand, 5) building density, 6) building height, and 7) low income and senior housing.

The earliest Commission records show that in 1980 the site was being used as a parking lot providing one hundred parking spaces for use by area residents and visitors. On June 1, 1981, the Commission acted on, and approved with conditions, Coastal Development Permit P-81-7755 (Safran) for the demolition of a one hundred space parking lot and the construction of a 46 foot high mixed-use project consisting of fourteen market rate residential condominium units, twelve low and moderate income residential units, one resident manager unit, and 2,100 square feet of commercial space. A total of fifty parking spaces were to be provided on-site for the approved uses. The Commission granted the project a sixteen foot height incentive (over the Commission of the twelve low and moderate income residential units. However, the applicant (Safran) did not undertake the development approved in Coastal Development Permit P-81-7755. The site continued to be used as a parking lot.

On January 22, 1982, the Commission approved with conditions a revised project for the site in Coastal Development Permit 5-82-253 (Safran), also referred to as Appeal No. 173-81 (Safran). The revised project consisted of the demolition of the one hundred space parking lot and the construction of a three-story commercial building with commercial retail uses on the ground floor, offices on the second and third floor, and one residential unit also located on the third floor. As required by the Commission, two subterranean levels of the structure were to provide 160 parking spaces. The 160 parking spaces would have provided replacement parking for the demolished parking lot, and parking for the approved uses on the site. The Commission also required the first floor of the structure to be utilized for visitor-serving commercial retail uses.

Coastal Development Permit 5-82-253 (Safran) was amended in 1983 to allow a different architectural design, add an additional residential unit, and to modify the parking arrangements to increase the amount of parking provided in the structure. However, this project was not built, and the permit lapsed.

On December 17, 1985, the Commission approved with conditions Coastal Development Permit 5-85-701 (Safran) for the demolition of the one hundred space parking lot and the construction of a 56 foot high mixed-use building 5-94-074-E3 Page 7

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with 35 market rate residential condominium units, 21 low income senior residential units, one resident manager unit, and 4,600 square feet of ground floor commercial space. A total of 144 parking spaces were to be provided on-site for replacement parking and the approved uses on the site. The applicant did not undertake the approved development, and in 1988 the Commission denied an extension request for Coastal Development Permit 5-85-701 (Safran) due to changed circumstances in regards to the local LCP planning process.

The Commission again acted on an application for development of the site in 1990. On March 13, 1990, the Commission approved with conditions Coastal Development Permit 5-89-1001 (Safran) for the demolition of the one hundred space parking lot and the construction of five thirty foot high duplexes, each with a four-car garage. As a condition of approval, the Commission required the applicant to pay an in lieu fee of \$108,000 to the Venice Coastal Parking Impact Fund in order to mitigate the loss of public parking opportunities which would result from the demolition of the one hundred space parking lot on the site. Once again, the applicant did not undertake the approved development, and Coastal Development Permit 5-89-1001 (Safran) lapsed in 1993.

Then in 1994, the currently approved project came before the Commission on appeal, A-5-VEN-94-074 (Safran). On May 12, 1994, the Commission approved on appeal Coastal Development Permit 5-94-074 for the construction of a 45 foot high, 64 unit apartment building for very low and lower income senior citizens. In 1994, the project received several approvals from the local government including: 1) Local Coastal Development Permit No. 93-001; 2) Project Permit No. ZA 93-0084-PP pursuant to Venice Interim Control Ordinance No. 169,239; 3) Hardship Exemption No. CPC 93-0020 ICO for exemption from the requirements of Venice Interim Control Ordinance No. 169,239 to allow a building height of 45 feet instead of thirty feet, 64 units instead of thirty, a lot tie exemption, a zero foot setback from Ocean Front Walk instead of five feet, a one foot setback from Navy Street instead of five feet, a one foot setback from Ozone Avenue instead of five feet, and 37 parking spaces instead of 145; 4) zoning code variances for the front, rear and side yard setbacks, and parking requirements; and 5) Density Bonus No. CPC 93-0239 DB allowing 33 additional dwelling units (for a total of 64 units). The local approvals are conditional upon the provision of housing for very low and low income senior citizens and handicapped persons.

