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STAFF REPORT: APPEAL – SUBSTANTIAL ISSUE

Appeal Number: A-5-VEN-20-0037

Applicant: Eli and Stephanie Holzman, Holzman Living Trust

Agents: Chris Parker, Pacific Crest Consultants

Local Government: City of Los Angeles

Local Decision: Approval with Conditions

Appellants: Sue Kaplan, Citizens Preserving Venice

Project Location: 710 E Palms Blvd., Venice, City of Los Angeles, Los Angeles County (APN: 4241-015-021)

Project Description: Appeal of City of Los Angeles Local Coastal Development Permit No. DIR-2018-7237-CDP-MEL approved with conditions for the demolition of a one-story, 1,445 sq. ft. duplex and detached two-car garage, and construction of a two-story, 2,850 sq. ft., 28-ft. high single-family residence with an attached 342 sq. ft. two-car garage, plus two additional on-site parking spaces, and an attached 191 sq. ft. junior accessory dwelling unit on a 5,299 sq. ft. lot.

Staff Recommendation: Substantial Issue.

IMPORTANT HEARING PROCEDURE NOTE: The Commission will not take public testimony during the “substantial issue” phase of the appeal hearing 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 three 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 follow, unless it has been postponed, during which the Commission will take public testimony.

SUMMARY OF STAFF RECOMMENDATION

The action by the City of Los Angeles on Local Coastal Development Permit (CDP) No. DIR-2018-7237-CDP-MEL approved the demolition of a one-story, 1,445 sq. ft. duplex and construction of a two-story, 28-ft. high, 2,850 sq. ft. single-family residence with an attached 342 sq. ft. two-car garage, plus two additional on-site parking spaces, and an attached 191 sq. ft. junior accessory dwelling unit (JADU). The project site is located in the Milwood subarea of Venice within the City of Los Angeles Single Permit Jurisdiction Area. The standard of review for this appeal are the Chapter 3 policies of the Coastal Act and the certified Venice Land Use Plan (LUP) is used by the Commission as guidance.

Staff recommends that the Commission determine that a **substantial issue exists** with respect to the grounds on which the appeal has been filed for the following reasons: the City-approved single-family residence is inconsistent with the community character of the surrounding area, which consists primarily of multi-family residences; the proposed 191 sq. ft. attached JADU occupies a tiny fraction of the proposed single-family residence and is unlikely to function as a residential unit capable of accommodating community members, such as a family or couple; the City's findings fail to include an analysis of cumulative effects of the approved development on community character; and the City's determination may prejudice the City's ability to prepare a certified Local Coastal Program (LCP). Furthermore, the community character survey conducted by staff shows a pattern of locally-approved projects that are cumulatively reducing housing density as a result of a trend in construction of single-family residences on lots able to accommodate multiple units.

The appellant also contends that the City-approved development is inconsistent with density provisions of the certified Venice LUP and the City of Los Angeles uncertified Zoning Code. However, the site is designated Multi-Family Residential—Low Medium I Density per Policy I.A.6 of the Venice LUP, which generally allows a maximum of two dwelling units per lot and includes the construction of single-family residences. Thus, the proposed development is in conformance with Policy I.A.6 of the Venice LUP. The City of Los Angeles uncertified Zoning Code is not a part of the LUP and therefore is not the standard of review or used as guidance for this appeal. Regardless, the subject R2-1 designation of the City of Los Angeles uncertified Zoning Code also allows for the construction of single-family residences with a maximum of two units per lot.

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- [Exhibit 1 – Project Location](#)
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- [Exhibit 3 – City Determination Letter and Approved Plans](#)
- [Exhibit 4 – Appeal](#)

I. MOTION AND RESOLUTION – SUBSTANTIAL ISSUE

Motion: I move that the Commission determine that Appeal No. A-5-VEN-20-0037 raises NO Substantial Issue with respect to the grounds on which the appeal has been filed under § 30603 of the Coastal Act.

Staff recommends a **NO** vote. Following the staff recommendation on this motion will result in the Commission proceeding to conduct a de novo review of the application, and adoption of the following resolution and findings. Conversely, 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 appointed Commissioners present.

Resolution: The Commission hereby finds that Appeal No. A-5-VEN-20-0037 presents a **SUBSTANTIAL ISSUE** with respect to the grounds on which the appeal has been filed under Section 30602 of the Coastal Act regarding consistency with Chapter 3 policies of the Coastal Act.

