#### CALIFORNIA COASTAL COMMISSION

SAN DIEGO AREA 7575 METROPOLITAN DRIVE, SUITE 103 SAN DIEGO, CA 92108-4421 (619) 767-2370





 Filed:
 01/09/18

 49th Day:
 03/21/18

 Staff:
 T.Ross-SD

 Staff Report:
 02/15/18

 Hearing Date:
 03/7/18

# STAFF REPORT AND RECOMMENDATION ON APPEAL SUBSTANTIAL ISSUE DETERMINATION

**Local Government:** City of Oceanside

Decision: Approved through Substantial Conformity

Appeal Number: A-6-OCN-18-0002; A-6-OCN-18-0003

**Applicant:** Sea Breeze Investors

**Location:** 1722 & 1724 South Pacific Street, Oceanside, San Diego

County (APN Nos. 153-092-31 & 153-092-33)

**Project Description:** A-6-OCN-18-0002 (1722 Pacific, Lot 31) - Conversion of a

storage room with a mezzanine into a 500 sq. ft. accessory dwelling unit within an existing 3,492 sq. ft. single-family

residence.

**A-6-OCN-18-0003 (1724 Pacific, Lot 33) -** Conversion of a storage room with a mezzanine into a 500 sq. ft. accessory dwelling unit within an existing 3,492 sq. ft. single-family

residence.

**Appellants:** Elizabeth and Joel West

**Staff Recommendation:** No Substantial Issue

# IMPORTANT HEARING PROCEDURE NOTE

This is a substantial issue only hearing. Testimony will be taken <u>only</u> 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 <u>total</u> per side. Please plan your testimony accordingly. Only the applicant, persons who opposed the application before the local government (or their representatives), 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

Staff recommends that the Commission, after public hearing, determine that NO substantial issue exists with respect to the grounds on which the appeal has been filed.

The subject appeal is unusual as it is an appeal of the City's decision to approve revisions to an existing Coastal Development Permit (RC-1-07) through a substantial conformance review. The project description for each of the two projects being reviewed on appeal is identical and consists of conversion of an existing storage room with a mezzanine within an existing 3,492 sq. ft. single-family residence into a 500 sq. ft. accessory dwelling unit (ADU). The City reviewed each project separately and determined that the conversions would not require new coastal development permits or amendments, finding that the conversions are in substantial conformance with the existing permit originally issued for construction of the two residences. In effect, the City exempted the developments. Here, because the two structures are owned by the same entity and raise identical issues, the appeals are being analyzed in a single staff report.

While not specifically raised by the appellants, appeals of exemptions are reviewed to determine if the project qualifies for an exemption, or whether the locally approved development requires a coastal development permit from the City of Oceanside. In this case, approving the accessory dwelling units without a coastal development permit does not raise a substantial issue. Although the certified LCP does not exempt the developments because they are improvements located in an appeals area, recent housing law aimed at promoting and streamlining approval for accessory dwelling units requires local jurisdictions to approve such development ministerially. The Coastal Commission's Executive Director has provided guidance to local governments on the implementation of the legislation, including direction that "junior" ADUs, that is, a unit that is no more than 500 square feet in size and contained entirely within an existing single-family structure, typically are exempt from coastal permit requirements. As such, although the City's certified LCP does not specifically provide for exemptions in the appeals area, approval of the subject development without issuance of a coastal development permit is in accordance with State law and with the Commission's direction on how to implement the State law in the Coastal Zone.

The appellants contend that the project is inconsistent with the certified Local Coastal Program (LCP) and Coastal Act public access and recreation policies because the City did not require any additional parking for the new accessory dwelling units, and if the additional occupants have to park on-street, this will negatively impact the public's ability to access the coast and ocean. The projects are located along the east side of Pacific Street (the first coastal roadway) and in area highly utilized by the public to access to the beach. However, in this case, staff has determined that there is an adequate reservoir of public parking in the area, and any increase in intensity of use associated with the subject ADUs will not have a significant impact on public access and recreation. Although there is public parking on Pacific Street, because there is no access to the subject residences from Pacific Street, any spillover parking impacts from the proposed ADUs would likely only affect private parking on Pacific Terrace.

