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STAFF REPORT: APPEAL – NO SUBSTANTIAL ISSUE

Appeal Number:	**A-5-VEN-17-0011**
Applicants:	**Joanna & James Sattler**
Local Government:	City of Los Angeles
Local Decision:	Claim of Exemption to Coastal Development Permit Requirement
Appellants:	Mary Jack, Sue Kaplan, Shephard Stern, & Lillian White
Project Location:	842 Marco Place, Venice, City of Los Angeles
Project Description:	Appeal of City of Los Angeles Local Coastal Exemption No. DIR-2017-774-CEX for a 1,197 sq. ft. addition (including new 506 sq. ft. attached garage) to a 2,211 sq. ft., two-story single-family residence, and demolition of 160 sq. ft. detached garage. The structural components of the existing residence (e.g. foundation, framing and front façade) will remain intact. Total of three (3) parking spaces will be maintained onsite.
Staff Recommendation:	No Substantial Issue

IMPORTANT NOTE: This is a substantial issue only hearing. Testimony will be taken only on the question of whether the appeal raises a substantial issue. Generally and at the discretion of the Chair, testimony is limited to 3 minutes total per side. Please plan your testimony accordingly. Only the applicants, persons who opposed the application before the local government (or their representatives), or those who, for good cause, were unable to oppose the application before the local government, and the local government shall be qualified to testify. Others may submit comments in writing. If the Commission determines that the appeal does raise a substantial issue, the de novo phase of the hearing will occur at a future Commission meeting, during which it will take public testimony.

SUMMARY OF STAFF RECOMMENDATION

The staff recommends that the Commission determine that **no substantial issue exists** with respect to the grounds on which Appeal A-5-VEN-17-0011 has been filed because the locally approved development does qualify for an exemption and does not require a local coastal development permit from the City of Los Angeles. The City-approved development constitutes an "improvement" to an existing development,

because less than 50 percent of the existing single-family residence will be demolished and because the size of the addition is not so substantial as to constitute effective redevelopment of the project site. The scope of work includes the demolition of the existing detached garage, an approximately 588 sq. ft. first floor addition (including the new attached garage) and 609 sq. ft. second floor addition to the rear of the existing single-family residence, while the foundation, framing and front façade of the existing structure will remain intact. The exterior walls, as well as the roof lines, will remain as is, except for the rear portion of the existing structure which will be slightly modified to accommodate for the necessary connections between the existing structure and the additions (**Exhibit 2**). Overall, the City-approved plans indicate that more than 50 percent of the existing structure will be retained. In addition, the improvements will enlarge the existing living area of the home by approximately 31 percent. Therefore, the proposed project is exempt "development" as defined in the Coastal Act and does not require a coastal development permit because less than 50 percent of the existing single-family residence is proposed to be removed and the addition is not so substantial as to constitute effective redevelopment of the site. Commission Staff recommends that the Commission find that no substantial issue exists with respect to the grounds upon which the appeal has been filed because the City properly found that the proposed project does not require a local coastal development permit. The motion to carry out the staff recommendation is on **page 4**.

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EXHIBITS

I. MOTION AND RESOLUTION

MOTION: *I move that the Commission determine that Appeal No.* ***A-5-VEN-17-0011*** *raises* ***NO SUBSTANTIAL ISSUE*** *with respect to the grounds on which the appeal has been filed under § 30602 of the Coastal Act.*

Staff recommends a **YES** vote. Passage of this motion will result in a finding of No Substantial Issue and adoption of the following resolution and findings. If the Commission finds No Substantial Issue, the Commission will not hear the application de novo and the local action will become final and effective. The motion passes only by an affirmative vote of the majority of the Commissioners present.