II. APPELLANT'S CONTENTIONS

On August 7, 2020, an appeal was filed by Sue Kaplan on behalf of Citizens Preserving Venice ([Exhibit 4](#)). The appellant raises the following concerns with the City-approved development:

- 1) The City abused its discretion by allowing the loss of a housing unit without requiring any mitigation measures or a full replacement unit.
- 2) The City did not make adequate findings regarding consistency of the project with community character and the cumulative effects on community character, per Sections 30105.5, 30250, and 30253 of the Coastal Act.
- 3) The project will prejudice the ability of the City of Los Angeles to prepare an LCP that is in conformance with Chapter 3 of the Coastal Act.
- 4) The project does not conform with the land use designation of the certified Venice LUP and the zoning of the City of Los Angeles uncertified Zoning Code.

III. LOCAL GOVERNMENT ACTION

On February 18, 2020, the Director of City Planning held a public hearing for Local CDP No. DIR-2018-7237-CDP-MEL. The City record indicates that a member of Citizens Preserving Venice spoke in opposition to the project at the public hearing. On June 22, 2020, the Director of City Planning issued a determination letter approving the local CDP for the proposed project ([Exhibit 3](#)). The City's determination was not appealed to the City of Los Angeles Planning Commission. The City's Notice of Final Local Action for the local CDP was received by the Coastal Commission South Coast District office on July 6, 2020, and the Coastal Commission's required twenty working-day appeal period was

established. On August 7, 2020, Citizens Preserving Venice filed a timely appeal of the City’s local CDP approval ([Exhibit 4](#)). No other appeals were received prior to the end of the appeal period on August 10, 2020.

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 Coastal Act Sections 30604, 30620 and 30620.5, establish procedures for the filing, processing, review, modification, approval or denial of a CDP. Pursuant to this provision, the City of Los Angeles developed a permit program in 1978 to exercise its option to issue local CDPs. Sections 13301-13325 of Title 14 of the California Code of Regulations provide procedures for issuance and appeals of locally issued CDPs. Section 30602 of the Coastal Act allows any action by a local government on a CDP 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 final local action on a 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, 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 Commission accepts the appeal for a full de novo review of the permit application, and typically continues the public hearing to a later date in order to review the coastal development permit as a de novo matter. [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 Commission will schedule the de novo

phase of the public hearing on the merits of the application at a future Commission meeting. A de novo public hearing on the merits of the application uses the Chapter 3 policies of the Coastal Act. The certified Venice LUP 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 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. A majority of Commissioners present is required to find that the grounds for the appeal raise no substantial issue.

V. SINGLE/DUAL PERMIT JURISDICTION AREAS

Within the areas specified in Coastal Act Section 30601, which is known in the City of Los Angeles permit program as the Dual Permit Jurisdiction area, the Coastal Act requires that any development which receives a local CDP permit also obtain a second (or “dual”) CDP from the Coastal Commission. The Commission's standard of review for the proposed development in the Dual Permit Jurisdiction area is the Chapter 3 policies of the Coastal Act. For projects located inland of the areas identified in Section 30601 (i.e., projects in the Single Permit Jurisdiction), the City of Los Angeles local CDP is the only CDP required. The proposed project is located with the Single Permit Jurisdiction Area. Therefore, the applicant is not required to obtain a second, or “dual”, CDP from the Commission for the proposed development.

VI. FINDINGS AND DECLARATIONS – SUBSTANTIAL ISSUE

A. PROJECT DESCRIPTION AND LOCATION

The project site for the City-approved development is located in a residential neighborhood in the Milwood subarea of Venice, City of Los Angeles. The subject lot, similar in size to most lots within the surrounding neighborhood, is approximately 5,299 sq. ft. in area and designated Multi-Family Residential – Low Medium I by the certified LUP. Additionally, the lot is zoned R2-1 by the City of Los Angeles uncertified Zoning Code. The project site is located approximately $\frac{3}{4}$ mile inland of the public beach [\(Exhibit 1\)](#) and fronts E. Palms Boulevard, with access to the rear yard obtained through the abutting alley, Rialto Court. The overall Milwood subarea, and the subject block, are characterized primarily by one-story, two-story, and three-story single-family and multi-family homes of varying sizes and architectural styles.

The City-approved project includes the demolition of a one-story, 1,445 sq. ft. duplex with an attached two-car garage, and construction of a two-story, 28-ft. high, 2,850

sq. ft. single-family residence with an attached 342 sq. ft. two-car garage, plus two additional uncovered on-site parking spaces, and an attached 191 sq. ft. JADU ([Exhibit 3](#)). Parking for the residence will be accessed through the rear alley and no curb cuts are proposed. The provided front yard and rear yard setbacks are 15 ft. wide and the side yard setbacks are 4 ft. wide. The City-approved project observes all setbacks, open space, and height requirements of both the City of Los Angeles uncertified Zoning Code and the certified Venice LUP.

