

## CALIFORNIA COASTAL COMMISSION

South Coast Area Office  
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# W10a

February 20, 2014



**TO:** Commissioners and Interested Persons

**FROM:** Charles Lester, Executive Director  
Sherilyn Sarb, Deputy Director  
Karl Schwing, Coastal Program Manager  
Meg Vaughn, Staff Analyst

**SUBJECT:** Concurrence with the Executive Director's determination that the action of the City of Laguna Beach accepting certification with suggested modifications of Major LCP Amendment No. 1-12 (Artist Work Live & Second Residential Units) is legally adequate. For Commission review at its March 12, 2014 meeting in Long Beach.

## **STAFF RECOMMENDATION**

Staff recommends that the Commission concur with the Executive Director's determination that the City's action is legally adequate.

## **BACKGROUND**

The City of Laguna Beach submitted Major Local Coastal Program (LCP) Amendment Request No. 1-12 for Commission certification pursuant to City Council Resolution No. 12.051 (Artist Live Work, Ordinance No. 1567) and City Council Resolution No. 12.062 (Second Residential Units, Ordinance No. 1570). No changes to the Land Use Plan (LUP) portion of the certified LCP were included in LCPA 1-12.

Changes to Chapter 25.16 *Artists Live/Work* (Ordinance No. 1567) include: a shift to place greater emphasis on the work aspect over the residential aspect; establishing an Artist Occupancy Permit and related procedure including creation of an Artist Review Panel intended to assure that the units will be occupied by working artists; adding and modifying definitions; modifying development standards to, among other things, assure that the Artist Work Live units are compatible with the underlying zone in which they occur; adding the M-1B Light Industrial zone to the zones in which these units are allowed; increasing the amount of area that may be dedicated to retail use from 10% to 15% of the gross floor area of the unit; and, adding a new enforcement section. New language regarding density bonus and a reduction in the amount of required parking is also a part of the amendment.

Changes to Chapter 25.17 *Second Residential Units* (Ordinance No. 1570) include: elimination of the design review requirement for second units; newly allowing detached second units on 6,000 square foot lots and a sliding range for the allowable square footage of the second unit based on the lot size; establishing a minimum size for second units of 275 square feet; limiting the maximum height to a single story and 12 feet; and eliminating the requirement that the owner occupy one of the units. Reductions in the amount of parking required, an affordable housing incentive that eliminates the parking requirement for second units, and a new prohibition on use of the second unit for short-term lodging were also part of the amendment.

Issues raised by the amendment included whether the granting of a density bonus would only be allowed when the increase in density can be feasibly accommodated on the site in a manner that, other than the increased density, is in conformity with the certified local coastal program. To address this issue, the Commission adopted suggested modifications to bring the proposed Implementation Plan amendment into conformity with the policies of the certified Land Use Plan at its hearing on November 15, 2013. Local Coastal Program Amendment 1-12 affects only the Implementation Plan portion of the certified LCP.

On January 21, 2014, the Laguna Beach City Council approved Ordinance No. 1585 which incorporated the Commission's suggested modifications to LCPA 1-12 into the Chapters 25.16 and 25.17 of Title 25 *Zoning* of the City's certified Implementation Plan. Also on January 21, 2014 the Laguna Beach City Council adopted Resolution No. 14-008 acknowledging receipt of the Coastal Commission action and accepting and agreeing to the suggested modifications. The City has submitted City Council Resolution No. 14-008 and Ordinance No. 1585 to the Executive Director for a determination that they are consistent with the Commission's action on November 15, 2013 approving the amendment with suggested modifications.

As provided in Section 13544 of the California Code of Regulations, the Executive Director must determine whether the City's action is legally adequate and report that determination to the Commission. In this case, the Executive Director has determined that the City's action is legally adequate. Unless the Commission objects to the Executive Director's determination, the certification of Laguna Beach LCP Amendment No. 1-12 shall become effective upon the filing of the required Notice of Certification with the Secretary of Resources as provided in Public Resources Code Section 21080.5(d)(2)(E).

### **RECOMMENDATION**

Staff recommends that the Commission **CONCUR** with the Executive Director's determination as set forth in the letter attached as Exhibit 3 (to be sent after Commission endorsement).