In its approval of Coastal Development Permit 5-94-074, the Commission addressed many of the issues referenced by the objection letters including: elimination of the parking currently provided on the site, traffic generation, allowing reduced parking requirements for low income senior citizens, height and density bonuses for low income senior housing, and impacts on private and public ocean views. The Commission addressed the previously stated issues in the original approval and found that the proposed four-story, 54 foot high low income senior citizen apartment building conforms to the Chapter 3 Policies of the Coastal Act and previous Commission actions.

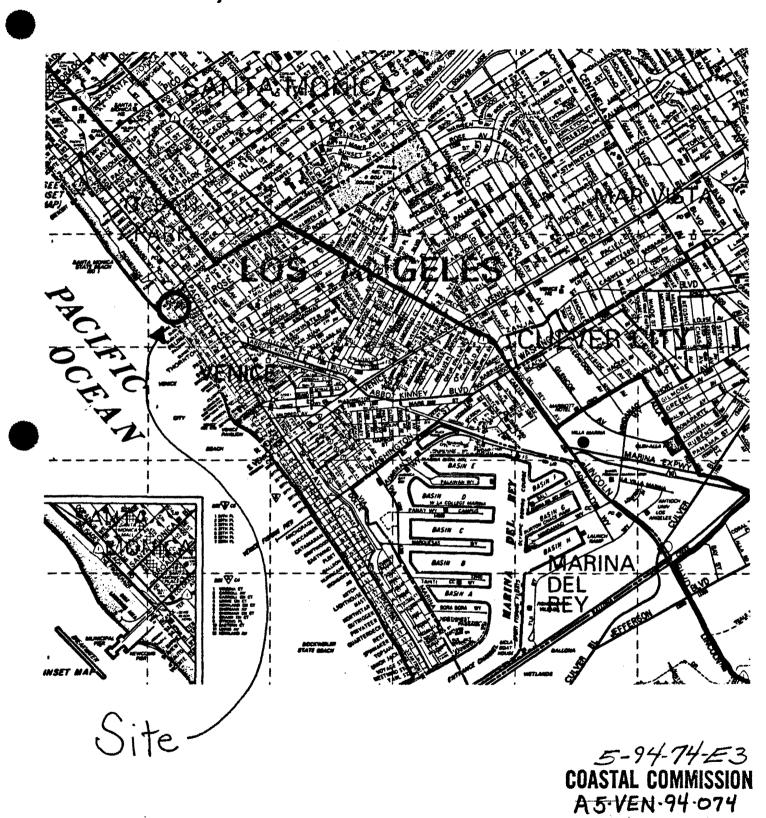
In March of 1997, the Coastal Development Permit was transferred from the original applicant, Safran, to the new property owners, Venice Senior Housing Corporation (see File No. T-5-94-74). The Venice Senior Housing Corporation is the permittee now before the Commission requesting the permit extension.

