#### CALIFORNIA COASTAL COMMISSION

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**F17g** 

Date: December 1, 2021

To: COMMISSIONERS AND INTERESTED PERSONS

From: KARL SCHWING, DEPUTY DIRECTOR, SAN DIEGO COAST DISTRICT

DIANA LILLY, DISTRICT MANAGER, SAN DIEGO COAST DISTRICT ALEX LLERANDI, COASTAL PLANNER, SAN DIEGO COAST DISTRICT

Subject: STAFF RECOMMENDATION ON CITY OF SAN DIEGO MAJOR

AMENDMENT NO. LCP-6-SAN-21-0006-5 (Moveable Tiny Houses) for

Commission Meeting of December 17, 2021.

#### **SYNOPSIS**

On December 29, 2020, the City of San Diego submitted its third major Local Coastal Program (LCP) amendment package for the 2020 calendar year to the San Diego District office. The third submittal was a batch submittal consisting of three housing items: LCP-6-SAN-21-0005-5 (2019 Housing Legislation), LCP-6-SAN-21-0006-5 (Moveable Tiny Houses), and LCP-6-SAN-21-0007-5 (Moderate Income Housing Program). Each of these pending housing amendments received a one-year time extension in March 2021 and must be acted upon by the Commission no later than the March 2022 hearing.

#### SUMMARY OF AMENDMENT REQUEST

The subject amendment revises the City's Land Development Code (LDC), which serves in large part as the certified Implementation Plan (IP) of the City's LCP, to add a new separately defined and regulated residential use – moveable tiny houses – as an accessory residential use on properties with proposed or existing primary residences, similar to accessory dwelling units and junior accessory dwelling units. The amendment regulates the number, size, location, and appearance of moveable tiny houses placed on residential lots.

#### SUMMARY OF STAFF RECOMMENDATION

Staff is recommending that the Coastal Commission deny the proposed IP amendment as submitted and approve the amendment as modified in this staff report.

As part of its efforts to address a chronic shortage of housing, especially affordable housing, state and local governments have recently passed several laws designed to encourage the creation of accessory dwelling units and junior accessory dwelling units. To further expand the potential for the development of accessory residences, the City of San

Diego proposes in this LCP amendment to add a new separately regulated residential use – moveable tiny houses – to serve as an additional type of accessory use where a primary residential use exists or is proposed.

Moveable tiny houses are self-contained residential structures that are usually on wheeled platforms that can be towed between locations and hooked up to utilities once in place. They are a form of housing that falls under the state's definition of accessory dwelling unit, defined as "an attached or detached residential dwelling unit which provides complete independent living facilities for one or more persons. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family dwelling is situated." (Gov. Code Section 65852.2(i)(4)) In addition to the requirements of the state definition above, the City amendment further defines a "moveable tiny house" as being between 150 and 430 square feet in size and may not be larger than allowed by state law for movement on public highways, exceed one story, be able to move under its own power, or have its own separate address.

The intent of the amendment is that the prefabricated and mobile nature of moveable tiny houses will make them a viable lower-cost option for property owners interested in adding a new type of accessory dwelling unit, and thus, the proposed amendment would add moveable tiny houses within the currently certified accessory dwelling unit and junior accessory dwelling unit ordinances in the LDC.

The placement of moveable tiny houses as an additional residence on a lot will increase the density of an area, particularly when combined with allowances for accessory dwelling units and junior accessor dwelling units. While intensification of development can promote Coastal Act goals of consolidating development to discourage sprawl and reducing vehicle miles traveled by increasing density in proximity to existing public transit, increased density also has the potential to impact coastal resources. Additional structures, particularly if allowed to be located in setbacks and buffers, can impact public views, and encroach into sensitive habitat or into hazardous bluffs and slopes. More intense development can contribute to increased traffic and parking shortages that deter coastal access.

However, as proposed, moveable tiny houses must comply with the view protection policies and environmentally sensitive land regulations of the certified LCP. Thus, densification of residential use associated with moveable tiny homes will not result in impacts to sensitive habitat, geological stability, or public views. With regard to parking, while no off-street parking spaces will be required for moveable tiny houses unless they are located in the Beach Impact Area and outside the Transit Priority Area, on premises that already contain an accessory residential use, because the structures are so small, the number of residents who can be accommodated in such units will likely result in a fairly low parking demand associated with these units.

