CALIFORNIA COASTAL COMMISSION

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STAFF REPORT: APPEAL – SUBSTANTIAL ISSUE

Appeal Number:	A-5-VEN-21-0052
Applicant:	Stephen & Hillary Zashin, LA Riverstonegrey, LLC
Agent:	Marmol Radziner
Local Government:	City of Los Angeles
Local Decision:	Approval with Conditions
Appellant:	Citizens Preserving Venice
Project Location:	628 Santa Clara Avenue, Venice, City of Los Angeles, Los Angeles County (APN No. 4239029010)
Project Description:	Appeal by Citizens Preserving Venice of decision of City of Los Angeles Planning Director approving local coastal development permit for the demolition of two single- family homes (1,112 sf. and 576 sf.) on an approximately 5,200 sf. lot and construction of a 2-story, 3,254 sf. single-family home with 3 parking spaces, a roof deck, and a 581 sf. attached accessory dwelling unit.
Staff Recommendation:	Substantial Issue

IMPORTANT NOTE: This is a substantial issue only hearing. Testimony will be taken only on the question of whether the appeal raises a substantial issue. Generally, and at the discretion of the Chair, testimony is limited to three minutes total per side. Please plan your testimony accordingly. Only the applicant, appellant(s), 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 City of Los Angeles issued a local coastal development permit (CDP) with conditions on May 19, 2021 for the demolition of two single-family homes (1,112 square feet and 576 square feet) on an approximately 5,200 square foot lot and construction of a two-story, 3,254 square foot single-family home with three parking spaces, a roof deck, and a 581 square foot attached accessory dwelling unit. The City's notice of final local action was received by the Commission's South Coast office on June 24, 2021, and the Commission's twenty working-day appeal period was established. One appeal was received on the last day of the Commission's appeal period, July 23, 2021.

The appellant, Citizens Preserving Venice (represented by Robin Rudisill), generally contends that the City-approved project sets an adverse precedent for loss of multi-family housing to large, higher-cost single-family homes (even when supplemented with an ADU) thereby contributing to a cumulative loss of residential density, more affordable housing, and pedestrian-scale development. More specifically, the appellant argues that the City-approved project is: (a) not in conformance with the density designation defined in Venice LUP Policy I.A.7 or the multi-family residential protections in Policy I.A.5 because an ADU is not equivalent to a full residential unit, and (b) inconsistent with Coastal Act Sections 30250, 30251, and 30253 and LUP Policy I.E.1 because it will have a negative cumulative effect on the character of the area due to the loss of multi-family housing and the incompatibility of the project with the mass, scale, and character of the area. Thus, the appellant asserts that the City's action would prejudice its ability to prepare a Local Coastal Program that is in compliance with Chapter 3 of the Coastal Act. In addition, the appellant claims that the City failed to make or made inadequate findings regarding the project's consistency with Coastal Act Section 30253(e), which protects the character of special coastal communities like Venice, with Coastal Act Section 30251, which protects the visual character of coastal areas, with Venice LUP Policy I.E.1, which protects Venice's social diversity, and with Chapter 3 of the Coastal Act, generally, with respect to cumulative impacts.

While staff concurs with the City that the approved development—as designed to be consistent with height and setback requirements, articulated, and landscaped—is visually compatible with the variety of architectural styles and ages of the one- and twostory residences on the subject block, the appellant raises significant questions as to the project's consistency with the community character protection policies in the certified LUP and Coastal Act and the Coastal Act requirement to locate new development in areas able to accommodate it (Section 30250), especially as they relate to the multi-family residential character of the area. In addition, staff agrees that the City did not make adequate community character or cumulative impact findings. Further, staff believes that the City's findings that a single-family residence with an ADU is equivalent to a duplex will set an adverse precedent that could result in loss of residential density and prejudice the City's adoption of an LCP that conforms with Chapter 3.

Thus, Commission staff believes that there is a substantial issue with respect to the grounds on which the appeal was filed and the project's consistency with Chapter 3 of the Coastal Act, and recommends that the Commission, after public hearing, determine that a **substantial issue exists**. The motion and resolution to carry out the staff recommendation is on Page 4 of this report.