B. FACTORS TO BE CONSIDERED IN SUBSTANTIAL ISSUE ANALYSIS

When determining whether an appeal raises a “substantial issue,” section 13115(b) of the Commission’s regulations provide that the Commission may consider factors, including but not limited to:

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.

The Commission may, but need not, assign a particular weight to a factor.

Staff recommends that the Commission find that **a substantial issue exists** with respect to whether the local government action conforms to the provisions of Chapter 3 of the Coastal Act for the reasons set forth below.

C. SUBSTANTIAL ISSUE ANALYSIS

As stated in Section IV of this report, the grounds for an appeal of a CDP issued by the local government prior to certification of its LCP are the Chapter 3 policies of the Coastal Act. Any local government CDP issued prior to certification of its LCP may be appealed to the Commission. The Commission shall hear an appeal unless it determines that no substantial issue exists as to conformity with Chapter 3 policies of the Coastal Act.

The primary issues raised by this appeal relate to the loss of housing density, as well as the potential cumulative effects of the City-approved development on the community character of the area.

Section 30250(a) of the Coastal Act 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.

Section 30251 of the Coastal Act states:

The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas. New development in highly scenic areas such as those designated in the California Coastline Preservation and Recreation Plan prepared by the Department of Parks and Recreation and by local government shall be subordinate to the character of its setting.

Section 30253(e) of the Coastal Act states, in relevant part:

New development shall...

(e) where appropriate, protect special communities and neighborhoods that, because of their unique characteristics, are popular visitor destination points for recreational uses.

Venice Certified LUP Subsection “Duplex/Multi-Family Residential” states:

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 Certified LUP Policy I.A.2 Preserve Stable Single-Family Neighborhoods, states:

Ensure that the character and scale of existing single-family neighborhoods is maintained and allow for infill development provided that it is compatible with and maintains the density, character and scale of the existing development.

Venice Certified LUP Policy I.A.5 Preserve and Protect Stable Multi-Family Neighborhoods, 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 Certified LUP Policy I.A.6 Multi-Family Residential– Low Medium I Density, states, in relevant part:

Accommodate the development of duplexes and multi-family dwelling units in the areas designated as “Multiple Family Residential” and “Low Medium I” 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...

Southeast Venice & Milwood

Use: Two units per lot, duplexes and multi-family structures

Density: One unit per 2,500 square feet of lot area. Lots smaller than 5,000 square feet are limited to a maximum density of two units per lot.

Replacement Units/Bonus Density: Lots greater than 5,000 square feet can add extra density at the rate of one unit for each 2,000 square feet in excess of 5,000 square feet in lot area 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: Not to exceed 25 feet for buildings with flat roofs, or 30 feet for buildings with stepped back or varied rooflines. (See LUP Policy I.A.1 and LUP Height Exhibits 13-16).

Venice Certified LUP Policy I.A.7 Multi-Family Residential - Low Medium II Density, states in relevant part:

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...

Venice Certified LUP Policy I.A.8 Multi-Family Residential – Medium Density, states in relevant part:

Accommodate the development of multi-family dwelling units in the areas designated as “Multiple Family Residential” and “Medium 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.

Venice Certified LUP Policy I.E.1 General, states:

Venice's unique social and architectural diversity should be protected as a Special

Coastal Community pursuant to Chapter 3 of the California Coastal Act of 1976.

Venice Certified LUP Policy I.E.2 Scale, states:

New development within the Venice Coastal Zone shall respect the scale and character of the community development. Buildings which are of a scale compatible with the community (with respect to bulk, height, buffer and setback) shall be encouraged. All new development and renovations should respect the scale, massing, and landscape of existing residential neighborhoods.

Certified Venice LUP Policy I. E.3 Architecture, states:

Varied styles of architecture are encouraged with building facades which incorporate varied planes and textures while maintaining the neighborhood scale and massing.

Coastal Act Section 30250(a) requires new residential development 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 be compatible with the character of the neighborhood, minimize risks to life and property in high flood hazard areas, and 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.5) and specific areas where only single-family residential neighborhoods are allowed (Policy I.A.2). Thus, the LUP reflects the City's intent to designate areas where more concentrated development should exist in Venice.