### A-6-OCN-18-0002 & A-6-OCN-18-0003 (Sea Breeze Investors LLC)

Thus, staff recommends that the Commission determine that the project raises <u>no</u> <u>substantial issue</u> regarding conformance with the certified LCP and the Chapter 3 policies of the Coastal Act.

Standard of Review: Certified City of Oceanside Local Coastal Program and the public access policies of Chapter 3 of the Coastal Act.

# **TABLE OF CONTENTS**

| I. AF   | PPELLANTS CONTEND                                | 5 |
|---|--|---|
| II. LO  | OCAL GOVERNMENT ACTION                           | 5 |
| III.AF  | PPEAL PROCEDURES                                 | 5 |
|   | UBSTANTIAL ISSUE MOTION AND RESOLUTION           |   |
|   | BSTANTIAL ISSUE FINDINGS AND DECLARATION         |   |
| Α.  | PROJECT DESCRIPTION                              |   |
| В.  |  |   |
|   | NDICES  lix A – Substantive File Documents  RITS |   |
| Exhibit 1 – Project Location  |  |   |
| Exhibit 2 – Appeal forms  |  |   |
|   | 3 – Site Plans                                   |   |
| Exhibit 4 – April 18, 2017 Memo from John Ainsworth regarding New Accessory |  |   |
|   | g Unit Legislation                               |   |
| Exhibit 5 – November 20, 2017 Memo from John Ainsworth regarding the        |  |   |
| Implementation of New Accessory Dwelling Unit Law                           |  |   |
| Exhibit 6 – Pacific Street Parking  |  |   |

#### I. APPELLANTS CONTEND

The project as approved by the City does not conform to the City of Oceanside's certified Local Coastal Program (LCP) and applicable policies of the Coastal Act with regard to adequate protection of public beach parking. Specifically, the appellants contend that the project is inconsistent with Section 30213 of the Coastal Act because the project will reduce access by reducing parking. The appellants further claim that the project's proximity to Oceanside's popular beaches will further exasperate this deficiency. Finally, the appellants contend that the City's LCP would require at least three parking spaces (per residence) for the combination of single family and accessory unit uses, where only two are being provided.

#### II. LOCAL GOVERNMENT ACTION

The project was approved through substantial conformity by the Planning Division on November 16, 2017. The original coastal development permit for the subject sites were approved by the Oceanside Planning Commission on January 16, 2008 (RC-1-07). The development approved at that time included a lot split creating two 3,000 sq. ft. lots and the subsequent construction of two 2,490 sq. ft. row-style homes, each consisting of three levels (two stories and a basement), an 840-sq. ft. garage and 1,091 sq. ft. of deck space. The homes have since been constructed and are currently occupied. In 2017, the applicant submitted a request to modify the existing structures to remodel the interior of both structures to provide an accessory dwelling unit (ADU) inside each residence. The City determined that the conversion of internal floor area within the existing structures was in substantial conformance with the original permit and therefore no new permits or amendments were required.

#### III. APPEAL PROCEDURES

After certification of a Local Coastal Program (LCP), the Coastal Act provides for limited appeals to the Coastal Commission of certain local government actions on coastal development permits or claims of exemption (such as a Substantial Conformance finding).

Section 30603(b)(1) of the Coastal Act states:

The grounds for an appeal pursuant to subdivision (a) shall be limited to an allegation that the development does not conform to the standards set forth in the certified local coastal program or the public access policies set forth in this division.

Coastal Act Section 30625(b) states that the Commission shall hear an appeal unless it determines:

With respect to appeals to the commission after certification of a local coastal program that no substantial issue exists with respect to the grounds on which an appeal has been filed pursuant to Section 30603.

Additionally, Section 30625 provides that any "claim of exemption from coastal development permit requirements" may be appealed to the Coastal Commission. Section 30625 of the Coastal Act states as follows:

(a) Except as otherwise specifically provided in subdivision (a) of Section 30602, any appealable action on a coastal development permit or claim of exemption for any development by a local government or port governing body may be appealed to the commission by an applicant, any aggrieved person, or any two members of the commission. The commission may approve, modify, or deny such proposed development, and if no action is taken within the time limit specified in Sections 30621 and 30622, the decision of the local government or port governing body, as the case may be, shall become final, unless the time limit in Section 30621 or 30622 is waived by the applicant.