**RESOLUTION NO. 14.008**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA BEACH, CALIFORNIA ADOPTING LOCAL COASTAL PROGRAM AMENDMENT 10-01 REGARDING AMENDMENTS TO MUNICIPAL CODE CHAPTER 25.16 (ARTISTS' WORK/LIVE) AND REQUESTING EXECUTIVE DIRECTOR SIGNOFF**

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**WHEREAS**, the City Council approved Laguna Beach Local Coastal Program Amendment No. 10-01 on May 15, 2012, and found that the proposed amendment is consistent with the Certified Laguna Beach Coastal Land Use Plan and Chapter 6 of the California Coastal Act; and

**WHEREAS**, the City of Laguna Beach submitted said amendment for consideration and certification to the California Coastal Commission; and

**WHEREAS**, on November 15, 2013, the California Coastal Commission approved certification with suggested modifications for amendment to the City's Local Coastal Program (LGB-MAJ-12); and


**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA BEACH DOES RESOLVE AND ORDER** as follows:

**SECTION 1.** That City of Laguna Beach City Council acknowledges receipt of, accepts and adopts the suggested modifications made by the California Coastal Commission to Laguna Beach Local Coastal Program Amendment No. 10-01, consisting of an amendment to the Artists' Work/Live provisions of Municipal Code Chapter 25.16. A copy of the aforesaid ordinance incorporated said suggested modifications is attached hereto as Exhibit "A" and is incorporated by reference as though fully set forth herein.


**SECTION 2.** That the City of Laguna Beach will submit this acceptance resolution to the Executive Director of the California Coastal Commission for final approval.

Laguna Beach 1-12  
Concurrence w/ E.D. Determination  
EXHIBIT 1 p. 1 of 2

ADOPTED this 21<sup>st</sup> day of January, 2014.

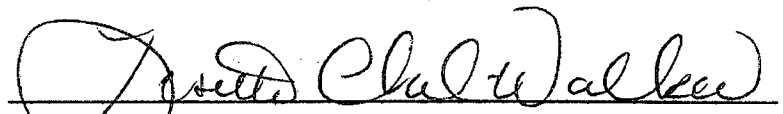
  
Elizabeth Pearson, Mayor

ATTEST:

  
City Clerk

I, LISETTE CHEL-WALKER, City Clerk of the City of Laguna Beach, California, do hereby certify that the foregoing Resolution No. 14.008 was duly adopted at a Regular Meeting of the City Council of said City held on January 21, 2014, by the following vote:

AYES: COUNCILMEMBER(S): Boyd, Dicterow, Iseman, Whalen, Pearson  
NOES: COUNCILMEMBER(S): None  
ABSENT: COUNCILMEMBER(S): None

  
City Clerk of the City of Laguna Beach, CA

**ORDINANCE NO. 1585**

**AN ORDINANCE OF THE CITY OF LAGUNA BEACH, CALIFORNIA  
AMENDING CHAPTER 25.16 OF THE LAGUNA BEACH MUNICIPAL  
CODE RELATING TO ARTISTS' WORK/LIVE DEVELOPMENT**

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**WHEREAS**, on January 25, 2012 and March 14, 2012, the Planning Commission conducted legally noticed public hearings and, and after reviewing and considering all documents, testimony and other evidence presented, voted to recommend that the City Council adopt amendments to the Artist Work Live provisions of the Municipal Code; and

**WHEREAS**, the City Council conducted legally noticed public hearings and has reviewed and considered all documents, testimony and other evidence presented;

**NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF LAGUNA BEACH DOES  
ORDAIN**, as follows:

**SECTION 1:** Chapter 25.16 ("Artist Live Work") of the Laguna Beach Municipal Code is hereby amended to read in its entirety as follows:

**Chapter 25.16 ARTISTS' WORK/LIVE**

**25.16.010 Intent and Purpose.**

**25.16.020 Authorization – Conditional Use Permit Required.**

**25.16.030 Authorization – Artist Occupancy Permit Required.**

**25.16.040 Definitions.**

**25.16.050 Minimum Requirements for Artists' Working and Living Units.**

**25.16.060 Performance Standards**

**25.16.070 Findings**

**25.16.080 Enforcement**

LGBLCPA 1-12  
Concurrence w/E.D.  
Exhibit 2  
Page 1 of 11  
Exhibit A

**25.16.010 Intent and Purpose.**

The purpose of this chapter is to provide Laguna Beach artists the opportunity to create art in a combined working and living environment. This chapter is intended to facilitate the provision of an affordable lifestyle, for artists of limited or modest income and an incentive to locate and remain in Laguna Beach. This chapter is intended to implement the applicable provisions of the General Plan and to promote compatible working and living conditions within a safe and healthy environment for all properties within the allowable zones.

