CALIFORNIA COASTAL COMMISSION

SOUTH COAST DISTRICT OFFICE 301 E. OCEAN BLVD, SUITE 300 LONG BEACH, CA 90802-4325 VOICE (562) 590-5071 FAX (562) 590-5084



W14a

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STAFF REPORT: APPEAL - NO SUBSTANTIAL ISSUE

Appeal Number: A-5-VEN-21-0070

Applicants: North Venice Boardwalk, LLC

Local Government: City of Los Angeles

Local Decision: Approval with Conditions

Appellant: Margaret Molloy

Project Location: 205, 207, 209, and 213 Ocean Front Walk, Venice

(APNs: 4286030002, 4286030003)

Project Description: Appeal of City of Los Angeles Local Coastal

Development Permit No. APCW-2020-1521-SPE-SPP-

CDP-CUB-ZV approved with conditions for the

construction of a new, two-story, 25.7-ft. tall, 2,165 sq. ft., mixed-use (office, restaurant/bar, restroom) structure and three new parking spaces on one lot associated with

an existing, pre-coastal restaurant that spans three adjacent ocean-fronting lots. The project includes after-the-fact approval for construction of a new, 918 sq. ft.

storage area to the existing restaurant.

Staff Recommendation: No Substantial Issue.

IMPORTANT HEARING PROCEDURE NOTE: This is a substantial issue only hearing. Testimony will be taken <u>only</u> on the question of whether the appeal raises a substantial issue. Generally, and at the discretion of the Chair, testimony is limited to 3 minutes <u>total</u> per side. Please plan your testimony accordingly. Only the applicant, persons who opposed the application before the local government (or their representatives), and the local government shall be qualified to testify. Others may submit comments in writing. If the

Commission determines that the appeal does raise a substantial issue, the de novo phase of the hearing will occur at a future Commission meeting, during which it will take public testimony.

SUMMARY OF STAFF RECOMMENDATION

The action by the City of Los Angeles on Local Coastal Development Permit (CDP) No. APCW-2020-1521-SPE-SPP-CDP-CUB-ZV approved the construction of a new, two-story, 25.7-ft. tall, 2,165 sq. ft., mixed-use development at 213 Ocean Front Walk. The new structure will consist of a 180 sq. ft. walk-up bar and kitchen, and a 560 sq. ft. restroom area on the first floor (in addition to a 39 sq. ft. bicycle storage area); and a 362 sq. ft. office, a 173 sq. ft. storage area, and a 262 sq. ft. balcony on the second floor. The site will also be developed with a 930 sq. ft. outdoor service area on the seaward side of the lot, which will include picnic tables and a recreation area. The project includes the addition of three new parking spaces in the rear area of the 4,162 sq. ft. ocean-fronting lot (213 Ocean Front Walk). The new, mixed-use development will serve as a detached addition to the existing, one-story, 3,288 sq. ft. restaurant located on the three adjacent lots (205-209 Ocean Front Walk). Additionally, the project includes after-the-fact approval for construction of a 918 sq. ft. storage area located at the northern end of the existing restaurant at 205 Ocean Front Walk.

The project site is located in the North Venice subarea of Venice within the City of Los Angeles Dual Permit Jurisdiction Area. The standard of review for this appeal is Chapter 3 of the Coastal Act, with the certified Venice Land Use Plan (LUP) serving as guidance.

The appellant contends that the local CDP approves consolidation of four adjacent lots, inconsistent with the intent of the certified Venice LUP. The appellant further contends that the project will set an adverse precedent encouraging consolidation of more than two adjacent lots in the Venice coastal zone. The local CDP does not propose any consolidation of lots. The new, mixed-use development is detached from the adjacent restaurant and contained entirely within the property lines of 213 Ocean Front Walk. The after-the-fact storage area is fully contained within the property lines of 205 Ocean Front Walk. While the existing, 3,288 sq. ft. restaurant was constructed across three adjacent lots in 1946, this action occurred prior to the passage of the Coastal Act and prior to the certification of the Venice LUP, which restricts lot consolidations. The applicant is not proposing development across the lots in a manner that would result in substantial renovation or redevelopment of the existing restaurant that would require the entire site to be brought into conformance with current development standards. Therefore, the appellant's contention does not raise a substantial issue with regard to the project's consistency with development policies of Chapter 3 of the Coastal Act, nor the certified LUP.

The appellant also contends that the local CDP fails to provide adequate parking for the existing restaurant and new development as required by the certified Venice LUP and uncertified Venice Specific Plan (VSP). The City approved an after-the-fact addition of a 918 sq. ft. storage area to the existing restaurant. No additional improvements were

approved to the existing restaurant. The certified LUP requires the new mixed-use structure on the separate lot to provide a total of 22 parking spaces (21 restaurant spaces, one office space) at 213 Ocean Front Walk and two new parking spaces for the 918 sq. ft. storage area addition to the existing restaurant. The project provides three new on-site spaces and 16 new off-site spaces (leased from a private development located 0.4 miles of the project site), for a total of 19 new, on-site and off-site parking spaces. The applicant also proposes on-site bicycle racks accommodating 40 bicycles. The Commission has, in some cases, accepted bicycle parking and other means to mitigate for a small number of actual parking spaces. In this case, five out of 24 total required parking spaces will be accounted for in the form of bicycle parking racks, and no significant impacts to public access have been identified, or are, anticipated at this time. Therefore, the appellant's contention does not raise a substantial issue with regard to the project's consistency with public access policies of the Coastal Act, nor the certified LUP.