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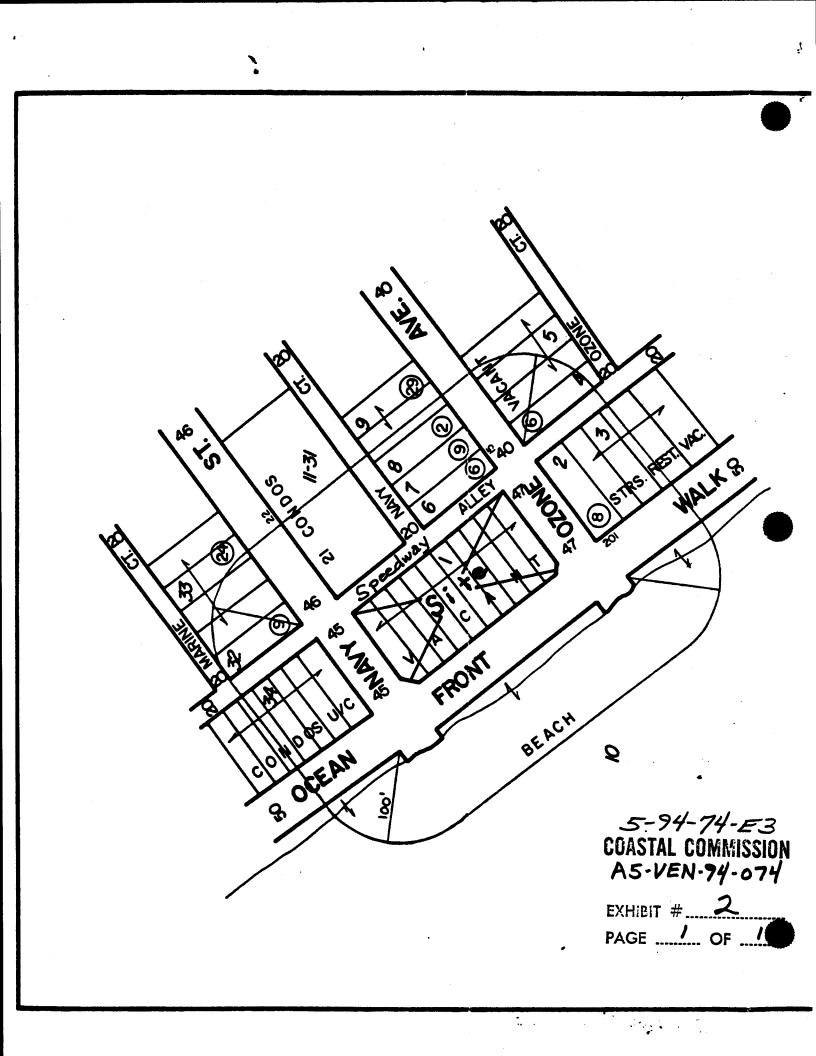
As discussed more specifically above, staff recommends that the Commission grant this extension request on the grounds that there are no changed circumstances which could cause the project, as originally approved, to be inconsistent with the Chapter 3 policies of the Coastal Act.

