CALIFORNIA COASTAL COMMISSION South Coast District Office 301 E Ocean Blvd., Suite 300 Long Beach, CA 90802-4302 (562) 590-5071





LCP-5-LGB-20-0053-1 (HISTORIC PRESERVATION) FEBRUARY 10, 2022

ATTACHMENTS & EXHIBITS

Table of Contents

Attachment A – Suggested Modifications

Exhibit 1 – City Council Resolution No. 20.055 Exhibit 2 – City Ordinance No. 1650 (Final Language Adopted by City) Exhibit 3 – Strikethrough/Insert Version of Proposed Changes to LCP

MODIFICATIONS SUGGSTED BY COASTAL COMMISSION STAFF

Certification of the LCP Amendment is subject to the following modifications. Text added to the City's proposed zoning code by the suggested modification is **<u>bold and</u>** <u>**double-underlined**</u>, and text suggested to be deleted is **<u>struck through twice and in</u>** <u>**bold**</u>. Only those subsections of the LCP Amendment for which modifications are being suggested are shown below.

SUGGESTED MODIFICATION NO. 1

Land Use Element, Land Use Element Glossary, Definition No. 16, Page A-3, modify as shown below:

16. Buildings with "Special Qualities" -Buildings that have broad recognition in the community and may have one or more of the following "special qualities":
1) definitive architectural features or character; 2) listed on the City's historic inventory or register; 3) designed by a renowned architect; and 4) previously occupied by a renowned Laguna resident.

SUGGESTED MODIFICATION NO. 2

Land Use Element, Land Use Element Glossary, Definition No. 59 and 60, Page A-3, modify as shown below:

- 59. Historic Preservation -The preservation of historically significant structures in order to facilitate restoration and rehabilitation of such structure(s) to a former condition. Destruction or alteration of properties with historic significance, as identified in the City's **historic resources inventory or** historic register, should be avoided whenever possible. Special preservation consideration should also be given to any structure over 45 years old.
- 60. Historically Significant Buildings and their settings, improvements, structures, objects, monuments, sites, places and areas within the City that reflect special elements of the City's architectural, artistic, cultural, engineering, aesthetic, historical, political, social and other heritage and/or character. <u>Further clarification is provided in Municipal Code Chapter</u> <u>25.45 (Historic Preservation).</u>

SUGGESTED MODIFICATION NO. 3

Land Use Element, Section 7 (Goals, Policies, Actions and Implementation Program), renumber policies and actions as appropriate.

SUGGESTED MODIFICATION NO. 4

Title 25 (Municipal Code), Chapter 25.17 (Second Residential Units), Section 25.17.030(O), modify as shown below:

• • •

Coastal Commission Attachment A Page 1 of 8 (O)<u>New</u>Second residential units shall not be attached to any historic structure listed on the Historic Inventory or Register.

SUGGESTED MODIFICATION NO. 5

Title 25 (Municipal Code), Chapter 25.18 (Local Business – Professional Zone), Section 25.18.002(O), modify as shown below:

• • •

(O) Residential uses (excluding time-share uses) subject to the following standards:

(1) There shall be at least two thousand square feet of lot area for each dwelling unit; however, historically significant houses which appear on the **city's historical resource inventory as an E exceptional or K key rated structure**-**city's historic register** may add residential units at a density of one unit per one thousand square feet of lot area, provided the **E and K rated** structure is preserved. Residential density credit for historically significant buildings shall be based on the lot size on which the structure is located, and shall not include adjoining parcels or lots under the same ownership; these Residential density credits shall not apply if the historically significant building is demolished.

(2) The allowable number of dwellings units shall be reduced by one dwelling unit for each one thousand square feet (or fraction thereof) of commercial floor area contained within a building...

SUGGESTED MODIFICATION NO. 6

Title 25 (Municipal Code), Chapter 25.45 (Historic Preservation), proposed Section 25.45.004, modify as shown below:

25.45.004 Definitions.

Unless specifically defined below, words or phrases used in this chapter shall be interpreted so as to give them the meaning they have in common usage and to give this chapter its most reasonable application.

"Demolition" means any act which removes existing exterior walls, cladding and or roof framing. Demolition for purposes of this chapter does not include activities that constitute a "Major Remodel" as defined in Section 25.08.24 of this title.

•••

"Historic resource" means a property or structure that (1) is listed on the City's historic register, (2) is listed on the California Register of Historical Resources, (3) has been officially determined to be eligible for the California Register of Historical Resources by the State Historical Resource Commission, (4) is listed

Coastal Commission Attachment A Page 2 of 8 on the National Register of Historic Places, (5) has been officially determined to be eligible for the National Register of Historic Places by the National Park Service, or (6) the City is mandated by law to treat as a historic resource based on substantial evidence in light of the whole record. **Generally, a resource shall be considered to be "historically significant" if the resource meets the criteria for listing on the California Register of Historical Resources.**

SUGGESTED MODIFICATION NO. 7

Title 25 (Municipal Code), Chapter 25.45 (Historic Preservation), proposed Section 25.45.006, modify as shown below:

25.45.006 Historic Register Designation, Criteria and Procedures and Removal from Register.

• • •

(C) Criteria for Historic Register Listing. Upon submittal of an application by the property owner(s), a building, grouping of buildings, structure, site, object, or district shall be considered for designation by the Heritage Committee if it meets criteria (1) and also one or more of criteria (2) through (11):

(1) The owner of the property voluntarily agrees to the placement on the register;

(2) It is listed on the National Register or the State Register;

(3) It exemplifies the cultural, political, economic, social or historical heritage of the community;

(4) It is identified with a person, events, culture or site significant in local, state or national history;

(5) It is representative of the work of a notable builder, designer, architect, or artist including those of local importance;

(6) It embodies distinguishing architectural characteristics of a style, type, period or method of construction that exemplify a particular architectural style or way of life important to the City;

(7) It embodies elements that represent a significant structural, engineering, or architectural achievement or innovation;

(8) It has a unique location, a singular physical characteristic, or is an iconic visual feature or public view point within the City;

(9) Is one of the remaining examples in the City, region, state or nation possessing distinguishing characteristics of architectural, cultural or historical importance;

(10) Is an iconic landscape, garden, space or public view point that is significant to the history and heritage of the City; or

(11) Has yielded, or has the potential to yield, information important to the prehistory or history of the local area, California, or the nation.

Coastal Commission Attachment A Page 3 of 8 (D) Findings of the Heritage Committee. Upon review of the application and any supporting material, the Heritage Committee shall adopt findings that the registered property does or does not meet **the both** criteria (1) and (2) above, as well as one or more of criteria (23) through (11) of subsection (C) above.

(E) Removal from the Historic Register. Removal from the register can be initiated by the property owner or by the City. An historic resource assessment may be requested as part of the application and will be paid for by the applicant. After the appropriate environmental review, pursuant to the California Environmental Quality Act (CEQA), the decision to remove a resource from the register shall be considered at a public hearing by the City Council following a recommendation from the Heritage Committee, which shall be considered by the City Council during its deliberation regarding the proposed removal.

(F) Repayment or Restoration of Benefits/Incentives. In considering a request for removal from the register, the City Council shall take into consideration repayment or restoration of any utilized benefits/incentives as set forth in Section 25.45.008 of this chapter when (a) the property owner or the City initiates a request to remove the historic resource from the register; or (b) anytime unauthorized modifications to a historic resource on the register are made, including demolition and partial demolition of an historic resource. Additional penalties for unauthorized demolition are also specified in Section 25.45.022 of this chapter. Filing fees for removal of a resource from the register shall be determined by resolution of the City Council.

SUGGESTED MODIFICATION NO. 8

Title 25 (Municipal Code), Chapter 25.45 (Historic Preservation), proposed Section 25.45.008, modify as shown below:

25.45.006<u>8</u> Historic register preservation incentives. Incentives to Properties on the <u>City's Historic Register.</u>

• • •

(E) Setback Flexibility. Additions to historic structures resources on the register shall be allowed to maintain setbacks up to the line of existing encroachments.[‡] Additionally, rear yard setback relief for new structures or additions to existing resources on the register that are proposed to be constructed within five feet of a rear property line may be approved subject to design review. However, additions to structures or new structures must comply with oceanfront and/or oceanfront bluff edge setbacks provided, that all setbacks as required by the Uniform Building Code and shall be evaluated to ascertain potential negative impacts on natural resources and ESHA and to address those impacts with appropriate setbacks. are maintained for new construction.

(F) Rear Yard Setback Relief. Rear yard setback relief for new structures or additions to existing resource on the register that are proposed to be constructed within five feet of a rear property line may be approved, subject

> Coastal Commission Attachment A Page 4 of 8

to design review. New improvements may not encreach into a blufftop setback.

...

SUGGESTED MODIFICATION NO. 9

Title 25 (Municipal Code), Chapter 25.45 (Historic Preservation), proposed Section 25.45.008, modify as shown below:

25.45.006 Historic register preservation incentives.8 Incentives to Properties on the City's Historic Register.

. . .

(I) Open Space Requirements. Properties that do not currently provide the required open space area (as required by LBMC 25.50.010) may be enlarged or expanded without providing the required open space if it is determined that the proposed alterations will not diminish or detract from the historic significance of the original resource.

...

SUGGESTED MODIFICATION NO. 10

Title 25 (Municipal Code), Chapter 25.45 (Historic Preservation), proposed Section 25.45.008, modify as shown below:

25.45.006 Historic register preservation incentives.<u>8 Incentives to Properties on the City's Historic Register.</u>

• • •

(K) Priority Processing. Properties shall receive priority building and planning/zoning division plan check processing. This incentive does not need to be included in any public notice **public notice** for the request.

(<u>L</u>H) Financial Incentives/<u>Mills Act</u>. Owners of properties rated "K" or "E" on the historic-register are eligible to apply for a Mill's Act contract. Owners of any historic property<u>resource</u> listed on the historic-register are <u>also</u> eligible to apply for any other local, state and national financial benefits, if any.

(M) Bed and Breakfast incentives. Refer to Section 25.22.050. (NI) Relief from Nonconforming Structure Requirements.

(1) Structures listed on the historic register may be allowed to add more than Additions that exceed fifty percent of the original existing squarefootage of a building may be allowed structure structure without bringing existing nonconforming building height, parking, vehicular access and setbacks (as noted in Section 25.45.008 (E) of this chapter) nonconformities into compliance if it is determined that such an

<u>chapter)</u>nonconformities into compliance if it is determined that such an addition is consistent with the SOIS and will not diminish or detract from the

Coastal Commission Attachment A Page 5 of 8 historic significance of the original structure, and if such addition is found to be compatible in scale and character with the surrounding neighborhood<u>, and if</u> <u>the additions do not increase the size or degree of non-conformities</u>. <u>Residential structures that are altered by or have additions of more than</u> <u>fifty percent shall not necessarily be eligible for shoreline and bluff</u> <u>protection</u>.

