

CALIFORNIA COASTAL COMMISSION

SOUTH COAST DISTRICT OFFICE
301 E. OCEAN BLVD., SUITE 300
LONG BEACH, CA 90802-4830
(562) 590-5071



W17a

A-5-VEN-15-0003 (LionGate Global#1, LLC)

November 17, 2021

Correspondence

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A PROFESSIONAL CORPORATION

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November 11, 2021

SENT VIA EMAIL ONLY at SouthCoast@coastal.ca.gov

Chairman Steve Padilla and
Honorable Commissioners
California Coastal Commission
South Coast District Office
300 East Ocean Blvd., Suite 300
Long Beach, CA 90802

Re: Application No. A-5-VEN-15-0003 (Lion Gate Global #1, LLC)
Applicants: Lion Gate Global #1, LLC
Property Address: 1214 Abbot Kinney Boulevard, Los Angeles

Project Description: Convert 4,230 square feet single-family residence to a commercial mixed-use development, including 1) 550 square feet retail on ground floor; 2) 2,990 square feet artist-in-residence on ground floor, second and third floors; 3) three onsite parking spaces (including one ADA-compliant space); and 4) eight bicycle parking spaces.

Scheduled: Wednesday, November 17, 2021
Agenda Item: W17a

Dear Commissioners:

Please be advised that this office represents Lion Gate Global #1, LLC (“Applicant”) the owner of the above referenced property located at 1214 Abbot Kinney Boulevard, Los Angeles (“Subject Property”). The applicant seeks a Coastal Development Permit (“CDP”) to change the use of a single-family residence to a commercial mixed-use development with a small standalone retail component and an artist-in-residence (“AIR”). The Staff Recommendation is for Approval with Conditions. As evidenced by the Staff Report, the proposed project is in conformity with the Chapter 3 policies of the Coastal Act and consistent with past Coastal Commission (“Commission”) action.

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Applicable Facts / Project History

The Subject Property is a 2,696 square foot lot located in a commercially zoned neighborhood of North Venice within the City’s Single Permit Jurisdiction and fronts Abbot Kinney Boulevard approximately one-half mile inland of the beach. The Subject Property is zoned C2-1-O-CA by the City of Los Angeles (“City”) and designated as a Commercial Aircraft use by the certified Venice Land Use Plan (“LUP”). The Subject Property is developed with a 30-ft. high, three-story, 4,230 square foot single-family residence and an attached 504 square foot two-car garage.

The Applicant purchased the property in 2013. At the time, the Subject Property was utilized as an office. After acquiring the Subject Property, the Applicant determined that due to the property’s location, a commercial / residential structure with retail was a better use for the Subject Property and more consistent with the uses in surrounding area and the land use designation than a single-family residence.

The Applicant following the appropriate procedures applied to the City to change the use from a single-family residence to structure comprising of commercial and artist-in-residence without changing the proposed size, height or scale of the existing structure. In late 2014, the City of LA approved CDP No. ZA 2014-1990 to permit the change of use of single-family dwelling into a 2,300 square foot retail space on the ground and second floors and a 1,502 square foot Artist-in-Residence unit on the third floor. Based upon the Venice Coastal Specific Plan and the Certified LUP, the parking requirements were:

- Retail: 10 spaces (Retail is 1 space per 225 square feet)
- Beach Impact Zone (“BIZ”): 2 spaces
- AIR: 2 spaces

Due to site constraints, the Applicant could not provide more than three (3) onsite parking spaces which created a parking deficiency considering the code required 14 onsite parking spaces. However, the LUP and the Venice Coastal Specific Plan allowed the payment of in-lieu fees into the Venice Coastal Parking Impact Trust Fund. As such, the Applicant in an effort of mitigating the impacts on parking due to the proposed projects parking space deficiency elected to pay the in-lieu fee as referenced within the LUP¹ and quantified within the Venice Coastal Specific Plan for the project’s deficient parking spaces.