RESOLUTION:

The Commission hereby finds that Appeal No. ***A-5-VEN-17-0011*** *presents* ***NO SUBSTANTIAL ISSUE*** *with respect to the grounds on which the appeal has been filed under § 30602 of the Coastal Act regarding consistency with Section 30610 of the Coastal Act and Sections 13250 and 13252 of the California Code of Regulations, and therefore Chapter 3 of the Coastal Act.*

II. APPELLANTS' CONTENTIONS

On March 30, 2017, the Commission received an appeal of Local Coastal Exemption DIR-2017-774-CEX from Mary Jack, Sue Kaplan, Shephard Stern, and Lillian White **(Exhibit 3)**. The City's coastal exemption authorized demolition of a detached garage and enlargement of an existing two-story single family residence fronting a walkstreet. The appellants contend that the demolition of the existing detached garage should be included in the calculation to determine whether 50 percent or more of the existing structure is being demolished, and that the mass and scale of the locally-exempted project is inconsistent with the community character of the area and therefore is inconsistent with the Venice certified Land Use Plan (LUP) and the Chapter 3 policies of the Coastal Act. The appellants also contend that the local coastal exemption (CEX) will cause a negative cumulative impact to the community character of Venice, and that the CEX process should have procedures that would avoid significant adverse cumulative impacts to the community character such as a limit of 10 percent additions. For the reasons stated above, the appeal contends that the City-approved project does not qualify for an exemption and requires the review afforded through the coastal development permit process.

III. LOCAL GOVERNMENT ACTION

On February 23, 2017, the City of Los Angeles, Department of City Planning (LADCP) issued a Coastal Exemption (DIR 2017-774-CEX) for a "*Two-story addition to existing two-story house[.] The addition involves the removal of LESS than 50% of existing exterior walls[.] Removing existing in the rear of the property one-car detached garage[.] New 8'-0" H[igh] rear yard fence adjacent to the alley[.]"* The applicants' names listed on the City's exemption are Joanna and James Sattler. The box checked on the City's exemption form is "Improvements to Existing Single-Family Residences" (**Exhibit 4**).

The City forwarded a copy of the Coastal Exemption to the Coastal Commission's South Coast District Office and it was received on March 2, 2017. Subsequently, Commission staff established

the 20 working-day appeal period for the local CDP action. On March 30, 2017, the claim of exemption was appealed to the Commission's South Coast District Office (A-5-VEN-17-0011). The appeal of the City's action was determined to be valid because it was received prior to the expiration of the twenty working-day period in which any action by the City of Los Angeles can be appealed to the Commission. On April 3, 2017, a Notification of Appeal was sent to LADCP and the applicants, notifying each party of the appeal of DIR-2017-774-CEX.

The applicants have begun the process of obtaining a Venice Specific Plan sign-off from LADCP. Moreover, the City Department of Building and Safety has not yet issued a building permit for the proposed work, and no work has commenced at the project site.

IV. APPEAL PROCEDURES

Section 30600(b) of the Coastal Act provides that prior to certification of its Local Coastal Program (LCP), a local jurisdiction may, with respect to development within its area of jurisdiction in the coastal zone and consistent with the provisions of Sections 30604, 30620 and 30620.5, establish procedures for the filing, processing, review, modification, approval or denial of a coastal development permit. Pursuant to this provision, the City of Los Angeles developed a permit program in 1978 to exercise its option to issue local coastal development permits. Sections 13301-13325 of Title 14 of the California Code of Regulations provide procedures for issuance and appeals of locally issued coastal development permits. Section 30602 of the Coastal Act allows *any* action by a local government on a coastal development permit application evaluated under Section 30600(b) to be appealed to the Commission, and Section 30625 makes clear that claims of exemption are among the appealable actions.

After a final local action on a local coastal development permit application or a coastal exemption, the Coastal Commission must be noticed within five days of the decision. After receipt of a notice that contains all the required information, a twenty working-day appeal period begins during which any person, including the applicants, the Executive Director, or any two members of the Commission, may appeal the local decision to the Coastal Commission. [Cal. Pub. Res. Code § 30602.] As provided under section 13318 of Title 14 of the California Code of Regulations, the appellant must conform to the procedures for filing an appeal as required under section 13111 of Title 14 of the California Code of Regulations, including stating the specific grounds for appeal and summarizing the significant question raised by the appeal.