(2) <u>Owners of p</u>Properties located in multifamily zones (R-2 and R-3), where only one unit currently exists, may apply for additional units without bringing existing nonconformities into conformance, if it is determined that the additional unit(s) will not diminish or detract from the historic significance of the original structure, and if such additional unit(s) is(are) found to be compatible in scale and character with the surrounding neighborhood,<u>and if the additional</u> <u>unit(s) conforms to the current development standards of the Local</u> <u>Coastal Program.</u> Requests for this benefit shall be subject to approval by the design review board approval with recommendation of approval provided by the heritage committee.

SUGGESTED MODIFICATION NO. 11

Title 25, Chapter 25.45 (Historic Preservation), proposed Section 25.45.010, modify as shown below:

25.45.0<u>10</u>08 Procedures for the alteration of historic register structures.

(A) Review. Prior to the issuance of a building permit to remodel or alter any historic structure resource, City staff shall review the proposed changes to determine if the proposal is consistent with the design review criteria and the Secretary of the Interior's Standards (SOIS) or the City's Local Design Guidelines. Interior changes shall not be reviewed unless the changes will alter a character defining features of the historic resource or if the interior area is publicly accessible. (with the exception of minor exterior modifications), the design review board shall review the proposed changes in accordance with Chapter 25.05 of this title and find the proposal consistent with the following applicable rehabilitation guidelines. Interior changes shall not be reviewed unless the changes involve interior elements which are integral to the historical building design. Prior to design review board review of alterations to any historic structures, the heritage committee shall provide a recommendation on the proposed change(s). A structural and historical assessment of the structure to determine if proposed alterations can be accomplished without removing the identified historic character defining features of the structure shall be submitted for heritage committee and design review board consideration. Plans shall be submitted for the alteration of historic structures clearly identifying the actual historic character defining fabric (elements such as siding, windows, doors, moldings, etc.) of the structure that will be retained and/or removed.

• • •

SUGGESTED MODIFICATION NO. 12

Title 25 (Municipal Code), Chapter 25.45 (Historic Preservation), Section 25.45.022, modify as shown below:

25.45.02214 Illegal constructiondemolition Penalty for violations.

The following penalties shall be determined by the City Council after a public hearing, with a recommendation from the Heritage Committee.

(A) The removal or demolition of any structure listed on the historic register without an approved demolition permit shall result in a five-year stay in the issuance of a building permit for any new construction at the site previously occupied by the historic structure. For the purposes of this section, "demolition" means any act which removes all the existing exterior walls, cladding and roof framing, including complete destruction/removal of the historic structure.

(B) The removal or demolition of any structure listed on the historic inventory without an approved demolition permit shall result in a two-year stay in the issuance of a building permit for any new construction at the site previously occupied by the historic structure.

 (\underline{BC}) In addition to the repayment or restoration provisions of Section 25.45.00<u>6</u>4(F) of this chapter, any person who partially demolishes a structure listed on the <u>C</u>eity's historic inventory or historic register, either in whole or in part, may be subject to an administrative penalty of up to one hundred thousand dollars for each violation. The determination of the ap-plication of this provision and the amount of the penalty fee shall be determined at a public hearing by the city council upon recommendation from the heritage committee. The determination shall be based on the extent of the partial-demolition and the benefits received, including setback and parking incentives.

SUGGESTED MODIFICATION NO. 13

Section 10. South Laguna Community Design and Landscape Guidelines, Section 2 (Community Design), Subsection d(2)(b), Page 208-209, modify as shown below:

Chapter 3, Topic 8 Housing, Issue Statement and Discussions, 1. Existing Downtown Housing, Page 78, modify as shown below:

2) Architectural Guidelines

b) Beyond owners personal needs and wants, designs for all buildings should be sensitive to:

• The present time: Response to place, climate, indigenous forms, materials and colors should take precedence over formal design and stylistic predilections. The former considerations can shape a design appropriate to South Laguna without resort to overt historical influences.

Coastal Commission Attachment A Page 7 of 8 Exception: Remodeling of existing structures on historic **inventory<u>register</u>** should be done in a style and manner compatible with the structure.

SUGGESTED MODIFICATION NO. 14

Renumber policies, measures, page numbers, etc., as appropriate.

Coastal Commission Attachment A Page 8 of 8

	RESOLUTION NO. 20.055
	A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA BEACH, CALIFORNIA, ADOPTING LOCAL COASTAL PROGRAM AMENDMENT 17-0388, AND GENERAL PLAN AMENDEMENT 19-5414 REGARDING THE HISTORIC PRESERVATION PROGRAM AND AMENDMENTS TO THE CITY'S RESIDENTIAL DESIGN GUIDELINES AND CHAPTERS 25.45, 25.05, 25.17, 25.18, 25.22, 25.38, 25.54 OF THE LAGUNA BEACH MUNICIPAL CODE RELATING TO HISTORIC PRESERVATION, AND REQUESTING ITS CERTIFICATION BY THE COASTAL COMMISSION.
	WHEREAS, in 2015, the City embarked upon a process to update its Historic
Pre	servation Program ("Program"), which consists of various policies and regulations contained
in,	among other places, Chapter 25.45 of the Laguna Beach Municipal Code; and
	WHEREAS, the City has held over 30 public meetings, public hearings, workshops and
tas	k force meetings to receive input from various City boards and commissions, as well as from
me	mbers of the public regarding the update; and
	WHEREAS, on October 23, 2018, the City Council provided direction to City staf
reg	arding the desired nature of the updated Program, and directed staff to prepare the updated
Pro	ogram, and to take the steps necessary for the City Council to consider the updated Program a
a f	uture meeting; and
	.WHEREAS, the City retained VCS Environmental ("VCS") to prepare an Initial Stud
reg	garding the updated Program, specifically evaluating General Plan Amendment 19-5414
Zo	ning Ordinance Amendment 17-0289, and Local Coastal Program Amendment 17-0388; and
	WHEREAS, VCS prepared an Initial Study in accordance with the Californi
En	vironmental Quality Act and concluded that the proposed Program would not have a significant
eff	fect on the environment, and therefore recommended that a Negative Declaration be prepared
	Coastal Commission Exhibit 1 Page 1 of 3

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

and

WHEREAS, a Negative Declaration was prepared and distributed for public review from January 13, 2020 to February 12, 2020; and

WHEREAS, on February 26, 2020, the Planning Commission conducted a legally noticed public hearing and, and after reviewing and considering all documents, testimony and other evidence presented, voted to recommend that the City Council adopt the amendments to applicable provisions of the Laguna Beach General Plan, the Laguna Beach Municipal Code and the Laguna Beach Residential Design Guidelines relating to Historic Preservation, and adopt a Negative Declaration pursuant to the California Environmental Quality Act; and

WHEREAS, on July 14, 2020, the City Council conducted a legally noticed public hearing and carefully reviewed and considered the Initial Study/Negative Declaration, the comments thereon, the responses to those comments, and all documents, testimony and other evidence presented, and approved a resolution adopting the Negative Declaration; and

WHEREAS, on August 11, 2020, the City Council conducted a legally noticed public hearing and carefully reviewed and considered the Initial Study/Negative Declaration, the comments thereon, the responses to those comments, and all documents, testimony and other evidence, regarding Laguna Beach Local Coastal Program Amendment No 17-0289, General Plan Amendment 19-5414, and amendments to the Laguna Beach Residential Design Guidelines;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA BEACH DOES RESOLVE as follows:

SECTION 1. Laguna Beach Local Coastal Program Amendment No 17-0289 is hereby approved, consisting of an update to the Historic Preservation Program, amendments to the Land Use Element, the Laguna Beach Residential Design Guidelines and amendments to Chapters Coastal Commission -2- Exhibit 1 Page 2 of 3

1	25.45, 25.05, 25.17, 25.18, 25.22, 25.38, 25.54, and 7.70 of the Laguna Beach Municipal Code
2	relating to Historic Preservation. A copy of these changes and Ordinance No. 1650 adopting
3	such amendments to the Municipal Code is attached hereto as Exhibit "A" and is incorporated
4	by reference as though fully set forth herein.
5	SECTION 2. The California Coastal Commission is hereby requested to consider,
7	approve and certify Local Coastal Program Amendment 17-0388.
8	SECTION 3. Pursuant to Section 13551(b) of the Coastal Commission Regulations in
9	Title 14 of the California Code of Regulations, Laguna Beach Local Coastal Program
10	Amendment No. 17-0388 will take effect automatically upon Coastal Commission approval,
11	as provided in Public Resources Code Sections 30512, 30513, and 30519.
12	ADOPTED this 11 th day of August, 2020.
13	ADOFTED this TT ⁻ day of August, 2020.
14	- Blikal
15	ATTEST: Bob Whalen, Mayor MW
. 16	X A O O O O O
17	Lisette Chel-Walker, City Clerk
18 19	Justice olici walker, elity olerk
20	
21	I, LISETTE CHEL-WALKER, City Clerk of the City of Laguna Beach, California, do hereby certify that the foregoing Resolution No. 20.055 was duly adopted at a Regular Meeting
22	of the City Council of said City held on August 11, 2020, by the following vote:
23	AYES: COUNCILMEMBER(S): Blake, Kempf, Dicterow, Whalen
24	NOES: COUNCILMEMBER(S): Iseman
25	ABSENT: COUNCILMEMBER(S): None
26	(2)
27	City Clerk of the City of Laguna Beach, CA
28	-3- Coastal Commission Exhibit 1 Page 3 of 3

L

ORDINANCE NO. 1650

AN ORDINANCE OF THE CITY OF LAGUNA BEACH, CALIFORNIA AMENDING CHAPTERS 25.45, 25.05, 25.17, 25.18, 25.22, 25.38, 25.54, AND 7.70 OF THE LAGUNA BEACH MUNICIPAL CODE RELATING TO HISTORIC PRESERVATION

WHEREAS, in 2015, the City embarked upon a process to update its Historic Preservation Program ("Program"), which consists of various policies and regulations contained in, among other places, Chapter 25.45 of the Laguna Beach Municipal Code; and

WHEREAS, the City has held over 30 public meetings, public hearings, workshops and task force meetings to receive input from various City boards and commissions, as well as from members of the public regarding the update; and

WHEREAS, on October 23, 2018, the City Council provided direction to City staff regarding the desired nature of the updated Program, and directed staff to prepare the updated Program, and to take the steps necessary for the City Council to consider the updated Program at a future meeting; and

WHEREAS, the City retained VCS Environmental ("VCS") to prepare an Initial Study regarding the updated Program, specifically evaluating General Plan Amendment 19-5414, Zoning Ordinance Amendment 17-0289, and Local Coastal Program Amendment 17-0388; and

WHEREAS, VCS prepared an Initial Study and concluded that the proposed Program would not have a significant effect on the environment, and therefore recommended that a Negative Declaration be prepared; and

WHEREAS, the Initial Study/Negative Declaration was prepared and circulated for public comment from January 13, 2020 through February 12, 2020 and was otherwise processed in accordance with the California Environmental Quality Act ("CEQA"), Public Resources Code Section 21000 *et seq.*; and

WHEREAS, a total of five comment letters were received during that time period, and the City has provided detailed and complete written responses to the comments, as well as to additional comments

Coastal Commission Exhibit 2 Page 2 of 23

received after the close of the comment period; and

WHEREAS, the City Council has carefully considered the Initial Study/Negative Declaration, the comments thereon, and the responses to those comments; and