¹ The City of Los Angeles does not have a certified Local Coastal Program for the Venice area. The City of Los Angeles Venice LUP was certified by the Commission on June 14, 2001. The Venice Coastal Parking Impact Trust

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The City's approval was appealed to the Commission and the Commission found substantial issue for A-5-VEN-15-003. In sum, the Commission's basis for finding substantial issue was:

- The City approval will impact public access and prejudice the City's ability to prepare a LCP.
- The City approval authorized an increase in intensity of use of land which will significantly increase the demand for parking on the project site by approximately 10 parking spaces more than provided and the local CDP does not require adequate mitigation for the increased parking demand.
- The local CDP would allow the Applicant to pay an in-lieu fee into the Venice Coastal Parking Impact Trust Fund rather than provide additional parking spaces that would meet the parking demands of the approved development.
- The in-lieu fee is not adequate mitigation because (1) the amount paid per space of \$18k as quantified in the Venice Coastal Specific Plan is significantly less than the cost of providing one parking space; and (2) the City does not have a plan to use the collection fees to mitigate the parking impacts on the approved development (i.e. construction of additional parking spaces).

Essentially, the City approval of the subject project, along with a few similarly situated projects approved at or about the same time, were the center of a dispute between the City and the Commission as how parking deficiencies in the Venice area should be handled. Before this dispute, both the City and Commission had previously permitted project applicants to utilize the in-lieu fee provision to mitigate impacts caused by parking deficiencies.²³ However, the Commission pivoted from their earlier position as

Fund is referenced six (6) times within the LUP. As stated on page III-6, "[t]he established Venice Coastal Parking Impact Trust Fund, into which in-lieu parking fees shall be paid, will continue to be utilized for expenditure on improvement and development of public parking facilities that improve public access to the Venice Coastal Zone as specified in the LUP."

² As stated in Certified LUP Policy II.A.3 entitled "Parking Requirements", "[e]xtensive remodeling of an existing use or change of use which does not conform to the parking requirements listed in the table **shall** be required to provide missing numbers of parking spaces or provide an in-lieu fee payment into the Venice Coastal Parking Impact Trust Fund for the existing deficiency." [Emphasis Added]

³ 1524 Abbot Kinney Blvd. (ZA-2012-1396-CDP); 1421 Abbot Kinney (ZA-2014-3427-CDP-SPP).

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the cost of mitigating a parking space increased, the LUP was silent as to the in-lieu fee amount,⁴ and the City did not have a plan in place to use the collected fees to mitigate the parking impacts created by the projects parking deficiencies. The Commission's change of position was sudden and was not the result of noticed public hearings pertaining to a proposed amendment to the Venice LUP which would have placed existing and future property owners and applicants on notice that the payment of in-lieu fees to mitigate parking deficiencies was no longer allowed. This left the subject Applicant and project in a precarious position.

The Applicant's intention has always been to legally maximize the commercial area of the site to better align with the uses in the surrounding area and the land use designation. For approximately three years after the Commission found substantial issue on this project, the Applicant worked with Staff and the City to find a solution to mitigate the impacts created by a parking deficiency which would allow the commercial portion of the project to be better utilized. These efforts consisted of but were not limited to:

- Offering to increase the in-lieu fee per space;
- Locate properties with surplus parking within the area to lease in order to cover the parking deficiency;
- Purchase another site;
- Vehicle lifts;
- Utilize the Metro Line Expo Station parking lot in Santa Monica, which opened in May 2016, as off-site parking with some transportation system to Abbot Kinney;
- Talking with City of LA Department of Transportation regarding a large unused site in Venice which if developed would have included excess parking.