The action currently before the Commission is to find whether there is a "substantial issue" or "no substantial issue" raised by the appeal of the local approval of the proposed project. Sections 30621 and 30625(b)(1) of the Coastal Act require a de novo hearing of the appealed project unless the Commission determines that no substantial issue exists with respect to the approved project's conformity with Chapter 3 of the Coastal Act. However, the Chapter 3 policies of the Coastal Act do not apply if the project is exempt from permitting requirements pursuant to Section 30610 of the Coastal Act and Sections 13250 and 13252 of the California Code of Regulations. Accordingly, for appeals of coastal exemption determinations such as this, the Commission's role is to determine whether there is factual and legal support for the local government's exemption determination. If there is no substantial issue with regard to the propriety of the exemption determination, then there is also no substantial issue with regard to Chapter 3 conformity because those policies do not apply to exempt development. If the Commission decides that there is no substantial issue with the exemption determination—and thus Chapter 3—the action of the local government becomes final.

If, however, the Commission finds that a substantial issue exists with respect to the locally-approved project's conformity with Section 30610 of the Coastal Act and Sections 13250 and 13252 of the California Code of Regulations, then the local coastal development permit decision is voided and the Commission typically continues the public hearing to a later date in order to review the claim of exemption as a de novo matter. [Cal. Pub. Res. Code §§ 30621 and 30625.] The standard of review for the de novo portion of an appeal is the same as described above—consistency with Chapter 3, as determined by analyzing consistency with Section 30610 of the Coastal Act and Sections 13250 and 13252 of the California Code of Regulations. Should the Commission deny the claim of exemption and determine that a coastal development permit is required, then the Chapter 3 policies of the Coastal Act are the standard of review if the applicant applies for, and the local jurisdiction considers, the permit. [Cal. Pub. Res. Code § 30625.]

If there is no motion from the Commission to find no substantial issue, it will be presumed that the appeal raises a substantial issue and the Commission will schedule the de novo phase of the public hearing on the merits of the application at a subsequent Commission hearing. Sections 13110-13120 of Title 14 of the California Code of Regulations further explain the appeal hearing process.

If the Commission decides to hear arguments and vote on the substantial issue question, those who are qualified to testify at the hearing, as provided by Section 13117 of Title 14 of the California Code of Regulations, will have three minutes per side to address whether the appeal raises a substantial issue. The only persons qualified to testify before the Commission at the substantial issue portion of the appeal process are the applicants, persons who opposed the application before the local government (or their representatives), or those who, for good cause, were unable to oppose the application before the local government, and the local government. Testimony from other persons must be submitted in writing. The Commission will then vote on the substantial issue matter. It takes a majority of Commissioners present to find that the grounds for the appeal raise no substantial issue.

V. SINGLE/DUAL PERMIT JURISDICTION AREAS

Section 30601 of the Coastal Act provides details regarding the geographic areas where applicants must also obtain a coastal development permit from the Commission in addition to obtaining a local coastal development permit from the City. These areas are considered Dual Permit Jurisdiction areas. Coastal zone areas outside of the Dual Permit Jurisdiction areas are considered Single Permit Jurisdiction areas. Pursuant to Section 30600(b) of the Coastal Act, the City of Los Angeles has been granted the authority to approve or deny coastal development permits in both jurisdictions, but all of the City's actions are appealable to the Commission. The proposed project site is located within the Single Permit Jurisdiction Area.

VI. FINDINGS AND DECLARATIONS

A. PROJECT DESCRIPTION

Based on the City of Los Angeles (City) record for the local coastal exemption at issue (DIR-2017-774-CEX), the proposed development is the enlargement of an existing two-story, 27.8 ft. high, 2,211 sq. ft. single-family residence, including the construction of an attached two-car

garage, and the demolition of the existing detached 160 sq. ft. garage on Marco Place, a historic Venice walkstreet.[1]

The scope of work provided by the applicants on the City's Coastal Exemption form subject to this appeal is "*Two-story addition to existing two-story house[.] The addition involves the removal of LESS than 50% of existing exterior walls[.] Removing existing in the rear of the property one-car detached garage[.] New 8'-0" H[igh] rear yard fence adjacent to the alley[.]"*