The inherently low-intensity nature of moveable tiny houses means they are not expected to result in a significant increase in traffic or parking demand that impacts public access. In contrast, accessory dwelling units can be up to 1,200 square feet and are currently required to provide an off-street parking space when not located in the Transit Priority Area. In a companion LCPA no. LCP-6-SAN-21-0005-5 currently being reviewed, the City is proposing to remove this parking requirement for all ADUs. For that amendment, Commission staff is recommending approval of removing the parking requirement for most

#### LCP-6-SAN-21-0006-5

ADUs, unless the site is located within the Beach Impact Area and outside of the Transit Priority Area. In those cases only, staff is recommending any new accessory residential units provide one off-street parking space each. However, because moveable tiny houses are required to be small in size and are akin to junior accessory dwelling units, staff is recommending a suggested modification for the subject amendment that clarifies that a similarly located moveable tiny house (i.e., in the Beach Impact Area and outside of the Transit Priority Area) must provide one off-street parking space if there is another accessory dwelling unit present on the premises. Thus, only when a moveable tiny house is proposed in an area with high public parking demand that already has one or more accessory residential units would parking be required.

With regards to hazards, the proposed amendment would allow for additional housing units in areas that are subject to flood hazard. This includes both land area currently mapped within the floodplain, identified as the Special Flood Hazard Area (SFHA) in the LCP, as well as in adjacent lands that while not currently in the mapped SFHA, have been identified as vulnerable to sea level rise and future flooding in the City's Sea Level Rise Vulnerability Assessment (2019). Under the City's existing LCP, a moveable tiny home falls under the classification of a Recreation Vehicle and is subject to specific requirements for vehicles/homes located in the SFHA to avoid risk associated with flooding. However, the LCP does not contain development standards for homes identified at risk from future flooding, which could leave such homes vulnerable to flooding and lead to requests for shoreline protection. Therefore, a suggested modification has been added that prohibits shoreline armoring to protect moveable tiny houses in areas mapped as vulnerable to sea level rise and requires that the record owners of the moveable tiny houses located on lands outside the SFHA but vulnerable to sea level rise must enter into agreements with the City identifying and assuming the risk from flooding hazards, as well as waivers of future shoreline protection for the moveable tiny house and acknowledgement of possible need for their future relocation. As modified, moveable tiny houses could still be located in areas subject to flood risk, but owners and their tenants would be notified of the risk, and the Commission can be assured that no shoreline protection will be constructed as a result of such structures. The City is in agreement with the modifications.

It should be noted that while this LCP amendment LCP-6-SAN-21-0006-5 would, if certified, add movable tiny houses as a new separately regulated use within Section 141.0302 of the LDC that currently regulates accessory dwelling units and junior accessory dwelling units, a related housing LCP amendment also currently being reviewed, LCP-6-SAN-21-0005-2, would, if certified, amend 141.0302 again to remove the moveable tiny houses regulatory requirements from that section and place them in their own, new section of the LDC. The development requirements of moveable tiny houses as described in this amendment would not change; only the location of the regulations in the LDC. The proposed change in that other LCP amendment, and whether or not it is certified by the Commission, is independent of this amendment, and has no effect on Commission staff's recommendation that this LCP amendment should be denied as submitted and approved as modified in this staff report.

The appropriate motions and resolutions begin on Page 6. The suggested modifications begin on Page 8. The findings for denial of the Implementation Plan Amendment as submitted and approval of the plan, if modified, begin on Page 9.

#### **BACKGROUND**

The City's first IP was certified in 1988, and the City then assumed permit authority. The IP consisted of portions of the City's Municipal Code, along with some Planned District Ordinances (PDOs) and Council Policies. In 1999, the Commission certified the City's LDC, which primarily includes Chapters 11 through 15 of the Municipal Code. The LDC replaced the first IP and took effect in the coastal zone on January 1, 2000. The Commission has certified many IP amendments since 2000.

#### ADDITIONAL INFORMATION

Further information on the City of San Diego LCP Amendment No. LCP-6-SAN-21-0006-5 may be obtained from <u>Alexander Llerandi</u>, Coastal Planner, at (619) 767-2370 or SanDiegoCoast@coastal.ca.gov.