Finally, in 2018, after not being able to arrive at an amicable resolution with both Staff and the City the Applicant decided to merely meet with Staff to ascertain what it would require to obtain its support of a project on site. Staff recommended:

⁴ The Certified Venice LUP referenced payments of in-lieu fees and stated that the fee shall be established in the Venice LIP at a rate proportional to the cost of providing a physical parking space. The Venice Coastal Specific Plan contained the implementation strategies to carry out the goals and policies of the Certified Venice LUP including the \$18,000.00 in-lieu fee amount per space but the Venice Coastal Specific Plan was never certified by the Commission.

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- Reducing the parking deficiency consistent with other CCC approvals for changes of use in Venice with parking deficiencies⁵; and
- Provide as much parking as feasible given the property's constraints. This included Commission Staff requesting the Applicant speak with City of Los Angeles Department of Building and Safety personal to see if the project could either remove an ADA-compliant space to fit an additional parking space or utilize the area surrounding the ADA space as an additional parking space.

Upon Coastal Staff's recommendations, the Applicant's team met with the City on multiple occasions and proposed to reconfigure the building to accommodate Coastal Staff's request. In 2019, the Applicant met with Coastal Staff again to review the revised project and interior configuration. In August of 2019, the revised project currently pending was presented to the Commission.

To convert the existing structure to the 2,990 square foot AIR, 550 square feet of Retail and 664 square foot garage, as proposed, the reconfiguration of the existing space is as follows:

- Convert 550 square feet of ground floor of the existing residence into retail
- Convert 160 square feet of ground floor of the existing residence into additional garage area to provide additional parking
- The remaining portion of the structure will be utilized as the AIR

The Applicant reduced the size of the retail component by 1,750 square feet while maintaining the existing structural footprint of building which reduced the required parking from 14 spaces to six (6).

Since submitting the reconfigured project per Coastal Staff's recommendations, the world was faced with the Covid-19 pandemic, and the Applicant has been waiting patiently for a hearing.

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⁵ 534 Victoria Avenue (ZA-2009-3190-CDP / A-5-VEN-10-281); 1346 Abbot Kinney Blvd. (DIR-2015-2967-CDP / A-5-VEN-16-0041); and 201 Ocean Front Walk (ZA-2015-2582-CDP-ZV-ZAA / 5-16-0798)

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Applicant's Contentions

The Applicant agrees with the Staff Recommendation for approval and the proposed project's consistency with the Chapter 3 policies of the Coastal Act. Having said that, we would like to take the opportunity to solidify some of the points made in the Staff Report, clarify some language contained in the Special Conditions and expand on the findings.

Public Access and Recreation

As stated above, the proposed project is consistent with past Commission action for parking deficient projects located within the Venice coastal zone. In those other matters, similar to the pending project, the sites were readily served by public transportation making the projects eligible for a reduction in the vehicle parking requirement consistent with Coastal Act Section 30250(a) with respect to the project's location in an existing developed areas that can accommodate it. To offset the parking deficiency created by the projects, the Commission conditioned their approval on a Transportation and Parking Management Plans ("TPMP").

It is also important to consider and acknowledge that the manner in which people use transportation and get around has significantly changed since the Commission certified the Venice LUP⁶, the City issued an approval of CDP No. CDP No. ZA 2014-1990 and the Commission found substantial issue of CDP No. A-VEN-15-0003. Since finding substantial issue, the Metro's Expo Line began service to Santa Monica in May 2016 which is approximately one mile from the subject site and the proliferation of ride sharing companies such as Uber and Lyft has changed the way people commute. As a result, cities are seeing less dependency on cars and a reduction in parking demand.

Here, the project is located within an area that is easily accessible by public transportation and ride sharing options. Nevertheless, Commission Staff has conditioned the recommendation for approval on a TPMP to mitigate against the parking impacts of the proposed development.

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⁶ The parking standards in the certified Venice LUP are identical to the parking standards contained in the Commission's Regional Interpretive Guidelines for Los Angeles County, adopted in 1980.