Additionally, the appellant contends that the locally-approved development does not constitute a restaurant and should be characterized as a bar pursuant to the California Department of Alcoholic Beverage Control (CDABC). The appellant claims that this will have an adverse impact on the surrounding residential community due to an alleged excess of alcohol-serving establishments in Venice. The local CDP approved project plans which include a food service kitchen in addition to amenities for serving alcohol: the project would result in a small, visitor-serving restaurant which serves food and drinks with outdoor seating. There are no Chapter 3 policies of the Coastal Act pertaining to alcohol service. The project site is located in a commercial corridor on the Venice Beach boardwalk specifically designated by the certified LUP as appropriate for visitor-serving commercial uses. Therefore, the appellant's contention does not raise a substantial issue with regard to the project's consistency with development and preferred use policies of the Coastal Act, nor the certified LUP.

Lastly, the appellant contends that the 918 sq. ft. unpermitted storage area has actually functioned as a new restaurant, Boardwalk Tacos, which allegedly displaced an existing retail business. The appellant claims that the local CDP should not grant after-the-fact approval for this structure. The subject storage structure is located within the property lines of 205 Ocean Front Walk, owned by the applicant—it is unclear how an independently-owned business could be displaced, or how this would constitute an inconsistency with Chapter 3 policies of the Coastal Act or the LUP. Furthermore, the appellant did not provide substantiation that the unpermitted area has served a use differing from the storage area use reflected in the City's findings and project plans. This contention does not raise a substantial issue.

Therefore, considering the factors for substantial issue in Section 13115(b) of the Commission's regulations, the appeal does not raise a substantial issue regarding the City-approved development's consistency with Chapter 3 policies of the Coastal Act, using the certified LUP for Venice as guidance.

Staff recommends that the Commission determine that **no substantial issue exists** with respect to the grounds on which the appeal has been filed. The motion and resolution to carry out the staff recommendation is on Page 5.

TABLE OF CONTENTS

l.	MOTION AND RESOLUTION - SUBSTANTIAL ISSUE	5
II.	APPELLANTS' CONTENTIONS	5
III.	LOCAL GOVERNMENT ACTION	5
IV.	APPEAL PROCEDURES	6
V.	SINGLE/DUAL PERMIT JURISDICTION AREAS	7
VI.	FINDINGS AND DECLARATIONS - SUBSTANTIAL ISSUE	7
	A. PROJECT DESCRIPTION AND LOCATION	7
	B. FACTORS TO BE CONSIDERED IN SUBSTANTIAL ISSUE ANALYSIS	9
	C. Substantial Issue Analysis	9

EXHIBITS

Exhibit 1 – Vicinity Map

Exhibit 2 – City Approved Plans

Exhibit 3 – City Determination Letter

Exhibit 4 – Appeal

Exhibit 5 – Historic Photographs

Exhibit 6 – Certificates of Occupancy

I. MOTION AND RESOLUTION - SUBSTANTIAL ISSUE

Motion: I move that the Commission determine that Appeal No. A-5-VEN-21-0070 raises **NO SUBSTANTIAL ISSUE** with respect to the grounds on which the appeal has been filed under Section 30602 of the Coastal Act.

Staff recommends a **YES** vote. Passage of this motion will result in a finding of No Substantial Issue and adoption of the following resolution and findings. If the Commission finds No Substantial Issue, the Commission will not hear the application de novo and the local action will become final and effective. The motion passes only by an affirmative vote by a majority of the Commissioners present.

Resolution: The Commission hereby finds that Appeal No. A-5-VEN-21-0070 presents **NO 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 October 15, 2021, within 20-working days of receipt of notice of final local action, an appeal was filed by Margaret Molloy (Exhibit 4). The appellant raises the following concerns with the City-approved development:

- 1) The local CDP approves consolidation of four adjacent lots (205, 207, 209, and 213 Ocean Front Walk) through the restaurant addition approved at 213 Ocean Front Walk, inconsistent with the intent of the certified Venice LUP.
- 2) The project does not conform with parking requirements of the certified Venice LUP.
- 3) The existing development functions as a bar, rather than a restaurant, and the project will adversely impact the surrounding residential community with respect to noise and disruption.
- 4) The 918 sq. ft., unpermitted addition has functioned as a new restaurant establishment, rather than a storage area for the existing restaurant, and displaced an existing, independent retail use.

