

CALIFORNIA COASTAL COMMISSION

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**W11c**

Filed:	4/08/19
49 th Working Day:	6/17/19
Staff:	D.Truong-LB
Staff Report:	5/23/19
Hearing Date:	6/12/19

STAFF REPORT: APPEAL – SUBSTANTIAL ISSUE

Appeal No.: A-5-VEN-19-0022

Applicant: Marius Markevicius, VDM Limited, LLC

Agent: Greg Doench, LARC Inc.

Local Government: City of Los Angeles

Local Decision: Approval with Conditions

Appellant: California Coastal Commission, Executive Director John Ainsworth

Location: 21 29th Avenue, Venice, Los Angeles County (APN: 4226-021-019)

Project Description: Appeal of City of Los Angeles Local Coastal Development Permit (CDP) No. DIR-2018-3071-CDP-SPP-MEL for the demolition of a 1,856 sq. ft. duplex, and construction of a 3-story, 28-ft. high, 3,932 sq. ft., single-family dwelling, with attached 2-car garage on a 2,641 sq. ft. walk street lot.

Staff Recommendation: SUBSTANTIAL ISSUE

Important Hearing Procedure Note: The Commission will not take testimony on this “substantial issue” recommendation unless at least three commissioners request it. The Commission may ask questions of the applicant, any aggrieved person, the Attorney General or the executive director prior to determining whether or not to take testimony regarding whether the appeal raises a substantial issue. If the Commission takes testimony regarding whether the appeal raises a substantial issue, testimony is generally and at the discretion of the Chair limited to 3 minutes total per side. Only the applicant, persons who opposed the application before the local government (or their representatives), and the local government shall be qualified to testify during this phase of the hearing. Others may submit comments in writing.

If the Commission finds that the appeal raises 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 City approved a demolition and conversion of a duplex to a single-family residence in Venice, an uncertified area in the City of Los Angeles. The standard of review for the appeal is Chapter 3 of the Coastal Act and the certified Venice Land Use Plan (LUP) provides guidance. Staff is recommending that the Commission determine that **a substantial issue** exists with respect to the grounds on which the appeal has been filed because the locally-approved development is inconsistent with the development policies of the Coastal Act and the certified LUP.

The appellant contends that the City-approved project for a single-family home is inconsistent with Sections 30250 and 30253 of the Coastal Act and with LUP Policies I.A.5 and I.A.7. Section 30250 of the Coastal Act requires new development to be located in areas able to accommodate it. Section 30253 of the Coastal Act requires new development to be compatible with the character of the neighborhood, minimize risks to life and property in high flood hazard areas and further minimize vehicle miles traveled. Together, these policies encourage the concentration of development in appropriate areas that will minimize impacts to coastal resources. The appellant argues that the lot is already developed with a duplex, and that the development of a single-family residence on the lot would result in the loss of a unit not preserving overall density consistent with Section 30250 of the Coastal Act. The appellant also contends that the City approval of siting a single-family residence in a multi-family residential area is not compatible with the character of the community consistent with Section 30253 of the Coastal Act.

In addition, policies of the certified LUP specifically designate areas in Venice that are more appropriate for duplexes and multi-family developments and those areas that are more appropriate for single-family developments. Policy I.A.5 of the LUP requires the protection and preservation of existing multi-family residential neighborhoods. In this case, the project site is located in the North Venice subarea and is designated Multi-Family Residential – Low Medium II Density in the LUP; under Policy I.A.7, multi-family dwelling units (such as duplexes) in such areas must be accommodated. The City-approved project is for the demolition of a duplex and construction of a single-family residence, although the lot legally accommodates two units. The project would result in a loss of one unit; therefore, approval of the project would not preserve overall density in an area able to accommodate it consistent with LUP Policy I.A.7 and Policy I.A.5 and Coastal Act Section 30250. Furthermore, the neighborhood is predominantly comprised of multi-family structures, many of which are apartment complexes. The City-approved project is not compatible with the multi-family neighborhood that is protected as such under LUP Policy I.A.5 and Section 30253 Coastal Act.