If the staff recommends "substantial issue" and no Commissioner objects, the Commission will proceed directly to the de novo portion of the hearing on the merits of the project, then, or at a later date. If the staff recommends "no substantial issue" or the Commission decides to hear arguments and vote on the substantial issue question, those allowed to testify at the hearing will have 3 minutes per side to address whether the appeal raises a substantial issue. It takes a majority of Commissioners present to find that no substantial issue is raised. If substantial issue is found, the Commission will proceed to a full public hearing on the merits of the project then, or at a later date, reviewing the project de novo in accordance with sections 13057-13096 of the Commission's regulations. If the Commission conducts the de novo portion of the hearing on the permit application, the applicable standard of review for the Commission to consider is whether the proposed development is in conformity with the certified Local Coastal Program (LCP).

The only persons qualified to testify before the Commission at the "substantial issue" stage of the appeal process are the applicant, persons who opposed the application before the local government (or their representatives), and the local government. Testimony from other persons must be submitted in writing. At the time of the de novo portion of the hearing, any person may testify.

The term "substantial issue" is not defined in the Coastal Act or its implementing regulations. The Commission's regulations indicate simply that the Commission will hear an appeal unless it "finds that the appeal raises no significant question as to conformity with the certified local coastal program" or, if applicable, the public access and public recreation policies of Chapter 3 of the Coastal Act (Cal. Code Regs., tit. 14 section 13115(b)). In previous decisions on appeals, the Commission has 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 certified LCP;
- 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 only 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 a petition for a writ of mandate pursuant to the Code of Civil Procedure, section 1094.5.

The City of Oceanside has a certified Local Coastal Program (LCP), and the subject site is located in an area where the Commission retains appeal jurisdiction because it is within 300 feet of a bluff and within 300 feet of the beach. Before the Commission considers the appeal de novo, the appeal must establish that a substantial issue exists with respect to the grounds on which an appeal has been filed pursuant to Section 30603. In this case, for the reasons discussed further below, the Commission exercises its discretion to determine that the development approved by the City does not raise a substantial issue with regard to the appellants' contentions regarding coastal resources.

#### IV. SUBSTANTIAL ISSUE MOTION AND RESOLUTION

The staff recommends the Commission adopt the following resolutions:

A. MOTION: I move that the Commission determine that Appeal No.

A-6-OCN-18-0002 raises NO substantial issue with respect to the grounds on which the appeal has been

filed under § 30603 of the Coastal Act.

#### **STAFF RECOMMENDATION:**

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 by a majority of the Commissioners present.

#### **RESOLUTION:**

The Commission hereby finds that Appeal No. A-6-OCN-18-0002 does not present a substantial issue with respect to the grounds on which the appeal has been filed under § 30603 of the Coastal Act regarding consistency with the certified Local Coastal Plan and/or the public access and recreation policies of the Coastal Act.

#### **B.** MOTION:

I move that the Commission determine that Appeal No. A-6-OCN-18-0003 raises NO substantial issue with respect to the grounds on which the appeal has been filed under § 30603 of the Coastal Act.

#### STAFF RECOMMENDATION:

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 by a majority of the Commissioners present.

#### **RESOLUTION:**

The Commission hereby finds that Appeal No. A-6-OCN-18-0003 does not present a substantial issue with respect to the grounds on which the appeal has been filed under § 30603 of the Coastal Act regarding consistency with the certified Local Coastal Plan and/or the public access and recreation policies of the Coastal Act.

#### V. SUBSTANTIAL ISSUE FINDINGS AND DECLARATION

The Commission finds and declares as follows:

#### A. PROJECT DESCRIPTION

The proposed development includes conversion of a storage room with a mezzanine into a 500 sq. ft. accessory dwelling unit (ADU) within an existing 3,492 sq. ft. single-family residence. The project description is identical for both sites. The construction of the two accessory dwelling units will require interior remodeling only; no additions or work to the exterior is proposed at this time. The Oceanside City Planning Division determined that the creation of the two ADUs was in substantial conformance with the coastal development permit that was approved by the City in 2008 (ref. Oceanside Coastal Development Permit No. RC-1-07), for a lot split creating two 3,000 sq. ft. lots and construction of two three–level 2,490 sq. ft. row-style homes each with an 840-sq. ft. garage and a 1,091 sq. ft. deck. The original CDP was reviewed by the Commission in January of 2008 and no appeals were filed. The homes have since been constructed.