Density and Housing

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 potentially 700 units² and there appears to be a trend in CDP applications for conversion of multi-family structures to single-family residences. 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 units³. Thus, the Commission has more recently emphasized the importance of preserving existing housing stock in already developed areas of the coastal zone where appropriate, thereby minimizing impacts to coastal resources (Sections 30250 and 30253) and encouraging

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 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.

more affordable housing (Section 30604(f)). The 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) and preserving the character of Venice, including architectural and social diversity and multi-family residential neighborhoods (Policy I.E.1 and “Duplex/Multi-Family Residential Policy”).

In this case, the lot is currently developed with a duplex. Thus, as contended by the appellant, the City-approved demolition of the existing duplex and construction of a single-family residence with an attached JADU will result in the loss of one approximately 700 sq. ft. residential unit, which was not addressed by the City in the context of preservation of Venice housing density. The proposed 191 sq. ft. attached JADU occupies only 6% of the proposed single-family residence, and is so small that it is not commensurate of the residential unit it is seemingly presumed to replace. Additionally, the very small JADU is unlikely to function as a residential unit capable of accommodating one or multiple community members, such as an individual, family, or couple. Thus, the City’s action raises a significant question as to whether the project is consistent with Sections 30250 and 30253 of the Coastal Act, as well as Policies I.A.5 and I.A.6 of the certified Venice LUP. Furthermore, the City’s approval does not discuss potential measures to offset the loss of the residential housing unit, as encouraged through the Duplex/Multi-Family Residential policy of the certified Venice LUP, consistent with Sections 30250 and 30253 of the Coastal Act.

While the project involves the loss of a single housing unit, approval of this project in conjunction with other similar projects in Venice (including one project directly adjacent to the property) and the coastal zone may result in a cumulative adverse effect on coastal resources. Although the applicant proposes construction of a small JADU, there are significant questions as to whether the JADU will provide a meaningful housing opportunity and will not be used by the owner of the single-family residence. The Commission has previously approved ADUs and JADUs as adequate mitigation for projects that propose redevelopment of multi-family developments with fewer residential units; however, this has typically involved situations where an existing multi-family structure was not consistent with the certified LUP⁴. Past Commission approvals of these types of projects were considered as a compromise approach when there was no other option for a property owner to redevelop a site with an aging residential structure while maintaining the same number of housing units consistent with the LUP.

In light of a persistent lack of housing supply across the state and in the coastal zone, it has become apparent that replacement of a full housing unit with a JADU may not always preserve housing density in the Coastal Zone in a manner consistent with Chapter 3 policies. ADUs and JADUs are important mechanisms to increase the potential number of independent housing units that can be rented out separately from the primary residence. However, they are dependent on the primary residence to serve as a housing unit and cannot be sold separately from the primary residence. This differs somewhat from a duplex, where the units can have separate utility connections and are typically designed to be rented out as separate units, but also could not be sold separately unless converted

⁴ Refer to CDP Nos. 5-19-1244; 5-20-0142; 5-20-0223, approved by the Commission at the September 2020 hearing.

to a condominium. In addition, it is more difficult to enforce the continuous provision of an ADU as compared to a duplex, and ADUs are more easily left vacant or used by the occupants of the primary residence. Therefore, there is a low degree of confidence that an ADU will be used by someone other than the occupant(s) of the primary residence or rented out as an additional unit.

An overall loss of housing density in residential areas of Venice may encourage development in undeveloped areas that are not able to accommodate it, such as rural communities or communities vulnerable to sea level rise. Therefore, the appeal raises a substantial issue as to whether the project is consistent with Sections 30250 and 30253 of the Coastal Act.

Community Character

The appellant contends that the City-approved single-family residence and JADU is inconsistent with the community character of the surrounding area. The City's findings address the project's consistency with Venice LUP height and setback requirements, and generally describe the single- and multi-family dwelling composition of the surrounding area. However, the City's findings fail to elaborate on the community character of the neighborhood, or how it may be impacted by the proposed development. Furthermore, the City's findings do not discuss preservation of this community character as required by LUP and Coastal Act Chapter 3 policies.

Sections 30251 and 30253(e) of the Coastal Act state that special communities shall be protected and require permitted development to be visually compatible with the character of surrounding areas. These sections also require protection of communities and neighborhoods that, because of their unique characteristics, are popular visitor destination points for recreational uses. The Commission has previously found that Venice's unique social and architectural diversity should be protected as a Special Coastal Community. The Venice LUP also sets forth policies to preserve the community character, scale, and architectural diversity of each subarea within the Special Coastal Community.