The City of Los Angeles did retain copies of plans for this project when it was deemed exempt from permit requirements, and submitted the project plans along with the coastal exemption to the Commission's South Coast Office on March 2, 2017. According to the plans submitted by the City, the scope of work includes: (1) demolition of existing 160 sq. ft. detached garage; (2) the construction of a 588 sq. ft. first floor addition, which includes a new 506 sq. ft. attached garage, and (3) construction of a 609 sq. ft. second floor addition (maximum height of 27.8 ft.). All of the proposed development is at the rear (alley-side) of the existing single-family residence. No changes to the interior layout of the existing house are proposed, and the exterior walls as well as the roof lines will remain as is, except for the rear portion of the existing structure which will be slightly modified to accommodate for the necessary connections between the existing house and the new additions (**Exhibit 2**). The second-floor addition will be constructed atop the proposed first-floor addition footprint. The maximum height of the existing residence will remain the same at 27.8 ft. high, under the 28-foot height limit for the area. Three on-site parking spaces will be maintained on-site: two in the new attached garage and a third uncovered parking space within the 11 ft. rear yard setback.

The plans also indicate that the roofing material (i.e. shingles) and siding material will remain intact and that the proposed addition and the existing structure will match aesthetically. In addition, the applicants maintain that all underlying material, such as studs, framing, and the drywall, will not be removed during this process.

The project site is located on a historic walkstreet in the Milwood area of Venice at 842 Marco Place within the City of Los Angeles Single Permit Jurisdiction Area, about one-mile inland of the beach **(Exhibit 1)**. The lot area is 3,330 sq. ft. and is designated for multi-family residential use according to the Venice certified Land Use Plan (LUP). The Milwood neighborhood is comprised of an amalgam of old and remodeled/improved one-to-two story buildings with a maximum height of 28 feet; roof access structures are typically permitted to extend 10 feet above the flat roof height limit. Within the 800 block of Marco Place, the residential buildings range in size from 724 sq. ft. (820 Marco Place) to 2,601 sq. ft. (805 Marco Place), and the average residential building size is approximately 1,500 sq. ft. In addition, these buildings range in number of residential units from single-family to two units on a single lot (810 Marco Place).

[1] In the appeal, the appellants refer to an area calculation of 2,396 sq. ft. for the residence per the Los Angeles County Tax Assessor record. This calculation is inconsistent with the 2,211 sq. ft. calculation provided in the City's record for the exemption at issue. However, the 2,396 square footage calculation includes both the square footage of the existing main residence and garage because, according to a property detail report acquired through RealQuest® Professional, the garage is listed as "attached", even though it is actually detached. Using the City's current records, the combined area calculation of residence at 2,211 sq. ft. and garage at 160 sq. ft. is 2,371 sq. ft. Therefore, the discrepancy between the different records is limited to 25 sq. ft., which is negligible.

B. FACTORS TO BE CONSIDERED IN SUBSTANTIAL ISSUE ANALYSIS

Section 30625(b)(1) of the Coastal Act states that the Commission shall hear an appeal of a local government action carried out pursuant to Section 30600(b) unless it finds that no substantial issue exists as to conformity with Chapter 3 of the Coastal Act. As described above, in the case of appeals of coastal exemptions (Section 30625(a) of the Coastal Act), this standard requires the Commission to determine if there is factual and legal support for the local government's decision that the development can be authorized without a coastal development permit pursuant to Section 30610 of the Coastal Act and Sections 13250 and 13252 of the California Code of Regulations.

The term "substantial issue" is not defined in the Coastal Act or its implementing regulations. Section 13115(b) of the Commission's regulation simply indicates that the Commission will hear an appeal unless it "finds that the appeal raises no significant question." In previous decisions on appeals, the Commission had been guided by the following factors:

1. The degree of factual and legal support for the local government's decision that the development is consistent or inconsistent with the relevant provisions of the Coastal Act;
2. The extent and scope of the development as approved or denied by the local government;
3. The significance of the coastal resources affected by the decision;
4. The precedential value of the local government's decision for future interpretations of its LCP; and,
5. Whether the appeal raises local issues, or those of regional or statewide significance.

Even when the Commission chooses not to hear an appeal, appellants nevertheless may obtain judicial review of the local government's coastal permit decision by filing petition for a writ of mandate pursuant to Code of Civil Procedure, Section 1094.5.