In 2017, the applicant submitted an application to the City of Oceanside to modify the existing structures to create the accessory dwelling units. Each existing residence includes an approximately 500 sq. ft. storage area with a mezzanine (located within the house next to the garage), which is proposed to be converted to an ADU through installation of a bathroom and kitchen area (ref. Exhibit No. 3).

#### B. SUBSTANTIAL ISSUE ANALYSIS

As previously discussed, the subject development was approved through a substantial conformity determination in association with a permit issued by the City in 2008. The City did not require a coastal development permit nor amendment for the proposed development.

The City's LCP Coastal Permit Handbook is a certified part of the City's LCP and includes the definition for development as well as determinations on what development can be considered exempt and includes the following

Development - "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 other 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 66410 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 land by a public agency for public recreational use; change in intensity of use of water, or alteration of the size of any structure, including any facility of any private, public, or municipal utility. As used in this definition, "structure" includes, but is not limited to, any building, road, pipe, flume, conduit, siphon, aqueduct, telephone line, and electrical power transmission and distribution lines.

#### III. Project Permit Category Determination

All projects within the Coastal Zone will fall into one of the following five categories (A through E):

#### A. Exempt Projects

The Following projects are exempt from the requirements of a Regular or Administrative Coastal Permit

- 1. Repair and Maintenance of Seawalls...
- 2. Maintenance Dredging of Existing Navigation Channels...

- 3. The replacement of any structure, other than a public works facility, destroyed by natural disaster...
- 4. Improvements and additions to existing structure and buildings except where:
  - a. The structure or improvement would encroach within 50 feet of the edge of a bluff; and
  - b. Where the improvement or addition is located within the appeal area shown on the City of Oceanside Post LCP Certification Map on file in the Planning Division... [emphasis added]

[...]

- D. Projects Requiring a Regular Coastal Permit:
  - 1. Public Hearings will be required for Coastal Permits when the City Zoning Ordinance requires a hearing or discretionary action for the project such as:

Variances
Conditional Use Permits
Development Plans
Specific Plans

Shoreline Structures
Zone Changes
General Plan Amendments
Tentative Maps
Harbor Permits

2. The project is defined as appealable on the Post LCP Certification Map [emphasis added]

The LCP does not explicitly exempt the proposed developments. However, applying the five factors listed in the Section III above clarifies that the appeal does not raise "a substantial issue" with respect to the LCP exemption provisions or the public access policies of the Coastal Act.

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's LCP allows for various types of development to be exempted or approved administratively including certain improvements to existing structures, repair and maintenance, etc. The City's LCP does not allow for exemptions or administrative coastal development permits to be authorized when the development is located within the City's appeal jurisdiction, as is the case with the subject site.

However, new housing law recently approved aimed at promoting and streamlining approval for accessory dwelling units requires local jurisdictions to approve such development ministerially. Specifically, Assembly Bill 2299 (Bloom, 2016) and Senate Bill 1069 (Wieckowski, 2016) authorizes local governments and agencies to provide for the creation of second units, termed "accessory dwelling units" (ADUs), and junior ADUs located within a residence, in single-family and multi-family residential zones by ordinance. The law, approved by the Governor and effective as of January 1, 2017,

specifically requires that applications for ADUs be approved ministerially within 120 days of submittal and not be subject to public hearings.

#### Government Code § 65852.2(D)(8)(b) states:

When a local agency that has not adopted an ordinance governing accessory swelling units in accordance with subdivision (a) receives an application for a permit to create an accessory dwelling unit pursuant to this subdivision, the local agency shall approve or disapprove the application ministerially without discretionary review...

#### Additionally, Government Code § 65852.2, subd. (j) states:

Nothing in this section shall be construed to supersede or in any was alter or lessen the effect or application of the California Coastal Act of 1976 (Division 20 (commencing with Section 30000) of the Public Resources Code), except that the local government shall not be required to hold public hearings for coastal development permit applications for accessory dwelling units. [emphasis added]

The Coastal Commission's Executive Director has provided guidance to local governments on the implementation of the above legislation in two memos dated April 18, 2017 and November 20, 2017 (ref. Exhibit Nos 4, 5). These memos confirm that although Government Code Section 65852.2(j) does not supersede or lessen the application of the Coastal Act, and local governments must continue to protect coastal resources when regulating ADUs in the coastal zone, they must also complying with the standards in Section 65852.2 to the greatest extent feasible. In other words, ADU applications that are consistent with the standards in Section 65852.2 should be approved administratively, provided they are also consistent with Chapter 3 of the Coastal Act as implemented in the LCP. Where LCP policies and ordinances are already flexible enough to implement the provisions of Section 65852.2 directly, local governments should do so. Where LCP policies directly conflict with the new provisions or require refinement, those LCPs should be updated to be consistent with the new ADU statute to the greatest extent feasible while still complying with Coastal Act requirements.