The Milwood subarea contains coastal resources, such as walks streets and historic structures, which are integral to the unique character of Venice. All residential portions of Milwood are designated Multi-Family Residential – Low Medium I and Low Medium II Density; thus, duplexes and other multi-unit residential development are a significant component of the character of the subject neighborhood. While the Venice LUP is not the standard of review for this appeal, certified LUP policies provide guidance from which the Commission can evaluate a project's consistency with Chapter 3 policies of the Coastal Act.

Using the City of Los Angeles Zone Information and Map Access System (ZIMAS) and records of past Commission and City actions, Commission staff conducted a survey of all single- and multi-family residences within the subject neighborhood ([Appendix B](#)). This survey included all residences within the 700 block of E Palms Boulevard (extending

between Shell Avenue and Oakwood Avenue) and totaled 35 homes⁵ ([Exhibit 2](#)). Of the total 35 surveyed homes, 49% are single-family residences and 51% are multi-family residences.

Table 1 summarizes recent Commission action in the subject area since the Venice LUP certification in 2001 and includes metrics related to the compatibility of a proposed project with the community character of a given area. With an area of 2,850 sq. ft., the City-approved project is larger than the average size of other residences approved by the Commission since the Venice LUP certification in 2001. This is shown by the 2,247 sq. ft. average area for the recent Commission actions in Table 1. Table 1 also shows that all recent Commission actions in the area either maintained or increased housing density, while the proposed project would result in the loss of a residential unit.

Table 2 summarizes recent local approvals in the subject area issued by the City of Los Angeles since the Venice LUP certification in 2001 which were not appealed to the Commission. This table includes the same metrics as Table 1 and shows a pattern of reduction in housing density. With an area of 2,850 sq. ft., the project is smaller than the average size of other recent City-approved houses in the neighborhood; the number of units offered by the project is also in conformance with recent City actions in the area since 2001, all of which approved the construction of single-family residences. Out of the six local CDPs shown in Table 2, three approved the demolition of duplexes and construction of single-family homes. One local CDP shown in this table approved a lot consolidation at 723-725 E Palms Boulevard, which included demolition of two single-family residences and construction of one single-family residence on the newly enlarged 10,803 sq. ft. lot⁶. The cumulative effects of these local approvals, as well as the conformance of the proposed development with these recent local approvals, will be discussed further below.

Table 3 summarizes the year built, number of units, lot size, and residence size of all residences within the subject area which were built prior to certification of the LUP, using information obtained from ZIMAS on September 12, 2020. This table does not include development height or the original area of redeveloped properties, as ZIMAS does not provide this information. This table allows inclusion of past development in Commission review in order to ensure an analysis of cumulative impact consistent with Coastal Act Section 30105.5. Of the 25 residences within the subject area built prior to 2001, 64% are currently multi-unit structures. The City-approved project does not conform with these residences with regard to number of units. While it also exceeds the 2,110 sq. ft. average area of original residences in Table 3, it is smaller in size than two homes built prior to

⁵ The scope of a community character survey depends to some extent on the specific neighborhood involved, and there is no one size fits all approach. Commission staff have recently conducted a similar community character survey for Appeal No. A-5-VEN-17-0016, which encompassed a greater residential area and included 84 residences. Staff also conducted a community character for 5-19-1167, which encompassed a lesser area than the subject survey and included 17 residences. In this case, the number and distribution of residences in the 700 block of E Palms Blvd. allows the designated survey size to yield a sufficient amount of information in order to analyze community character and the cumulative effects of the City-approved project.

⁶ Certified Venice LUP Policy I.A.1(B) states, in relevant part: "No more than two lots may be consolidated in the Ballona Lagoon West, Ballona Lagoon (Grand Canal) East, Southeast Venice, Milwood, North Venice and Oxford Triangle neighborhoods and on walk streets..." Therefore, the lot consolidation at 723-725 E Palms Blvd was consistent with relevant LUP provisions.

2001 and does not substantially exceed the area of most original residences in this table.

Cumulative Effects

Section 30105.5 of the Coastal Act states:

"Cumulatively" or "cumulative effect" means the incremental effects of an individual project shall be reviewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.