### **TABLE OF CONTENTS**

l.	OVE	RVIEW	6
	Α.	LCP HISTORY	6
	B.	STANDARD OF REVIEW	6
	C.	PUBLIC PARTICIPATION	6
II.	MO <sup>-</sup>	TIONS AND RESOLUTIONS	7
III.	SUC	GESTED MODIFICATIONS	8
	FINI IMP	DINGS FOR REJECTION OF THE CITY OF SAN DIEGO LEMENTATION PLAN AMENDMENT, AS SUBMITTED, AND	
	APPROVAL IF MODIFIED		9
		AMENDMENT DESCRIPTIONConformance with the Certified Land Use Plan	
٧.	COI	NSISTENCY WITH THE CALIFORNIA ENVIRONMENTAL QUAL	<b>ITY</b>
	AC1	「(CEQA)	17

#### **EXHIBITS**

Exhibit 1 – Strikeout/Underline Ordinance

#### I. OVERVIEW

#### A. LCP HISTORY

The City of San Diego has a long history of involvement with the community planning process, and in 1977, requested that the Coastal Commission permit segmentation of its Land Use Plan (LUP) into twelve parts in order to conform, to the maximum extent feasible, with the City's various community plan boundaries. In the intervening years, the City has intermittently submitted all of its LUP segments, which are all presently certified, in whole or in part.

When the Commission approved segmentation of the LUP, it found that the implementation phase of the City's LCP would represent a single unifying element. This was achieved in January 1988, and the City of San Diego assumed permit authority on October 17, 1988, for the majority of its coastal zone. Several isolated areas of deferred certification remained at that time, but some have since been certified as LCP amendments. Other areas of deferred certification still remain today and will be acted on by the Coastal Commission in the future.

Since effective certification of the City's LCP, there have been numerous major and minor amendments processed by the Commission. These have included everything from land use revisions in several segments, to the rezoning of single properties, to modifications of citywide ordinances. In November 1999, the Commission certified the City's Land Development Code (LDC), and associated documents, as the City's IP, replacing the original IP adopted in 1988. The LDC became effective in January 2000.

#### B. STANDARD OF REVIEW

Pursuant to Section 30513 of the Coastal Act, the Commission may only reject zoning ordinances or other implementing actions, as well as their amendments, on the grounds that they do not conform with, or are inadequate to carry out, the provisions of the certified land use plan. The Commission shall take action by a majority vote of the Commissioners present.

#### C. PUBLIC PARTICIPATION

Section 30503 of the Coastal Act requires local governments to provide the public with the maximum opportunity to participate in the development of the LCP amendment prior to submittal to the Commission for review. The City has held Planning Commission and City Council meetings with regard to the subject amendment request. All of those local hearings were duly noticed to the public. Notice of the subject amendment has been distributed to all known interested parties.

#### II. MOTIONS AND RESOLUTIONS

Following a public hearing, staff recommends the Commission adopt the following resolutions and findings. The appropriate motion to introduce the resolution and a staff recommendation are provided just prior to each resolution.

#### 1. MOTION:

I move that the Commission reject the Implementation Program Amendment No. LCP-6-SAN-21-0006-5 for the City of San Diego certified LCP, as submitted.

#### STAFF RECOMMENDATION OF REJECTION:

Staff recommends a **YES** vote. Passage of this motion will result in rejection of Implementation Program and the adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

## RESOLUTION TO DENY CERTIFICATION OF THE IMPLEMENTATION PROGRAM AMENDMENT AS SUBMITTED:

The Commission hereby denies certification of the Implementation Program Amendment submitted for the City of San Diego and adopts the findings set forth below on grounds that the Implementation Program as submitted does not conform with, and is inadequate to carry out, the provisions of the certified Land Use Plans. Certification of the Implementation Program would not meet the requirements of the California Environmental Quality Act as there are feasible alternatives and mitigation measures that would substantially lessen the significant adverse impacts on the environment that will result from certification of the Implementation Program as submitted.

#### 2. MOTION:

I move that the Commission certify the Implementation Program Amendment No. LCP-6-SAN-21-0006-5 for the City of San Diego if it is modified as suggested in the staff recommendation.

#### STAFF RECOMMENDATION:

Staff recommends a **YES** vote. Passage of this motion will result in certification of the Implementation Program Amendment with suggested modifications and the adoption of the following resolution and findings. The motion passes only by an affirmative vote of a majority of the Commissioners present.