It is also the intent of this chapter to ensure that artists' developments and projects are compatible with surrounding land uses, and are designed to avoid potential land use conflicts and negative impacts to both occupants of artists' working and living units and occupants of neighboring properties. Project design and materials shall reflect the nature of uses and zones in which they are located. The type of art work created shall be consistent with the allowed uses in the zone in which the unit is located. For example, art work created through welding would be located in Industrial Zones and the creation of poems and screenplays would be located in Commercial or Residential Zones. The sequence in terms in the phrase "working and living" is intended to reflect and signify that the needs of the work component of the unit take precedence over the ancillary residential use of the unit.

**25.16.020 Authorization - Conditional Use Permit Required.**

Artists' working and living units may be developed, rehabilitated, owned, purchased, sold, occupied, rented, operated, maintained and otherwise used and transferred pursuant to this chapter. The development of artist's working and living unit(s) shall be subject to the approval of a Conditional Use Permit as set forth in and in accordance with Section 25.05.030. The approval of such Conditional Use Permit shall be subject to the findings specified in Section 25.16.060 in addition to those required by Section 25.05.030. The applicant(s) for a Conditional Use Permit shall be the owner(s) of the real property on which an artists' working and living units(s) use is proposed, or the owner(s)'s authorized agent.

**25.16.030 Authorization - Artist Occupancy Permit Required.**

The use and occupancy of an artist's working and living unit shall be for artists and their household. Each artist who proposes to occupy an artist working and living unit shall first obtain written confirmation from the Community Development Director or his/her designee, that the type of proposed art work to be created is appropriate in the proposed zoning designation where the unit is located. A completed application for an Artist Occupancy Permit may then be submitted to the Community Development Department for review and consideration by the Artist Review Panel. In addition, each artist who may potentially occupy an artists working and living unit shall comply with not less than three (3) of the following requirements when submitting a completed application:

(a) Submit evidence of a body of work, created in the last three (3) years, as documented in support materials such as compact disks (CDs), slides, video and/or audio tapes, production photographs, scripts or works of fiction, non-fiction or poetry. Support materials shall be labeled with the artist's name, date of work and any other required information;

(b) Submit evidence that the artist has formal training in the arts, as documented in a resume that summarizes such training;

(c) Submit evidence that the artist has presented his or her work in exhibition, performance, readings or comparable public programming, as documented in a resume, sample programs/invitations, catalogs, press clips or similar official documentation;

(d) Submit three (3) letters of recommendation from artists and/or arts professionals (such as curators, producers or teachers) who are recognized within the arts community and who will attest that the applicant is a working artist as defined below.

Upon submission of a complete application, the Artist Review Panel shall meet within 30 days to review the Artist Occupancy Permit Application and either approve or deny the application. Any decision made by the Artist Review Panel may be appealed to the City Council in accordance with Section 25.05.070. Upon certification by the Artist Review Panel, the artist may submit tenant improvement plans to the Community Development Department for any desired or necessary modifications to the unit for review and approval by the Community Development and the Fire Departments.

#### **25.16.035 Authorization – Coastal Development Permit Required**

An artist work/live unit proposal, including one that proposes a density bonus, that constitutes development as defined in Chapter 25.07 Coastal Development Permit shall require approval of a coastal development permit consistent with that Chapter unless the development is otherwise exempt pursuant to that chapter.

#### **25.16.040 Definitions.**

For the purposes of this chapter, the following terms are defined as:

- (A) "Allowable zones" shall mean those zones identified in Section 25.16.050(A)(1).
- (B) "Artist" shall mean a person who produces art as a primary occupation and is engaged and active in one of the following fields:
  - 1) Fine Arts – including but not limited to painting drawing, sculpture, book arts, printmaking and mixed media.
  - 2) Imaginative Works – including but not limited to literature, poetry, photography, music composition, choreography, cinematography and computer arts.
  - 3) Functional Arts – including but not limited to metal, textiles, paper, wood, ceramic, glass and/or plastic objects.
  - 4) Performing Arts – including but not limited to singers, dancers, musicians, actors, performance artists; costume lighting, sound and set designers.
- (C) "Artists' Review Panel" – Shall mean a subcommittee, appointed by the City Council, consisting of three (3) members of the City's Arts Commission, one (1) of whom shall be a working artist, established for the purpose of reviewing and certifying each artist who proposes to occupy an artist's working and living unit.
- (D) "Artists' working and living development project" shall mean any development project that has one or more artists' working and living units.
- (E) "Artists' working and living unit" shall mean a unit that has both working space and residential dwelling area for an artist. The working space and residential dwelling area may be physically connected and may be structurally modified or designed to accommodate ancillary residential occupancy with the primary use for working activity The residential dwelling area shall be entirely within the unit and shall have habitable area for residential living, including a complete kitchen space,

studio or bedroom sleeping area(s), and bathroom and sanitary facilities. The working space shall be located within the unit, part of exclusive use common area appurtenant to the unit, or a combination of the two, with said working space to be regularly used by an artist as a place of work.

(F) "Residential dwelling area," "residential dwelling space," "living area," or "living space" shall mean that certain area on or in an artists' working and living unit used primarily or exclusively by an artist for residential habitation.

(G) "Working space" or "work space" shall mean that certain area on the site or in an artist's working and living unit used primarily or exclusively for the production of art by the artist.

#### **25.16.050 Minimum requirements for artists' working and living units.**

(A) Development Standards. The development standards of the applicable allowable zone identified in subdivision (1) shall below be the development standards for an artist's working and living development project. In the event of a conflict between the development standards set forth in the applicable allowable zone and the standards in this chapter, the provisions of this chapter shall take precedence. All artists' working and living units shall be designed to comply with applicable building code standards. The type of art work created in an artists' working and living unit shall be consistent with allowable uses and compatible with requirements of the zoning district in which it is located. The City reserves the right to perform on-site inspections to determine compliance with this chapter, the Artist Occupancy Permit and the Conditional Use Permit.

(1) Artists' working and living units may be developed only in the following zones (collectively, the "allowable zones"), subject to a Conditional Use Permit: M-1A and M-1B Light Industrial, C-N Commercial-Neighborhood, LBP Local Business Professional, Downtown Specific Plan—CBD-Civic Art District, CBD-Office, CBD-Central Bluffs, R-2 Residential Medium Density and R-3 Residential High Density. Artists' working and living units are not allowed in any other zones in the City.

(2) All artists' working and living units shall consist of either a conversion of an existing building or a development as part of a new working and living project. Conversion of an existing building and new construction may be developed as shell construction, with minimum roughed-in facilities as allowed or required by the Building Official. Individual building permits for interior improvements may be obtained by the occupant at a later date and must comply with all permit and inspection requirements of the applicable code in effect at the time of permit application. If an application for a parcel or tract map is proposed as part of the development, it shall be processed, and must be approved by the City in accordance with the California Subdivision Map Act and Title 21 of this Code. Each artist's working and living unit shall be used and occupied by an artist, and his or her household. Each artist's working and living unit shall be used and occupied by a single household.

(3) Unit Size for Each Artists' Working and Living Unit, Density Standards and General Provisions.

(a) Minimum unit size shall be the minimum area required by the California Building Code to accommodate an artists' working and living unit as defined herein.

(b) In all zones except in the M-1A and M-1B Zones, at least 1/2 of the total square footage of the unit shall be allocated to working area and the remainder to living area. For artist's working and living units located in the M-1-A and M-1B zones, the ratio of working space to residential dwelling area shall be no less than 2/3 working space and the remainder to living space,



whether the working space is attached or detached from the residential dwelling area. If detached, 1/3 of the work area may be communal open outdoor working space

(c) Unless otherwise approved as an incentive for providing additional affordable units beyond the required 25% for developments of two or more units as required by the City's Housing Element of the General Plan, the density standards applicable to each artist's working and living development project shall be no greater than the density otherwise allowed in the applicable allowable zone.

(d) Building setbacks shall be determined by the Planning Commission, subject to the following:

(i) Building setbacks shall be no less than twenty (20) feet from an artist's working and living unit to a property line that directly abuts an R-1 zone.