WHEREAS, on February 26, 2020, the Planning Commission conducted a legally noticed public hearing and, and after reviewing and considering all documents, testimony and other evidence presented, voted to recommend that the City Council adopt the amendments to applicable provisions of the Laguna Beach Municipal Code relating to Historic Preservation, and adopt a Negative Declaration pursuant to CEQA; and

WHEREAS, on July 14, 2020, the City Council conducted a legally noticed public hearing and carefully reviewed and considered all documents, testimony and other evidence presented, including the Initial Study/Negative Declaration, the comments thereon, the responses to those comments, and determined to approve a resolution adopting the Negative Declaration; and

WHEREAS, on July 14, 2020, the City Council conducted a legally noticed public hearing on Zoning Ordinance Amendment 17-0289, carefully reviewed and considered all documents, testimony and other evidence presented, and introduced the ordinance and passed it to a second reading, which was conducted on August 11, 2020;

NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF LAGUNA BEACH DOES ORDAIN, as follows:

Coastal Commission Exhibit 2 Page 3 of 23

SECTION 1: Chapter 25.45 ("Historic Preservation") of the Laguna Beach Municipal Code is hereby amended to read in its entirety as follows:

Chapter 25.45 - HISTORIC PRESERVATION

Sections:

25.45.002	Intent and purpose.
25.45.004	Definitions.
25.45.006	Historic Register Designation, Criteria and Procedures and Removal from Register
25.45.008	Incentives to Properties on the City's Historic Register
25.45.010	Procedures to modify a historic resource.
25.45.012	Historic property disclosure.
25.45.014	Procedures for demolition of a historic resource.
25.45.016	Unsafe or dangerous conditions.
25.45.018	Property owned by public agencies.
25.45.020	Property maintenance required.
25.45.022	Illegal demolition-penalty for violations.

25.45.002 Intent and purpose.

The purpose of this chapter is to promote the public health, safety, and general welfare by providing for the identification, protection, enhancement, perpetuation, and use of improvements, buildings and their settings, structures, objects, monuments, sites, places, and areas within the City that reflect special elements of the City's architectural, artistic, cultural, engineering, aesthetic, historical, political, social, and other heritage to achieve the following objectives:

(A) Safeguard the heritage of the City by encouraging the voluntary protection of historic resources representing significant elements of its history;

(B) Enhance the visual character of the City by encouraging and providing for the voluntary

Coastal Commission Exhibit 2 Page 4 of 23

preservation of those buildings that reflect unique and established architectural traditions that contribute to the older neighborhoods of the City

(C) Foster public appreciation of and civic pride in the beauty of the City and the accomplishments of its past;

(D) Strengthen the economy and improve property values of the City by protecting and enhancing the City's attraction to residents and visitors;

(E) Promote the private and public use of historic resources for the education, prosperity and general welfare of the people;

(F) Stabilize and improve property values within the City; and

(G) Achieve historic preservation through the encouragement and promotion of voluntary additions to the City's Historic Register.

(H) Recognize that the previous historic resource inventory (adopted by Ordinance No. 82.111)
 is ineffective for the purposes of creating a presumption of historicity of any property identified thereon.

25.45.004 Definitions.

Unless specifically defined below, words or phrases used in this chapter shall be interpreted so as to give them the meaning they have in common usage and to give this chapter its most reasonable application.

"Character-defining features" include the overall shape of the building, its materials, craftsmanship, decorative details and features, as well as the various aspects of its site and environment. These features capture the historic character of a building.

"Cultural landscape" means a geographic area, including both cultural and natural resources and the wildlife or domestic animals therein, associated with an historic event, activity, or person or exhibiting other cultural or aesthetic values.

"Department" means the City of Laguna Beach's Community Development Department.

Coastal Commission Exhibit 2 Page 5 of 23

"Director" means the City's director of community development, or her/his designee.

"Demolition" means any act which removes all the existing exterior walls, cladding and or roof framing. Demolition for purposes of this chapter does not include activities that constitute a Major Remodel as defined in Section 25.08.24 of this title.

"Local Design Guidelines or Style Guide" means a set of guidelines that provide recommendations for treatments of various building systems, such as windows and roofs, as well as information specific to particular architectural styles. This document will provide preferred design examples and guidelines for the alteration of historic resources. Projects which are consistent with these guidelines will typically not create an adverse impact to an historic resource.

"Historic resource assessment" means an historic building or site assessment report to evaluate whether a property meets the eligibly criteria set forth in California Public Resources Code 5024.1(c), or if a project will adversely affect an historic resource. An assessment shall be prepared by a consultant that meets the Secretary of the Interior's (SOI) professional qualifications standards, as defined in the Code of Federal Regulations, (36 CFR 61) or its successor.

"Historic context" means historical patterns that can be identified through the consideration of the history of the property and the history of the surrounding property. Historic context may also relate to an event or series of events, pattern of development, building form, architectural style, landscape, artistic value, use of materials and methods of construction, or be associated with a life of an important person.

"Historic integrity" means the ability of a property to convey its significance. Historic properties either retain integrity (that is, convey their significance) or they do not. Within the concept of integrity, the National Register criteria recognizes seven aspects or qualities that, in various combinations, define integrity. The seven aspects of integrity are location, design, setting, materials, workmanship, feeling and association.

"Historic monitor" means a professional, who meets the qualification standards contained in the Code of Federal Regulations (36 CFR Part 61), who is hired at the applicant's expense to oversee a project

Coastal Commission Exhibit 2 Page 6 of 23

to ensure that the construction and modifications to a historic resource are consistent with the Secretary of the Interior's Standards or as conditioned in the project approval.

"Historic register (or the Register)" means the City's list of properties formally designated as historic resources after an application was filed by the property owner. The current list of designated properties will be kept on file at the City Clerk's office. Properties on the California and National Register are automatically eligible for the City's historic register and are not subject to Heritage Committee review for designation.

"Historic resource" means a property or structure that (1) is listed on the City's historic register, (2) is listed on the California Register of Historical Resources, (3) has been officially determined to be eligible for the California Register of Historical Resources by the State Historical Resource Commission, (4) is listed on the National Register of Historic Places, (5) has been officially determined to be eligible for the National Register of Historic Places by the National Park Service, or (6) the City is mandated by law to treat as a historic resource based on substantial evidence in light of the whole record.

"Heritage Committee" means the committee, as established by City Council, that serves an advisory role on matters pertaining to historic preservation as specified within this chapter.

"Mills Act" means the state law set forth in Sections 50280-50290 of the California Public Resources Code, which allows cities to enter into contracts with the owners of structures on the register who may receive a reduction in property taxes. To qualify as an historic resource, a property must be listed on the register.

"Replacement In-Kind" means the replacement of a building material or finish with the exact same materials as existing, or with an historically accurate replacement.

25.45.006 Historic Register Designation, Criteria and Procedures and Removal from Register.

Coastal Commission Exhibit 2 Page 7 of 23

(A) Purpose and Intent. The purpose of the Laguna Beach historic register is to provide a means to preserve, protect and enhance historic resources within the community, including buildings, structures, sites, objects, districts and cultural or historic landscape features. All historic resources identified subsequent to the effective date of this chapter shall be added to the register pursuant to the procedures established in this chapter. Properties listed on the register may be identified on-site with an exterior marker or plaque displaying pertinent information about the property. The current list of historic resources on the register will be kept on file with the City Clerk.

(B) Designation Procedures.

(1) The property owner shall complete the application for the proposed designation as a historic resource and inclusion on the register on a form provided by the department, include all information required and file the application with the department.

(2) The Heritage Committee will review the application for designation. In its consideration of placement on the register, the Heritage Committee may request additional information and plans for any future planned changes to the structure. There shall be no application fee for placement on the register.

(3) Recordation of a written historic resource preservation agreement between the City and the property owner, acknowledging the owner's obligations and responsibilities to ensure preservation of the historic character of the resource shall be filed after the property is designated by the Heritage Committee for inclusion on the register. If the owner has applied for incentives, the recordation shall not occur until the owner's request, or the incentive has been acted upon. This agreement shall be recorded with the County and will apply to any subsequent owners. A property approved for the Register shall not be formally designated until the property owner executes the preservation agreement, and it is recorded with the County.

Coastal Commission Exhibit 2 Page 8 of 23

- (C) Criteria for Historic Register Listing. Upon submittal of an application by the property owner(s), a building, grouping of buildings, structure, site, object, or district shall be considered for designation by the Heritage Committee if it meets criteria (1) and also one or more of criteria (2) through (11):
 - (1) The owner of the property voluntarily agrees to the placement on the register;
 - (2) It is listed on the National Register or the State Register;
 - (3) It exemplifies the cultural, political, economic, social or historical heritage of the community;
 - (4) It is identified with a person, events, culture or site significant in local, state or national history;
 - (5) It is representative of the work of a notable builder, designer, architect, or artist including those of local importance;
 - (6) It embodies distinguishing architectural characteristics of a style, type, period or method of construction that exemplify a particular architectural style or way of life important to the City;
 - (7) It embodies elements that represent a significant structural, engineering, or architectural achievement or innovation;
 - (8) It has a unique location, a singular physical characteristic, or is an iconic visual feature or public view point within the City;
 - (9) Is one of the remaining examples in the City, region, state or nation possessing distinguishing characteristics of architectural, cultural or historical importance;
 - (10) Is an iconic landscape, garden, space or public view point that is significant to the history and heritage of the City; or
 - (11) Has yielded, or has the potential to yield, information important to the prehistory or history of the local area, California, or the nation.

(D) Findings of the Heritage Committee. Upon review of the application and any supporting material, the Heritage Committee shall adopt findings that the registered property does or does not meet the both criteria (1) and (2) above, as well as one or more of criteria (3) through (11) of subsection (C) above.

Coastal Commission Exhibit 2 Page 9 of 23

(E) Removal from the Historic Register. Removal from the register can be initiated by the property owner or by the City. An historic resource assessment may be requested as part of the application and will be paid for by the applicant. After the appropriate environmental review, pursuant to the California Environmental Quality Act (CEQA), the decision to remove a resource from the register shall be considered at a public hearing by the City Council following a recommendation from the Heritage Committee, which shall be considered by the City Council during its deliberation regarding the proposed removal.

(F) Repayment or Restoration of Benefits/Incentives. In considering a request for removal from the register, the City Council shall take into consideration repayment or restoration of any utilized benefits/incentives as set forth in Section 25.45.008 of this chapter when (a) the property owner or the City initiates a request to remove the historic resource from the register; or (b) anytime unauthorized modifications to a historic resource on the register are made, including demolition and partial demolition of an historic resource. Additional penalties for unauthorized demolition are also specified in Section 25.45.022 of this chapter. Filing fees for removal of a resource from the register shall be determined by resolution of the City Council.