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Use | Development

The Applicant intends to utilize the property consistent with and as permitted by the zoning designation and AIR use along with the small retail component on the ground floor. The Applicant does not object to the recommended Special Conditions nor the intent behind each of the Special Conditions, however, we believe the wording of Special Condition No. 4 and /or the findings in support need clarification as it could be interpreted to prohibit certain ancillary uses allowed in an AIR by the Certified LUP and the Los Angeles Municipal Code.

The second sentence of Special Condition No. 4, entitled Approved Development and Future Permit Requirements state: “[t]he designated Artist in Residence area shall only be used as such and prohibited uses include, but are not, limited to: Office, Business, Commercial and Retail.” There is no dispute that the primary use of an AIR is residential but ancillary uses in support of the AIR could be prohibited by this language.

The Certified LUP Policy regarding Artcraft designated zones are the following:

Policy I.B.3. Commercial Artcraft Land Use Designation. The purpose of this land use designation is to create enclaves in which the artisan segments of the population may live, create, and market their work...

Uses: Artcraft activities including mixed-use, combining residential and commercial uses which emphasize artist-in-residence uses, small businesses, light industrial, and artisan activities are permitted in these areas...”

Policy I.B.9. Artcraft Overlay District Uses. Uses currently permitted by code in citywide designated artcraft overlay districts shall be evaluated for their appropriateness in the Venice Coastal Zone. In order to protect residents from the adverse effects of potentially detrimental uses (i.e. those that require use of toxic substances or create excessive noise), such uses shall either be eliminated or restricted in the Venice Coastal Zone.

The Staff Report admits an AIR is not defined in the certified LUP. The LUP simply states the zoning designation is to create enclaves in which the artisan segments of the population may **live, create, and market their work**. However, the Certified LUP is silent on how the artist is permitted to live, create and market their work. In an effort to clarify and expand on the findings at our request, the Staff Report details how some sections of the City’s municipal code classifies AIR in an effort to explain an AIR. The Staff Report states the following:

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- The City classifies an AIR as a Joint Living and Work Quarter. LAMC §12.03, defines Joint Living and Work Quarters as a residential occupancy of one or more rooms or floors used as a dwelling unit with adequate work space reserved for, and regularly used by, one or more persons residing there. **(Amended by Ord. No. 181,133, Eff. 5/11/10.)**; and
- States that no more than 50% of the total floor area may be used as a work space.

In an additional attempt to clarify, the Staff Report on page 17 states “[n]o General Office uses (including but not limited to professional offices, administrative offices, medical offices, financial institutions, and technical offices) or business uses (including, but not limited to grocery stores, restaurants, personal service establishments and laundromats) are authorized under this permit.” Furthermore, the Staff Report goes on to say in footnote number 3, “[a] complete list of uses that are classified as office and business uses not authorized under this permit can be found in Policy II.A.3 (Parking Requirement) of the certified Venice LUP”. The effort was greatly appreciated but the list of uses contained within the Parking Requirement Table within the certified LUP does not clarify how the artist residing in the AIR can create and market their work, it simply evidences the parking requirements for those other independent, standalone primary uses.

As stated above, the language of Special Condition No. 4, allows the artist to utilize the AIR as such but prohibits Office, Business, Commercial and Retail within the AIR area. The sentence contradicts itself as reading it on its face would seem to preclude the artist from using their AIR to create and market their work as the AIR area is the space for the artist to conduct their business for the art which they create. Based upon the language of Special Condition No. 4 and the findings in support of the project the intent of the Special Condition is to ensure the development is primarily utilized as a residence and not primarily as an Office, Business, Commercial and/or Retail establishment which is understood, agreed too and accepted, we respectfully request the language be clarified to account for that distinction.

Unpermitted Development

As mentioned above, the intention of the subject application is to change the use of a single-family residence to an AIR, with a small, standalone retail component in order to legalize a commercial use and be more consistent with the uses in surrounding area and the land use designation. The approval of the subject application to convert and reconfigure the interior space and create the AIR/retail component will resolve the unpermitted activity. The entitlement will run with the land, be recorded on title pursuant

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to conditioned Deed Restriction providing notice of the properties use to any and all future owners and tenants. and require compliance by any owner and tenant of the building.