(ii) For artist's working and living units in the M-1 A and M-1B zones, the front, side and rear yard setbacks shall be governed by the minimum setback requirements for property located in the M-1A and M-1B zones, respectively, and subject to clause (i) of this subparagraph.

(iii) For artist's working and living units in an allowable zone other than the M-1A or M-1B zones, the front, side and rear yard setbacks shall be governed by the minimum setback requirements for property located in the R-2 and R-3 zones, and subject to clause (i) of this subparagraph.

(e) Maximum building height shall be that height specified in the applicable allowable zone.

(4) Loading space/dock requirements shall be determined by the Planning Commission based upon the proposed type of art work to be created and deliveries expected at the artist's working and living unit.

(5) One and one half (1.5) parking spaces shall be provided for each artist's working and living unit in all zones. As an incentive to provide additional affordable units beyond the minimum 25% affordable unit requirement, the Planning Commission may allow one parking space per unit. Additional parking for incidental retail, where permitted, is not required. The location and layout of the parking may be communal or tandem, or both, pursuant to Planning Commission approval in the following zones: M-1A and M-1B Light Industrial, C-N Commercial-Neighborhood, LBP Local Business Professional, Downtown Specific Plan—CBD- Civic Art District, CBD-Office and CBD Central Bluffs.

(6) In residential and commercial zones, all living space shall be contiguous with and made an integral part of the working space; however, direct access between living and working areas shall not be required. In the M1-A and M1-B zones, artists' working space shall be located either (i) within a unit and contiguous to and made an integral part of the residential dwelling area, or (ii) detached from the unit structure, 1/3 of which may be communal open outdoor working space.

(7) The residential dwelling area and working space that comprise an artists' working and living unit shall not be separately rented or sold.

(8) The layout and design of an artist's working and living development project shall be compatible in character and scale with surrounding areas, as determined by the Planning Commission. Architecture, materials and functionality of development projects shall reflect the use(s) proposed to occupy the unit(s) as well as be compatible with the surrounding neighborhood.

- (9) Architecture and landscaping shall be reviewed by the Planning Commission. Architecture, materials and functionality of development projects shall reflect the uses(s) proposed to occupy the units(s) as well as integration and compatibility with the surrounding neighborhood.
- (10) Employees may be permitted to work at an artist's working and living unit, subject to a Planning Commission determination that adequate parking has been provided for such employees at the location of the artist's working and living unit. In no event, however, may employees be permitted to work at an artists' working and living unit located in the R-2 and R-3 zones.
- (11) Each artist in an artist's working and living unit shall obtain a business license and certificate of use in accordance with Chapter 25.62.
- (12) The type(s) of art work(s) produced in an artist's working and living unit shall be consistent in use and compatible with the requirements of the allowable zone in which the artist's working and living unit is located. (13) In the M1-A and M1-B zones, special consideration shall be given to industrial-type functional design features, such as industrial-size elevators and loading docks, increased floor loads, larger door openings and appropriate electrical, plumbing, heating and ventilation.
- (14) Future additions, modifications or enlargements of structures, and modification of sizes of floor areas designated as residential dwelling area and working space shall require review by the Planning Commission and the approval of an amendment to the Conditional Use Permit. Any subsequent change in the approved type(s) of artist(s) and/or art work(s) shall require subsequent review by the Artist Review Panel including artist certification.
- (15) The use of materials or mechanical equipment not part of normal household or hobby uses shall be prohibited in the R-2 and R-3 zones.
- (16) Whenever an artist's working and living unit is located in the R-2 or R-3 zones, newspaper or other advertising related to business or commercial services, which identifies the address of an artists' working and living unit, located in the R-2 and R-3 zones, shall be prohibited, except that the owner or occupant of the artist's working and living unit may submit an application to the Planning Commission seeking relief from this requirement if the advertising concerning the business or commercial service conducted at the artist's working and living unit does not unreasonably interfere with the authorized uses of the properties in the R-2 or R-3 zones.
- (17) Whenever located in the R-2 or R-3 zones, the use of the artist's working and living unit shall not generate excessive pedestrian or vehicular traffic that unreasonably interferes with residences in the area.
- (18) Whenever located in the R-2 or R-3 zones, the artist's working and living unit shall not involve the use of commercial vehicles for delivery or pickup of materials or equipment to or from the premises beyond that normal to the residences in the area. An exception may be granted by the Planning Commission, with a condition regulating the frequency, days of the week and hours of delivery and/or pickup.
- (19) Storage of materials or supplies indoors or outdoors, for purposes other than those permitted in the allowable zone in which the use is located, shall be prohibited.
- (20) The installation of signs or construction of structures, other than those permitted in the allowable zone in which the use is located, shall be prohibited.
- (21) The appearance of the approved structure(s) of an artist's working and living unit, and the conduct of the use within the structure, shall comply with the requirements of structures and uses in