25.45.008 Incentives to Properties on the City's Historic Register.

Owners of historic resources listed on the register are eligible to apply for the following preservation benefits. The consideration of granting benefits shall occur at a public hearing and the granting of any benefit shall be conditioned upon compliance with the Secretary of the Interior's Standards for Rehabilitation; and upon the recordation of a written agreement between the City and the property owner that ensures preservation of the historic resource's character defining features and identifies any historic incentives granted for the property. Except as described below, the Design Review Board shall conduct a noticed public hearing on design review applications. However, the Planning Commission shall be the body to consider the granting of preservation incentives for all projects located in the downtown specific

Coastal Commission Exhibit 2 Page 10 of 23

plan area and for projects for which the Planning Commission is the primary discretionary review authority, such as approval of a conditional use permit. If a project would otherwise not be subject to design review, except for the request for a preservation incentives, preservation incentives for the project may be reviewed through administrative design review as provided in Section 25.05.040 (B)(3), except that commercial parking reduction requests may not be granted through administrative design review and may only be granted consistent with the procedures set forth in subsection (A) below. Except as provided below, the notice of public hearing for a project involving preservation incentives shall include a statement that the applicant is requesting approval of preservation incentives and identify the requested benefits. A request for preservation incentives in conjunction with an application to modify an historic resource must receive a recommendation from the Heritage Committee. If a property owner is seeking placement on the register concurrently with the review of the preservation incentive, then formal placement on the register can be noted as a condition of approval of the preservation incentives.

(A) Parking. The following benefits are subject to Design Review Board approval, except when a conditional use permit is required for the project, in which case the City Council shall be the final approval authority, with a recommendation from the Planning Commission.

(1) Single-family dwellings that are nonconforming due to substandard parking shall not be required to provide parking in accordance with Chapter 25.52 when additions are proposed, provided that such additions do not exceed more than fifty percent of the existing square footage of the structure and that at least one parking space has been provided on-site. When a second residential unit is being added to an historic resource under the provisions of Chapter 25.17 (Second Residential Units), parking shall be in accordance with the requirements of that chapter unless modified by the City Council for purposes of achieving the goals of this chapter.

(2) Multiple-family dwellings that are nonconforming due to substandard parking shall not be required to provide parking in accordance with Chapter 25.52 when additions are proposed, provided that such additions do not exceed more than fifty percent of the original square footage of

Coastal Commission Exhibit 2 Page 11 of 23

the structure and that at least half of the parking spaces required in Chapter 25.52 have been provided.

(3) Projects involving modifications to properties listed on the register that are located in commercial zones may be granted a conditional use permit to allow a reduction in parking requirements up to a maximum of seventy-five percent of the otherwise required parking spaces if the project complies with Secretary of the Interior's Standards (SOIS) or Local Design Guidelines or Style Guide. If the requested incentive involves a reduction of 15 or more spaces, a parking demand study my be required by the City to evaluate the existing or proposed use, potential neighborhood impacts and the available off-site and on-street parking when considering proposed parking reductions.

(B) Building Permit and Planning Application Fees. All City building permit and planning application fees for projects involving resources on the register will be refunded if, following the final inspection and finalization of the building permit, the City finds the changes are consistent with approved plans and preserve the historic character of the subject building. Variance fees are not subject to refund unless the variance is required to restore and/or maintain an original historic feature of the building. A request for fee refunds does not need to be included in any public notice relating to the project.

(C) Building Code Deviations. The City may allow deviations from Title 14 of this code when findings can be made by the Director that the historic resource is in conformance with the California Historical Building Code contained within Section 18950-18961 of the California Health & Safety Code. A request for this incentive does not need to be included in any public notice relating to the project.

(D) Additions to Commercial Structures. Commercial historic resources on the register may add up to fifteen percent of the existing floor area, not to exceed five hundred square feet, without providing additional parking and without bringing any existing nonconformities into compliance with current zoning regulations.

(E) Setback Flexibility. Additions to historic resources on the register shall be allowed to maintain

Coastal Commission Exhibit 2 Page 12 of 23

setbacks up to the line of existing encroachments; provided, that all setbacks as required by the Uniform Building Code are maintained for new construction.

(F) Rear Yard Setback Relief. Rear yard setback relief for new structures or additions to existing resources on the register that are proposed to be constructed within five feet of a rear property line may be approved, subject to design review. New improvements may not encroach into a blufftop setback.

(G) Density Bonuses. Properties listed on the register that are located in the R-2 residential medium density zone, the R-3 residential high density zone, or the local business professional zone, may add residential units at a density of one unit per one thousand square feet of lot area, or in the case of properties within the downtown specific plan boundaries in accordance with the applicable provisions therein, provided the historic resource is preserved. Residential density credit for historically significant buildings shall be based on the lot size on which the structure is located, and shall not include adjoining parcels or lots under the same ownership; these residential density credits shall not apply if the historically significant building is demolished.

(H) Single-Family Density Bonuses. Properties located in the R-1, residential low density zone may be eligible for residential density bonuses for a second residential unit. See Section 25.17 for applicable provisions.

(I) Open Space Requirements. Properties that do not currently provide the required open space area may be enlarged or expanded without providing the required open space if it is determined that the proposed alterations will not diminish or detract from the historic significance of the original resource.

(J) Official Recognition. Properties on the register shall be eligible for special designation plaques. A request for this incentive does not need to be included in any public notice for the project. Properties on the National or State Register will automatically be qualified.

(K) Priority Processing. Properties shall receive priority building and planning/zoning division plan check processing. This incentive does not need to be included in any public notice public notice for the request.

Coastal Commission Exhibit 2 Page 13 of 23

(L) Financial Incentives/Mills Act. Owners of properties on the register are eligible to apply for a Mills Act contract. Owners of any historic resource listed on the register are also eligible to apply for other local, state and national financial benefits, if any.

(M) Bed and Breakfast incentives. Refer to Section 25.22.050.

(N) Relief from Nonconforming Structure Requirements.

(1) Additions that exceed fifty percent of the existing square-footage of a building may be allowed without bringing existing nonconformities into compliance if it is determined that such an addition will not diminish or detract from the historic significance of the original structure, and if such addition is found to be compatible in scale and character with the surrounding neighborhood.

(2) Owners of properties located in multifamily zones (R-2 and R-3), where only one unit currently exists, may apply for one or more additional units without bringing existing nonconformities into conformance, if it is determined that the additional unit(s) will not diminish or detract from the historic significance of the original structure, and if such additional unit(s) is(are) found to be compatible in scale and character with the surrounding neighborhood. Requests for this benefit shall be subject to design review approval following a recommendation by the Heritage Committee.

25.45.010 **Procedures for alteration of an historic resource.**

(A) Review. Prior to the issuance of a building permit to remodel or alter any historic resource, City staff shall review the proposed changes to determine if the proposal is consistent with the Secretary of the Interior's Standards (SOIS) or the City's Local Design Guidelines. Interior changes shall not be reviewed unless the changes will alter a character defining features of the historic resource or if the interior area is publicly accessible.

(B) If the project is found to be consistent with the SOIS or the City's Local Design Guidelines, but otherwise requires design review pursuant to Section 25.05.040(B), the Heritage Committee shall make a

Coastal Commission Exhibit 2 Page 14 of 23

recommendation to the approval authority prior to design review. Repair or replacement of existing materials with in-kind or historically appropriate materials, in the same location, does not require design review approval. Minor alterations may be subject to Section 25.05.040 (B)(3).

(C) If staff believes the project is not consistent with the SOIS and/or the City's Local Design Guidelines, then after the appropriate environmental documentation has been prepared pursuant to CEQA, design review shall be required. The Heritage Committee shall make a recommendation to the approval authority prior to design review.

(D) Historic Resource Assessment Report. If an historic resource assessment has not been prepared for the property, the Heritage Committee or the design review authority may require that an historic resource assessment, paid for by the City, be prepared prior to the review of the project to evaluate the project impacts to the property.

(E) Environmental Determination. During its review, the design review authority will adopt the appropriate environmental determination pursuant to CEQA. An historic resource assessment may be required to evaluate a project's potential environmental impact. Projects that comply with the SOIS and the local design guidelines may be eligible for a categorical exemption.

(F) Pre-construction Meeting. Prior to the issuance of a building permit, a preconstruction meeting shall occur and shall consist of the property owner, contractor, inspector assigned to inspect the structure, a City staff member, the project architect/designer and historic monitor (if required). This meeting will be used to convey the obligations and responsibilities of the property owner and his or her contractors and architects in protecting and avoiding destruction of the identified historic fabric that is to be retained.

25.45.012 Historic property disclosure.

(A) Agent Disclosure. If a property has been included in the register, the owner of the property or the owner's representative shall, in any real property transaction, provide the buyer of the property with notice informing the buyer of the property's listing on the register. Distribution of a current Real Property Report

Coastal Commission Exhibit 2 Page 15 of 23

issued pursuant to Section 14.76.090 of this code to the buyer shall satisfy the requirements of this subsection.

(B) Penalty. Any person who violates the provisions of subsection (A) of this section shall be subject to the penalties and remedies specified in Section 14.76.090 of this code.

25.45.014 Procedures for demolition of an historic resource.

The following procedures shall be applied to all properties identified as an historic resource.

(A) Application. An application for demolition of an historic resource shall be filed with the department. Demolition permits require that the applicant obtain a Coastal Development Permit and are subject to compliance with the provisions of CEQA, unless exempt.

(B) Heritage Committee Review. Upon receipt of a complete application to demolish an historic resource, the department shall, within thirty days, schedule the application to be reviewed by the Heritage Committee for a recommendation to the design review authority.

(C) Design Review Action. After the appropriate environmental documentation has been prepared pursuant to CEQA, and the Heritage Committee has provided a recommendation, the design review authority shall address any project impacts and identify project alternatives which may mitigate the defined project impacts. The design review authority shall consider project mitigation measures. After conducting the public hearing, the design review authority shall either approve or deny the permit.

(D) Public Notice. Public notice for the design review hearing shall be subject to the provisions of Section 25.05.065, and Chapter 25.07.

(E) Demolition Approval. If the design review authority approves a permit for demolition, the permit is subject to a waiting period of ninety calendar days to consider relocation and/or documentation unless building relocation is included as part of the project mitigation measures as adopted by the design review authority.

Coastal Commission Exhibit 2 Page 16 of 23

(1) During the waiting period, the applicant shall advertise the proposed demolition in a paper of general circulation in the City once a month for the first two months following the design review hearing. Such advertisement shall be one-quarter page in size and shall include a photograph of the resource, the address at which the resource proposed for demolition is located, information as to how arrangements can be made for relocation, and the date after which a demolition permit may be issued. Evidence of this publication must be submitted to the department prior to issuance of a demolition permit.

(2) Any application for relocation of the resource shall be filed within the specified waiting period as determined by the design review authority.

(3) The design review authority may extend the waiting period up to one hundred eighty days if it determines that relocation is imminent.

(4) During the continuance period, the Heritage Committee may investigate relocation of the building or modification of the building for future uses in a way which preserves the architectural and historical integrity of the building.

(5) During the continuance period, the applicant may pursue plan approval.

(F) Findings. Prior to the issuance of a demolition permit, the design review authority shall make one of the following findings:

(1) The action proposed is consistent with the purposes of this chapter and the historic resources element of the general plan; or

(2) There are no reasonable alternatives to demolition.