## RESOLUTION TO CERTIFY THE IMPLEMENTATION PROGRAM AMENDMENT WITH SUGGESTED MODIFICATIONS:

The Commission hereby certifies the Implementation Program Amendment for the City of San Diego if modified as suggested and adopts the findings set forth below on grounds that the Implementation Program Amendment, with the suggested modifications, conforms with and is adequate to carry out the certified Land Use Plans. Certification of the

Implementation Program Amendment if modified as suggested complies with the California Environmental Quality Act, because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the Implementation Program Amendment on the environment, or 2) there are no further feasible alternatives and mitigation measures that would substantially lessen any significant adverse impacts on the environment.

#### III. SUGGESTED MODIFICATIONS

Staff recommends the following suggested revisions to the proposed Implementation Plan be adopted. The <u>underlined</u> sections represent language that the Commission suggests be added, and the <del>struck-out</del> sections represent language which the Commission suggests be deleted from the language as originally submitted.

1. Section 141.0302 shall be modified as follows:

§141.0302 Companion Units, Junior Units, and Moveable Tiny Houses

Companion units, junior units, and moveable tiny houses are each permitted as a limited use in accordance with Process One in the zones indicated with an "L" in the Use Regulations Tables in Chapter 13, Article 1 (Base Zones) and Chapter 15, Article 1, Division 4 (General and Supplemental Regulations), subject to the following regulations.

[...]

- (c) Moveable Tiny Houses
  - (1) A moveable tiny house shall be:

[...]

(B) exempt from parking regulations <u>unless the moveable tiny house is located in the Beach Impact Area of the Parking Overlay Zone and outside of the Transit Priority Area, in which case one off-street parking space shall be required if there is already one or more accessory residential unit(s) present on the same premises.</u>

[...]

(12) Within the Coastal Overlay Zone, the following regulations apply to moveable tiny houses constructed outside of the Special Flood Hazard Areas and within an area of future sea level rise (within a 75-year horizon) as determined by the City Manager based on the current best available science adopted by the California Coastal Commission, as it applies to residential development:

- A. <u>Hard shoreline armoring shall not be constructed to protect a</u> moveable tiny house from the effects of coastal hazards, including but not limited to sea level rise.
- B. The record owner of the moveable tiny house shall enter into an acknowledgement agreement with the City in a form that is approved by the City Attorney. The agreement shall include the following acknowledgements and provisions: 1) that the moveable tiny house is located in an area of future sea level rise that may become hazardous in the future; 2) that sea level rise could render it difficult or impossible to provide services to the site; 3) that the boundary between public land (tidelands) and private land may shift with rising seas and the development approval does not permit encroachment onto public trust land; 4) that additional adaptation strategies may be required in the future to address sea level rise consistent with the Coastal Act and certified LCP; 5) that the owner waives any right under Coastal Act Section 30235 and related LCP policies to hard shoreline armoring to protect the moveable tiny house; and 6) that the structure may be required to be removed or relocated and the site restored if it becomes unsafe.
- C. The record owner of the moveable tiny house shall provide notice to all occupants of the moveable tiny house of the acknowledgements and provisions specified in Section 141.0318(a)(12)(A) and (B).

# IV. FINDINGS FOR REJECTION OF THE CITY OF SAN DIEGO IMPLEMENTATION PLAN AMENDMENT, AS SUBMITTED, AND APPROVAL IF MODIFIED

#### A. AMENDMENT DESCRIPTION

This is an amendment to the City of San Diego's Land Development Code (LDC), which serves in large part as the certified Implementation Plan (IP) of the City's LCP, to add a new separately regulated residential use – moveable tiny houses – as an accessory residential use on properties with proposed or existing primary residences, similar to accessory dwelling units and junior accessory dwelling units.

The proposed amendment adds "moveable tiny houses" as a new separately regulated residential use in the City of San Diego, and adds a new definition to the LDC as follows:

Moveable tiny house means an accessory structure that is between 150 and 430 square feet in size on a residential lot, and that provides independent living facilities for one or more persons, independent of the primary dwelling unit, and that includes permanent provisions for living, sleeping, eating, and cooking, and sanitation.