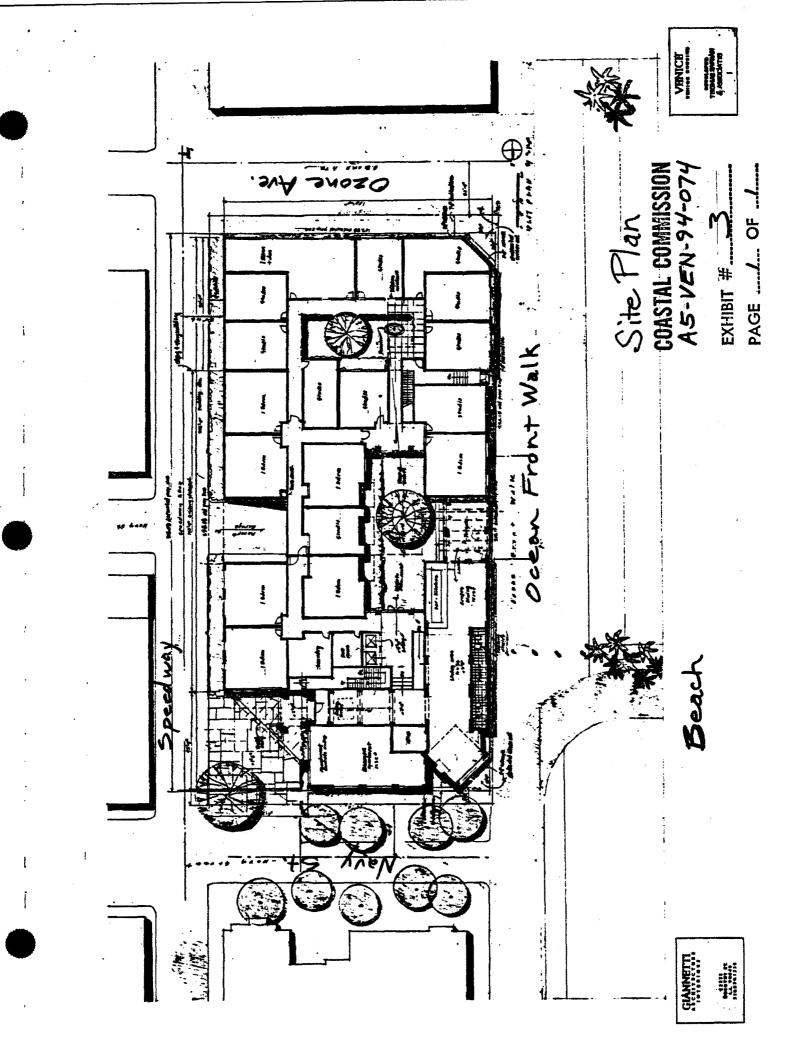
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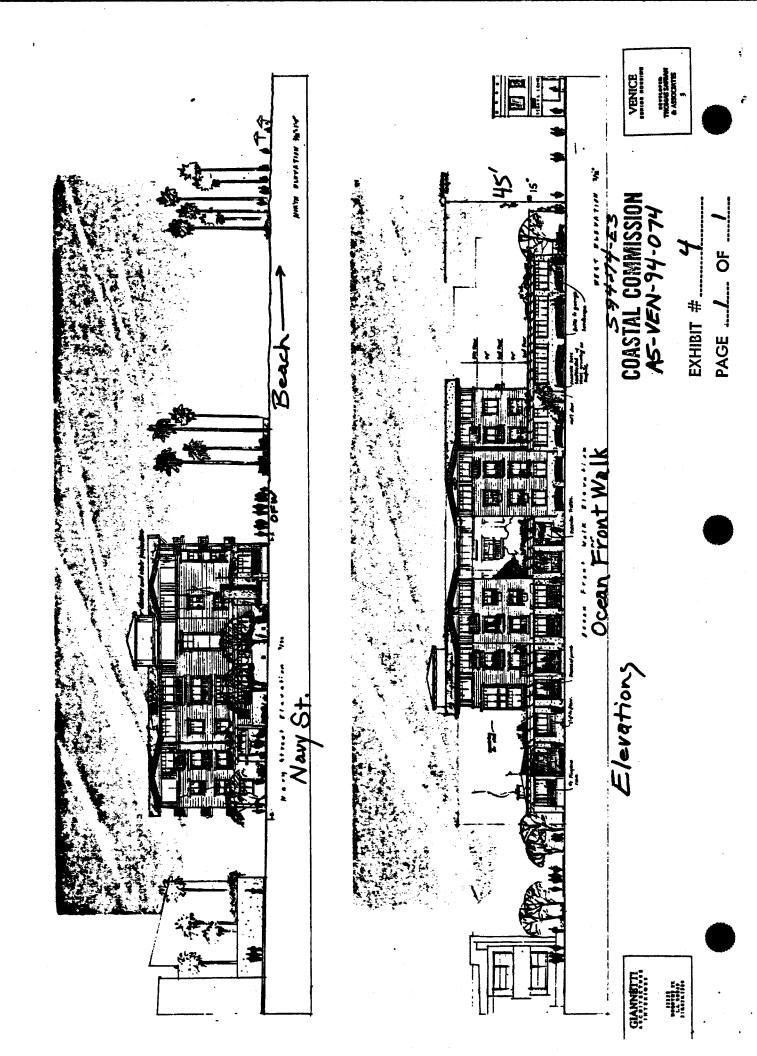