25.45.016 Unsafe or dangerous conditions.

None of the provisions of this chapter shall be construed to prevent any demolition necessary to correct the unsafe or dangerous conditions of any structure, feature, or part thereof, when such condition has been declared unsafe or dangerous by the building official or the fire chief and where the proposed

Coastal Commission Exhibit 2 Page 17 of 23

measures have been declared necessary and permitted by such official to correct such conditions. A City permit is required prior to demolition. However, only such work as is necessary to correct the unsafe or dangerous condition may be performed. In the event any structure or other feature shall be damaged by fire or other calamity, the building official may specify, prior to the design review authority's review, the amount of repair necessary to correct any unsafe conditions.

25.45.018 Property owned by public agencies.

Public agencies that own property in the City shall be notified of the provisions of this chapter and encouraged to seek the advice of the Heritage Committee before the construction, alteration, demolition, or relocation of any historic resource.

25.45.020 Property maintenance required.

(A) The City's intention is to preserve from deliberate or inadvertent neglect the exterior portions of any historic resource and all interior portions thereof whose maintenance is necessary to prevent deterioration of an historic resource. No owner of any historic resource shall fail to undertake such repairs or maintenance as are necessary to prevent significant deterioration of the property beyond the condition of the property on the effective date the property is identified as an historic resource.

(B) No owner, lessee, or occupant of any property listed on the register shall fail to comply with all applicable provisions of this code and other ordinances of the City regulating property maintenance, including, without limitation, weed control, garbage, and housing.

(C) Before the City Attorney files a complaint in a court of competent jurisdiction for failure to maintain the historic property, the director shall notify the property owner, lessee, or occupant of the need to repair, maintain, or restore the property, and shall give the owner a minimum of thirty days within which to perform such work.

25.45.022 Illegal construction - penalty for violations.

Coastal Commission Exhibit 2 Page 18 of 23

The following penalties shall be determined by the City Council after a public hearing, following a recommendation from the Heritage Committee.

(A) The removal or demolition of any structure listed on the register without an approved demolition permit shall result in a five-year stay in the issuance of a building permit for any new construction at the site previously occupied by the historic structure.

(B) In addition to the repayment or restoration provisions of Section 25.45.006(F), any person who demolishes a structure listed on the City's register, either in whole or in part, may be subject to an administrative penalty of up to one hundred thousand dollars for each violation. This determination shall be based on the extent of the demolition and the benefits received, including setback and parking incentives.

SECTION 2. Section 25.05.040(B)(1) and (H)(6) (pertaining to Design Review) of the Laguna Beach Municipal Code is hereby modified and amended to delete Section 25.05.040(B)(1)(s) and (t), to re-letter Section 25.05.040(B)(1)(u),(v), (w) and (x) as (B)(1)(s),(t),(u) and (v), respectively, and revise new (B)(1)(u) so as to read in its entirety as follows:

(u) Outlining of the outside of buildings or portions thereof with lights. (If such outlining with lights is proposed on a building listed on the register, then the Heritage Committee shall make a recommendation to the approval authority prior to its design review); and

(H) Design Review Criteria.

(6) Historic Preservation. Destruction or alteration to historic resources should be avoided whenever possible. See section 25.45 for more information.

SECTION 3. Section 25.17.030(O) (pertaining to Second Residential Units) of the Laguna Beach Municipal Code is hereby modified and amended to read in its entirety as follows:

(O) Second residential units shall not be attached to any historic structure listed on the Historic register, unless provided by state law.

Coastal Commission Exhibit 2 Page 19 of 23

SECTION 4. Section 25.18.004(Y)(1) (pertaining to conditional uses in the Local Business Professional Zone) of the Laguna Beach Municipal Code is hereby modified and amended to read in its entirety as follows:

(Y) Residential uses (excluding time-share uses) subject to the following standards:

(1) There shall be at least two thousand square feet of lot area for each dwelling unit; however, residential historic resources that appear on the city's historical register may add residential units at a density of one unit per one thousand square feet of lot area, provided resource is preserved or modified in a manner consistent with Secretary of the Interior's Standards (SOIS) or Local Design Guidelines or Style Guide. Residential density credit for historically significant resources on the city's register shall be based on the lot size on which the structure is located, and shall not include adjoining parcels or lots under the same ownership; these residential density credits shall not apply if the historically resource is demolished,

SECTION 5. Section 25.18.006(Y)(1) (pertaining to the administrative uses in the Local Business Professional Zone) of the Laguna Beach Municipal Code is hereby modified and amended to read in its entirety as follows:

(Y) Residential uses (excluding time-share uses) subject to the following standards:

(1) There shall be at least two thousand square feet of lot area for each dwelling unit; however, historically significant houses that appear on the city's historical register may add residential units at a density of one unit per one thousand square feet of lot area, provided structure is preserved. Residential density credit for historically significant buildings shall be based on the lot size on which the structure is located, and shall not include adjoining parcels or lots under the same ownership; these residential density credits shall not apply if the historically significant building is demolished,

SECTION 6. Section 25.22.030 (pertaining to Bed and Breakfast Inns) of the Laguna Beach Municipal Code is hereby modified and amended to read in its entirety as follows:

Coastal Commission Exhibit 2 Page 20 of 23

Bed and breakfast inns, pursuant to this chapter, shall be subject to the approval of a conditional use permit as provided for in Section 25.05.030 of this title. The approval of such conditional use permit shall be subject to the findings set forth in Section 25.22.060 of this chapter. The applicant(s) for a conditional use permit shall be the owner(s) of the real property on which the bed and breakfast inn is proposed to be established, or his/her authorized agent. The historic register properties shall be listed on the city's historic register at the time of conditional use permit application. The heritage committee shall make a recommendation to the planning commission prior to its evaluation of a conditional use permit application to establish a bed and breakfast inn and to request parking reduction incentives under this chapter.

SECTION 7. Section 25.22.050 (pertaining to Bed and Breakfast Inns) of the Laguna Beach Municipal Code is hereby modified and amended to read in its entirety as follows:

The following incentive may be allowed for proposed bed and breakfast inns, in addition to those specified in Chapter 25.45 of this title, Historic Preservation. The granting of such incentive shall be conditioned upon a written agreement between the city and property owner that ensures preservation of the building's historic character. Structures listed on the register, which are intended to be used as bed and breakfast inns and are located in the R-2 or R-3 residential zones, may be granted a conditional use permit to allow a reduction in parking requirements based on the degree to which the historic character of the building is preserved and/or enhanced. Properties on the City's register may be granted up to a seventy-five percent reduction. Such incentive shall be reviewed by the heritage committee, and the committee shall make recommendations to the planning commission. After reviewing the heritage committee recommendations at a public hearing, the planning commission shall make recommendations to the city council, which has the final approval authority.

Applications for parking reduction shall include methods to be employed to encourage use of alternative forms of transportation. Whenever a parking reduction is granted, the applicant shall be required to provide and/or promote use of alternate forms of transportation for both employees and guests.

Coastal Commission Exhibit 2 Page 21 of 23

SECTION 8. Section 25.38.020 (pertaining to Floodplain Management) containing the definition of "Historic Structure" of the Laguna Beach Municipal Code is hereby modified and amended to read in its entirety as follows:

"Historic structure," for the purpose of this chapter means any structure that is:

(1) Listed individually in the National Register of Historic Places (a listing maintained by the Department of Interior) or preliminarily determined by the Secretary of the Interior as meeting the requirements for individual listing on the National Register;

(2) Certified or preliminarily determined by the Secretary of the Interior as contributing to the historical significance of a registered historic district or a district preliminarily determined by the Secretary to qualify as a registered historic district;

(3) Individually listed on a state inventory of historic places in states with historic preservation programs which have been approved by the Secretary of Interior; or

(4) Individually listed on the Laguna Beach Historic Register.

SECTION 9. Section 25.54.024(B)(3) (pertaining to Murals) of the Laguna Beach Municipal Code is hereby modified and amended to read in its entirety as follows:

(3) Heritage Committee Review Required. If a mural is proposed on a historic structure identified on the city's Historic Register, the heritage committee shall review and make a recommendation regarding the mural proposal prior to the review of the arts commission.

SECTION 10. Section 7.70.060(k) (Good Neighbor Outdoor Lighting) of the Laguna Beach Municipal Code is hereby modified and amended to read in its entirety as follows:

(k) Approved lighting fixtures for any historic resource listed on the register. Nonconforming lighting fixtures consistent with the character of a historic resource on the register may be exempted, subject to the approval of the community development director. Approved fixtures shall be consistent with the architectural period and architecture style of the of the resource and shall not exceed seven hundred fifty lumens (sixty watt incandescent equivalent) and three thousand Kelvin.

Coastal Commission Exhibit 2 Page 22 of 23

SECTION 11. An Initial Study and Negative Declaration for the project was prepared and circulated on January 13, 2020 in accordance with the provisions of the California Environmental Quality Act. The Initial Study and Negative Declaration concluded that the project would not have environmental effects that will cause a substantial adverse impact on the environment. The public comment period for the Negative Declaration ended on February 12, 2020, and the comments submitted were considered with the review of the project. The City Council has carefully reviewed the Initial Study and Negative Declaration, the comments received thereon, and the responses thereto, and it finds that the responses adequately address the issues raised in the comments. The City Council finds and determines on the basis of the whole record that there is no substantial evidence that the project will have a significant effect on the environment, and that the Negative Declaration reflects the City's independent judgment and analysis. The City Council finds that the Negative Declaration has been prepared in accordance with CEQA and the CEQA Guidelines. The City Council adopts the Negative Declaration. The location and custodian of the documents or other material which constitute the record of proceedings upon which the City Council's decision is based is the office of the City Clerk of the City of Laguna Beach, 505 Forest Avenue, Laguna Beach, California.

SECTION 12. If any portion of this Ordinance, or the application of any such provision to any person or circumstance, shall be held invalid, the remainder of this Ordinance to the extent it can be given effect, of the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby, and to this extent the provisions of this Ordinance are severable.

SECTION 13. This Ordinance is intended to be of Citywide effect and application. All ordinances and provisions of the Laguna Beach Municipal Code and Sections thereof inconsistent shall be and the same are hereby repealed to the extent of such inconsistency and no further.

SECTION 14. The City Clerk of the City of Laguna Beach shall certify to the passage and adoption of this Ordinance, and shall cause the same to be published in the manner required by law in the City of Laguna Beach. This Ordinance shall become effective not less than thirty (30) days from and after

Coastal Commission Exhibit 2 Page 23 of 23

the date of its adoption by the City Council and upon certification of a corresponding Local Coastal Program

Amendment by the California Coastal Commission.

ADOPTED this 11th day of August, 2020.

Blihal

Bob Whalen, Mayor

MW

ATTEST City Clerk

I, Lisette Chel, City Clerk of the City of Laguna Beach, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council on July 14, 2020, and was finally adopted at a regular meeting of the City Council of said City held on August 11, 2020 by the following vote:

AYES: COUNCILMEMBER(S): Blake, Kempf, Dicterow, Whalen

NOES: COUNCILMEMBER(S): Iseman

ABSENT: COUNCILMEMBER(S): None

City Clerk of the City of Laguna Beach, CA

City proposed changes to provisions in Land Use Element of the certified Land Use Plan, and Chapters 25.05, 25.17, 25.18, 25.22, 25.38, 25.45, and 25.54 of Title 15 and the Laguna Beach Residential Design Guidelines of the certified Implementation Plan (Strikethrough-Insert Version); City additions are underlined. City deletions are struckthrough.