Staff is recommending that the Commission find that **no substantial issue exists** with respect to whether the local government action conforms to Section 30610 of the Coastal Act and Sections 13250 and 13252 of the California Code of Regulations for the reasons set forth below.

C. SUBSTANTIAL ISSUE ANALYSIS

The grounds for this appeal are that the project is not an improvement to an existing structure and is therefore non-exempt "development" as defined in the Coastal Act. The appellants claim that a coastal development permit should therefore have been required.

Section 30600(a) of the Coastal Act requires that anyone wishing to perform or undertake any development within the coastal zone shall obtain a coastal development permit. Development is broadly defined by Section 30106 of the Coastal Act, which states:

> *"Development" means, on land, in or under water, the placement or erection of any solid material or structure; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; grading, removing, dredging, mining, or extraction of any materials; change in the density or intensity of use of land, including, but not limited to, subdivision pursuant to the Subdivision Map Act (commencing with Section 664l0 of the Government Code), and any other division of land, including lot splits, except where the land division is brought about in connection with the purchase of such land by a public*

agency for public recreational use; change in the intensity of use of water, or of access thereto; construction, reconstruction, demolition, or alteration of the size of any structure, including any facility of any private, public, or municipal utility; and the removal or harvesting of major vegetation other than for agricultural purposes, kelp harvesting, and timber operations which are in accordance with a timber harvesting plan submitted pursuant to the provisions of the Z'berg-Nejedly Forest Practice Act of l973 (commencing with Section 45ll).

Construction, reconstruction, demolition, or alteration of the size of any structure in the coastal zone is development that requires a coastal development permit, unless the development qualifies as development that is authorized without a coastal development permit.

Coastal Act Section 30610 Developments authorized without permit, states:

Notwithstanding any other provision of this division, ***no coastal development permit shall be required*** *pursuant to this chapter for the following types of development and in the following area**s**:*

(a) ***Improvements to existing single-family residences****; provided, however, that the commission shall specify, by regulation, those classes of development which involve a risk of adverse environmental effect and shall require that a coastal development permit be obtained pursuant to this chapter….*

(d) Repair or maintenance activities that do not result in an addition to, or enlargement or expansion of, the object of those repair or maintenance activities; provided, however, that if the commission determines that certain extraordinary methods of repair and maintenance involve a risk of substantial adverse environmental impact, it shall, by regulation, require that a permit be obtained pursuant to this chapter.

Section 13250 Improvements to Existing Single-Family Residences, states:

(a) For purposes of Public Resources Code Section 30610(a) where there is an existing single-family residential building, the following shall be considered a part of that structure:
(1) All fixtures and other structures directly attached to a residence;
(2) Structures on the property normally associated with a single-family residence, such as garages, swimming pools, fences, and storage sheds; but not including guest houses or self-contained residential units; and
(3) Landscaping on the lot.

Additionally, the Commission typically requires fifty percent of the structure to be maintained in order to qualify as ***an existing structure***. This is supported by 14 Cal. Code Regs, Section 13252 Repair and Maintenance Activities That Require a Permit, which states:

Section 13252 Repair and Maintenance Activities That Require a Permit, states:

(b) Unless destroyed by natural disaster, ***the replacement of 50 percent or more of a single family residence****, seawall, revetment, bluff retaining wall, breakwater, groin or any*

other structure ***is not repair and maintenance*** *under Section 30610(d)* ***but instead constitutes a replacement structure requiring a coastal development permit.***

The appellants contend that the project is not exempt development and argue that demolition of the existing detached garage should be included in the calculation to determine whether 50 percent or more of the existing structure is being demolished. However, the proposed project is exempt development as defined in the Coastal Act and does not require coastal development permit. According to the project description and proposed plans of the project, the proposed development is limited to the demolition of the existing detached garage and an addition to the existing single-family residence resulting in less than 50 percent demolition of the existing exterior structural elements of the principal structure. Although 100 percent of the detached garage is to be demolished, very little demolition of the separate principal residential structure is proposed.