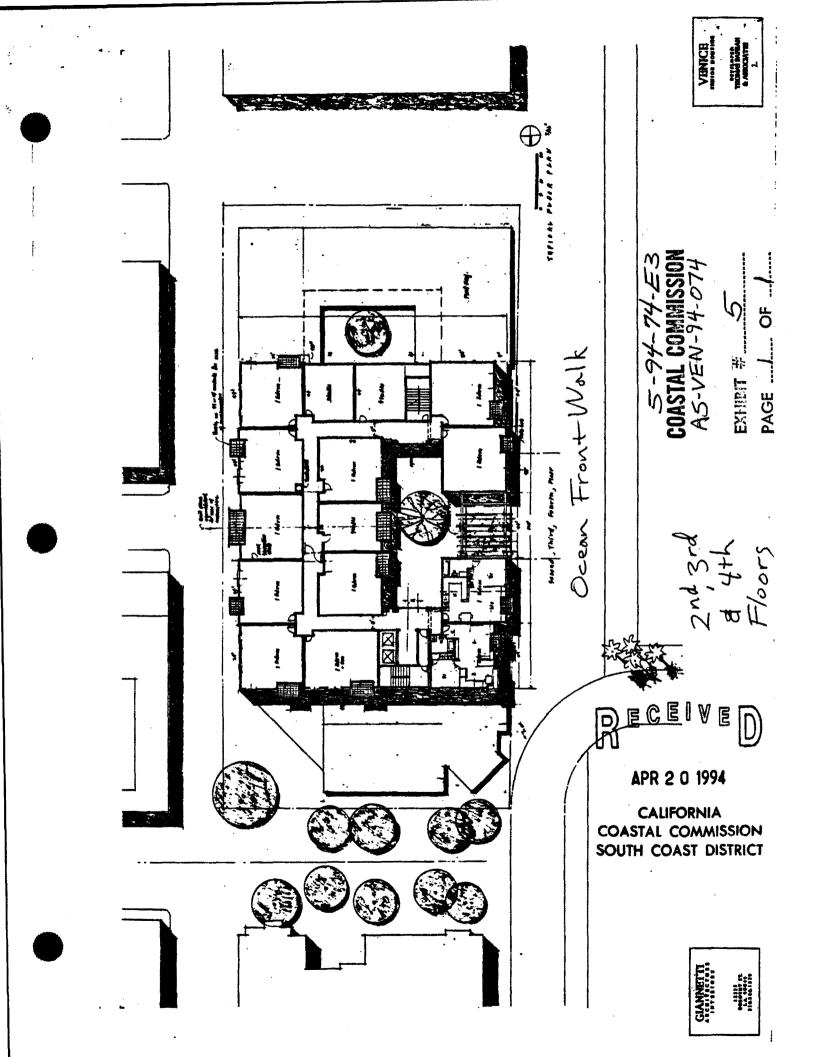
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310 450 2277 (FAX) 310 450 4327

18 May, 1998 California Coastal Commission South Coast Area Long Beach, CA

Commission Members,

The senior citizen apartment building at 151-187 Ocean Front Walk, Venice would be between my residence and the beach. As I am on the northern end of the building it would not affect my view, and I strongly believe in coastal housing for senior citizens- especially low income citizens who have never lived by the sea.

However, I must object to the request to extend the permit to develop the residence in this location because it would be thoroughly impractical. Ambulances and other emergency vehicles must have access to these residences- as the residents are frequently in and out of hospitals for obvious reasons-and they'll encounter grid-lock here every weekend and all summer. The situation will be even worse when this corner of Navy and Ocean Front Walk becomes the official "Door" to Venice Beach. I've no idea what the "Door" will entail but it is certain to mean a greater density of people and cars.

There is a high water table and constant flooding of Speedway and OFW runoff at Navy, and even if subterranean parking were somehow made possible it would be frought with complications.

These are some of the reasons this permit should not be extended, and I do hope you will consider them seriously.

Respectfully yours,

Pam Wise

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The California Coastal Commission South Coast Area P.O. Box 1450 200 Oceangate, 10th Floor Long Beach, Calif. 90802-4416



CALIFORNIA COASTAL COMMISSION

The Executive Director:

Regarding your notice that the Venice Senior Housing Corporation has applied for a one year extension of Permit No 5-94-074-E3 which you indicate will be granted since that there are "No changed circumstances" since 1994.

I must take issue with this determination since a number of changes have been and continue to be circumstances affecting this area:

1. Increased traffic...pedestrial, bicycles and rollerblades that currently make the Venice Boardwalk second only to Disneyland in the number of visitors.

2. Proposed renovations to the Venice boardwalk beginning with the "entrance" to be implemented at the corner of Navy Street and Ocean Front Walk exactly where this development is proposed.

3. Proposals to turn adjacent Main Street area into a 3rd Street Promenade which will have profound effects on beach traffic including ambulances which might be called to this senior facility.

4. Observed difficulty for fire trucks to make the turn onto Speedway even without the proposed development which might make it impossible.

5. Apparent location of high water table in this lot (water apparently struck some fifteen feet down) which would make underground parking extremely problematic.

Please take these "changed circumstances" into your deliberations. Surely this kind of development needs careful thought.