In order to evaluate the potential cumulative impacts of the City-approved residence, the incremental effects of the proposed development on community character, mass, and scale are considered in connection with the effects of the past, current, and probable future projects within the subject area. To that end, Commission staff reviewed all residential development on the subject 700 block of E Palms Boulevard (extending between Shell Avenue and Oakwood Avenue) since 2001. This survey included 17 single-family residences and 18 multi-family residences, and considered the year of Commission or City approval for redevelopment, number of units, lot size, habitable residence area, and height. For properties which have not received Commission or City approval for redevelopment since 2001, the survey considered the year of residence construction, number of units, lot size, and current habitable residence area. Height is not included on the mapping tool used to obtain this information, ZIMAS, and thus wasn't included for the properties that have not redeveloped subsequent to 2001.

The information analyzed by Commission staff shows that the habitable area of the City-approved residence is in general conformance with the surrounding residences constructed prior to 2001. Regarding housing density, the project proposes a number of units inconsistent with past Commission actions on surrounding residences since 2001. The project parameters are, however, consistent with those of residences approved by the City in the area since 2001, as to number of units on-site and habitable area. As discussed above, the results of Table 2 show a trend in construction of single-family residences in the subject area. Of the 25 original structures shown in Table 3, 64% are currently multi-family dwellings. This percentage decreases to 51% multi-family dwellings when including all recent City and Commission action in the surrounding area. Overall, Table 2 shows a pattern of locally-approved reductions in housing density, manifesting in the construction of single-family residences on lots able to accommodate multiple units.

Thus, past locally-approved projects in the subject area have been inconsistent with the community character of the surrounding area. This community character, which consists primarily of multi-family dwellings, has been adversely and cumulatively impacted by past recent projects. Furthermore, the current project is also inconsistent with the community character of the surrounding area. Approval of this project would contribute to the cumulative effects described above—specifically, reducing the housing density of the neighborhood community character. Regarding the potential cumulative effects of future projects, a local CDP for the adjacent lot at 714-716 E Palms Boulevard has been

approved for a nearly identical project⁷ (the demolition of an existing duplex and construction of a single-family residence and JADU.) This suggests that the current project may set a precedent for future development in the area and become one of multiple, similar developments. These potential future projects would further amplify the adverse cumulative effects discussed so far.

As such, the appeal raises a substantial issue with regard to the project's compatibility with Chapter 3 policies relating to community character, as well as the status of Venice as a special community. The project contributes to a trend in overall reduction in housing density and poses a significant detrimental cumulative impact to the community character of the surrounding neighborhood, inconsistent with Chapter 3 of the Coastal Act.

Prejudice to City's Preparation of an LCP in Conformance with Chapter 3

The appellant contends that the project will prejudice the City's ability to prepare a certified LCP that complies with Chapter 3 of the Coastal Act. The Venice LUP was certified by the Coastal Commission on June 14, 2001, but implementing ordinances have not been adopted. The City is currently working to certify an updated LUP for Venice and Implementation Plan, and subsequently obtain a fully certified LCP. However, in the interim, the City is able to issue CDPs, with Chapter 3 policies of the Coastal Act as the standard of review and the certified Venice LUP used by the Commission as guidance in the event of an appeal. Under Section 30604(a) of the Coastal Act, a local government's approval of a CDP must include findings that the project conforms with Chapter 3 and that the "permitted development will not prejudice the ability of the local government to prepare a local coastal program that is in conformity with Chapter 3."

Here, the City's approval of the appealed project included findings that the approved residence complies with parking, density, and height requirements of the Venice certified LUP. However, the project's compliance with LUP policies requiring preservation of community character and housing density were not analyzed in the City's findings. As previously discussed, the City-approved project is consistent with the development standards of the certified LUP, but still likely to result in significant adverse cumulative effects to the neighborhood community character. As such, the appeal does raise a substantial issue with regard to the City's ability to approve a certified LCP that complies with Chapter 3 of the Coastal Act.

Conformance with LUP Policy I.A.6

The appellant contends that the City-approved demolition of an existing duplex and construction of a single-family residence with an attached JADU does not comply with the use and density requirements of certified Venice LUP Policy I.A.6 (Multi-Family Residential– Low Medium I Density). This policy, as referenced in full above, encourages the development of multi-family dwelling units in the areas designated as Multi-Family Residential. The policy also allows one unit per 2,500 sq. ft. of lot area, thus allowing two units on the 5,299 sq. ft. project site.