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EXHIBITS

- Exhibit 1 Vicinity Map and Project Site
- Exhibit 2 Appeal
- Exhibit 3 City of Los Angeles Director's Determination
- Exhibit 4 City-Approved Project Plans
- Exhibit 5 Applicant's Streetscape Analysis

I. MOTION AND RESOLUTION – SUBSTANTIAL ISSUE

Motion: I move that the Commission determine that Appeal No. A-5-VEN-21-0052 raises **NO SUBSTANTIAL ISSUE** with respect to the grounds on which the appeal has been filed under Section 30602 of the Coastal Act.

Staff recommends a **NO** vote. Following the staff recommendation on this motion will result in the Commission proceeding to conduct a de novo review of the application, and adoption of the following resolution and findings. Conversely, passage of this motion will result in a finding of No Substantial Issue, and the local action will become final and effective. The motion passes only by an affirmative vote of the majority of the appointed Commissioners present.

Resolution: The Commission hereby finds that Appeal No. A-5-VEN-21-0052 presents a **SUBSTANTIAL ISSUE** with respect to the grounds on which the appeal has been filed under Section 30602 of the Coastal Act regarding consistency with Chapter 3 policies of the Coastal Act.

II. APPELLANT'S CONTENTIONS

On July 23, 2021, within 20 working days of receipt of notice of final local decision, Citizens Preserving Venice (represented by Robin Rudisill) filed an appeal of Local CDP No. DIR-2019-5257-CDP-MEL (**Exhibit 2**), which included the following contentions:

- 1. The project is not in conformance with the community density defined in Venice LUP Policy I.A.7 or the multi-family residential protections in Policy I.A.5 and would, thus, prejudice the ability of the City to prepare a Local Coastal Program that is in compliance with Chapter 3 of the Coastal Act.
- 2. The project is inconsistent with Coastal Act Sections 30250, 30251, and 30253 because it will have a negative cumulative effect on the character of the area due to the loss of multi-family housing and the incompatibility of the project with the mass, scale, and character of the area.
- 3. The City failed to make or made inadequate findings regarding the project's consistency with Coastal Act Section 30253(e), which protects the character of special coastal communities like Venice, with Coastal Act 30251, which protects the visual character of coastal areas, with Venice LUP Policy I.E.1, which protects Venice's social diversity, and with Chapter 3 of the Coastal Act, generally, with respect to cumulative impacts.

III. LOCAL GOVERNMENT ACTION

The City held a public hearing for the local CDP on November 2, 2020. The following three community members provided comments at the hearing: Sue Kaplan on behalf of Citizens Preserving Venice (opposed), Robin Rudisill (opposed), and Ollie (in support). Concerns raised during this hearing included that the project would result in cumulative impacts to the multifamily character of the neighborhood, that a single-family residence is not allowed at this site per the certified LUP, that ADUs are intended to supplement allowed density and do not mitigate for the loss of a full housing unit, and that the loss of

multi-family residential units will result in a cumulative impact. The individual in support of the project suggested that only two individuals have lived onsite in the last 20 years and that the site is a nuisance. In addition, Robin Rudisill on behalf of Citizens Preserving Venice submitted an email in opposition to the project, contending that the project would reduce density in the area because a JADU does not adequately replace the density from the demolition of a single-family dwelling and that the proposed project would change the multifamily character of the neighborhood, prejudice the ability of the City to prepare a Local Coastal Program, reduce affordable housing, and have a negative cumulative impact.

On May 19, 2021, the City of Los Angeles Director of Planning issued the local CDP No. DIR-2019-5257-CDP-MEL (**Exhibit 3**). The local CDP approved the demolition of two single-family dwellings and the construction of a new two-story, 3,254 square-foot single-family dwelling with an attached two-car garage, roof deck and a 581 square-foot ADU with three parking spaces. The Planning Director's approval was not appealed.

On June 24, 2021, the Commission received the City's Notice of Final Action (NOFA) for the project and opened the Commission's 20 working-day appeal period. On July 23, 2021, the above-mentioned appeal was received. No other appeals were received prior to the end of the Commission's appeal period on July 23, 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 Sections 30604, 30620 and 30620.5, establish procedures for the filing, processing, review, modification, approval or denial of a coastal development permit. Pursuant to this provision, the City of Los Angeles developed a permit program in 1978 to exercise its option to issue local 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 Coastal Act. [Cal. Pub. Res. Code §§ 30200 and 30604.]