As approved by the City, the project will result in the loss of housing density in an existing developed area designated by the LUP as appropriate for more dense development. Although the loss of one unit may not seem significant on its own, projects involving loss of housing density in Venice routinely come before the Commission; thus, cumulative effects of loss of housing density in Venice is a concern. Therefore, the appeal raises a substantial issue as to the development's conformity with the Chapter 3 policies of the Coastal Act.

The motion to carry out the staff recommendations are on **page 4 (Substantial Issue)**.

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APPENDICES – SUBSTANTIVE FILE INFORMATION

Appendix A – City of Los Angeles Joint Determination Coastal Development Permit No. DIR-2018-3071-CDP-SPP-MEL and Zoning Administrator Adjustment ZA-2018-5375-ZAA.

EXHIBITS

[Exhibit 1 – Vicinity Map](#)

[Exhibit 2 – City-Approved Plans](#)

[Exhibit 3 – Appeal](#)

[Exhibit 4 – Certificate of Occupancy, 1965](#)

[Exhibit 5 – Mello Act determination, 11/5/18](#)

[Exhibit 6 – North Venice subarea](#)

[Exhibit 7 – Community Compatibility Study](#)

[Exhibit 8 – Site Visit Photos, May 8, 2019](#)

I. MOTION AND RESOLUTION – SUBSTANTIAL ISSUE FINDING

Motion:

*I move that the Commission determine that Appeal No. A-5-VEN-19-0022 raises **NO substantial issue** with respect to the grounds on which the appeal has been filed under Section 30602 of the Coastal Act.*

Staff recommends a **NO** vote. Failure of the motion will result in a de novo hearing on the application and adoption of the following resolution and finding. Passage of this motion will result in a finding of No Substantial Issue 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-19-0022** presents a **SUBSTANTIAL ISSUE** with respect to the grounds on which the appeal has been filed under §30602 of the Coastal Act regarding consistency with Chapter 3 policies of the Coastal Act.*

II. LOCAL GOVERNMENT ACTION

On March 19, 1965, the City’s Department of Building and Safety issued a Certificate of Occupancy for a two-story duplex at the subject site ([Exhibit 4](#)). On May 1, 2018, the applicant submitted a CDP application to the City for the “demolition of an [existing] 2-story duplex, and new construction of 3-story, 3,614 sq. ft. single-family residence with roof deck and two car parking.” On November 5, 2018, the Los Angeles Housing and Community Investment Department (HCID) determined that no affordable units exist pursuant to the Mello Act ([Exhibit 5](#)).

On February 26, 2019, the City’s Planning Director and Zoning Administrator issued a joint determination DIR-2018-3071-CDP-SPP-MEL and ZA-2018-5375-ZAA ([Appendix A](#)) “authorizing the demolition of an existing 1,856 sq. ft. duplex, and construction of a three-story 3,932 sq. ft. SFD providing two on-site parking spaces” and approval for 10-ft. front yard setback in lieu of 15-ft. setback requirement. On the same day, the City determined the proposed project to be categorically exempt in regards to CEQA (ENV-2018-3072-CE).

On March 15, 2019, the Commission’s South Coast District Office received the City’s Notice of Final Action, and the Commission’s twenty working-day appeal period was established. One appeal was received on April 8, 2019 ([Exhibit 3](#)), within the Commission’s twenty working-day appeal period. No other appeals were received prior to the end of the appeal period on April 16, 2019.