However, while Policy I.A.6 encourages multi-family development, it also allows for the

⁷ This project is scheduled for the same Coastal Commission hearing on October 8, 2020 (Ref: Appeal No. A-5-VEN-20-0039).

construction of a single-family residence on the project site. The allowance of single-family residences within the Low Medium I Density land designation was confirmed in the staff report published in November 2000 for approval of the Venice LUP, which states with respect to Policy I.A.6, Low Medium I Density: “Properties designated with this land use category could be developed with single-family residences, duplexes, and in some cases, multiple unit apartments and condominiums.” This description shows that properties designated as Multi-Family Residential—Low Medium I Density may be developed with single-family residences while maintaining conformance with the LUP. Additionally, the proposed development complies with the yard requirements of Policy I.A.6 by providing 1,621 sq. ft. of open space in the front yard and 1,328 sq. ft. in the rear yard. The development height of 28-ft. also complies with LUP height limits allowed for residences with varied roof lines. Thus, the project conforms with the provisions and requirements of Policy I.A.6 and this contention does not raise a substantial issue.

SUBSTANTIAL ISSUE FACTORS:

The Commission’s standard of review for determining whether to hear the appeal is whether the appeal raises a substantial issue as to conformity with Chapter 3 of the Coastal Act. Cal. Pub. Res. Code § 30625(b)(1); 14 C.C.R. § 13321. The Commission’s decision are guided by the factors listed in the previous section of this report.

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. The City’s findings state that the project is consistent with the Chapter 3 policies of the Coastal Act, including Sections 30250 and 30253, which encourage the concentration of development in appropriate areas. The City of Los Angeles’ approval also includes findings that the demolition of the duplex and construction of the single-family residence is consistent with LUP Policy I.A.6. These findings, however, as detailed above, do not include discussions of how the project preserves and protects the multi-family neighborhood, the character of the area, or overall housing density in Venice, particularly in light of potential cumulative effects of the development with the adjacent proposed development and other similar projects in Venice, which is required and encouraged through the aforementioned policies of the Coastal Act and certified Venice LUP. Therefore, the Commission finds that the City provided an inadequate degree of factual and legal support for its decision to approve the single family residence on this site.

2. The extent and scope of the development as approved or denied by the local government. The loss of residential density posed by the demolition of the existing duplex is not adequately mitigated by the proposed 191 sq. ft. JADU and does not conform with the density of the neighborhood community character. These inconsistencies have far-reaching consequences and thus, when considered cumulatively throughout Venice, the scope of the project raises a substantial issue.

3. The significance of the coastal resources affected by the decision. Venice is a unique area that specifically draws millions of visitors from around the world each year. As such, it has been designated a coastal resource that deserves special protection. The cumulative impacts of the City-approved development that results in the loss of housing

stock in a neighborhood specifically designated for higher density development could have significant impacts on the community character of Venice, which is a significant coastal resource.

4. The precedential value of the local government’s decision for future interpretations of its LCP. The City currently does not have a certified LCP, but it does have a certified LUP. The Venice LUP specifically designates areas that are more appropriate for duplexes and multi-family developments and areas that are more appropriate for single-family developments. The 5,299 sq. ft. project lot, as designated in the certified LUP, allows for duplexes and multi-family structures and can support two units per the policy’s density standards. The character of the Milwood area, which is largely designated by the certified LUP for multi-family residential development, is not discussed in the City’s approval. Policy I.A.5 of the LUP requires the protection and preservation of existing multi-family residential neighborhoods and the Duplex/Multi-Family Residential Policy of the LUP states that the loss of housing units can be offset by the construction of new housing units to preserve stable multi-family residential areas. Therefore, the City’s approval sets a harmful precedent for the continued conversion of the multi-family residential neighborhood to a single-family neighborhood without offsetting the loss of units in the multi-family neighborhood or elsewhere in the Venice coastal zone. Thus, the project, as approved by the City, could prejudice the ability of the City to prepare an LCP that is in conformance with Chapter 3 policies of the Coastal Act.

5. Whether the appeal raises local issues, or those of regional or statewide significance. As described above, the State Legislature has acknowledged that California is facing a severe housing crisis, and that current and future demands are exceeding the availability of housing units. The Coastal Act codifies a number of statewide policies to encourage coastal development that is sited in already developed areas, supports affordable housing, and protects the character of coastal communities, especially popular visitor destinations such as the Venice. The City’s approval raises a significant question as to the development’s consistency with these policies. Thus, the City-approved project could prejudice the preparation of an LCP for the region in conformance with the Chapter 3 policies of the Coastal Act. Therefore, the City’s approval of the demolition of a duplex and construction of a single-family residence raises issues of regional and statewide significance.

Conclusion

In conclusion, staff recommends that the Commission find that **a substantial issue exists** with respect to whether the local government action conforms with the policies of the City’s certified LCP and the public access policies of the Coastal Act.