the applicable zones, including compliance with color, materials, construction, lighting, signs, odors, noises, vibrations, and other similar provisions. In the M-1A and M-1B Zones, the appearance of structures should reflect the functional and practical nature of the light industrial uses in the area.

(22) All uses, storage of hazardous materials and interior/exterior layouts shall be subject to the review and approval of the City's Building Official and Fire Chief.

(23) For artists' working and living development projects that include a subdivision, each of the above-enumerated standards, together with all other conditions imposed by the Conditional Use Permit, shall be set forth in the CC&Rs, and shall be recorded against the property on which an artist's working and living unit is located, after review and approval by the City Attorney. The CC&Rs shall not be amended to eliminate any of the above standards without prior approval by the Planning Commission and the City Council.

(B) Criteria for Minor Retail Function. Minor retail functions, in conjunction with artist's working and living units, may be permissible as determined by provisions of the Conditional Use Permit and subject to the minimum conditions in this section; provided, however, that minor retail functions shall not be allowed in the R-2 Residential Medium Density and R-3 Residential High Density zones.

(1) Retail functions shall not be approved unless determined by the Planning Commission to be compatible with surrounding uses.

(2) Retail functions shall be limited to the display and retail sale of art-work created by the artist in the working space of the artists' working and living unit.

(3) Retail functions shall not occupy more than fifteen percent (15%) of the gross floor area of an artists' working and living unit, including the floor area of the working space if located separately from the unit that contains the residential dwelling area.

(4) Retail functions shall be integrated into and with the working space.

(5) Prior to engaging in any retail functions a business license shall be obtained from the City by the artist or the artist's business engaging in the retail functions.

(C) Responsibilities of Owner. Prior to occupancy of an artist's working and living unit that may be rented or sold pursuant to this chapter, the owner of the artists' working and living unit shall notify any and all tenants and/or buyers, of the conditions listed within the applicable Conditional Use Permit and any resolution adopted in connection therewith. This notification shall include the following:

(1) The approved use at the site is an artist's working and living unit subject to the provisions of this chapter.

(2) Under the General Plan and adopted zoning, the area in which the use is to be located is principally commercial or industrial zoned and residential uses are considered ancillary to the commercial and industrial zoning of the area. Artist's working and living units located in R-2 and R-3 zones need not include the notification in this subparagraph.

(3) By selecting this type of residence in a commercial or industrial zone, the tenant acknowledges and accepts by signing an appropriate document, in a form satisfactory to the City Attorney and which is recorded, that there are commercial and industrial conditions, such as traffic, noise, odors, dust and dirt generally found in the area.

(4) By selecting an artist's working and living unit in an R-2 or R-3 zone, as applicable, the tenant agrees to create art work in such a manner that is compatible with the zone and does not

unreasonably interfere with residences in the area including traffic, noise, odors or other environmental impacts.

(5) The use of the artist's working and living unit may be subject to additional review upon receipt of and verification of written complaints and the use shall terminate immediately upon the expiration, revocation or termination of the conditional use permit. Upon termination of the Conditional Use Permit, the artists' working and living unit may not be used for any purpose unless the structure and use conform in all aspects to the allowable zoning that applies to property in which the artists' working and living unit is located.

(6) An owner of an artist's working and living unit shall be required to sign an affidavit, punishable under penalty of perjury, that the artist's working and living unit is in compliance with this chapter, including but not limited to that the individual unit is occupied by an in accordance with an Artist Occupancy Permit. This affidavit shall be submitted annually for as long as the Artist Occupancy Permit remains effective. The unauthorized rental of an affordable unit, or the failure of an occupant of an artist's working and living unit to comply with the definition of an "artist" shall be grounds for revocation of the Artist Occupancy Permit and the commencement of appropriate code enforcement proceedings against the occupant, the owner or both.

(7) Upon reasonable notice, the City shall have the right to perform on-site inspections to determine compliance with this chapter and the approved Artist Occupancy Permit and/or Conditional Use Permit.