CITY PROPOSED CHANGES TO LAND USE ELEMENT:

... GOAL 2: <u>Preserve, enhance and respect the unique character and identity of Laguna's</u> residential neighborhoods.

<u>Intent</u> - The residential neighborhoods of Laguna Beach are diverse in housing design and are characterized by a strong neighborhood identity. Styles range from traditional to contemporary, with a majority of neighborhoods being of an eclectic mix. Pressures for development created by Laguna Beach's spectacular coastal and hillside settings and consistently high property values are perceived as creating cumulatively negative aesthetic andother impacts on these unique neighborhoods. In response to such impacts, Goal 2 sets forth policies and actions to preserve, enhance, and respect the character and identity that make Laguna Beach a highly desirable community in which to live through actions such as 1) amending zoning ordinances, including the implementation of long-term anti-mansionization standards; 2) changing the Design Review guidelines and process; 3) encouraging the preservation of historic residences; and 4) strengthening the Landscape and Scenic Highways Resource Document

Policy 2.1 Maintain the diversity and uniqueness of individual neighborhoods. Development standards and design review guidelines shall minimize the scale and bulk of new construction and/or renovation and require development to be compatible with the surrounding residences.

Action 2.1.1 Evaluate the adopted building envelope and lot coverage standards and amend as necessary to ensure that the building scale of proposed development is compatible in scale and mass with surrounding residences. Methods to be investigated include, but are not necessarily limited to, a revised building site coverage standard, floor area ratios, volumetrics (cubic feet), plate height limitations (floor-to-ceiling height limits), and maximum residence size. (Shortto-medium-term implementation.)

Action 2.1.2 Implement the long-term anti-mansionization policies and standards adopted on September 24, 2002. (Ongoing implementation - short-to-long-term.)

Action 2.1.3 Evaluate and, if necessary, reduce the allowable site coverage on lots over 8,000 square feet to ensure compatibility with existing developed building sites in the neighborhoods. *(Short-to-medium-term implementation.)*

Policy 2.2 Encourage the preservation of historically significant residential structures and protect the character-defining components of Laguna Beach's traditional neighborhoods.

Action 2.2.1 Receive an annual report from the Heritage Committee regarding preservation issues related to historically significant structures and amend preservation policies and ordinances as necessary to address identified issues. *(Short-to-long-term implementation.) (Same as Action 3.3.1.)*

Action 2.2.2 Adopt incentives to preserve residential structures that contribute to the cultural and/or architectural character and heritage of the community. *(Short- to-medium-term implementation.)*

Policy 2.3 Preserve and enhance the qualities that contribute to the character of the residential community, including quiet neighborhoods, pedestrian use of streets, and appropriate levels of illumination and nighttime activity and seek to mitigate the effects of high-volume thru-traffic.

Action 2.3.1 Continue to evaluate construction-related impacts upon residential neighborhoods through the Design Review process and mitigate such impacts using methods such as, but not necessarily limited to, the adoption of staging plans and noise and dust mitigation. *(Short-to-medium-term implementation.)*

Action 2.3.2 Adopt a lighting ordinance to minimize potential impacts on night views and ambiance. *(Short-to-medium-term implementation.)*

Action 2.3.3 Evaluate the Noise Ordinance periodically to ensure that neighborhood noise impacts, including construction n01se, are minimized. (Ongoing implementation - short-to-long-term.)

Action 2.3.4 Investigate streetscape improvements, street design, and regulations that will help reduce the speed and negative impacts of traffic on residential streets. *(Short-to-medium-term implementation.)*

Action 2.3.5 Modify the Corridor Progression Traffic Analysis Model thresholds to accurately reflect the unique nature of the City's residential streets. (Ongoing implementation.) (Same as Action 8.2.3)

Policy 2.4 Create specific plans or overlay zones to address design issues related to new construction and remodels in individual neighborhoods where a majority of property owners desire standards that maintain and enhance neighborhood character.

Action 2.4.1 Investigate methods to encourage neighborhoods to establish overlay zones or special development standards to address neighborhood-specific development impacts. (Short-to-long-term implementation.)

- **Policy 2.5** Encourage the use of variable · setbacks and building heights and innovative construction techniques, such as green building technology.
- **Policy 2.6** Require the preservation of significant trees in conjunction with development proposals. The Design Review Board may grant exceptions to this provision when its strict enforcement would deny a property owner reasonable use of his/her property.

Action 2.6.1 Update the City's <u>Landscape and Scenic Highways Resources</u> <u>Document</u> and adopt it as an element of the General Plan. *(Short-term implementation.) (Same as Actions 2.8.1 and 3.9.1.)*

- **Policy 2.7** Evaluate the impact of proposed development on hillsides and along ridgelines and require building design, location, and arrangement to avoid continuous and intrusive impacts on hillside view areas and skyline profiles.
- **Policy 2.8** Require building design and siting to be compatible and integrated with natural topographic features, minimize significant alteration of natural topography and/or other significant onsite resources, and protect public views as specified in the *Design Guidelines* and the *Landscape and Scenic Highways Resource Document*.

Action 2.8.1 Update the City's <u>Landscape and Scenic Highways Resources</u> <u>Document</u> and adopt it as an element of the General Plan. (Short-term implementation.) (Same as Actions 2.6.1 and 3.9.1.)

Action 2.8.2 Establish criteria for placement of new development on the most suitable area of the lot to maximize the preservation of sensitive resources. (Same as Action 3.10.1)

- **Policy 2.9** Require the use of appropriate landscaping, special architectural treatments, and/or siting considerations to protect public views for projects visible from major highways and arterial streets.
- **Policy 2.10** Maximize the preservation of coastal and canyon views (consistent with the principle of view equity) from existing properties and minimize blockage of existing public and private views. Best efforts should be made to site new development in locations that minimize adverse impacts on views from public locations (e.g., roads, bluff top trails, visitor-serving facilities, etc.).

...

Action 2.10.1 Discourage the addition of second stories in established neighborhoods where view equity has historically been achieved through one-story construction. (Short-to-long-term implementation.)

Action 2.10.2 Ensure that the <u>Design Guidelines</u> sufficiently protect public views. *(Short-to-long-term implementation.)*

. . .

25.05.040 Design review.

(A) Intent and Purpose. The Design Review process consists of a review of a proposed development by the approval authority of either the Design Review Board or Planning commission as specified herein and is intended to provide the following:

(1) That development projects comply with the applicable standards and design guidelines and criteria;

(2) That development projects focus on quality designs, within a neighborhood context that results in creative design solutions for the City;

(3) That development occurs with an orderly and harmonious appearance, including associated facilities, such as signs, landscaping and parking areas;

(4) That the development review process minimizes contentiousness;

(5) That the development review process considers public and private views;

(6) That public health, safety and general welfare throughout the City is paramount;

(7) That there is effective implementation of the applicable general and specific plan policies, which encourage the preservation and enhancement of the particular character and unique assets of the city; and

(8) That development projects comply with the policies of the certified Local Coastal Program Land Use Plan, including, but not limited to, the shoreline access, open space, environmentally sensitive habitat, hillside protection and visual resource policies.

(B) Development Subject to Design Review.

(1) All new buildings, structures and physical improvements and relocations, additions, extensions and exterior changes of or to existing buildings, structural and non-structural improvements, including landscaping and grading, shall be subject to design review, except as otherwise provided in Section 25.05.040(B)(2). Examples of physical improvements and site developments subject to design review include, but are not limited to, the following:

- (a) Commercial or industrial parking and loading areas;
- (b) New vehicular access to streets or alleys;
- (c) Retaining walls in excess of five feet in exposed height;
- (d) Signs, as specified in Chapter 25.54, Sign Regulations;
- (e) Permanent chain link or similar type metal fences;
- (f) Telecommunication facilities subject to the provisions of Chapter 25.55;
- (g) Trash enclosures associated with a commercial use;
- (h) Public street and sidewalk improvements;
- (i) Above-ground utility structures;

(j) Additions that are 50% or more of the original gross floor area, additions that create a new upper story, additions that exceed a height of 15 feet above the adjacent ground elevation or additions that exceed 10% of the original gross floor area of an existing legal nonconforming structure;

(k) Shore protective devices;

(I) All buildings, structures and physical improvements in environmentally sensitive areas and on lots with a slope greater than thirty percent;

(m) Grading in excess of twenty cubic yards, except as specified in Section 22.10.010(e);

(n) Clearing of native vegetation on undeveloped parcels and undeveloped portions of developed parcels, and native vegetation restoration plans, except for City required annual weed abatement;

(o) Fuel modification programs subject to the provisions of 25.05.040(C)(3) and (4); provided, that once a program has received approval, subsequent approval for maintenance of the fuel modification will be granted by the Director of Community Development, if that maintenance is in conformance with the intent and objectives of the originally approved program;

(p) All City projects within the scope of this section, except if the City Council waives the requirement of design review if it determines that there are special circumstances applicable to such project which require that the project proceed without delay;

(q) Landscaping review for new development or additions that are fifty percent or more of the original gross floor area, additions that create a new upper story or additions that exceed a height of fifteen feet above the adjacent ground elevation, and for structural improvements within environmentally sensitive areas;

(r)

(s)

(t) Modifications of previously approved design review plans, including approved landscape plans;

(u) Swimming pools, permanent spas and their associated pool or spa equipment;

(v) Outlining of the outside of buildings or portions thereof with lights. (If such outlining with lights is proposed on a building listed on the City's Historic Register, then the Heritage Committee shall make a recommendation to the approval authority prior to its design review); and

(w) A hedge or hedges located within front, side and/or rear yards that is/are proposed to exceed the maximum allowable fence height, as set forth in Chapter 25.50.

(2) Exceptions. The following shall be exempt from the design review process, unless they are changes associated with approved design review plans, including approved landscape plans:

(a) Additions to a single-family residence in residential zones that:

(i) Are less than fifty percent of the original gross floor area;

(ii) Do not create a new upper story and do not exceed a height of fifteen feet above the adjacent ground elevation,

- (iii) Are in conformance with the zoning regulations; and
- (iv) Are not within an environmentally sensitive area;

(b) Interior modifications to existing structures or approved plans, including those structures and plans approved by the approval authority, except interior alterations to historic structures as outlined in Chapter 25.45, Historic Preservation; Coastal Commission

(H) Design Review Criteria. Physical improvements and site developments subject to design review shall be designed and located in a manner which best satisfies the intent and purpose of design review, the City's village atmosphere and the design review criteria specified in this section. Village atmosphere shall be characterized by appropriately scaled development, diverse and unique architectural designs, pedestrian orientation and sensitivity to the natural conditions of the site.