A-5-VEN-20-0037 (Holzman)
Appeal – Substantial Issue

Appendix A – Substantive File Documents

1. City of Los Angeles certified Venice Land Use Plan.
2. City of Los Angeles Resolution and staff report for Local CDP No. DIR-2018-7237-CDP-MEL.

Appendix B – Neighborhood Survey Tables

Table 1. Past Commission actions on residences within the subject block since certification of the Venice LUP in 2001 ([Exhibit 2](#)).

Address	Action No.	Approval Year	No. of Units	Height (ft.)	Lot Size (sq. ft.)	Square Footage (original)	Square Footage (new)
704 E Palms Blvd	5-05-321-W	2005	1→2	30	5,299	1,320	2,138
730 E Palms Blvd	5-09-026-W	2009	1→1	25	5,300	955	2,735
734 E Palms Blvd	5-06-422-W	2006	1→1	25	5,300	936	2,828
758 E Palms Blvd	5-14-0049-W	2014	1→2	25	5,299	1,288	1,288
Average Square Footage (Original/New):						1,125	2,247
Net Loss/Gain in Units:						+2	

Table 2. Past City actions on residences within the subject block since certification of the Venice LUP in 2001 ([Exhibit 2](#)).

Address	Action No.	Approval Year	No. of Units	Height (ft.)	Lot Size (sq. ft.)	Square Footage (original)	Square Footage (new)
700-702 E Palms Blvd	ZA-2001-3762-CDP-SPP	2002	0→1	23.6	5,740	vacant	3,200
710 E Palms Blvd (proposed)	DIR-2018-7237-CDP-MEL	2020	2→1	28	5,299	1,445	3,041
714-716 E Palms Blvd (proposed)	DIR-2018-7251-CDP-MEL	2020	2→1	29	5,299	1,986	1,758
723-725 E Palms Blvd	DIR-2018-706-CDP-MEL	2018	2→1	23	10,803	2,071	4,237
738 E Palms Blvd	DIR-2018-6377-CDP-SPP	2019	1→1	23	5,299	1,157	3,501
749 E Palms Blvd	DIR-2001-1654-SPP	2002	1→1	26.5	5,401	2,310	2,802
Average Square Footage (Original/New):						1,793	3,090
Net Loss/Gain in Units:						-2	

Table 3. Existing residences currently within the subject block that have not obtained permits or exemptions for redevelopment from either the City or the Commission since certification of the Venice LUP in 2001 ([Exhibit 2](#)).

Note: Residences 1603 and 1605 S Oakwood Ave. are located on E Palms Blvd but named for the abutting street to the east, Oakwood Avenue.

Address	Year Built	No. of Units	Lot Size (sq. ft.)	Square Footage
701-703 E Palms Blvd	1950	2	5,852	2,657
705 E Palms Blvd	1948	2	5,403	3,088
709-711 E Palms Blvd	1938	3	5,402	2,555
713 E Palms Blvd	1947	1	5,403	1,579
717-719 E Palms Blvd	1972	3	5,402	2,074
718-720 E Palms Blvd	1949	2	5,299	1,764
721 E Palms Blvd	1973	1	5,402	1,264
722-724 E Palms Blvd	1928	2	5,299	2,478
726 E Palms Blvd	1921	1	5,299	2,574
733-735 E Palms Blvd	1947	3	5,402	2,160
737 E Palms Blvd	1947	3	2,701	2,160
739 E Palms Blvd	1947	3	2,701	2,076
741 E Palms Blvd	1947	3	5,401	2,076
748 E Palms Blvd	1960	1	5,299	2,435
751 E Palms Blvd	1949	1	5,401	1,884
752 E Palms Blvd	1908	1	5,299	3,419
753 E Palms Blvd	1951	1	5,401	2,696
754 E Palms Blvd	1923	1	5,299	1,920
756 E Palms Blvd	1931	2	5,299	1,826
757 E Palms Blvd	1930	2	5,402	1,762
760 E Palms Blvd	1968	2	3,675	1,782
761 E Palms Blvd	1920	1	5,401	1,124
765 E Palms Blvd	1950	2	5,856	1,647
1603 S Oakwood Ave	1968	2	3,668	1,782

1605 S Oakwood Ave	1968	2	3,701	1,964
Total Number of Residences in Table:				25
Percentage of Multi-Unit Residences:				64%
Average Square Footage:				2,110

*Information obtained from ZIMAS on September 12, 2020.