After a final local action on a City 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 City decision to the Coastal Commission. [Cal. Pub. Res. Code § 30602.] As provided under section 13318 of Title 14 of the California Code of Regulations, the appellant must comply with the procedures for filing an appeal as required under section 13111 of Title 14 of the California Code of Regulations, including the specific grounds for appeal and a summary of the significant question raised by the appeal.

The action currently before the Commission is to find whether there is a "substantial issue" or "no substantial issue" raised by the appeal of the local approval of the

proposed project. Sections 30621 and 30625(b)(1) of the Coastal Act, and Section 13321 of the Commission's regulations, require a de novo hearing of the appealed project unless the Commission determines that no substantial issue exists as to the project's conformity with Chapter 3 of the Coastal Act.

Commission staff recommends a finding of **substantial issue**. If the Commission decides that the appellant's contentions raise no substantial issue as to conformity with Chapter 3 of the Coastal Act, the action of the local government becomes final. Alternatively, if the Commission finds that a substantial issue exists with respect to the conformity of the action of the local government with the Chapter 3 policies of the Coastal Act, the Commission 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.

If there is no motion from the Commission to find no substantial issue, it will be presumed that the appeal raises a substantial issue, and the Commission will schedule the de novo phase of the public hearing on the merits of the application at a future Commission hearing. 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.

If the Commission decides to hear arguments and vote on the substantial issue question, those who are qualified to testify at the hearing as provided by Section 13117 of Title 14 of the California Code of Regulations, 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, 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 AREA

Within the areas specified in 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 also obtain a second (or "dual") CDP from the Coastal Commission. For projects located inland of the areas identified in Section 30601 (i.e, projects in the Single Permit Jurisdiction), the City of Los Angeles local coastal development permit is the only CDP required. The subject project site on appeal herein is located within the Single Permit Jurisdiction Area. Therefore, the applicant is not required to obtain a second, or "dual", CDP from the Commission for the proposed development.

VI. FINDINGS AND DECLARATIONS

A. PROJECT LOCATION AND DESCRIPTION

The subject property is an approximately 5,200 square foot lot located a little over onehalf mile inland of the beach in the Oakwood subarea of Venice at 628 Santa Clara Avenue (**Exhibit 1**). Oakwood, a geographically distinct area restricted by covenant as the only area in Venice where African Americans could own property and settled by many of Abbot Kinney's employees in the early 1900s¹, has changed significantly since that time and is currently characterized by one-story and two-story multi-family and single-family homes of varying sizes and architectural styles. The project site is designated as Low Medium II Residential by the Venice LUP and zoned Restricted Density Multiple Dwelling (RD1.5-1) by the Los Angeles Municipal Code.

The City approved a local CDP authorizing the demolition of two single-family homes (1,112 square feet and 576 square feet) on an approximately 5,200 square foot lot and construction of a two-story, 3,254 square foot single-family home with three parking spaces, a roof deck, and a 581 square foot attached accessory dwelling unit (**Exhibit 4**). The ADU is designed as a studio and is located on the first floor of the structure, adjacent to the attached garage and separated from the first floor of the single-family residence by an approximately 20- to 40-foot breezeway that, as approved, would contain a pool, spa, and patios. The two onsite vehicle parking spaces for the single-family residence and one space for the ADU accommodated by the two-car garage and tandem driveway space will be accessed through the rear alley on Santa Clara Court. The provided front yard setback (fronting Santa Clara Avenue) is 15 feet wide, the side yard setbacks and rear yard setback and there is a breezeway on the ground level. The City-approved project observes all setback and height requirements of both the City of Los Angeles uncertified Zoning Code and the certified Venice LUP.

B. FACTORS TO BE CONSIDERED IN SUBSTANTIAL ISSUE ANALYSIS

When determining whether an appeal raises a "substantial issue," section 13115(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 only local issues as opposed to those of regional or statewide significance.

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

¹ Lost Amusement Parks (westland.net); <u>A Tale of Two Venices: Before There Was Dogtown, There Was Oakwood - Knock LA (knock-la.com); A Trip Through Oakwood (Venice, CA) (1988) (savevenice.ca)</u>

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

C. SUBSTANTIAL ISSUE ANALYSIS

As stated in Section IV of this report, the grounds for an appeal of a CDP issued by the local government prior to certification of its LCP is whether the project conforms to 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 grounds for this appeal focus primarily on the proposed project's consistency with Sections 30250, 30251, and 30253 of the Coastal Act because the appellant alleges that the City's action to approve a single-family residence with an attached ADU adversely impacts the multi-family character and residential density of the Oakwood area.