The amendment would also add moveable tiny houses as a new "limited" use in the majority of the City's residential zones, but not in its commercial or industrial zones. "Limited" means the use is permitted with limitations, which may include location limitations or the requirement for a use or development permit, although moveable tiny houses would still require a coastal development permit unless eligible for one of the certified, explicit exemptions in LDC Section 126.0704).

The new regulations governing the requirements and limitations of moveable tiny houses would be added to Section 141.0302, which currently regulates the development of accessory dwelling units and junior accessory dwelling units. The requirements of moveable tiny houses include that they must be:

- Licensed and registered with the California Department of Motor Vehicles;
- Exempt from parking regulations;
- Located behind or to the side of the primary dwelling and not in any front yard, but no more than 150 feet from a public right-of-way, and must be accessible from the public right-of-way by a minimum 5-foot wide path;
- Located at least 5 feet from an adjacent lot line and at least 10 feet from other structures on the premises; and
- Connected to water, sewer, and electrical utilities.

#### Moveable tiny houses cannot:

- Be larger than allowed by state law for movement on public highways;
- exceed one story;
- be able to move on their own power; or
- have their own separate address.

Other regulations govern fire safety and exterior design elements for moveable tiny houses.

To further encourage the development of moveable tiny houses, the proposed amendment would exempt them from development impact fees, as accessory dwelling units and junior accessory dwelling units currently are. However, moveable tiny houses would still be subject to the public access and coastal resources protection policies of the certified LCP, such as policies governing protection of public view corridors and the environmentally sensitive lands regulations.

It should be noted that after the City approved the subject ordinance to add moveable tiny houses as a new use and add its development requirements to Section 141. 0302 of the LDC, the City approved a related LCP amendment, LCP-6-SAN-21-0005-5, also currently under review by the Commission, which addresses the City's housing regulations comprehensively, including breaking out the moveable tiny houses regulations from Section 141.0302 and placing them in their own newly created section of the LCP. No changes to the development requirements for moveable tiny houses were made in that subsequent LCP amendment, only the location of these regulations within the code was amended. Thus, the Commission's action on this LCPA may take effect independent of the related LCPA.

#### B. Conformance with the Certified Land Use Plans

The standard of review for LCP implementation submittals or amendments is their consistency with and ability to carry out the provisions of the certified Land Use Plan(s).

In the case of the City of San Diego, the City's LUPs are comprised of community planning areas based on its established neighborhoods and future urbanizing areas. Predicated on those community planning areas, the City utilized the geographic segmentation provisions of the LCP regulations and developed its land use plan component covering twelve different communities (i.e., North City, La Jolla, Pacific Beach, Mission Beach, Ocean Beach, Peninsula, Otay-Mesa Nestor, and others). Each community plan or LCP Land Use Plan contains policies that protect public views, scenic resources, public access, recreational opportunities and sensitive coastal resources including, but not limited to, beaches, bluffs, slopes, hillsides and environmentally sensitive lands in that community. The Commission's review of the proposed amendment to the Land Development Code must ensure that development is approved only when consistent with the certified LUPs.

Listed below are representative policy excerpts contained in the certified Land Use Plan segments in the Coastal Overlay Zone for the City of San Diego.

#### La Jolla LCP Land Use Plan

- Introduce opportunities for the production of more affordable housing within La Jolla to meet the housing needs of all income levels.
- Maintain a diversified, yet balanced land use pattern which includes providing adequate levels of commercial retail services, residential development, and cultural opportunities within existing commercial areas, while limiting additional office use within commercially designated districts.
- Revitalize commercial retail areas to strengthen, reinforce, and unify existing retail districts within La Jolla.
- Provide an adequate circulation system to serve the La Jolla community that
  promotes the use of bicycles and public transit and shuttle service as alternative
  forms of transportation for residents and visitors to La Jolla.
- The City should ensure that proposed development and redevelopment projects
  adhere to the City's Storm Water Runoff and Drainage Regulations and Storm
  Water Standards Manual in order to limit impacts to water resources (including
  coastal waters), minimize disruption of the area's natural hydrologic regime,
  minimize flooding hazards while minimizing the need for flood control facilities,
  reduce impacts to environmentally sensitive lands, and implement federal and state
  regulations.

#### Mission Beach Precise Plan and Local Coastal Program Addendum

• The encouragement of all types of individuals and family sizes to live in Mission Beach.