#### **25.16.060 Performance Standards.**

With the exception of the M-1A and M-1B Zones, the following performance standards shall apply to all artist's working and living development projects.

(A) Noise. The allowable exterior noise levels from the conduct of the approved art use shall comply with the requirements specified in Chapter 7.25.

(B) Odor. Every artist's working and living unit shall be designed and operated in such a manner that it does not emit an obnoxious odor or fumes beyond the working space.

(C) Smoke. Every artist's working and living unit shall be designed and operated in such a manner that it does not emit smoke beyond the working space.

(D) Dust and Dirt. Every artist's working and living unit shall be designed and operated in such a manner that does not emit any dust or dirt beyond the working space.

#### **25.16.070 Findings.**

The following findings, in addition to those required by Section 25.04.030, shall be made in support of a decision to approve a Conditional Use Permit for an artist's working and living development project and all artists' working and living units:

(A) The proposed use at the location requested will not cause an adverse effect to the health, safety or welfare of persons residing or working in the surrounding area or impair the use and enjoyment of surrounding property in the vicinity of the site.

(B) The proposed site is adequate in size and shape to accommodate the yards, open space, walls, fences, parking and loading facilities, landscaping and other development requirements as required to integrate the use with existing and planned uses in the surrounding area.

(C) The proposed site is adequately served by highways or streets of sufficient width and improved as necessary to carry the kind and quantity of traffic such use would generate and by other public or private facilities as are required.

(D) There are sufficient conditions imposed to ensure that the working space and residential dwelling area within each artist's working and living unit are not separately rented or sold.

(E) The type(s) of art work proposed for the artist's working and living unit(s) shall be consistent and compatible with the zoning district requirements within the allowable zoning and with the surrounding neighborhood.

(F) The architecture, materials and functionality of the development reflects the use(s) proposed to occupy the unit(s) which is also integrated and compatible with the surrounding neighborhood.

#### **25.16.075 Coastal Development Permit – Required Findings**

In addition to any other findings required for approval of artist work/live unit(s), a coastal development permit as required pursuant to Chapter 25.07 shall only be approved when all of the following findings, supported by substantial evidence in the record, can be made:

(A) The artist work live unit(s) is/are consistent with the policies of the certified Land Use Plan including the Land Use Element, the Open Space/Conservation Element, and the Coastal Land Use Plan;

(B) If a density bonus is part of any artist work/live project proposal, that the increase in density can be feasibly accommodated on the site in a manner that is in conformity with the certified local coastal program.

#### **25.16.080 Enforcement.**

It shall be a misdemeanor to violate any provision of this chapter. Without limiting the generality of the foregoing, it shall be a misdemeanor for any person to sell to another person an affordable artists' working and living unit at a price that exceeds the maximum allowable price as required by the City, or to sell an affordable unit to a household not qualified or not determined to be eligible to purchase an affordable unit pursuant to this chapter, or to rent an affordable unit. It shall further be a misdemeanor for any person to provide false or materially incomplete information to the City or to a seller of an affordable unit to obtain occupancy of housing for which he or she is not eligible.

In the event that it is determined that a sales or rental price in excess of that allowed by this chapter has been charged to an income-eligible low or moderate income household purchasing or renting an affordable artist's working and living unit, the City may take legal action as appropriate and available to recover any excess sales or rental costs.

Nothing in this section limits or shall be deemed to limit any other rights or remedies available at law or in equity to the City or any other person or lawfully existing entity.

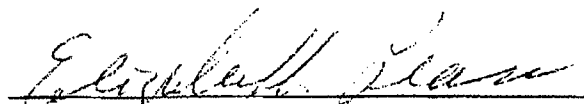
**SECTION 4.** This Ordinance is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) of the State CEQA Guidelines.

**SECTION 5.** If any portion of this Ordinance, or the application of any such provision to any person or circumstance, shall be held invalid, the remainder of this Ordinance to the extent it can be given effect, of the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby, and to this extent the provisions of this Ordinance are severable.