III. LOCAL GOVERNMENT ACTION

On February 3, 2021, the West Los Angeles Area Planning Commission (WLAAPC) approved the applicant's (North Venice Boardwalk, LLC's) request for construction of a new, two-story, 2,165 sq. ft., detached, mixed-use structure associated with an existing 3,288 sq. ft. restaurant, as well as after-the-fact approval for construction of a new, 918 sq. ft. storage area within the existing adjacent restaurant. The WLAAPC's action on Case No. APCW-2020-1521-SPE-CDP-CUB-ZV approved an exception to the uncertified VSP that allowed the applicant to provide 19 off-site and on-site parking spaces and 40 bicycle parking spaces, in lieu of an additional four parking spaces for the required 23 total

spaces. The WLAAPC's action also denied the applicant's request for an exception from Municipal Code requirements regarding provision of a loading zone on-site.

On March 19, 2021, an appeal of WLAAPC's action on local CDP No. APCW-2020-1521-SPE-CDP-CUB-ZV was filed by Margaret Molloy. On July 28, 2021, the City Planning Department published a letter determining that the appellant had not provided sufficient proof that the City had erred or abused its discretion in approving the project. The City Planning Department's letter recommended the City Council deny the appeal. On August 18, 2021, the Los Angeles City Council denied the appeal and upheld the WLAAPC's action to approve local CDP No. APCW-2020-1521-SPE-CDP-CUB-ZV.

On September 17, 2021, the South Coast District office received notice of local action on CDP No. APCW-2020-1521-SPE-SPP-CDP-CUB-ZV. On October 15, 2021 at 5PM, the appellant filed a timely appeal (Exhibit 4). No other appeals were received prior to the end of the appeal period at 5PM on October 15, 2021.

IV. APPEAL PROCEDURES

Section 30600(b) of the Coastal Act provides that prior to certification of its Local Coastal Program (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 Chapter 3 of the Coastal Act. [Cal. Pub. Res. Code § 30625(b)(1)]

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 applicants, 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 appeal must contain the information required by 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 as to the proposed project's conformity with Chapter 3 of the Coastal Act.

Commission staff recommends a finding of **no 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 typically continues the public hearing to a later date in order to review the CDP 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. A de novo public hearing on the merits of the application uses the Chapter 3 policies of the Coastal Act. The Venice LUP, certified on June 14, 2001, is used as guidance. Sections 13110-13120 of Title 14 of the California Code of Regulations further explain the appeal hearing process.

During the hearing on the substantial issue question, those who are qualified to testify at the hearing as provided by Section 13117 of Title 14 of the California Code of Regulation, will typically have three minutes per side to address whether the appeal raises a substantial issue. The only persons qualified to testify before the Commission at the substantial issue portion of the appeal process are the applicants, appellants, persons who opposed the application before the local government (or their representatives), and the local government. Testimony from other persons must be submitted in writing. The Commission will then vote on the substantial issue matter. It takes a majority of Commissioners present to find that the grounds for the appeal raise no substantial issue.

V. 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 are the Chapter 3 policies of the Coastal Act. For projects 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 Dual Permit Jurisdiction Area. Therefore, the applicants are required to obtain a second, or "dual", CDP from the Commission for the proposed development. An application for the dual CDP has not yet been submitted.

VI. FINDINGS AND DECLARATIONS – SUBSTANTIAL ISSUE

A. PROJECT DESCRIPTION AND LOCATION

The project site is located in an ocean-fronting commercial corridor bordered primarily by residential development inland of the site and a hotel immediately south of the site, in the North Venice subarea of Venice, City of Los Angeles (Exhibit 1). The four subject lots discussed in the staff report are designated Community Commercial by the certified Venice LUP and C1-1 by the City of Los Angeles uncertified Zoning Code. The site is located less than 100 ft. inland of the public beach and fronts the Venice Beach boardwalk (Ocean Front Walk), with vehicle access obtained solely from the rear alley (Speedway).

An existing, one-story, 3,288 sq. ft. restaurant with 16 on-site parking spaces is located across three adjacent lots: 205 Ocean Front Walk (2,227 sq. ft. in size), 207 Ocean Front Walk (2,227 sq. ft. in size), and 209 Ocean Front Walk (4,162 sq. ft. in size) (Exhibit 2). There is a Certificate of Occupancy (COO), dated October 23, 1951, which describes the restaurant as a one-story, "G-1 Occupancy (food)" use structure (Exhibit 6). There is an additional COO, dated March 27, 1985, which updated the use from "G-2 res. to B-2" restaurant". Historic aerial photographs additionally confirm that the subject development has existed in the same layout and design since at least 1972 (Exhibit 5). The applicants indicate the restaurant was originally constructed in 1946 and has not undergone major redevelopment or renovation since initial construction. However, the applicant did construct a new, 918 sq. ft. storage area at the northern-most side of 205 Ocean Front Walk in 1981. The applicant did not obtain approval from the City Planning Department or the Coastal Commission for the non-habitable addition. Under the certified LUP, the existing restaurant is a legally non-conforming structure with regard to the consolidated three lots, across which the restaurant sits, and the provision of 16 parking spaces onsite.1

The fourth lot, 213 Ocean Front Walk, is 4,162 sq. ft. in size and located at the southern-most end of the project site. The lot located at 213 Ocean Front Walk has remained undeveloped since at least 1972. The applicant used the rear area of the lot to accommodate a temporary, eight-stall restroom trailer in 2018 and the temporary structure still exists on-site for existing restaurant patron use. (No permanent development or plumbing has been installed.) The front area of the lot was also used for multiple outdoor picnic tables from approximately 1981 to 1991, but does not currently have any picnic tables. The Commission did not approve these structures or uses—however, the applicant has confirmed that all structures placed on the vacant lot were temporary and no new development was constructed on-site. The restroom trailer and outdoor seating tables are not currently present at 213 Ocean Front Walk.