III. APPELLANT'S CONTENTIONS

On April 8, 2019, the Coastal Commission's Executive Director, John Ainsworth, appealed the City-approved project for the demolition of a duplex and construction of a single-family residence. The appellant contends that the City-approved project for the demolition of a duplex and construction of a single-family residence in its place does not preserve or protect the multi-family neighborhood consistent with Policies I.A.5 and I.A.7 of the LUP ([Exhibit 3](#)). Additionally, the appellant contends that the City-approved project will result in a loss of one housing unit without providing a new housing unit elsewhere in Venice and, therefore, the City's approval of the project does not preserve overall housing density consistent with Coastal Act Section 30250. Furthermore, the appellant argues that the City's findings fail to discuss how the City-approved single-family residence in a multi-family designated area is compatible with character of the surrounding community consistent with Coastal Act Section 30253.

IV. APPEAL PROCEDURES

Section 30600(b) of the Coastal Act provides that prior to certification of its 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. The standard of review for such an appeal is the Chapter 3 policies of the Coastal Act. [Cal. Pub. Res. Code §§ 30200 and 30604.]

After a final local action on a local CDP application, the Coastal Commission must be noticed within five days of the decision. After receipt of such a notice which contains all the required information, a twenty working-day appeal period begins during which any person, including the applicant, 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 the specific grounds for appeal and a summary of 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 grounds for appeal.

Commission staff recommends a finding of **substantial issue**. If the Commission decides that the appellant's contentions raise no substantial issue as to conformity with Chapter 3 of the Coastal Act,

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the action of the local government becomes final. Alternatively, if the Commission finds that a substantial issue exists with respect to the conformity of the action of the local government with the Chapter 3 policies of the Coastal Act, the local CDP is voided and the Commission will hear the de novo matter immediately following the substantial issue finding, unless the Commission schedules the de novo portion of the hearing for a future date. [Cal. Pub. Res. Code §§ 30621 and 30625.] Section 13321 of the Coastal Commission regulations specifies that de novo actions will be heard according to the procedures outlined in Sections 13114 and 13057-13096 of the Commission's regulations.

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 de novo phase of the public hearing on the merits of the application will immediately follow. In this de novo public hearing on the merits of the application, the standard of review is the Chapter 3 policies of the Coastal Act. The Venice Land Use Plan, certified by the Commission on June 14, 2001, is used as guidance. 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 Regulation, will typically 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 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. 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. 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 *Dual Permit Jurisdiction Area*.

VI. FINDINGS AND DECLARATIONS

A. PROJECT DESCRIPTION & LOCATION

The City approved the demolition of an existing two-story, 25-ft. high, 1,856 sq. ft. duplex structure and construction of a three-story, 28-ft. high, 3,932 sq. ft. single-family residence with an attached two-car garage, roof access structure, and roof deck with 42-in. high guardrails ([Exhibit 2](#)). The

City also approved a Zoning Administrator's Adjustment for the setback fronting 29th Avenue walk street of 10 ft. in lieu of the normally required 15 ft.

The subject site is a 2,641 sq. ft. lot located approximately 200 ft. from the beach in the North Venice subarea of Venice ([Exhibit 1](#)) and is located adjacent to a designated walk street, 29th Avenue. The site is designated Multi-Family Residential – Low Medium II by the certified LUP and zoned RD1.5-1-O by the City's Zoning Code, which has not been certified by the Commission and is not the standard of review for this project. The subject site is currently developed with a multi-family residence built in 1923. No historic resources have been identified on site. A mix of multi-story, single and multi-family residences characterizes this neighborhood.

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. The term "substantial issue" is not defined in the Coastal Act or its implementing regulations. Section 13115(b) of the Commission's regulations 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.

Staff is recommending that the Commission find that **a substantial issue exists** with respect to whether the local government actions conform to Section 30610 of the Coastal Act and Section 13250 of the California Code of Regulations for the reasons set forth below.

C. SUBSTANTIAL ISSUE ANALYSIS

Coastal Act Section 30250(a) states, in relevant part:

New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources...

Coastal Act Section 30253 states:

New development shall ...