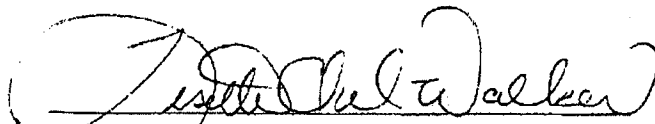
**SECTION 6.** This Ordinance is intended to be of Citywide effect and application. All ordinances and provisions of the Laguna Beach Municipal Code and Sections thereof inconsistent shall be and the same are hereby repealed to the extent of such inconsistency and no further. Furthermore, this ordinance shall apply on a prospective only basis to new projects which require discretionary review and approval.

**SECTION 7.** The City Clerk of the City of Laguna Beach shall certify to the passage and adoption of this Ordinance, and shall cause the same to be published in the manner required by law in the City of Laguna Beach. This Ordinance shall become effective thirty (30) days from and after the date of its adoption by the City Council

ADOPTED this 21<sup>st</sup> day of January, 2014.

  
Elizabeth Pearson, Mayor

ATTEST:

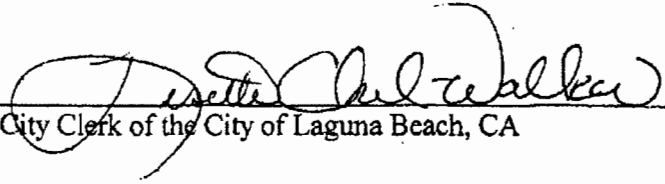
  
Lisette Chel-Walker, City Clerk

I, Lisette Chel-Walker, City Clerk of the City of Laguna Beach, do hereby certify that the foregoing Ordinance No. 1585 was introduced at a regular meeting of the City Council on January 7, 2014, and was finally adopted at a regular meeting of the City Council of said City held on January 21, 2014 by the following vote:

AYES: COUNCILMEMBER(S): Boyd, Dicterow, Iseman, Whalen, Pearson

NOES: COUNCILMEMBER(S): None

ABSENT: COUNCILMEMBER(S): None

  
\_\_\_\_\_  
City Clerk of the City of Laguna Beach, CA

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



March XX, 2014

John Montgomery  
Director of Planning  
505 Forrest Avenue  
Laguna Beach, CA 92651

Re: Effective Certification  
City of Laguna Beach Local Coastal Program Amendment No. 1-12  
(Artist Live Work & Second Residential Units Implementation Plan Amendment)

Dear Mr. Montgomery:

We are pleased to notify you that on March X, 2014, the Commission concurred with the Executive Director's determination that the action of the City of Laguna Beach accepting certification of Local Coastal Program (LCP) Amendment No. 1-12 with suggested modifications was legally adequate. Therefore, the LCP amendment will be fully effective upon filing of the notice of the Commission's certification with the Secretary of the Resources Agency as provided by Public Resources Code Section 21080.5(d)(2)(E).

City of Laguna Beach LCP Amendment 1-12 was submitted for Commission certification pursuant to City Council Resolution 14-008. LCPA 1-12 made changes to Chapter 25.16 *Artist Work Live* and Chapter 25.17 *Second Residential Units* of Title 25 *Zoning* of the certified Implementation Plan. Changes to Chapter 25.16 (AWL) were proposed via City Council Resolution No. 12.051 and are reflected in Ordinance No. 1567. Changes to Chapter 25.17 (Second Residential Units) were proposed via City Council Resolution No. 12.062 and are reflected in Ordinance No. 1567.

On November 15, 2013, the Commission approved LCP Amendment No. 1-12 with suggested modifications. On January 21, 2014, the Laguna Beach City Council adopted Resolution No. 14-008 acknowledging receipt of the Coastal Commission action and accepting and agreeing to the suggested modifications. Also on January 21, 2014, the City Council adopted Ordinance No. 1585 amending the Local Coastal Program Implementation Plan by incorporating the modifications suggested by the Commission. On March X, 2014, the Commission concurred with the Executive Director's determination that the City Council's acceptance of the Commission's suggested modification was legally adequate.

On behalf of the Coastal Commission, I would like to congratulate the City on the completion of LCP Amendment 1-12. If you have any questions, please contact Meg Vaughn at our Long Beach office (562) 590-5071.

Sincerely,

Karl Schwing  
Coastal Program Manager

cc: Ann Larson, Planning Manager  
LGB LCPA 1-12 AWL&2<sup>nd</sup>Units IPam draft fnlrcr ltr 3.14 mv

City of Laguna Beach LCPA 1-12  
Concurrence with Executive Director's  
Determination  
EXHIBIT 3