The local CDP approved the construction of a new, two-story, 25.7-ft. tall, 2,165 sq. ft., mixed-use structure on the vacant lot at 213 Ocean Front Walk. The first floor of the new structure will include a 180 sq. ft., walk-up service counter with a food and drink preparation kitchen and a 560 sq. ft., 10-stall restroom area. The second floor will include a 362 sq. ft. office area; a 173 sq. ft. storage area; and an ocean-facing balcony (Exhibit 2, Page 6). The site will also be developed with 558 sq. ft. of uncovered recreation area with game tables (such as shuffleboard and ping-pong); 372 sq. ft. of uncovered seating area with picnic tables accommodating up to 42 guests; a rack accommodating 40 bicycles; and three new parking spaces. The new, 2,165 sq. ft. mixed-use structure will serve as a detached addition to the existing, one-story, 3,288 sq. ft. restaurant located on the three adjacent lots (205-209 Ocean Front Walk). The project also includes 16 off-site parking spaces at St. Joseph's Center, located approximately 0.4 miles inland of the site at 204 Marine Avenue. The new development will provide valet parking for guests and free parking for employees.

¹ The existing restaurant includes 3,202 sq. ft. of service floor area and would require 69 parking spaces per certified LUP policies II.A.3 and II.A.4 without its legally non-conforming status.

Additionally, the local CDP authorized after-the-fact approval for the construction of a 918 sq. ft. storage area at 205 Ocean Front Walk. The storage area is an attached, non-habitable addition to the existing restaurant.

B. FACTORS TO BE CONSIDERED IN SUBSTANTIAL ISSUE ANALYSIS

When determining whether an appeal raises a "substantial issue," Section 13115(c) 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;
- 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 **no 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 public access and development standards.

Section 30222 of the Coastal Act states, in relevant part:

The use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.

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, in relevant part:

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.

Section 30252 of the Coastal Act states, in relevant part:

The location and amount of new development should maintain and enhance public access to the coast by ... (2) providing commercial facilities within or adjoining residential development or in other areas that will minimize the use of coastal access roads ... (4) providing adequate parking facilities or providing substitute means of serving the development with public transportation ...

Section 30253 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 Policy I.B.6. Community Commercial Land Use states:

The areas designated as Community Commercial on the Land Use Policy Map (Exhibits 9 through 12) will accommodate the development of community-serving commercial uses and services, with a mix of residential dwelling units and visitor-serving uses. The Community Commercial designation is intended to provide focal points for local shopping, civic and social activities and for visitor-serving commercial uses. They differ from Neighborhood Commercial areas in their size and intensity of business and social activities. The existing community centers in Venice are most consistent with, and should be developed as, mixed-use centers that encourage the development of housing in concert with multi-use commercial uses. The integration and mixing of uses will increase opportunities for employees to live near jobs and residents to live near shopping. Overnight visitor-serving uses, such as hotels and youth hostels, are preferred uses in the Community Commercial land use category.

Uses/Density: Community commercial uses shall accommodate neighborhood and visitor-serving commercial and personal service uses, emphasizing retail and restaurants; and mixed residential/commercial use

with retail on the ground floor and personal services and residential uses on upper floors...On a commercial lot, residential uses shall not exceed one unit per 800-1200 square feet of lot area...

(c) North Venice Community Commercial. Properties located along Ocean Front Walk from 17th Avenue to the Santa Monica City Line (Exhibit 10).

Uses: Visitor-serving and personal services emphasizing retail and restaurants. Mixed-use with retail and/ or personal services on the ground floor with either residential or personal services on upper floors.

The Venice Certified LUP defines "Lot Consolidation" as follows:

Lot consolidation occurs when: (1) one or more structures are built over a lot line dividing two lots created in a previous subdivision; or (2) a lot line is abandoned, a lot line is adjusted, lots are merged, or other action is taken, for the purpose of allowing a structure to be built extending over what were previously two or more separate lots.

Venice Certified LUP Policy I.B.7 Commercial Development Standards, states in relevant part:

Lot Consolidation. Two commercial lots may be consolidated, or three with subterranean parking...

Exception: Lot consolidation of more than two lots shall be permitted for mixed-use projects which conform to the existing scale and character of the surrounding community and provide adequate on-site parking.

Venice Certified LUP Policy II.A.3. Parking Requirements, states:

...Restaurant, Night Club, Bar, and similar establishments and for the sale or consumption of food and beverages on the premises: 1 space for each 50 square feet of service floor area (including outdoor service areas).

Drive-in and Window Service Restaurant providing Outdoor Eating Area or Walk-up or Drive-up Window Service: 1 space for each 50 square feet of floor area but not fewer than 10 spaces. The above may be modified for walk-up facilities with no seating area and beach front walk-up with seating depending on the particulars of the individual case.