Section 30250(a) of the Coastal Act states, in 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...

Section 30251 of the Coastal Act states, in 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 be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas...

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

New development shall...

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

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

Venice's unique social and architectural diversity should be protected as a Special Coastal Community pursuant to Chapter 3 of the California Coastal Act of 1976.

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

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

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

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

Venice LUP Policy I.A.5 Preserve and Protect Stable Multi-Family Neighborhoods, states:

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

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

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

...Oakwood, Millwood, Southeast and North Venice

Use: Duplexes and multi-family structures.

Density: One unit per 1,500-2,000 square feet of lot area. Lots smaller than 4,000 square feet are limited to a maximum density of two units. Replacement Units/Bonus Density: Lots greater than 4,000 square feet can add extra density at the rate of one unit for each 1,500 square feet of lot area in excess of 4,000 square feet on parcels zoned RD1.5...

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

Height: Oakwood, Milwood, and Southeast Venice: Not to exceed 25 feet for buildings with flat roofs; or 30 feet for buildings utilizing a stepped back or varied roofline. The portion that exceeds 25 feet in height shall be set back from the required front yard one foot for every foot in height above 25 feet. Structures located along walk streets are limited to a maximum of 28 feet. (See LUP Policy I.A.1 and LUP Height Exhibits 13-16).

Section 30250 of the Coastal Act requires the concentration of new development in existing developed areas able to accommodate it, which supports other Chapter 3 policies by reducing vehicle miles traveled, preserving open spaces that might otherwise be developed, and providing more opportunities for people to live near places they work and recreate. Thus, in general, the Coastal Act policies support maintaining housing density in existing developed areas that are able to accommodate it. Coastal Act Sections 30253(e) and 30251, together, require the protection of the unique characteristics—visual and otherwise—that make coastal communities like Venice popular destinations.

The Commission has previously found that Venice's unique social and architectural diversity should be protected as a Special Coastal Community. When the Commission certified the Venice LUP in 2001, it considered the potential impacts that development could have on community character, and, in order to protect community character and minimize impacts to coastal resources, the Venice LUP includes building restrictions and density limits specific to individual areas and subareas of Venice. It is appropriate to use the certified LUP policies as guidance in determining whether the project is consistent with sections 30250, 30251, and 30253 of the Coastal Act.

Residential Density

The Venice LUP includes several policies that are relevant to the subject Cityapproved project and related appeal. The building restrictions and density limits at the subject site are defined by LUP Policy I.A.7, which describes the uses allowed on properties with the Low Medium II Density designation: duplexes and multifamily residences. The existing two residences on the subject lot are consistent with this designation. The appellant contends that converting the use of the site to a single-family residence with an ADU (especially a small ADU) is not equivalent to a duplex, as stated by the City in its adopted findings, because there is no assurance or requirement that the unit be rented out. The appellant also points out that this loss in density is inconsistent with LUP Policy I.A.5, which preserves and protects multi-family residences in areas able to accommodate them, with Coastal Act Section 30250, which requires development occur in areas able to accommodate them, and with Section 30253, which protects the character of special communities, including the multi-family character of the Oakwood subarea of Venice.

In its streetscape analysis, the applicant states that, of 40 properties in the project vicinity, five are multi-family; the appellant states that 55% of the residences on the subject block are multi-family. Other than finding that the inclusion of an ADU with the proposed single-family residence is consistent with a typical multi-family structure, the City did not include information (like the number of structures in the area that are single- or multi-family) or findings regarding the relationship between residential density and community character. Based on the County's Assessor data included in the City's property information database², which does not always represent what exists on the ground, of the 38 other properties on the subject block, nearly 60% are multi-family.

Therefore, the City-approved project and associated findings raise a substantial issue on the grounds on which the appeal has been filed: that the City's determination regarding the character of the area did not adequately address the area's residential density and the development's consistency with the designated multi-family character of the area.