The City of Los Angeles Certified Land Use Plan (LUP) for Venice defines "remodel" as: an improvement to an existing structure in which no more than fifty percent (50%) of the exterior walls are removed or replaced. In past actions, the Commission found that when a "remaining wall" is used as a measure to determine whether a development is a remodel or a new structure, the wall must remain intact as part of the structure, and for purposes of calculating the fifty-percent guideline should retain its siding, framing (studs), drywall/plaster, windows, and doorways. Furthermore, the Commission has found that demolition, reconstruction, and substantial redevelopment of a structure in the Venice coastal zone is not exempt under any section or provision of the Coastal Act or the Commission's Regulations and requires a coastal development permit. In some cases, even if a development is a remodel under the LUP, it does not mean that it is exempt from the coastal development permitting requirements. The LUP sets forth no policies relative to interpreting remodels as being exempt development. As such, an exemption determination is based on a reading of applicable Coastal Act provisions and associated implementing regulations in the Commission's regulations. In this case, the amount of existing structure proposed to be removed does not exceed 50 percent.

In determining whether the project constitutes the replacement of 50 percent or more of the existing structure, Commission staff analyzes what percentage of which components and how much of each component of the residence is being replaced. A single family residence consists of many components that can be measured, such as: the foundation, plumbing, electrical, walls, floor, and/or roof of the structure. The project plans must indicate the amount of demolition and augmentation that is necessary to build the proposed remodel. If 50 percent or more of the total of these components are being replaced, then the project would not qualify as exempt development, and must obtain a coastal development permit pursuant to Section 30600(a) of the Coastal Act. Typically, the addition of a complete second story above a one-story structure would not qualify for an exemption because the amount of construction required to support the additional weight of a new level would often require reinforcement of the first-floor load bearing walls, often with steel framing, and/or a new foundation which would exceed the amount of change allowable under an exemption.

However, the amount of the existing structure proposed to be removed here is less than 50 percent, regardless of whether the existing structure is interpreted to include just the residence or the residence plus the detached garage, which is approximately 7 percent the size of the main residential structure. The project description and plans show that no changes to the interior layout

of the existing house are proposed, and the exterior walls as well as the roof lines will remain as is, except for the rear portion of the existing structure that will be slightly modified to accommodate for the necessary connections between the existing house and the new additions (**Exhibit 2**). The second-floor addition will be constructed atop the proposed first-floor addition footprint. Moreover, the plans also indicate that the roofing material (i.e. shingles) and siding material will remain intact and that the proposed addition and the existing structure will match aesthetically. In addition, the applicants maintain that all underlying material, such as studs, framing, and the drywall, will not be removed during this process.

The proposed project does qualify for an exemption under Coastal Act Section 30610(a). Coastal Act Section 30610(a) allows *improvements* to existing single-family residences without a coastal development permit. The appellants contend that the local coastal exemption (CEX) will cause a negative cumulative impact to the community character of Venice, and that the CEX process should have procedures that would avoid significant adverse cumulative impacts to the community character such as limiting exempt improvements to addition no larger than 10 percent of an existing residence. Improvements to buildings typically include additions. The Coastal Act does not explicitly limit the size of an addition to an existing structure that qualifies as an exempt improvement, with limited exceptions (depending on certain geographical features), where additions are limited to 10 percent of additional internal floor area and 10 percent increase in height, as long as 50 percent of the existing structure is not removed, replaced, or demolished.

Although, the Coastal Act and its regulations do not explicitly limit the size of additions that qualify as "improvements" to "existing" homes—except if those homes are in specific locations (14 Cal. Code Regs 13250(b)(4))— the Commission has found that there are limits to what can be considered an improvement to an existing residence, rather than what is, in reality, a redeveloped residence. In two recent Venice appeal cases (i.e. A-5-VEN-16-0081 and A-5-VEN-17-0009), the Commission found that considerable enlargements and increases in floor area to existing structures can constitute new development, rather than improvements to existing structures. These cases involved first- and second-story additions to small, one-story, single-family residences that increased the size of the existing structures by 286 percent and 299 percent, respectively. The Commission found these projects were not improvements to existing residences, as they would more than double the size of the existing structures, and that the scope of work and size of these additions constituted substantial redevelopment of the site, resulting in what would be, for all practical purposes, new residences.