Venice Certified LUP Policy II.A.4. Parking Requirements in the Beach Impact Zone, states:

Any new and/or any addition to commercial, industrial, and multiple-family residential development projects within the Beach Impact Zone shall provide

additional (in addition to parking required by Policy II.A.3) parking spaces for public use or pay in-lieu fees into the Venice Coastal Parking Impact Trust Fund. Beach Impact Zone (BIZ) Parking Impact Trust Fund criteria:

- a. Commercial and industrial projects in the BIZ shall provide one additional parking space for each 640 square feet of floor area of the ground floor. Up to 50% of the total number of these additional parking spaces required in this section may be paid for in lieu of providing the spaces.
- b. Multiple family residential projects in the BIZ shall provide an additional parking space for each 1,000 square feet of floor area of the ground floor for multiple dwelling projects of three units or more. Up to 100% of the total number of these additional parking spaces required in this section may be paid for in lieu of providing the spaces. The recommended rates shall be established based upon the development cost study of the area...
- d. In no event shall the number of BIZ parking spaces (over and above those spaces required by the parking requirements set forth in Policy II.A.3) required for projects of three or more dwelling units, or commercial or industrial projects, be less than one (1) parking space for residential projects and two (2) parking spaces for commercial and industrial projects.

Venice Certified LUP Policy III.A.1 General, states:

(a) Recreation and visitor-serving facilities shall be encouraged, provided they retain the existing character and housing opportunities of the area, and provided there is sufficient infrastructure capacity to service such facilities.

Development Standards

Section 30250(a) of the Coastal Act encourages siting new development contiguous with existing developed areas able to accommodate it, while Section 30222 prioritizes visitor-serving commercial facilities over private residential uses in the coastal zone. In Venice, these two policies may be achieved through the construction of new visitor-serving facilities in existing commercial corridors and heavily-frequented tourist areas. Section 30251 additionally requires new development be designed and sited for compatibility with the surrounding community character. Section 30253 requires protection of "special communities...that, because of their unique characteristics, are popular visitor destination points for recreational uses."

Lot Consolidation

The appellant contends that the local CDP approves consolidation of four ocean-fronting lots, inconsistent with the intent of the certified Venice LUP. The certified LUP defines lot consolidation as occurring when "one or more structures are built over a lot line dividing two lots created in a previous subdivision." LUP Policy I.B.7 allows consolidation of more than two lots for mixed-use development if the development conforms to "the existing scale and character of the surrounding community and provide[s] adequate on-site parking."

As the appellant stated, a Covenant and Agreement to Hold Property as One Parcel (i.e. a lot tie covenant) was recorded on February 26, 2001, whereby the owner covenanted with the City to hold the lots as one and that no lot would be sold separately. These agreements can be released upon application to and approval by the City's Superintendent of Building. The three lots on which the existing restaurant is sited have been issued single Assessor Parcel Number (APN). With the exception of a 918 sq. ft. non-habitable addition located at 205 Ocean Front Walk, no work is proposed to the existing, 3,288 sq. ft. restaurant. The restaurant is legally non-conforming with regard to Policy I.B.7, which would limit lot consolidations to two lots for single-use commercial structures.

The subject local CDP does not approve consolidation of <u>any</u> lots. The new, mixed-use development is contained entirely within the property lines of the lot corresponding to 213 Ocean Front Walk (<u>Exhibit 2</u>, <u>Page 5</u>). The outdoor seating and new restroom facilities located on the ground floor of the new structure are intended to serve the existing restaurant, as well as the new walk-up restaurant and bar—however, these facilities do not cross lot lines. The outdoor facilities, including the recreation area, would set the new, two-story structure back 49 ft. from the front property line, creating a pronounced break between the existing restaurant and the new, detached addition. The detached addition will not result in lot consolidation and does not raise issues of mass and scale associated with lot consolidation.

Therefore, the appellant's contention regarding lot consolidation is unfounded and does not raise a substantial issue with regard to project consistency with sections 30250(a), or 30251, or 30253 of the Coastal Act.

Alcohol-Serving Use and Community Character

The appellant states the "three-square mile residential coastal community" of Venice is over-saturated with alcohol-serving licenses. However, this contention is not substantiated and does not appear to be a concern related to community character. The proposed use—an establishment serving food and alcoholic beverages—is consistent with several other establishments located on Ocean Front Walk and is not inconsistent with the existing community character. The local CDP approved construction of a visitor-serving, walk-up food and drink establishment with an office on the second floor and included conditions to safeguard the welfare of the community. The applicant intends for the 930 sq. ft. recreation and service floor area to include ping-pong tables, shuffle-board, and picnic table-style seating. The proposed project augments an existing use within the community by offering additional amenities for public use.

There are no Chapter 3 policies of the Coastal Act pertaining to alcohol service. The project site is located in a commercial corridor on the Venice Beach boardwalk specifically designated by the certified LUP as appropriate for visitor-serving commercial uses. The appellant did not raise any issues regarding the project's consistency with development and priority use policies of the Coastal Act, or the certified LUP.