Mass and Scale

LUP Policies I.E.2, I.E.3 and Coastal Act Section 30251 require development to maintain existing neighborhood scale, massing, landscape, and character and be visually compatible with the character of the area. The appellant contends that the City-approved residential structure (including the 3,254 square foot single-family residence, 320 square foot garage, and 581 square foot ADU) is two times larger than the average size of the structures on the block and that the size of the ADU is significantly less than the approximately 1,000 square foot average size of the multi-family units in the area. Based on the City's Assessor data, which, again, may have some discrepancies, the average size of the buildings on the block is

² <u>ZIMAS (lacity.org)</u> (accessed 8/16/2021). This database is provided by the City of Los Angeles Department of City Planning and includes information from other local, state, and federal information. Due to the dynamic nature of the data and the reliance on information from other sources, the City does not guarantee the accuracy of the data. Additionally, there may be discrepancies in how the City data are defined and measured as compared to how the Commission approaches such data.

approximately 1,945 square feet. Eleven of the buildings on the block are over 3,000 square feet; however, these include an approximately 13,200 square foot 17-unit apartment building and other multi-family residences. In addition, it appears (from Google Maps and ZIMAS, respectively) that 22 or 23 of the 38 residences on the block, or approximately 60%, are composed of multiple structures. Thus, the City-approved development may be out of character with the size and mass of the other residences on the block.

The City-approved plans suggest that the front and side yard setbacks (15 and four feet, respectively) are consistent with the City's uncertified Zoning Code requirements. The approximately 24-foot, seven-inch height of the flat roofed residence is consistent with the LUP's height requirements. Regarding landscaping, the development would involve the removal of two existing trees and a planted area and installation of a new planter box and multiple green roof areas. The first level appears to maintain the multi-structure pattern on the block, with a breezeway between the first level of the single-family residence and the one-story ADU and garage, which reduces the structure's massing. The second level spans approximately 87.5 feet total, or approximately 80% of the lot length, but is designed as two living areas-the front segment is approximately 55 feet long, the rear segment is approximately 20 feet long-connected by an approximately eightfoot wide, nine-foot long hallway over the breezeway below. The entire second level is associated with the single-family residence. As depicted in the site plans and rendering, the new building is to be articulated and stepped back in multiple locations to minimize the massing as seen from the street.

This design, while architecturally different from others on the street, appears to be compatible with the variety of architectural styles and ages of the one- and twostory residences on the block, including the two-story structures on either side and across from the project site. In addition, the development's approved landscaping and green rooftops are consistent with the lush landscaping of the immediately surrounding residences and the relatively green tree-lined street. Thus, the appellant's contention that the City-approved project is not visually compatible, from an architectural standpoint, with the surrounding area does not raise a substantial issue as to the project's consistency with Section 30251 of the Coastal Act.

Cumulative Community Character

Section 30105.5 of the Coastal Act states:

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

To evaluate the potential cumulative impacts of the City-approved residence, the incremental effects of the proposed development on community character, mass, and scale are considered in connection with the effects of the past, current, and probable future projects within the subject area. In this case, while the City found that the development was compatible with the neighborhood's character given its architectural elements (second level step-backs and compatibility with the eclectic neighborhood), as

asserted by the appellant, it failed to make findings regarding the project's cumulative effects on community character.

As previously stated, the City did not make adequate findings regarding the character of the area in terms of residential density; thus, the cumulative impacts of changes in that character were also not made. The applicant's streetscape analysis (**Exhibit 5**) states that of approximately 40 properties in the project vicinity, five are multi-family. However, LA ZIMAS, which is a public-facing zoning and mapping tool created and maintained by the City's Planning Department, indicates that nearly 60% of the properties on the block (amounting to 22 residential structures) are multi-family. Thus, there is a significant discrepancy between the information presented by the applicant and reported by the City. While it's not always possible to get data that is 100% accurate, it is important to use the best available data when conducting a cumulative effects analysis. As such, the data presented by the applicant and reported by the City must be reconciled in a manner that aligns the information as closely as possible in order for a cumulative effects analysis to be adequate.