- The promotion of an economically balanced community through the investigation of individual and community rehabilitation efforts, changes in taxing and assessment procedures, and the use of subsidy funds where applicable.
- The accommodation of commercial facilities necessary to serve the needs of tourists attracted to the community by the beaches.
- The provision of increased parking in order to reduce the serious deficit that presently exists.
- Watershed management and floodplain regulation should provide for the natural sand flow to beaches. The impact of all public and private alterations of cliffs and shorelines should be carefully studied with the goal of minimizing erosion.

#### Ocean Beach Community Plan and Local Coastal Program

- Reduce vehicular traffic demand placed on the street network by encouraging the use of alternative modes of transportation, including public transit, bicycles, and walking.
- Efficiently manage on-street parking to better serve the beach and commercial areas.
- Support transitional housing uses in Ocean Beach.
- Provide housing for all economic levels.
- Enforce the Coastal Zone Affordable Housing Replacement Program to facilitate replacement of existing affordable housing units and the retention of existing affordable units. Required replacement housing should be constructed in Ocean Beach.
- 2.1.4 Support existing and new transitional housing projects in Ocean Beach.
- 2.1.5 Retain and expand the number of affordable housing units in Ocean Beach.
- 7.4.6 Allow new construction within floodplain areas only in accordance with adopted development regulations and proper setbacks and buffer areas from wetland areas as applicable.
- 7.6.6 Monitor sea level rise impacts and adjust adaptation strategies as needed over time.

[...]

c. When designing projects, consider the additional benefit of localized attenuation of sea level rise impacts through implementation of the hydromodification measures

designed to reduce and slow the amount of water runoff and flood risk management efforts required by the Municipal Storm Water Permit.

#### Pacific Beach Community Plan

- Sufficient parking is not available is some areas of Pacific Beach, particularly in the summer and on weekend evenings. Because Pacific Beach also lacks sufficient garage space and off-street parking, streets are also impacted by the on-street parking of recreation vehicles and boats. Recent development has, however, provided adequate parking.
- Enhance existing public access to the beach, bay, and park areas along the shoreline to benefit community residents and visitors.
- Incorporate parking facilities jointly with Mission Bay Park, and reduce the impact of visitor parking in areas closest to the beach and bay through a program of incentives, such as peripheral parking centers and improved transit.
- The City shall consider changes to the Municipal Code that will permit a reduction in parking requirements for mixed use projects which utilize transit-oriented development standards (identified in the commercial element of this plan) and incorporate transportation demand management programs. These changes to the Code will not be pursued where there would be adverse effect on surrounding neighborhoods or within the beach impact area.
- Enhance existing public access to the beach, bay, and park areas along the shoreline to benefit community residents and visitors.
- Affordable housing opportunities (e.g., studios, one bedroom) have been reduced (both in absolute numbers and as a percentage of housing stock) because of soaring land costs and a decrease in allowable residential densities.
- New development shall be designed to promote transit, bicycle, and pedestrian use.

#### Otay-Mesa Nestor Community Plan

- Maintain the natural floodplain; prohibit channelization of the floodplain
- Designate flood prone areas as open space or public facility.

#### 1. Findings for Denial

The Commission is aware that the state has an affordable housing crisis, and this issue is only more acute in the state's coastal zone. In reviewing new housing ordinances, the Commission's goal is to ensure coastal resource protections are maintained, while also reducing and eliminating barriers to the development of affordable housing. A variety of housing options are essential to addressing the chronic housing shortage, and the City of San Diego is exploring various alternative housing models to provide flexible housing

options for a range of household incomes. The proposed LCPA allows moveable tiny houses as part of the City's long-term strategy of housing affordability. The intent of the ordinance is to allow for relatively affordable, infill development that maintains the character and scale of existing development while expanding housing opportunities and supporting current homeowners by providing rental income.

The placement of moveable tiny houses as an additional residence on a lot will increase the density of an area, particularly when combined with allowances for accessory dwelling units and junior accessory dwelling units. While intensification of development can promote Coastal Act goals of consolidating development to discourage sprawl and reducing vehicle miles traveled by increasing density in proximity to existing alternate transit infrastructure. increased density also has the potential to impact coastal resources. Additional structures, particularly if allowed to be located in public view corridors or sensitive resource buffers, can lead to encroachment of development that blocks public views or impacts habitat. More intense development can also contribute to increased traffic and parking shortages that deter coastal access. Furthermore, densification of residential development in existing floodplain or areas identified as vulnerable to future sea level rise poses potential risks to public health and safety, as well as limiting the City's future options for adapting to and pulling back from sea level rise. As discussed below under Findings for Approval, the proposed amendment is consistent with most of the resource protection policies of the Land Use Plans. However, two potential areas of conflict are coastal hazards and public access associated with the provision of off-street parking.