- (a) Minimize risks to life and property in areas of high geologic, flood, and fire hazard.*
- (b) Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs.*
- (c) Be consistent with requirements imposed by an air pollution control district or the State Air Resources Board as to each particular development.*
- (d) Minimize energy consumption and vehicle miles traveled.*
- (e) Where appropriate, protect special communities and neighborhoods that, because of their unique characteristics, are popular visitor destination points for recreational uses.*

Coastal Act Section 30604 states, in relevant part:

- (f) The commission shall encourage housing opportunities for persons of low and moderate income.*
- (g) The legislature finds and declares that it is important for the commission to encourage the protection of existing and the provision of new affordable housing opportunities for persons of low and moderate income in the coastal zone.*

Duplex/Multi-Family Residential

It is the intent of Venice LUP to maintain existing stable multi-family residential neighborhoods. In those stable neighborhoods characterized by a mix of densities and dwelling types, permitted densities may be reduced to levels consistent with the character of the entire area in order to minimize impacts on infrastructure, services, and to maintain or enhance the residents' quality of life. The loss of potential units in these locations can be offset by the provision of new housing opportunities via bonuses for the replacement of affordable housing and in mixed-use development.

Venice Land Use Plan Policy I. A. 5 states:

Preserve and protect stable multi-family residential neighborhoods and allow for growth in areas where there is sufficient public infrastructure and services and the residents' quality of life can be maintained and improved.

Venice Land Use Plan Policy I. A. 7 states:

Accommodate the development of multi-family dwelling units in the areas designated as "Multiple Family Residential" and "Low Medium II Density" on the Venice Coastal Land Use Plan (Exhibits 9 through 12). Such development shall comply with the density and development standards set forth in this LUP.

*Oakwood, Milwood, Southeast and North Venice
Use: Duplexes and multi-family structures.*

Density: One unit per 1,500-2,000 square feet of lot area. Lots smaller than 4,000 square feet are limited to a maximum density of two units.

Replacement Units/Bonus Density: Lots greater than 4,000 square feet can add extra density at the rate of one unit for each 1,500 square feet of lot area in excess of 4,000 square feet on parcels zoned RD1.5, or one unit for each 2,000 square feet of lot area in excess of 4,000 square feet on parcels zoned RD2, if the unit is a replacement affordable unit reserved for low and very low income persons. (See LUP Policies I.A.9 through I.A.16).

Yards: Yards shall be required in order to accommodate the need for fire safety, open space, permeable land area for on-site percolation of stormwater, and on-site recreation consistent with the existing scale and character of the neighborhood.

Height: North Venice: Not to exceed 30 feet for buildings with flat roofs; or 35 feet for buildings utilizing a stepped back or varied roofline. The portion that exceeds 30 feet in height shall be set back from the required front yard one foot for every foot in height above 30 feet. Structures located along walk streets are limited to a maximum height of 28 feet. (See LUP Policy I.A.1 and LUP Height Exhibits 13-16).

Coastal Act Section 30250(a) requires new residential development to be located in close proximity to existing developed areas able to accommodate it and where it will not have significant, cumulative adverse impacts to coastal resources. Section 30253 of the Coastal Act requires new development to be compatible with the character of the neighborhood, minimize risks to life and property in high flood hazard areas and further minimize vehicle miles traveled. Together, these policies encourage the concentration of development in existing developed areas (i.e. infill) that will minimize impacts to coastal resources. In addition, the certified LUP incorporates these Coastal Act policies and designates specific areas in Venice where more dense developments should be accommodated (Policy I.A.7) and specific areas where only single-family residential neighborhoods are allowed (Policy I.A.5). Thus, the LUP reflects the City's assessment of those areas where more concentrated development should occur in Venice.