The property development standards as delineated in each zone are intended to provide the City with maximum flexibility and discretion in the decision making process, based upon the particular issues and circumstances in effect at the time development is proposed. These standards shall represent the maximum allowable building envelope for a given property. The actual development allowed will typically be less than the maximum designated by the general standards for the zone because of localized conditions identified during the design review process. A proposed development that has no variances from the Zoning Code does not have any presumptive development right or "entitlement."...

(6) <u>Historic Preservation</u>. Destruction or alteration to historic resources should be avoided whenever possible. See section 25.45 for more information.

• • •

25.17.030 Minimum requirements.

Each second residential unit approved pursuant to this chapter shall comply with the following standards and criteria:

(A) The lot on which the second residential unit is proposed shall be zoned for single-family use only within either the R-1 or the R/HP zones.

(B) A second residential unit may be attached to or detached from the existing dwelling on the building site, with the exception of certain historic structures as described in subsection (O). Attached and detached second residential units shall be allowed on lots having a minimum site area of six thousand square feet, and may range in size from two hundred seventy-five square feet to a maximum of six hundred forty square feet, as follows: The maximum second residential unit size shall be determined by multiplying the square footage of the building site by seven percent. (For example, a maximum second residential unit size of four hundred twenty square feet shall be allowable on a building site of six thousand square feet, and a maximum second residential unit size of six hundred forty square feet shall be allowable on a building site of six thousand square feet, and a maximum second residential unit size of six hundred forty square feet shall be allowable on a building site of six thousand square feet, and a maximum second residential unit size of six hundred forty square feet shall be allowable on a building site of residential unit size of nine thousand one hundred forty-two square feet or more.)

. . .

(O) Second residential units shall not be attached to any historic structure listed on the Historic Register.

25.18.004 Uses permitted subject to conditional use permit.

(Y) Residential uses (excluding time-share uses) subject to the following standards:

(1) There shall be at least two thousand square feet of lot area for each dwelling unit; however, historically significant houses that appear on the city's historic register may add residential units at a density of one unit per one thousand square feet of **CoastalpCovidedission Exhibit 3**

Page 6 of 21

the structure is preserved. Residential density credit for historically significant buildings shall be based on the lot size on which the structure is located, and shall not include adjoining parcels or lots under the same ownership; these residential density credits shall not apply if the historically significant building is demolished,

(2) The allowable number of dwelling units shall be reduced by one dwelling unit for each one thousand square feet (or fraction thereof) of commercial floor area contained within a building;

25.18.006 Uses permitted subject to administrative use permit.

... (Y) Residential uses (excluding time-share uses) subject to the following standards:

(1) There shall be at least two thousand square feet of lot area for each dwelling unit; however, historically significant houses that appear on the historical register may add residential units at a density of one unit per one thousand square feet of lot area, provided the structure is preserved. Residential density credit for historically significant buildings shall be based on the lot size on which the structure is located, and shall not include adjoining parcels or lots under the same ownership; these residential density credits shall not apply if the historically significant building is demolished,

(2) The allowable number of dwelling units shall be reduced by one dwelling unit for each one thousand square feet (or fraction thereof) of commercial floor area contained within a building;

...

25.22.030 Conditional use permit required.

Bed and breakfast inns, pursuant to this chapter, shall be subject to the approval of a conditional use permit as provided for in Section 25.05.030. The approval of such conditional use permit shall be subject to the findings set forth in Section 25.22.060. The applicant(s) for a conditional use permit shall be the owner(s) of the real property on which the bed and breakfast inn is proposed to be established, or his/her authorized agent. The historic structure(s) shall be listed on the city's historic Register at the time of conditional use permit application. The Heritage Committee shall make a recommendation to the planning commission prior to its evaluation of a conditional use permit application to establish a bed and breakfast inn and to request parking reduction incentives under this Ordinance.

25.22.050 Historic preservation incentive.

The following incentive may be allowed for proposed bed and breakfast inns, in addition to those specified in Chapter 25.45 of this title, Historic Preservation. The granting of such incentive shall be conditioned upon a written agreement between the city and property owner that ensures preservation of the building's historic character. Structures listed on the historic register, which are intended to be used as bed and breakfast inns and are located in the R-2 or R-3 residential zones, may be granted a conditional use permit to allow a reduction in parking requirements based on the degree to which the historic character of the building is preserved and/or enhanced. Historic structures may be granted up to a seventy-five percent reduction. Such incentive shall be reviewed by the heritage committee, and the committee shall make recommendations to the **Granting Commission**.

commission. After reviewing the heritage committee recommendations at a public hearing, the planning commission shall make recommendations to the city council, which has the final approval authority.

Applications for parking reduction shall include methods to be employed to encourage use of alternative forms of transportation. Whenever a parking reduction is granted, the applicant shall be required to provide and/or promote use of alternate forms of transportation for both employees and guests.

25.38.020 Definitions.

"Historic structure" means any structure that is:

(1) Listed individually in the National Register of Historic Places (a listing maintained by the Department of Interior) or preliminarily determined by the Secretary of the Interior as meeting the requirements for individual listing on the National Register;

(2) Certified or preliminarily determined by the Secretary of the Interior as contributing to the historical significance of a registered historic district or a district preliminarily determined by the Secretary to qualify as a registered historic district;

(3) Individually listed on a state inventory of historic places in states with historic preservation programs which have been approved by the Secretary of Interior; or

(4) Individually listed on the Laguna Beach Historic Register.

...

Chapter 25.45 HISTORIC PRESERVATION

- 25.45.002 Intent and purpose.
- 25.45.004 Definitions.

25.45.006 Historic Register Designation, Criteria and Procedures and Removal from Register

- 25.45.008 Incentives to Properties on the City's Historic Register
- 25.45.010 Procedures to modify a historic resource.
- 25.45.012 Historic property disclosure.
- 25.45.014 Procedures for demolition of a historic resource.
- 25.45.016 Unsafe or dangerous conditions.
- 25.45.018 Property owned by public agencies.
- 25.45.020 Property maintenance required.
- 25.45.022 Illegal demolition-penalty for violations.

25.45.002 Intent and purpose.

The purpose of this chapter is to promote the public health, safety, and general welfare by providing for the identification, protection, enhancement, perpetuation, and use of improvements, buildings and their settings, structures, objects, monuments, sites, places, and areas within the city that reflect special elements of the city's architectural, artistic, cultural, engineering, aesthetic, historical, political, social, and other heritage to achieve the following objectives:

(A) Safeguard the heritage of the city by providing for the voluntary protection of historic resources representing significant elements of its history;

(B) Enhance the visual character of the city by encouraging and providing for the voluntary preservation of those buildings that make a significant contribution to the older neighborhoods of the city particularly to the designated historic register structures reflecting unique and established architectural traditions;

(C) Foster public appreciation of and civic pride in the beauty of the city and the accomplishments of its past;

(D) Strengthen the economy of the city by protecting and enhancing the city's attractions to residents and visitors;

(E) Promote the private and public use of historic resources for the education, prosperity and general welfare of the people;

(F) Stabilize and improve property values within the city.

(G) Achieve historic preservation through the encouragement and promotion of voluntary means, consistent with the City's original historic preservation efforts, to the extent permitted by state law.

(H) Recognize that the previous historic resource inventory (adopted by Ordinance No. 82.111) is ineffective for the purposes of creating a presumption of historicity of any property identified thereon.

25.45.004 Definitions.

Unless specifically defined below, words or phrases used in this chapter shall be interpreted so as to give them the meaning they have in common usage and to give this chapter its most reasonable application.

"Character-defining features" include the overall shape of the building, its materials, craftsmanship, decorative details and features, as well as the various aspects of its site and environment. These features exude the historic character of a building.

"Cultural landscape" means a geographic area, including both cultural and natural resources and the wildlife or domestic animals therein, associated with an historic event, activity, or person or exhibiting other cultural or aesthetic values.

"Department" means the City of Laguna Beach's Community Development Department.

"Director" means the City's director of community development, or her/his designee.

"Demolition" means any act which removes all the existing exterior walls, cladding and or roof framing. Demolition for purposes of this chapter does not include activities that constitute a **Exhibit 3** Page 9 of 21 "Major Remodel" as defined in Section 25.08.24 of this title.

"Local Design Guidelines or Style Guide" means a set of guidelines that provide recommendations for treatments of various building systems, such as windows and roofs, as well as information specific to particular architectural styles. This document will provide preferred design examples and guidelines for the alteration of historic resources. Projects which are consistent with these guidelines will typically not create an adverse impact to an historic resource.

"Historic resource assessment" means an historic building or site assessment report to evaluate whether the property meets the eligibility criteria set forth in California Public Resources Code 5024.I(c), or if a project will adversely affect an historic resource. An assessment shall be prepared by a consultant that meets the Secretary of the Interior's (SOI) professional qualifications standards, as defined in the Code of Federal Regulations, (36 CPR 61) or its successor.

"Historic context" means historical patterns that can be identified through the consideration of the history of the property and the history of the surrounding property. Historic context may also relate to an event or series of events, pattern of development, building form, architectural style, landscape, artistic value, use of materials and methods of construction, or be associated with a life of an important person.

"Historic integrity" means the ability of a property to convey its significance. Historic properties either retain integrity (that is, convey their significance) or they do not. Within the concept of integrity, the National Register criteria recognizes seven aspects or qualities that, in various combinations, define integrity. The seven aspects of integrity are location, design, setting, materials, workmanship, feeling and association.

"Historic monitor" means a professional, who meets the qualification standards contained in the Code of Federal Regulations (36 CFR Part 61), who is hired at the applicant's expense to oversee a development project to ensure that the construction and modifications to a historic resource are consistent with the Secretary of the Interior's Standards or as conditioned in the project approval.

"Historic register (or the register)" means the City's list of properties formally designated as historic resources after an application was filed by the property owner. The current list of designated properties will be kept on file at the City Clerk's office. Properties on the California and National Register are automatically eligible for the City's historic register and are not subject to Heritage Committee review for designation.

"Historic resource" means a property or structure that (1) is listed on the City's historic register, (2) is listed on the California Register of Historical Resources, (3) has been officially determined to be eligible for the California Register of Historical Resources by the State Historical Resource Commission, (4) is listed on the National Register of Historic Places, (5) has been officially determined to be eligible for the National Register of Historic Places by the National Park Service, or (6) the City is mandated by law to treat as a historic resource based on substantial evidence in light of the whole record.

"Heritage Committee" means the committee, as established by City Council, that serves an advisory role on matters pertaining to historic preservation as specified within this chapter.

"Mills Act" means the state law set forth in Sections 50280-50290 of the California Public Resources Code, which allows cities to enter into contracts with the owners of structures on the City's historic register who may receive a reduction in property taxes. To qualify as an historic resource, a property must be listed on the City's historic register.

"Replacement In-Kind" means the replacement of a building material or finish with the exact same materials as existing, or with an historically accurate replacement.

25.45.006 Historic Register Designation, Criteria and Procedures and Removal from Register.

(A)Purpose and Intent. The purpose of the Laguna Beach historic register is to provide a means to preserve, protect and enhance historic resources within the community, including buildings, structures, sites, objects, districts and cultural or historic landscape features. All historic resources identified subsequent to the effective date of this chapter shall be added to the register pursuant to the procedures established in this chapter. Properties listed on the register may be identified on-site with an exterior marker or plaque displaying pertinent information about the property. The current list of historic resources on the register will be kept on file with the City Clerk.