However, with regard to the proposed project presently before the Commission, the scope of work includes a total addition of 1,197 sq. ft. onto the rear of an existing 2,211 sq. ft. single-family residence, which will result in an approximately 54 percent addition. This 54 percent does not take into account that 506 sq. ft. of the total 1,197 sq. ft. proposed actually encompasses a new attached two-car garage; therefore, the addition is really only limited to a 691 sq. ft. (or 31 percent) increase in living floor area. The property currently includes a detached one-car garage (proposed to be demolished), which does not comply with the minimum parking requirement of three onsite spaces for this property. To meet parking requirements, the new attached garage will provide two covered on-site parking spaces, and there is adequate area within the 11 ft. rear yard setback for an additional uncovered parking space. In addition, the maximum height of the existing residence will remain the same at 27.8 ft. high, as will the visual appearance of the existing residence from the walkstreet. As shown in **Exhibit 2**, the proposed addition will add slightly to, and conform with the character of, the existing residence. This is in contrast to the situations in A-5-VEN-16-0081

and A-5-VEN-17-0009, where the proposed large additions would have dwarfed the existing small residences, and where the projects included gutting the interior of the existing structures. Accordingly, the project at issue is a relatively modest addition to an existing residence, which can be considered an improvement to an existing single-family residence that is exempt from coastal development permit requirements. Accordingly, the project at issue is an addition to an existing residence, which can be considered an improvement to an existing single-family residence that is exempt from coastal development permit requirements.

Coastal Act Section 30600 Coastal Development Permit; Procedures Prior to Certification of Local Coastal Program, states:

> *(a) Except as provided in subdivision (e), and in addition to obtaining any other permit required by law from any local government or from any state, regional, or local agency, any person as defined in Section 21066, wishing to perform or undertake any development in the coastal zone, other than a facility subject to Section 25500, shall obtain a coastal development permit.*
> *(b) (1) Prior to certification of its local coastal program, a local government may, with respect to any development within its area of jurisdiction in the coastal zone and consistent with the provisions of Sections 30604, 30620, and 30620.5, establish procedures for the filing, processing, review, modification, approval, or denial of a coastal development permit. Those procedures may be incorporated and made a part of the procedures relating to any other appropriate land use development permit issued by the local government.*
> *(2) A coastal development permit from a local government shall not be required by this subdivision for any development on tidelands, submerged lands, or on public trust lands, whether filled or unfilled, or for any development by a public agency for which a local government permit is not otherwise required.*
> *(c) If prior to certification of its local coastal program, a local government does not exercise the option provided in subdivision (b), or a development is not subject to the requirements of subdivision (b), a coastal development permit shall be obtained from the commission or from a local government as provided in subdivision (d).*
> *(d) After certification of its local coastal program or pursuant to the provisions of Section 30600.5, a coastal development permit shall be obtained from the local government as provided for in Section 30519 or Section 30600.5.*

The City of Los Angeles has the authority to issue coastal development permits, as well as coastal exemptions. The proposed project site is located within the *Single Permit Jurisdiction Area.* For the reasons discussed in detail above, the proposed project constitutes an improvement to an existing single-family residence, resulting in the removal of less than 50 percent of the existing material and an addition of 31 percent of new floor area (54 percent if the new, attached garage is included), which is exempt under the Coastal Act and the Commission's Regulations. Therefore, the proposed project does not require a local coastal development permit from the City of Los Angeles.

Because the proposed development is exempt from coastal development permit requirements, there is no need for the Commission to review the appellants' concerns regarding the project's consistency with Chapter 3 policies of the Coastal Act, including its consistency with policies protecting the character of the community. These issues would, however, be important and

relevant in a situation where the Commission found that an exemption determination raises a substantial issue and denies the exemption in a de novo action. In such cases, the local jurisdiction will have to review a project's consistency with Chapter 3 policies (and/or any relevant local coastal plan policies) if the applicants apply for a coastal development permit. Although Chapter 3 policies are not relevant to the Commission's substantial issue determination, Commission staff did consider the neighborhood character of the area and found that because no change in height is proposed, the front yard setback will not be reduced, and the proposed modest addition will be constructed to the rear of the residence, which is already a two-story structure, the proposed development will not directly impact the streetscape of the Venice walk street, and therefore, will not negatively impact the community character of the area.