Density and Housing

Maintaining housing density has not always been a priority for the Commission. The state is currently experiencing a housing supply shortage of approximately 90,000 units on a yearly basis¹. From 2000 to 2015, Venice Beach saw a reduction in housing by approximately 700 units². The exact cause of the reduction in the housing supply is unconfirmed; however, there is an apparent trend of multi-unit pre-coastal structures being redeveloped as single-family residences³. During the certification of the Venice LUP, the density requirements outlined in the residential land use designations were determined by the Venice Parking and Traffic Study. This “resulted in substantially lower build out densities than current zoning capacity” in order to plan for circulation

¹ Dahdoul, Ahmad, et. al. 7 May 2017. “*Building California’s Future: Increasing the Supply of Housing to Retain California’s Workforce*”. USC Price. Pp. 3-4. <https://cfce.calchamber.com/wp-content/uploads/2017/06/CFCE-Building-Californias-Future-Final-Report-May-7-2017.pdf>.

² Brausuell, James. 2017. “*Venice, California has fewer housing units than in 2000*”. Planetizen website. <https://www.planetizen.com/node/93800/venice-california-has-fewer-housing-units-2000>.

³ A-5-VEN-18-0017 & 5-18-0212 (Targon) to demolish a 2,300 sq. ft. 5-unit structure and construct a 4,584 sq. ft. retail and SFR with accessory dwelling unit. A-5-VEN-170019 (Hohnen) to convert 1,812 sq. ft. duplex to 2,416 sq. ft. SFR. A-5-VEN-16-0083 (Lighthouse Brooks LLC) to demolish 5 units and construct four 2,500 sq. ft. SFRs.

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and infrastructure limitations⁴. As pre-Coastal structures are redeveloped, many structures are required to conform to the current land use designation in the Venice LUP and local zoning regulations, resulting in a general loss of units in the area. Moreover, Chapter II of the LUP states that the Venice coastal zone was projected to see a 19% increase in population from 1990 to 2010. Accordingly, the population within the coastal zone of the Venice community is expected to increase from 32,270 persons (as of 1990) to approximately 45,990 persons by the year 2030, assuming that there is a constant rate of projected growth and current trends remain unchanged, thereby exacerbating the housing shortage in Venice.

Housing shortages throughout the state have been met with growing efforts to address and improve availability. In 2017, the State Legislature acknowledged that California is facing a severe housing crisis, and that current and future demands are exceeding the availability of housing units⁵. The State has taken a proactive approach to alleviating the housing crisis through the passing of Senate Bill (SB) 167 (also known as “Housing Accountability Act”) as amended in 2017, Senate Bill 1069 (Wieckowski), and Assembly Bill 2299 (Bloom), for example. Thus, the Commission has more recently emphasized the importance of preserving existing housing stock in the coastal zone where appropriate to minimize impacts to coastal resources (Section 30250), encourage affordable housing (Section 30604(f)), and reduce traffic impacts and encourage use of public transportation and public access (Section 30253). The land use policies in the certified Venice LUP also seek to preserve and maintain existing housing stock by encouraging the accommodation of duplexes and multi-family developments in areas deemed appropriate to sustain such development (Policies I.A.5 through I.A.8). As such, the Commission is in a position to implement the policies of the LUP and Coastal Act in a manner that responds to the significant housing shortages in the coastal zone and, Venice, in particular, an issue that will also be addressed more thoroughly in the update of the Venice LUP.

Community Character Compatibility

The LUP divides the Venice coastal zone into eight subareas. The North Venice subarea encompasses a large portion of the community as well as a majority of Abbot Kinney Blvd ([Exhibit 6](#)). The subarea contains coastal resources such as walk streets, historic structures, and iconic visitor-serving development such as the Venice sign and Kinney Plaza. The residential portions of the North Venice subarea are all designated Multi-Family Residential – Low Medium II Density. Thus, duplexes and other multi-unit residential development are a significant component of the North Venice area.

The subject block is bounded by Pacific Avenue to the east and Speedway to the west ([Exhibit 6](#)) and consists of 17 lots. One of the lots combines four parcels due to a 29-unit apartment complex. Nine lots contain multi-family structures and seven (7) lots contain single-family structures. Beyond the immediate block (particularly from 30th Place to North Venice Blvd), approximately 56% of 283 lots contain multi-family residences such as duplexes, triplexes, quadrplexes, condominiums, and other multi-family structures ([Exhibit 7](#)), according to LandVision, a property research mapping tool, and verified on the County Assessor’s webpage. The remaining

⁴ City of Los Angeles. Venice Land Use Plan, certified June 14, 2001. “Chapter II Land Use Plan Policies”. Pp II-1 to II-4.