Under the legislation, a "Junior accessory dwelling unit" means a unit that is no more than 500 square feet in size and contained entirely within an existing single-family structure. A junior ADU generally will not impact coastal resources because, as contained within a residence, it will not affect the environment or public access. Such minor changes do not typically require a CDP unless review of future improvements is required by a previously issued CDP for existing development on the lot. Thus, with an updated ordinance, junior ADUs would typically qualify for an exemption. Furthermore, the Commission is generally in support of increasing the supply of affordable housing, especially when such improvements can be accommodated within an existing structure.

As such, although the City's certified LCP does not provide for such exemptions in the appeals area, when approving the subject development without issuance of a coastal

development permit the City was acting in accordance with State law and with the Commission's direction on how to implement the State law in the Coastal Zone. Thus, there is factual and legal support for the local government's decision that the development is exempt from CDP requirements.

The second factor is the extent and scope of the development as approved or denied by the local government. In this case, the development is minor. The proposed development includes solely interior remodeling of two existing structures. No exterior changes or additional square footage is being proposed. All setbacks, elevations, design elements will be maintained. Therefore, potential concerns including geologic stability, impacts to public views, and proximity to sensitive habitat areas are not applicable in this case. Thus, the extent and scope of the proposed development does not raise a substantial issue.

The third factor is the significance of the coastal resources affected by the decision. This factor is directly tied to the Chapter 3 policies of the Coastal Act. Here, the primary coastal resource that could be affected by the locally approved project is public access and recreation, which are high priority coastal resources.

The project is located near the beach and the appellants assert there will be impacts to public access given that the City did not require any additional parking in connection with the two new accessory dwelling units. The appellants specifically contend that the project is inconsistent with Section 30213 of the Coastal Act, which states:

Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred.

The proposed project does not affect lower cost visitor and recreational facilities. However, the appellant contends potential increased parking may create impacts on access. Coastal Act policies pertaining to public access are applicable and state:

Section 30210 of the Coastal Act states:

In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

Section 30212 of the Act is applicable and states, in part:

- (a) Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects except where:
  - (l) it is inconsistent with public safety, military security needs, or the protection of fragile coastal resources,
  - (2) adequate access exists nearby....

As a source of guidance, public beach parking is protected by the City of Oceanside's Land Use Plan and includes the following provisions in Chapter two – Policy Group Summaries on pages 10 and 11:

Policy 12 - If existing beach parking is removed for any reason, one-to-one replacement parking shall be provided west of the railroad right-of-way.

Policy 17 - The City shall require that all new residential development provides adequate on-site parking. In areas where beach parking demand is critical, parking requirements for new residential development shall be strictly enforced. Curb cuts shall be held to a minimum to preserve existing on-street parking.

The City's certified Implementation Plan includes the following parking requirements:

Single family dwellings 2 car garage per dwelling unit

The proposed development consists of adding two additional accessory dwelling units within existing single family homes located near the beach. In this case, the City did not require additional parking associated with the new dwelling units. Article 27 of the City's Implementation Plan contains the parking standards for the City's coastal zone. As shown above, single family homes are required to provide a two car garage. Each existing residence has a two car garage. However, Article 27 does not specifically require parking for accessory dwelling units. The ordinance instead states that "where parking requirements for a use are not specifically defined...determination shall be based upon the requirements for the most comparable use." The City has separate parking standards which apply outside the coastal zone, and these specify that one additional space shall be provided for accessory dwelling units. However, the City determined that AB 2299 prohibits the City from requiring additional parking because the units are contained within the existing structure and are located close to public transit. However, AB 2299 does not supersede or in any way alter or lessen the effect or application of the California Coastal Act, and thus, any reduction in parking standards must still be consistent with the City's LCP and the Coastal Act.