Applying the five factors listed in the prior section clarifies that the appeal raises "no substantial issue", and therefore, does meet the substantiality standard of Section 30625(a).

The first factor is the degree of factual and legal support for the local government's decision that the development is exempt from CDP requirements. The City used detailed plans in its determination to issue a coastal exemption for a project with the scope of work. According to the plans approved by the City, the scope of work includes the demolition of existing 160 sq. ft. detached garage, the construction of a 82 sq. ft. first floor addition, a 609 sq. ft. second floor addition, and 506 sq. ft. attached garage to the rear of the existing single-family residence. The scope of work and accompanying demolition plans also show less than 50 percent of the existing house being demolished, removed, or modified. Therefore, the proposed development is considered an "improvement" to an existing residential unit. Any deviation from the approved scope of work and approved plans may void the City-issued coastal exemption and require a coastal development permit.

The locally approved development would not result in more than 50 percent demolition of the existing structure and is an improvement to an existing structure rather than substantial redevelopment of a site. It therefore, qualifies for a coastal development permit exemption under section 30610 of the Coastal Act and the Commission's regulations, as noted above. Additionally, City staff did retain copies of the plans for the proposed development and provided them to Commission staff to review in order to determine whether the City properly determined that the proposed development was exempt. Therefore, the Coastal Commission finds that the City does have an adequate degree of factual or legal support for its exemption determination.

The second factor is the extent and scope of the development as approved or denied by the local government. The extent and scope of the locally approved development is clear because there are City-approved plans available to determine the scope (**Exhibit 2**). Based on the project description and plans, the City was able to determine that less than 50 percent of the existing single-family residence would be removed during this project, which does not exceed the limitation to be eligible for a coastal exemption. The plans also show that the project consists of a relatively modest addition to an existing home. Therefore, the full extent and scope of the City-approved project was reviewed by the City and determined to qualify for a coastal exemption.

The third factor is the significance of the coastal resources affected by the decision. However, this factor is directly tied to the Chapter 3 policies of the Coastal Act, which, as stated in previous sections, are not relevant when considering appeals of coastal exemptions. Rather, in the case of appeals of coastal exemptions, the Commission must determine if there is factual and

legal support for the local government's decision that the development can be authorized without a coastal development permit pursuant to Section 30610 of the Coastal Act and Sections 13250 and 13252 of the California Code of Regulations. If the Commission determines that the City erred in their review of the coastal exemption and a coastal development permit is required, the project will be subject to review with consistency with Chapter 3 policies (and/or any relevant local coastal plan policies).

The fourth factor is the precedential value of the local government's decision for future interpretations of its LCP. The City does not currently have a certified LCP, but it does have a certified Land Use Plan (LUP). The proposed development is consistent with Section 30610 of the Coastal Act and Section 13250 of the California Code of Regulations for coastal exemption projects. This project, as proposed, will not prejudice the ability of the City to prepare a Local Coastal Program that is in conformity with Chapter 3 of the Coastal Act.

The final factor is whether the appeal raises local issues, or those of regional or statewide significance. Exempting projects from the coastal development permitting process could have negative, cumulative impacts to the coast if the City and other local governments in the coastal zone apply their exemption authority in an improper manner. However, the City properly reviewed this project prior to issuing a coastal exemption and properly applied the relevant exemptions. Therefore, because the City properly utilized an exemption in this case, the City's approval does not raise potential issues of statewide significance.
In conclusion, the central issue for the appeal is whether the development requires a local CDP. Because the evidence supports exempting the proposed project from Coastal Act permitting requirements, the Commission finds that appeal A-5-VEN-17-0011 raises no substantial issue relative to Section 30610 of the Coastal Act and Section 13250 of the California Code of Regulations. Accordingly, Local Coastal Exemption No. DIR-2017-774-CEX will become final upon the Commission's approval of the motion that the appeal raises no substantial issue.