Oakwood was a historically working-class neighborhood that was majority Black in the early 1900s, transitioned to majority Latinx in the 1960s and 1970s as Mexican American and immigrant communities were displaced from other areas during the construction of the freeway systems, and then to majority white in the 1980s following gang injunctions³. Relative income levels of Oakwood residents also increased over time⁴. The appellant argues that the City's action sets an adverse precedent of replacing more affordable multi-family residences in this area with large, higher-cost residences thereby reducing housing stock (including more affordable housing) and disrupting the social diversity of Venice, which is protected as a unique characteristic that makes it a popular coastal destination (LUP Policy I.E.1 and Coastal Act Section 30253(e)). The City's determination did not include an analysis of the project's potential impacts on the social diversity of Venice.

Furthermore, the applicant's streetscape analysis also states that approximately twothirds of the properties in the project vicinity are modern. The City does not address whether this proportion of modern structures has been the cumulative result of project approvals like the subject development. Nor does the City address the cumulative effects of the proposed increase in size on the social or architectural character of the area, which is asserted by the appellant as being out of scale with the surrounding development. This project site is in the Single Permit Jurisdiction Area of the City of Los Angeles, so development in the area within the last approximately eight years (beginning when the Commission stopped issuing waivers for housing projects) has been permitted by the City rather than by the Commission. However, there are a handful of projects on Santa Clara Avenue that were approved by the Commission after the Venice LUP was certified, including new residential units on existing lots, additions to residences, and, in one case, the loss of a residential unit, each of which resulted in

³ Deener, A. (2012). Venice: A contested bohemia in Los Angeles. University of Chicago Press.

⁴ Los Angeles, California (CA) income map, earnings map, and wages data (city-data.com) (accessed 8/16/2021): compares relative income data from 2000 and 2019 and shows large increases in census block groups in Oakwood.

an expansion of the building area onsite⁵. Projects approved by the City may reflect a similar trend. There are no findings in the City's final determination regarding whether this increase in structure size has had an impact on the community character of the area.

Thus, the City-approved project and associated findings raise a substantial issue on the grounds on which the appeal has been filed

Prejudice to City's Preparation of an LCP that Conforms to Chapter 3

The Venice LUP was certified by the Coastal Commission on June 14, 2001, but implementing ordinances have not been adopted. The City is currently working to adopt an updated LUP for Venice and Implementation Plan and subsequently obtain a fully certified LCP. Under Section 30604(a) of the Coastal Act, a local government's approval of a CDP must include findings that the project conforms with Chapter 3 of the Coastal Act and that the "permitted development will not prejudice the ability of the local government to prepare a local coastal program that is in conformity with Chapter 3."

While the City provided a community character analysis, that analysis failed to address the aspects of the community character, including social diversity, that would be affected by the subject development. In its determination (**Exhibit 3**), the City repetitively found that a single-family residence with an ADU is a duplex and that there is no loss in density.⁶ The Commission, on the other hand, has repetitively made findings recently that ADUs are not functionally equivalent to a full residential unit⁷ because an ADU is not independent of the single-family residence, but rather is accessory to and reliant on it for utilities and similar integral functions, and there are no conditions or means of enforcing that the accessory unit be occupied by a second family. Therefore, the City-approved project raises a substantial issue on the grounds on which the appeal has been filed and could prejudice the City's ability to prepare an LCP in the future.

SUBSTANTIAL ISSUE FACTORS

The Commission shall hear an appeal if 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 will be guided by the factors listed in the previous section of this report.

 The first factor is 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. While the City found that the project would be consistent with the community character of the area and with Sections 30250, 30251, and 30253 of the Coastal Act because it is stepped back from the street and replaces two residential units with two residential units, for the reasons

⁵ 5-02-079-W (+4,837 sf. on vacant lot); 5-03-115-W (+1 3,138 sf. residence); 5-03-331-W (+2,270 sf.); 5-09-218-W (+ 62 sf. and -1 residential unit); 5-15-0834 (+4,335 sf.); A-5-VEN-16-0033 (+1,168 sf.)
⁶ Page 2, Condition 3; Page 6, second bullet point; Page 7, second and third bullet points and last sentence; and Page 9, third paragraph; Page 11, last full paragraph

⁷ Relevant CDP appeals/applications include, but are not limited to: A-5-VEN-18-0049, A-5-VEN-20-0037, A-5-VEN-20-0039, 5-20-0223, 5-20-0530, 5-20-0595, 5-20-0650

described above, the City's community character analysis did not have adequate support for such a determination. In addition, the City found that a single-family residence with an ADU is equivalent to a duplex. Staff does not agree with that assertion because, in part, it is not required to be rented and, thus, there is no assurance that the ADU will be used by a second family. Therefore, staff believes the project, as approved by the City, would prejudice the City's ability to prepare an LCP that conforms with Chapter 3 of the Coastal Act. Hence, the Commission finds that the City did not provide an adequate degree of factual and legal support for its decision.