Additionally, the appellants point out that the site is located in direct proximity to the City's two most popular beaches. Buccaneer Beach and Park are located 1.5 blocks to the north of the subject site and provide amenities highly utilized by the public including a large grassy area, public parking, playground, a "snack shack" as well as a large sandy beach with public showers. Cassidy Street Beach is located 0.5 blocks south of the subject site and is considered as a well-known surfing beach. The appellants contend that the proximity to these beaches make on-street public parking a limited and valuable coastal resource.

The availability of public parking in this area of the City is a major concern for the Commission, as parking can be highly impacted during the peak beach periods in the summer months. However, the primary public parking in the immediate vicinity of the

site is located on the street, and there is currently a substantial amount of street parking available. In addition, there are over 60 free public parking spaces at the Buccaneer Beach parking located approximately 1,000 ft. north of the site. The City has numerous other free and pay parking lots, including at the Oceanside Pier and Oceanside Transit Center, located approximately 1.5 miles north of the subject site. Thus, there are various opportunities for public parking in the vicinity of the site, and both on and off-street spaces contribute to the reservoir of beach parking.

With regard to these subject appeals in particular, it is unlikely that a two parking space deficiency associated with the addition of two junior ADUs in this location could impact public parking. The proposed development is located within the Pacific Terrace section of Pacific Street. In this area, the east side of Pacific Street has a major elevational change such that access to Pacific Street is not possible from the subject residences. Access to the homes is only available from the street east of the homes on Pacific Terrace (ref. Exhibit No. 6). If an occupant of one of the accessory units was to park along Pacific Street they would they have to walk four houses to the south, go up a flight of stairs, and then walk four houses back to the north to gain access to the subject sites. Thus, it is not likely that anyone occupying the proposed units would be taking public parking on Pacific Street. Spillover parking associated with these units would most likely affect Pacific Terrace, which does not have any public street parking.

In summary, while public parking is at a premium in this beachfront area, the subject sites are located inland of Pacific Street and in an area where ample beach parking is available. Therefore, the proposed project does not raise a substantial issue on the grounds filed pertaining specifically to public access.

The fourth factor is the precedential value of the local government's decision for future interpretations of its LCP. As described above, the City's action is consistent with the direction given by the Executive Director to local government with how the State legislation should be interpreted and incorporated into certified LCPs. The City is currently updating its certified LCP to incorporate the provisions of AB 2299 and other ADU bills. The City is aware that the requirements currently contained in the City's LCP will need to be updated to explicitly include a ministerial process for approving ADUs within the City's appeals jurisdiction. Thus, the City's action does not raise a substantial issue for future interpretations of its LCP.

The final factor is whether the appeal raises local issues, or those of regional or statewide significance. Although this appeal may raise specific local issues regarding the City's LCP requirements pertaining to exemption in the appeals area, in this case, exempting projects of this nature from the coastal development process is consistent with new housing law and direction provided by the Executive Director both of which will be applied statewide. Additionally, while the City did not require additional parking for the accessory units, this is also supported by State law and doing so will not result in significant impacts to public access and recreation. Therefore, the issues raised by the appellant and associated with the proposed development do not have regional or statewide significance.

#### A-6-OCN-18-0002 & A-6-OCN-18-0003 (Sea Breeze Investors LLC)

In conclusion, allowing the construction of two ADUs without issuance of a coastal development permit and without requiring additional parking does not raise a substantial issue because such approval will not affect coastal resources, is consistent with the requirements of recent housing law and will provide additional, and potentially affordable, housing in the coastal zone. The specific substantive issues raised by the appellants are not a proper basis for appeal at this time, given that there is not a coastal development permit application for review, but would be relevant to a coastal development permit application processed by the City. However, in this particular case, the Commission finds that the City's finding of substantial conformance does not raise any substantial issue with regard to conformity with the LCP or the public access policies of the Coastal Act.

(G:\San Diego\Digital Permit Files\2018\A-6-OCN-18-0002 & -0003 1722\_1724 S Pacific ADU\A-6-OCN-18-0002 & A-6-OCN-18-0003 1722&1724 Pacific ADUs\_NSI report.docx)

## **APPENDIX A**

## SUBSTANTIVE FILE DOCUMENTS:

- Appeal by Elizabeth and Joel West dated January 9, 2018;
- City of Oceanside certified LCP