Thus, the appellant's contention does not raise a substantial issue with regard to the consistency of the approved development use with sections 30222 and 30253 of the Coastal Act.

Unpermitted Addition

The appellant contends that the 918 sq. ft. addition to the existing restaurant, constructed without approval from the City Planning Department and the Coastal Commission in 1981 has actually functioned as a new restaurant (Boardwalk Tacos) independent of the existing restaurant (The Waterfront) rather than a storage area. The appellant contends that the new restaurant (Boardwalk Tacos) has displaced a Retail use previously located at the site.

The appellant submitted an online link for a Boardwalk Tacos menu, but the link is not from a verified source and the menu does not include an address or contact information.² Advertisements online show a food-serving establishment named Boardwalk Tacos previously existed at 203 Ocean Front Walk, the lot adjacent to the northern property line for 205 Ocean Front Walk.³ It is unclear from satellite aerial images whether this establishment crossed property lines and extended into 205 Ocean Front Walk—the storefronts located at 203 and 205 Ocean Front Walk are not clearly distinct from one another.

However, the location of the unpermitted storage area is within what was previously an approximately 12-ft. wide side yard between the existing restaurant and the neighboring property, which is built out to the property line consistent with much of the development along Ocean Front Walk. From aerial photographs, it appears that the side yard was vacant in 1972 and by 1987 had been developed to the ocean-fronting and northern property lines (Exhibit 5, Page 61). Any use of the side yard area on 205 Ocean Front Walk for Retail, Restaurant, or other uses after 1972, would have required approval from the City Planning Department and the Coastal Commission via a local CDP and Commission-issued CDP. There is no record of any local or Commission CDPs for an addition to or expansion of the existing restaurant into the side yard area. There are also no CDPs on record for a change of use or change of intensity of use of the side yard area. Thus, any use of the side yard area other than what is allowed in a side yard would have been unpermitted and will continue to be unpermitted until a CDP for such a change is issued by the Commission.

As discussed, the local CDP provided after-the-fact authorization for the addition of 918 sq. ft. of new, storage area in the side yard of the northern-most portion of the existing restaurant. The subject storage structure is located within the property lines of 205 Ocean Front Walk, owned by the applicant. The locally-approved project plans support the applicant's indicated use of the addition as a storage space. While there may have been unpermitted development and use of the side yard area in the past, a CDP for unpermitted development is a path toward resolving any of these past violations, although any such violations would not be fully resolved until a CDP addressing any such violations is issued by the Commission and complied with by the permittee. Thus, considering the applicant has applied for a CDP to, in part, address unpermitted development at the site, this

² https://images.venicepaparazzi.com/2020/11/04150623/BoardwalkTacos MirrorMenu-1.pdf

https://www.yelp.com/biz/boardwalk-tacos-venice https://goo.gl/maps/QdWGTTgmBPca4bD19

contention does not raise a substantial issue with regard to Chapter 3 policies of the Coastal Act, nor policies of the certified LUP.

Public Access

Section 30210 of the Coastal Act requires maximum access and recreational opportunities to be provided in the coastal zone consistent with the need to protect public safety and public and private rights. Section 30252 additionally encourages the provision of commercial facilities "within or adjoining residential development" if adequate parking facilities are provided for the public.

The appellant contends that the project does not provide the minimum parking required by the certified Venice LUP. The appellant additionally contends that only a 1985 COO is on record for the existing restaurant, calling into question its legal non-conforming status. As previously discussed, historic aerials and the 1951 COO substantiate that the restaurant was constructed prior to passage of the Coastal Act (Exhibits 5 and 6). The locally-approved project does not include renovation or substantial alteration of the existing restaurant located at 205, 207, and 209 Ocean Front Walk. Therefore, the scope of the subject appeal is limited to parking requirements for the new development at 213 Ocean Front Walk and the new storage area at 205 Ocean Front Walk—not the existing, legally non-conforming restaurant.

Certified LUP Policy II.A.3 requires one parking space for each 50 sq. ft. of total floor area (but no fewer than 10 spaces) for window service restaurants with walk-up service and outdoor eating area. Thus, the 2,165 sq. ft. structure with walk-up window service would require 36 parking spaces (not including the BIZ parking spaces); however, the total number of parking spaces may be modified based on the particulars of the project. In this case, the new structure will be associated with the existing restaurant, and the new outdoor service floor area created by the project could be used by both the existing restaurant and the new walk-up service window restaurant. Thus, it is more fitting to use the parking standards for Restaurant and Office uses rather than Walk-Up Window Service Restaurant, and 36 parking spaces are not required for the project.

For restaurant use, Policy II.A.3 requires 19 parking spaces (rounding up from 18.6) for the 930 sq. ft. of outdoor and indoor service area on the first floor, and an additional one parking space (rounding down from 1.3) for the 326 sq. ft. office area on the second floor. Policy II.A.4 requires an additional two parking spaces for the commercial area proposed on the first floor and two parking spaces for the after-the-fact storage area, in the Beach Impact Zone (BIZ). Thus, the restaurant component of the project requires 21 parking spaces, the office use requires one parking space, and the storage area requires two parking spaces, for a total of 24 parking spaces required.