Conclusion

The Applicant requests that the Commission treat him in the same manner that it has treated other similar projects in the Venice area. The Applicant is in agreement with the recommendation for approval and would like to thank Staff for their time, effort and patience in reviewing the materials and preparing a thorough Staff Report. As such, we respectfully request you follow Staff's recommendation and approve the subject project as proposed in CDP Application No. A-5-VEN-5-15-0003.

The project team will be present virtually at the hearing on November 17, 2021 to respond to any of your questions and/or concerns.

Thank you for your anticipated courtesy and cooperation in reviewing this matter.

Respectfully submitted,

LAW OFFICES
BLOCK & BLOCK
A Professional Corporation

DocuSigned by:

Justin Block

~~JUSTIN MICHAEL BLOCK~~

JMB:kw

W17a, 1214 Abbot Kinney Blvd, Venice, A-5-VEN-15-0003

Robin Rudisill <wildrudi@icloud.com>

Fri 11/12/2021 3:14 PM

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W17a

1214 Abbot Kinney Blvd, Venice
A-5-VEN-15-0003

Dear Commissioners and Staff,

We appreciate Staff's excellent work in the De Novo Staff Report. *It's unfortunate that the City of L.A. is not trained or not willing to properly implement the Coastal regulations. If they did, you would not be burdened with so many appeals.*

We agree with Staff's parking requirement conclusion, which was very well researched and reasoned. That said, we would like to know if the applicant has identified the location(s) on the site for the eight bicycle spaces and whether there is actually space available for the bicycle parking on this small property.

Our remaining concern is that the reduction of the retail component floor area, from 2,300 square feet to 550 square feet, in order to reduce the total required parking from thirteen spaces to six spaces, will only be on paper. We already know that this applicant has violated their residential C of O and their CDP by operating offices at this property for several years. There needs to be some mechanism to monitor the use, to assure that the office use has ended and the residential use restored, and to assure that only 550 square feet is used for retail after the CDP is approved.

Thus, as a condition of the approval of this CDP we strongly recommend and request that the applicant be required to sign a notarized affidavit that either the office use has ended and the residential use has been restored or outlining their plan to end the office use and restore the residential use by a date certain within the next 3 months.

In addition, we strongly recommend and request that the Executive Director require proof of compliance for the termination of the office space use, restoration of the residential use, and for the 550 square foot size of the retail floor area. The best would be for an inspection by Coastal enforcement staff within the next 2-3 months, but worst case it could be a requirement for a city inspection within the next 2-3 months with a report back to the Commission Staff.

The reason for our concern is that even if an applicant is willing to agree to the special conditions for use and even if the conditions run with the land on the property's deed, there is no mechanism at the city to assure compliance and there is no real consequence for non-compliance. On the rare occasion when the city does pursue a violation and issue an order to comply, such orders can remain outstanding for years or even indefinitely. In addition, there is typically no penalty if the applicant can say they are pursuing compliance. Even in cases where there are penalties this is just seen as a cost of doing business for the applicant and is a small price to pay for the ongoing unpermitted, more lucrative use.

Lastly, we recommend that Enforcement Staff invoke a significant penalty for the several years of unpermitted office use. We do not believe that this conversion would necessarily remove the unpermitted office uses from the site (as indicated on page 18 of the Staff Report) as they have been operating the office use for several years in spite of having a residential only certificate of occupancy. It must be understood by the "bad actors" of Venice that intentionally violating the coastal regulations has consequences.

Thank you for your consideration and for your excellent work.

*For the Love of Los Angeles
and our precious Coast,*
Robin Rudisill

On behalf of Citizens Preserving Venice, a 501(c)3 organization with the goals of preserving the character and scale of Venice as a Special Coastal Community, including its history and its social, cultural, racial and economic diversity, and of stabilizing affordable housing in Venice.