Sincerely, Marian T. Brayton

BRAYTON/CARLUCCI PRODUCTIONS

Hearst Entertainment, Inc. Phone: (310) 478-1700 1640 S. Sepulveda Blvd., 4th Floor, Los Angeles, CA 90025 FAX: (310) 478-2202

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STEARNS & CLEMONS 1 ECE Mary Stearns, Esq. - Bar # 89283 James E. Clemons, Esq. - Bar # 87283 2 3250 Wilshire Boulevard MAY 26 1998 Suite 1750 3 Los Angeles, CA 90010 CALIFORNIA COASTAL COMMISSION (213) 382-30065 Attorneys for Objecting Party NAVY STREET ESTATES Condominium Association 6 7 BEFORE THE CALIFORNIA COASTAL COMMISSION 8 9 10 VENICE SENIOR HOUSING PERMIT NO. 5-94-074-E3 11 CORPORATION, OBJECTION TO EXTENSION OF 12 Applicant. COASTAL DEVELOPMENT PERMIT 13 NAVY STREET ESTATES Condominium Association, located at 22 14 Navy Street, Los Angeles, CA 90291, immediately adjacent to the 15 proposed development, objects to the extension of Coastal Develop-16 ment Permit No. 5-94-074-E3 for the reasons set forth below. 17 I. 18 STATEMENT OF FACTS 19 Coastal Development Permit No. 5-94-074 [hereinafter referred 20 to as "the Permit"] was granted May 12, 1994 to Thomas Safran 21 [hereinafter referred to as "Safran"]. It allows a development 22 23 [hereinafter referred to as "the development"] at 151-187 Ocean Front Walk at the North end of Venice Beach in Los Angeles 24 25 [hereinafter referred to as "the property"]. 26 The permit contained Standard condition IIIc, by the terms of 27 which its expiration date was May 12, 1996. 28 In April, 1996, Safran timely filed for an extension, which COASTAL COMMISSION 1 5.94-74-E

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was granted without objection. The extension expired May 11, 1997.

On October 30, 1996, the property was transferred by Safran to
Southern California Presbyterian Homes, Inc., a California NonProfit Corporation [hereinafter referred to as "Home's"] for
\$2,600,000.00. \$1,877,840 of the purchase price was paid by the
City of Los Angeles through a loan to Homes; the balance of
\$722,160 was carried back by Safran in the form of a Deed of Trust.

8 On the same day, October 30, 1996, Homes transferred the
9 property to Venice Senior Housing Corporation, presumably a non10 profit corporation [hereinafter referred to as "Housing"], and ap11 parently a subsidiary of Homes.

Housing applied for an extension in April, 1997, which wasgranted August 7, 1997, over objections.

14 To date, the only known activity taking place on the property 15 related to the development has been a test drilling to establish 16 the water table height, conducted in November or December, 1997.

Housing now seeks a third extension. Navy Street Estates opposes that request, on the ground that the circumstances have changed so that the Permit is no longer in conformity with the Coastal Act.

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THE THIRD EXTENSION SOUGHT HERE IS NOT PERMITTED

II.

23 There is no regulatory (or statutory) authority for the grant-24 ing of more than one extension of a permit.

Regulations Sec. 13169(a) specifies that application may be
 made "for an extension of time not to exceed an additional one year
 period." Under the normal construction of the English language,
 the word "an" used as a modifier of "extension" and "additional COASTAL COMMISSION

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period," as it is in this regulation, is used in the singular. Had the Commission meant to permit multiple extensions, it could clearly have done so by eliminating both instances of the word "an" and changing "extension" to "extensions" and "period" to "periods." "An extension of time" for "an additional ... period" cannot be construed other than to mean <u>one</u> extension for <u>one</u> additional one year period.¹,²

8 It is therefore respectfully submitted that this third exten9 sion cannot be granted, either by the Executive Director or by the
10 Commission. Thus, the circumstances have changed in that the
11 project was not commenced within the time limit allowed by the
12 Regulations, and the permit has therefore expired.

DATED: May 26, 1998

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Respectfully submitted, STEARNS & CLEMONS

Bv: Clemons Ε. ames

Actorneys for NAVY STREET ESTATES

24 1. This is buttressed by the fact that the Permit at issue here contains, as part of Standard Condition IIIc the requirement that
25 "[d]evelopment shall be pursued in a diligent manner and completed in a reasonable period of time." Obviously, repeated extensions
26 were not contemplated. It is respectfully submitted that four years without even the commencement of the development let alone its completion is neither diligent nor reasonable.

28 2. The second extension granted in 1997 was therefore also invalid.

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