The City's findings indicate that 23 parking spaces are required for the new development, due to the City's decision not to round up for parking requirements. The LUP does not specifically require rounding up when a proposed development area is less than the amount that triggers the need for an additional parking space, but rounding up when the decimal remainder meets or exceeds 0.5 may be the most protective of public access. The

City typically rounds up parking requirements only when the parking space decimal remainder meets or exceeds 0.75.

The local CDP also approved a reduction in the determination of 23 parking spaces based on the provision of 40 bicycle docking stations, pursuant to uncertified Municipal Code Section 12.21-A.4, which allows up to 30% of required commercial vehicle parking to be satisfied with the provision of bicycle parking. The City ultimately approved three on-site parking spaces; 16 off-site parking spaces leased from a private location approximately 0.4 miles away; and in-lieu provision of racks accommodating 40 bicycles on-site.

The off-site parking location is St. Joseph Center at 204 Marine Avenue, which provides 132 total private parking spaces across upper and lower lots (Exhibit 2, Page 9). The subject leased parking spaces will be located in the lower lot of St. Joseph Center: the lower lot offers 71 total parking spaces but limits 20 spaces for exclusive St. Joseph Center employee use between 9AM and 4PM on weekdays. (All 71 parking spaces are available after 4PM on weekdays and at all hours of operation on weekends.) This leaves 51 parking spaces available for both shared-lease parking and public "pay-for-use" parking between 9AM and 4PM on weekdays. Of these 51 parking spaces available between 9AM and 4PM on weekdays (and 71 spaces all other times), 16 spaces will be leased solely for patrons of the locally-approved new development. An on-site valet drop-off/pick-up station will be located in the rear of the project site, accessed by Speedway, to allow patrons vehicles and commercial ride-sharing vehicles to release or board passengers. The valet service will operate during all hours of restaurant operation. Vehicles will first be parked in the 19 total parking spaces on-site (16 existing/shared spaces offered by the original restaurant, plus three new spaces) before cars will be parked at the off-site location.

The local CDP approves a deficit of four or five parking spaces, depending on whether the parking requirements with less than 0.5 remainders are rounded up or down. When interpreted conservatively, the deficit is five parking spaces less than certified LUP requirements. The City's findings discuss a parking study conducted by the applicant's existing valet service, Safety Park, published on March 3, 2020 for the restaurant at 205, 207, and 209 Ocean Front Walk. The study analyzed parking receipts from January 2019 through February 2020, the 13-month period preceding the pandemic emergency order issued in March 2020. The study indicated that an average of 8.5 vehicles parked in the existing 16 parking spaces on-site prior to 5:30pm on weekdays, and an average of 8.8 vehicles parked on-site following 5:30pm on weekdays. It is unclear why the study limits the data collection to Monday through Friday—however, it does appear that the parking lot is left almost 50% vacant the majority of the week.

The relatively sparse parking lot use is likely a result of the project site location on the Venice Beach boardwalk. Parking in the restaurant lot would require patrons to either leave the boardwalk or immediately re-park after their meal concluded, when most boardwalk visitors come to enjoy multiple visitor-serving accommodations and the beach for an extended period. It is possible that boardwalk visitors prefer the sizable public lot located at 1 Rose Avenue, less than 60 ft. from the project site, as this option does not limit recreational activities. Private development cannot rely on public beach parking to satisfy parking requirements—however, the site location and customer demographic should be

considered in determining whether bicycle racks can adequately mitigate a discrepancy between proposed parking spaces and LUP required parking spaces.

The boardwalk is heavily frequented by pedestrians, bicyclists, and rideshare app users who wish to avoid driving through traffic. The open design and features adjacent to the boardwalk right-of-way (i.e. shuffleboard, ping pong tables, a large restroom sign that may appeal to passers-by in an area with limited public restroom facilities) is specifically designed to draw pedestrians and cyclist customers, rather than customers arriving from the rear alley.

The Commission reviewed a similar project, proposing a 754 sq. ft. restaurant addition including a walk-up window and 684 sq. ft. of sit-down service area, at The Whaler (10 Washington Boulevard, located 1.4 miles south of the project site on the Venice Beach boardwalk). On September 8, 2016, the Commission approved CDP No. 5-16-0478⁴ for the addition with the provision of no on-site parking and 28 off-site parking spaces leased from an off-site location for patron use only on weekdays after 5:30PM and weekends during all hours of operation. However, in that case, the approved addition consisted of a patio created with the use of roll-away planter boxes and an awning, both of which are temporary in nature and could be very easily removed in the future if the establishment lost the ability to secure off-site parking. Thus, the project before the Commission now has a different set of circumstances. Nevertheless, in the case of 5-16-0478, the Commission's findings considered the following parameters in determining whether adequate parking may be provided at off-site locations:

- "1. The proposed off-site parking supply must provide an adequate capacity to meet the demands of the project.
- 2. The proposed off-site parking supply must be near the proposed project and be accessible for convenient use by the target group that the off-site parking serves.
- 3. The proposed off-site parking supply must be available for convenient use during the hours that the parking is needed to meet the demands of the project.
- 4. The proposed off-site parking supply must be available to meet the demands of the project on a permanent or long-term basis."