⁵ California Legislative Information. *Government Code Section 65852.150* pursuant to Senate Bill 1069 (Wieckowski) and Assembly Bill 2299 (Bloom), effective January 1, 2019. https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=65852.150.

approximately 1% contain commercial structures, such as those along N Venice Blvd, and 43% contain single-family residences.

Section 30250 requires new residential development to be located in close proximity to existing developed areas able to accommodate it and where it will not have significant, cumulative adverse impacts to coastal resources. The project, as approved by the City, is not consistent with Section 30250 because the project involves the demolition of an existing duplex structure and construction of a larger single-family residence in a multi-family neighborhood. The City-approved project is located within an existing developed area that is designated for multi-family residences. Furthermore, there is no evidence in the City's record which shows that the loss of a unit at the subject site has been mitigated by providing a unit elsewhere. Therefore, the project does not preserve overall density consistent with Section 30250 and raises a substantial issue with regard to the grounds in which the appeal has been filed.

Section 30253 requires that new development be compatible with the character of the neighborhood, minimize risks to life and property in high flood hazard areas, and minimize vehicle miles traveled. The City-approved single-family residence is not compatible with the neighborhood because the area consists primarily of multi-family residences. In fact, on May 8, 2019, staff conducted a site visit of the neighborhood, which confirmed that the subject site is located directly across from an apartment complex ([Exhibit 8](#)) and is surrounded by other multi-family structures. In addition, the site is located adjacent to a designated walk street. According to the LUP, walk streets provide a pleasant and vehicle-free pathway for residents and visitors alike to access the beach. Siting higher density developments adjacent to such areas encourages pedestrians to access recreational areas such as Venice Beach without utilizing vehicles, thus minimizing vehicle miles traveled consistent with Section 30253. Therefore, the project raises a substantial issue of consistency with Section 30253 because the City-approved project is not compatible with the character of the multi-family residential community, and raises a substantial issue with regard to the grounds in which the appeal has been filed.

Policy I.A.5 of the certified LUP requires the *preservation* and *protection* of multi-family residential neighborhoods and to allow for growth in areas where there is adequate public infrastructure and services that maintain and improve resident's quality of life. The City's approval of the conversion of a duplex to a single-family residence at this site, without any analysis of the impacts of the loss of housing density in the North Venice area, fails to *preserve* and *protect* the *multi-family* neighborhood in which the subject site is located, and, therefore, raises a substantial issue with regard to Policy I.A.5 of the certified LUP.

Policy I.A.7 of the certified LUP stipulates that allowed *uses* on lots designated Multi-Family Residential – Low Medium II Density consist of “*Two units per lot, duplexes and multi-family structures.*” As mentioned by the appellant, the City's findings do not substantiate that the demolition of the duplex and construction of a single-family residence is consistent with LUP Policies I.A.5 and I.A.7. The City-approved project for the demolition of the duplex and construction of a single-family residence on a lot that is designated Multi-Family Residential and Low Medium II Density would result in a loss of density because the lot can indisputably support two units, and therefore, raises a substantial issue with regard to Policy I.A.7 of the certified LUP.

Substantial Issue

Applying the five factors listed in the prior section clarifies that the appeal raises a “substantial issue” as to the project’s conformity with Chapter 3 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 consistent or inconsistent with the relevant provisions of the Coastal Act. The City’s approved plans and determination findings raise substantial questions as to whether the project can be found consistent with Coastal Act development policies (30250 and 30253) encouraging the concentration of development in areas that can accommodate it and that will minimize impacts to coastal resources and minimize traffic and congestion. The City’s findings state that there are other similar single-family residences in the area and that the City-approved project is consistent with the LUP’s land use designation and use limitations; however, the City’s findings do not analyze the project’s consistency with Policy I.A.5 that requires the preservation and protection of multi-family neighborhoods. Furthermore, policies of the certified LUP designate areas where more dense development should be concentrated, including the North Venice subarea where this project is located. Here, the City-approved project would result in the loss of one housing unit that does not preserve or protect the multi-family neighborhood. Thus, there is inadequate factual and legal support for the City’s decision and the project raises a substantial issue.