#### Floodplain

Moveable tiny houses are self-contained residential structures that are usually on wheeled platforms that can be towed between locations and hooked up to utilities once in place. They are a form of housing that falls under the state's definition of accessory dwelling unit, defined as "an attached or detached residential dwelling unit which provides complete independent living facilities for one or more persons. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation on the same parcel as the single-family dwelling is situated." (Gov. Code Section 65852.2(i)(4)) In addition to the requirements of the state definition above, the City amendment further defines moveable tiny houses as being between 150 and 430 square feet in size and may not be larger than allowed by state law for movement on public highways, exceed one story, be able to move under its own power, or have its own separate address.

A potential hazard relevant to moveable tiny houses is that creation of an additional housing unit within areas vulnerable to flooding and sea level rise presents an intensification of use in a hazardous area. By their design, moveable tiny houses are self-contained residential units that can be towed to a particular location and connected to utilities to provide housing, and as with the City's intent to increase the supply of affordable housing, moveable tiny houses offer a viable alternative to lower-income members of the public. Thus, while the increase of affordable housing is an important benefit, the addition of moveable tiny houses that are located in the portions of the City currently or anticipated to be in the floodplain could give rise to environmental justice impacts should they not be sited and designed in a manner to withstand flood hazards.

Under the City's existing LCP, a moveable tiny house falls under the classification of a Recreational Vehicle and is subject to the the certified floodplain regulations applied to development within the defined Special Flood Hazard Area (SFHA). However, there is expected to be densification in areas of the City that, while not currently within the SFHA, have been identified as vulnerable to sea level rise and future flooding in the City's Sea Level Rise Vulnerability Assessment (2019). This determination was made by applying the current best available science, such as the Coastal Storm Modeling System (CoSMoS) maintained by the United States Geological Survey. These areas vulnerable to sea level rise but not yet within the mapped SFHA, include portions of La Jolla Shores, Mission Beach, Pacific Beach, Ocean Beach, and Peninsula, among others. As these sites are not located in the SFHA, the City does not require the development regulations, such as floodresistant design, that are currently required within the SFHA. Allowing additional residential structures could result in a risk to public safety due to structures that are ill-prepared to withstand flooding. Furthermore, any densification of development could create expectations that new development should be allowed to be protected by shoreline protective devices, which have numerous, well-documented impacts on public access, public recreation, beach sand, and other coastal resources. Thus, as submitted, the proposed amendment would allow moveable tiny houses in identified hazardous areas without providing any notification to property owners of the risk, requiring that such homes be designed to accommodate additional elevation or other adaptation strategies in the future, or ensuring that shoreline protection will not be constructed to protect the homes. Thus, the amendment cannot be found consistent with the certified Land Use Plan.

#### Public Access

Densification of development can also have unintended impacts on public access if the new structures result in an increase in the demand for parking that spills over into streets used by the public to access the shoreline. The City currently requires that accessory dwelling units, which can be up to 1,200 sq. ft., provide one off-street parking spaces, unless the ADU is located in a Transit Priority Area. The proposed amendment would not require any off-street parking spaces to be provided for a moveable tiny house, much as the LCP does not currently require an off-street parking spaces for junior accessory dwelling units, which are similarly sized units created within an existing primary structure. Because moveable tiny houses can be as small as 150 square feet and no larger than 430 square feet, the number of residents who can be accommodated in such units will likely result in a fairly low parking demand associated with these units.

However, the Commission is cognizant that at some point, allowing multiple types of units on a single lot (e.g., a primary home, junior accessory dwelling unit, accessory dwelling unit, and a moveable tiny home) could potentially result in spillover parking effects. This could impact public access in areas which street parking is used for shoreline access. Thus, because the amendment does not require any parking for moveable tiny homes even if the site is located in a shoreline area with high parking demand, on a lot with multiple accessory units, the amendment cannot be found consistent with the public access protection policies of the LUP.