- 2. The second factor is the extent and scope of the development as approved or denied by the local government. The City-approved development will demolish two single-family residences on one lot and replace it with one new single-family residence with an ADU in a highly developed area. The subject site, while designated for multi-family development, is surrounded by other residential properties about half of which are two-story, modern, single-family residences like the subject development approved by the City. In addition, the structure is consistent with height and setback requirements, includes landscaping, and is articulated and stepped back on the second level to reduce the perceived massing. However, the ADU is not independent of the single-family residence, and there is no assurance that it would be occupied by a second family for the life of the development; thus, it would effectively result in the loss of a full residential unit and would not be consistent with Coastal Act Sections 30250 and 30253 because density would not be maintained in areas able to accommodate it, and the project could contribute to cumulative increases in housing costs. thereby, changing the socioeconomic diversity that is protected by the Venice LUP and Coastal Act Section 30253. It is also unclear whether the cumulative effects of the increase in size of the structure(s) onsite are affecting the character of the area. Therefore, the Commission cannot find that the extent and scope of the City-approved development is consistent with the Chapter 3 policies of the Coastal Act.
- 3. The third factor is the significance of the coastal resources affected by the decision. Venice's unique community character is a significant coastal resource. In addition, the Oakwood subarea—one of the only historically Black coastal communities in California⁸—contributes to that unique character, especially the social diversity of Venice that is protected in the certified LUP. Without the City's cumulative impacts analysis, it is unclear if projects like the City-approved development are changing the racial, ethnic, and income diversity that the certified LUP aims to protect. Therefore, the Commission finds that the City-approved development may have a significant impact on coastal resources, inconsistent with Sections 30250, 30251, and 30253.
- 4. The fourth factor is the **precedential value of the local government's decision** for future interpretations of its LCP. The City does not currently have a certified

⁸ University of Virginia Racial Dot Map, <u>https://demographics.coopercenter.org/racial-dot-map/</u>

LCP, but it does have a certified LUP. The Commission relies on the certified LUP for Venice as guidance when reviewing appeals and approving projects because the LUP was certified by the Commission as consistent with Chapter 3 of the Coastal Act. The City-approved project is not consistent with the use designation for this area (LUP Policy I.A.7) and raises guestions as to the consistency of the City's action with the community character protection policies of the certified LUP and Coastal Act. In addition, the City's community character findings are inadequate for a number of reasons, including that the cumulative effects of the development, which could be significant, were not analyzed. Furthermore, the City's claim that a single-family residence with an ADU is equivalent to a duplex could set an adverse precedent potentially resulting in significant loss of housing stock in urban areas where such density can be accommodated without significant coastal resource impacts. Thus, the project, as approved, raises a substantial issue as to its consistency with the certified LUP, and by extension, the Chapter 3 policies of the Coastal Act, as set forth above. Therefore, the Commission finds that the City-approved development will have a significant adverse impact on future interpretations of its LUP.

5. The final factor is whether the appeal raises local issues, or those of regional or statewide significance. Venice has been identified as a special coastal community and is a visitor destination for those from around the state, nation, and world; and, as such, is a coastal resource beyond the local community. The City's findings did not adequately analyze the impacts of the approved development on this unique community character. Therefore, the Commission finds that the City-approved CDP does raise issues of statewide significance.

Conclusion

Applying the five factors listed above clarifies that, on balance, the appeal raises a "substantial issue" with respect to the project's consistency with Chapter 3 of the Coastal Act. There is sufficient support that the project is inconsistent with the Chapter 3 policies and, by extension, the Venice LUP with respect to compatibility with community character. The decision is likely to set an adverse precedent for future interpretations of the Venice LUP or the Coastal Act and prejudice their ability to prepare an LCP in the future. Therefore, staff recommends that the Commission find that the appeal raises a substantial issue as to the project's conformity with the Chapter 3 policies of the Coastal Act.