In this case, the 16 off-site parking spaces in combination with the three on-site parking spaces and 40 bicycle-docking spaces will likely be sufficient for the locally-approved development; the off-site parking location is 0.4 miles from the project site and will be conveniently available through valet service; and the applicant has entered into a five-year lease with St. Joseph Center property management (Exhibit 2, Page 8). As such, these parameters would seem to support the provision of 16 off-site parking spaces to partially meet the development's parking needs.

⁴ Ref. https://documents.coastal.ca.gov/reports/2016/9/th15a-9-2016.pdf

Overall, the project proposes a four to five parking space deficit compared to the minimum number of parking spaces required by the LUP. The applicant has mitigated this through the provision of bicycle racks accommodating 40 bicycles adjacent to the boardwalk public right-of-way. The new development is limited in size, designed for walk-up service, and the City's findings adequately discuss the project's consistency with public access policies of the LUP.

Therefore, the appellant's contention does not rise to the level of a substantial issue with regard to project consistency with sections 30210 and 30252 of the Coastal Act, as well as parking requirements of the certified LUP.

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 is 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 with the relevant provisions of the Coastal Act. The City found that the project would be consistent with the Chapter 3 policies of the Coastal Act, including Section 30250 and 30252 which encourage the design and location of development in appropriate areas without impact to surrounding visual resources. The City also analyzed the project for consistency with the Community Commercial land use designation (Policy I.B.6) and intensification of commercial use (Policy I.B.11), indicating that the sale of alcoholic beverages had been sufficiently conditioned to avoid impacts to surrounding residential development. The City additionally published a letter responding to the appellant's locally-submitted appeal, which clarifies that no lot consolidation was proposed or approved with the project and that the project adheres to certified LUP development standards. Regarding public access, the local CDP includes a table estimating the parking requirements for each project component per policies II.A.3 and II.A.4, as well as an analysis of how the proposed combination of on-site and off-site parking with racks for 40 bicycles would satisfy these requirements. The City analyzed a parking study provided by the applicant that detailed use of the parking lot one year prior to the pandemic and showed under-utilization of existing spaces. Therefore, the Commission finds that the City provided an adequate degree of factual and legal support for its decision to approve a detached addition to the existing restaurant with docking stations accommodating 40 bicycles in lieu of the four to five parking spaces not provided, as well as after-the-fact authorization for the storage area. This factor supports a finding of no substantial issue.
- 2. The extent and scope of the development as approved or denied by the local government. The City-approved development will approve an already constructed, 918 sq. ft. storage area for an existing restaurant on the Venice Boardwalk. It also approves a new, two-story, 2,165 sq. ft., mixed-use development that includes an outdoor recreation area, a walk-up food and beverage counter, and a second floor office. The new development is limited in size and intended to serve pedestrians visiting the Boardwalk.

Therefore, the Commission finds that the extent and scope of the City-approved development is consistent with the Chapter 3 policies of the Coastal Act, and this factor supports a finding of no 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 Cityapproved development will develop a lot on the Venice Beach Boardwalk with a visitor-serving accommodation. The locally-approved development provides adequate parking, preserves visual resources with its mass and scale, and does not raise issues of coastal hazards. Therefore, the Commission finds that this factor supports a finding of no substantial issue.
- **4.** The precedential value of the local government's decision for future interpretations of its LCP. The City does not currently have a certified LCP, but it does have a certified LUP. The LUP was certified by the Commission in June 2001 and includes development and parking standards for new development. The applicant provided an adequate parking analysis for the project that the City used to support a reduced on-site and off-site parking requirement, consistent with Chapter 3 of the Coastal Act. While the required parking is not strictly consistent with the parking requirements of the certified LUP, the deficit in spaces is adequately mitigated to protect public access. Therefore, the Commission finds that the City-approved development will not have an adverse impact on future interpretations of its LUP and will not prejudice the City's ability to certify an LCP. The Commission finds that this factor supports a finding of no substantial issue.
- **5. Whether the appeal raises local issues, or those of regional or statewide significance.** The appellant raised issues related to lot consolidation, alcohol-serving establishments, and public access. In this case, no lot consolidation was approved by the local CDP. While the appellant raised concerns regarding the cumulative effect on a residential community related to the number of alcohol-serving establishments in a commercial, visitor-serving area, those issues do not rise to regional or statewide significance with regard to any coastal resources protect by Chapter 3 of the Coastal Act. Public access is important locally, regionally, and statewide. However, as detailed above, impacts to public access related to parking have been adequately mitigated. As such, this factor supports a finding of no substantial issue.

Conclusion

Applying the five factors listed above clarifies that the appeal does not raise a "substantial issue" with respect to the project's consistency with Chapter 3 of the Coastal Act. The decision will not prejudice the City's ability to prepare an LCP in the future. Therefore, the Commission find that the appeal raises no substantial issue as to the project's conformity with the Chapter 3 policies of the Coastal Act.