The second factor is the extent and scope of the development as approved by the local government. The extent and scope of the locally-approved development is clear because the City-approved plans demonstrate that the project involves demolition of a duplex and construction of a single-family residence. Although the project is located on one lot that is relatively small in scope, similar projects in Venice have and are likely to come before the Commission and, therefore, this project could have much more significant cumulative impacts on coastal resources, increasing development pressure in other areas that may not be as well suited for concentrated development, sea level rise impacts, or access to public transportation. Therefore, the extent and scope of the project as approved by the local government raises a substantial issue.

The third factor is the significance of the coastal resources affected by the decision. Although this project involves the loss of only one unit, as discussed above, similar projects have and are likely to come before the Commission, raising concerns about cumulative impacts to coastal resources. In addition, the shortage of housing and affordable housing, in particular, is a significant issue in California and the coastal zone. The preservation of density in existing developed areas able to accommodate it is important because it encourages residents to live near recreation and resident-serving areas thereby reducing dependency on vehicles for transportation traveled to access such areas (Section 30253), thereby minimizing adverse effects to coastal resources (Section 30250). Here, the project is located in an area adjacent to popular recreational areas as well as public transportation opportunities, and has been designated by the certified LUP as an area appropriate for multi-family development. Therefore, the significance of coastal resources affected by the City’s approval raises a substantial issue.

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 LUP. The LUP incorporates Coastal Act policies that encourage the concentration of new development in more dense areas that are able to accommodate it, and specifically encourages multi-family structures in the North Venice subarea. Yet, the City failed to address these policies in its decision, raising substantial questions as to whether the project complies with the Coastal Act,

and potentially prejudicing future interpretations of the certified LUP as well as the City's ability to certify an LCP that complies with the Coastal Act.

The final factor is whether the appeal raises local issues, or those of regional or statewide significance. The City's approval of a project that would contribute to the loss of housing density in an area that the Venice LUP specifically designates as appropriate for more dense development raises matters of statewide concern. As discussed, California is experiencing a severe housing crisis state-wide. The preservation of density in existing developed areas able to accommodate it allows residents to live and access nearby recreation and commercial areas that further reduces vehicle miles traveled, thus minimizing impacts to coastal resources. In addition, the Venice LUP specifically designates areas that are more appropriate for duplexes and multi-family developments and those areas that are more appropriate for single-family residential neighborhoods, and requires the protection of stable multi-family residential neighborhoods. In this case, the City-approved project is located within a Multi-Family designated neighborhood of the LUP which contains existing multi-family residences, where the site is located near popular recreation and commercial corridors and public transportation nodes that access the broader Los Angeles region. Thus, the project raises issues regarding housing density, affordable housing, and concentrating development in areas that minimize coastal resource impacts, all of which are issues of significant state-wide concern. Thus, this factor weighs in favor of finding substantial issue.

In conclusion, the appeal raises substantial issues as to the project's consistency with Chapter 3 policies of the Coastal Act and the certified Venice LUP because the City's findings in support of the local coastal development permit do not adequately address the fundamental conflict between the proposed project and the Multi-Family Residential designation set forth in the LUP, which carries out Sections 30250 and 30253 of the Coastal Act. In addition, the City-approved project does not aim to preserve existing housing stock and is not compatible with the character of the multi-family residential community, inconsistent with Sections 30250 and 30253. Therefore, staff recommends that the Commission find that the appeal raises a substantial issue as to the project's conformity with the Chapter 3 policies of the Coastal Act.