#### 2. Findings for Approval

#### Floodplain

With regards to impacts arising from intensification of development within the Special Flood Hazard Area or areas vulnerable to future sea level rise, suggested modifications prohibit shoreline armoring to protect tiny moveable houses. Further modifications require that moveable tiny houses outside of the SFHA but in future sea level vulnerability areas must have the property owner enter into an agreement with the City wherein there is an assumption of risk giving notice to the property owner, occupants of the moveable tiny houses, and their successors of any existing and future flood risk, potential need for further future adaptation strategies on the property, waiver of future shoreline protection for the moveable tiny houses, and the possibility of the house's relocation in the face of flood hazards. This, coupled with the inherently mobile nature of moveable tiny houses and the proposed amendment's prohibition on the removal of their wheels when installed, will allow for their development to meet the City's goal of increased housing while lessening the risk of further entrenching development in areas of the city that currently or will experience coastal flooding.

#### **Environmentally Sensitive Lands**

Because moveable tiny houses would be erected on properties with a primary residential use, it is more likely that such structures would be placed in whatever open space might be available, such as side or rear yards. Among the residential zones that moveable tiny houses are being added to as a new use is the OR (Open Space – Residential) Zone, which the LDC describes as intended to preserve open space and environmentally sensitive lands while preserving private property. However, the LCPA does not allow for exemptions to the environmentally sensitive lands (ESL) regulations of the LDC and the policies of the supplementary Land Development Manual, which further expands on the ESL regulations. Accessory dwelling structures such as moveable tiny houses will be required to observe the same setback requirements from wetland, coastal bluffs, and other sensitive resources that the primary residential structure must observe. Thus, the densification of residential use associated with moveable tiny homes will not result in impacts to sensitive habitat, geologic stability, or public views.

#### **Public Access**

Protecting street parking is particularly important in the "Beach Impact Area" of the City's Parking Impact Overlay Zone, a delineated area along the coast where the demand for parking is particularly high, and thus all development is required to adhere to a higher-than-normal off-street parking requirement due to the outsized impact that parking spillover could have on public access to the shoreline. As noted, an individual moveable tiny houses will likely result in a fairly low parking demand. But when combined with multiple other accessory residential units, spillover parking demand could be significant. Thus, the suggested modification requires that for moveable tiny houses within the Beach Impact Area, an off-street parking space is required if there is already one or more accessory residential unit on the premises. Given Floor Area Ratio (FAR) limits and setback requirements applicable to accessory residential uses and the primary dwelling units, it is unlikely that many lots in high density areas will be able to accommodate multiple dwellings, and thus, the limitation of the parking requirement to premises with multiple accessory dwelling structures is not expected to be frequent or an impediment to the City's goal of promoting the erection of additional, more affordable housing. However, the

modification ensures sufficient parking in the case of multiple dwelling units. Thus, as modified, the moveable tiny homes regulations will not have a significant adverse impact on public access, even in shoreline areas.

Therefore, as modified in this report, the amendment will further the goal increasing the opportunities for affordable housing and promoting a more diverse and balanced community in the coastal zone.

## V. CONSISTENCY WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Section 21080.9 of the California Environmental Quality Act (CEQA) exempts local government from the requirement of preparing an environmental impact report (EIR) in connection with its local coastal program. Instead, the Coastal Commission acts as lead agency for the purposes of fulfilling CEQA. The Commission's LCP review and approval program has been found by the Resources Agency to be functionally equivalent to the EIR process. Thus, under CEQA Section 21080.5, the Commission is relieved of the responsibility to prepare an EIR for each LCP submission.

For the City's action, an environmental impact report (EIR No. 96-0333) was completed for the original adoption of the Land Development Code, and a Program EIR (No. 104495) was prepared and certified for the General Plan Update. The City has previously utilized these documents for CEQA compliance in association with other code amendments. For this amendment, the City determined that it does not constitute a project under CEQA Guidelines Section 15378 (Cal. Code of Regs., tit. 14).

Nevertheless, the Commission is required in an LCP submittal or, as in this case, an LCP amendment submittal, to find that the LCP, or LCP, as amended, does conform to CEQA provisions. In this particular case, the LCP amendment will not have any significant adverse effect on coastal resources, and there are no feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact on the environment. In summary, no adverse impacts to coastal resources are anticipated and approval of the proposed amendment is consistent with CEQA.