(B) Designation Procedures.

(1) The property owner shall complete the application for the proposed designation as a historic resource and inclusion on the register on a form provided by the department, include all information required and file the application with the department.
 (2) The Heritage Committee will review the application for designation. In its consideration of placement on the register, the Heritage Committee may request additional information and plans for any future planned changes to the structure. There shall be no application fee for placement on the register.

(3) Recordation of a written historic resource preservation agreement between the City and the property owner, acknowledging the owner's obligations and responsibilities to ensure preservation of the historic character of the resource shall be filed after the property is designated by the Heritage Committee for inclusion on the register. If the owner has applied for incentives, the recordation shall not occur until the owner's request, or the incentive has been acted upon. This agreement shall be recorded with the County and will apply to any subsequent owners. A property approved for the Register shall not be formally designated until the property owner executes the preservation agreement, and it is recorded with the County.

(C) Criteria for Historic Register Listing. Upon submittal of an application by the property owner(s), a building, grouping of buildings, structure, site, object, or district shall be considered for designation by the Heritage Committee if it meets criteria (1) and also one or more of criteria (2) through (11):

(1) The owner of the property voluntarily agrees to the placement on the register;

(2) It is listed on the National Register or the State Register;

(3) It exemplifies the cultural, political, economic, social or historical heritage of the community;

(4) It is identified with a person, events, culture or site significant in local, state or national history;

(5) It is representative of the work of a notable builder, designer, architecbasedistommission

including those of local importance;

(6) It embodies distinguishing architectural characteristics of a style, type, period or method of construction that exemplify a particular architectural style or way of life important to the City;

(7) It embodies elements that represent a significant structural, engineering, or architectural achievement or innovation;

(8) It has a unique location, a singular physical characteristic, or is an iconic visual feature or public view point within the City;

(9) Is one of the remaining examples in the City, region, state or nation possessing distinguishing characteristics of architectural, cultural or historical importance;

(10) Is an iconic landscape, garden, space or public view point that is significant to the history and heritage of the City; or

(11) Has yielded, or has the potential to yield, information important to the prehistory or history of the local area, California, or the nation.

(D) Findings of the Heritage Committee. Upon review of the application and any supporting material, the Heritage Committee shall adopt findings that the registered property does or does not meet the both criteria (1) and (2) above, as well as one or more of criteria (3) through (11) of subsection (C) above.

(E) Removal from the Historic Register. Removal from the register can be initiated by the property owner or by the City. An historic resource assessment may be requested as part of the application and will be paid for by the applicant. After the appropriate environmental review, pursuant to the California Environmental Quality Act (CEQA), the decision to remove a resource from the register shall be considered at a public hearing by the City Council following a recommendation from the Heritage Committee, which shall be considered by the City Council during its deliberation regarding the proposed removal.

(F) Repayment or Restoration of Benefits/Incentives. In considering a request for removal from the register, the City Council shall take into consideration repayment or restoration of any utilized benefits/incentives as set forth in Section 25.45.008 of this chapter when (a) the property owner or the City initiates a request to remove the historic resource from the register; or (b) anytime unauthorized modifications to a historic resource on the register are made, including demolition and partial demolition of an historic resource. Additional penalties for unauthorized demolition are also specified in Section 25.45.022 of this chapter. Filing fees for removal of a resource from the register shall be determined by resolution of the City Council.

25.45.008 Incentives to Properties on the City's Historic Register.

Owners of historic resources listed on the register are eligible to apply for the following preservation benefits. The consideration of benefits shall occur at a public hearing and the granting of any benefit shall be conditioned upon compliance with the Secretary of Interior's Standards for Rehabilitation; and upon the recordation of a written agreement between the City and property owner that ensures preservation of the historic resource's character defining features and identifies any historic incentives granted for the property. Except as described below, the Design Review Board shall conduct a noticed public hearing on design review applications. However, the Planning Commission shall be the body to consider the granting of preservation incentives for all projects located in the downtown specific plan area and for projects that the Planning Commission is the primary discretionary review authority, such as approval of a conditional use permit. If a project would otherwise not be subject to design review, except for the request for a preservation for a preservation **Exhibit 3**

preservation incentives for the project may be reviewed through administrative design review as provided in Section 25.05.040 (B)(3), except that commercial parking reduction requests may not be granted through administrative design review and may only be granted consistent with the procedures set forth in subsection (A) below. Except as provided below, the notice of public hearing for a project involving preservation incentives shall include a statement that the applicant is requesting approval of preservation incentives and identify the requested benefits. A request for preservation incentives in conjunction with an application to modify an historic resource must receive a recommendation from the Heritage Committee. If a property owner is seeking placement on the register concurrently with the review of the preservation incentive, then formal placement on the register can be noted as a condition of approval of the preservation incentives.

(A) Parking. The following benefits are subject to Design Review Board approval, except when a conditional use permit is required for the project, in which case the City Council shall be the final approval authority, upon recommendation by the Planning Commission.

(1) Single-family dwellings that are nonconforming due to substandard parking shall not be required to provide parking in accordance with Chapter 25.52 when additions are proposed, provided that such additions do not exceed more than fifty percent of the existing square footage of the structure and that at least one parking space has been provided on-site. When a second residential unit is being added to a historic structure under the provisions of Chapter 25.17 (Second Residential Units), parking shall be in accordance with the requirements of that chapter unless modified by the City Council for purposes of achieving the goals of this chapter.

(2) Multiple-family dwellings that are nonconforming due to substandard parking shall not be required to provide parking in accordance with Chapter 25.52 when additions are proposed, provided that such additions do not exceed more than fifty percent of the original square footage of the structure and that at least half of the parking spaces required in Chapter 25.52 have been provided.

(3) Projects involving modifications to properties listed on the register that are located in commercial zones may be granted a conditional use permit to allow a reduction in parking requirements up to a maximum of seventy-five percent of the otherwise required parking spaces if the project complies with Secretary of the Interior's Standards (SOIS) or Local Design Guidelines or Style Guide. If the requested incentive involves a reduction of 15 or more spaces, a parking demand study my be required to evaluate the existing or proposed use, potential neighborhood impacts and the available off-site and on-street parking when considering proposed parking reductions.

(B) Building Permit and Planning Application Fees. All City building permit and planning application fees for projects involving resources on the register will be refunded if, following the final inspection and finalization of the building permit, the City finds the changes are consistent with approved plans and preserve the historic character of the subject building. Variance fees are not subject to refund unless the variance is required to restore and/or maintain an original historic feature of the building. A request for fee refunds does not need to be included in any public notice relating to the project.

(C) Building Code Deviations. The City may allow deviations from Title 14 of this code when findings can be made by the Director that the historic resource is in conformance with the California Historical Building Code contained within Section 18950-18961 of the California Health & Safety Code. A request for this incentive does not need to be included in any public notice relating to the project.

(D) Additions to Commercial Structures. Commercial historic resources on the register may add up to fifteen percent of the existing floor area, not to exceed five hundred square feet, without providing additional parking and without bringing any existing nonconformities into Exhibit 3 compliance with current zoning regulations.

(E) Setback Flexibility. Additions to historic resources on the register shall be allowed to maintain setbacks up to the line of existing encroachments; provided, that all setbacks as required by the Uniform Building Code are maintained for new construction.

(F) Rear Yard Setback Relief. Rear yard setback relief for new structures or additions to existing resources on the register that are proposed to be constructed within five feet of a rear property line may be approved, subject to design review. New improvements may not encroach into a blufftop setback.

(G) Density Bonuses. Properties listed on the register that are located in the R-2 residential medium density zone, the R-3 residential high density zone, or the local business professional zone, may add residential units at a density of one unit per one thousand square feet of lot area, provided the historic resource is preserved. Residential density credit for historically significant buildings shall be based on the lot size on which the structure is located, and shall not include adjoining parcels or lots under the same ownership; these residential density credits shall not apply if the historically significant building is demolished. (H) Single-Family Density Bonuses. Properties located in the R-1, residential low density zone may be eligible for residential density bonuses for a second residential unit. See Section 25.17 for applicable provisions.

(I) Open Space Requirements. Properties that do not currently provide the required open space area may be enlarged or expanded without providing the required open space if it is determined that the proposed alterations will not diminish or detract from the historic significance of the original resource.

(J) Official Recognition. Properties on the register shall be eligible for special designation plaques. A request for this incentive does not need to be included in any public notice for the project. Properties on the National or State Register will automatically be qualified.

(K) Priority Processing. Properties shall receive priority building and planning/zoning division plan check processing. This incentive does not need to be included in any public notice public notice for the request.

(L) Financial Incentives/Mills Act. Owners of properties on the register are eligible to apply for a Mills Act contract. Owners of any historic resource listed on the register are also eligible to apply for any other local, state and national financial benefits, if any.

(M) Bed and Breakfast incentives. Refer to Section 25.22.050.

(N) Relief from Nonconforming Structure Requirements.

(1) Additions that exceed fifty percent of the existing square-footage of a building may be allowed without bringing existing nonconformities into compliance if it is determined that such an addition will not diminish or detract from the historic significance of the original structure, and if such addition is found to be compatible in scale and character with the surrounding neighborhood.

(2) Owners of properties located in multifamily zones (R-2 and R-3), where only one unit currently exists, may apply for additional units without bringing existing nonconformities into conformance, if it is determined that the additional unit will not diminish or detract from the historic significance of the original structure, and if such additional unit is found to be compatible in scale and character with the surrounding neighborhood. Requests for this benefit shall be subject to approval by the design review approval with recommendation of approval provided by the heritage committee.

Coastal Commission Exhibit 3 Page 14 of 21

25.45.010 Procedures for the alteration of historic structures.

(A) Review. Prior to the issuance of a building permit to remodel or alter any historic resource, City staff shall review the proposed changes to determine if the proposal is consistent with the Secretary of the Interior's Standards (SOIS) or the City's Local Design Guidelines. Interior changes shall not be reviewed unless the changes will alter a character defining features of the historic resource or if the interior area is publicly accessible.

(B) If the project is found to be consistent with the SOIS or the City's Local Design Guidelines, but otherwise requires design review pursuant to Section 25.05.040(B), the Heritage Committee shall make a recommendation to the approval authority prior to design review. Repair or replacement of existing materials with in-kind or historically appropriate materials, in the same location, does not require design review approval. Minor alterations may be subject to Section 25.05.040(B)(3).

(C) If staff believes the project is not consistent with the SOIS and/or the City's Local Design Guidelines, then after the appropriate environmental documentation has been prepared pursuant to CEQA, design review shall be required. The Heritage Committee shall make a recommendation to the approval authority prior to design review.

(D) Historic Resource Assessment Report. If an historic resource assessment has not been prepared for the property, the Heritage Committee or the design review authority may require that an historic resource assessment paid for by the City be prepared prior to the review of the project to evaluate the project impacts to the property.

(E) Environmental Determination. During its review, the design review authority will adopt the appropriate environmental determination pursuant to the CEQA. An historic resource assessment may be required to evaluate a project's potential environmental impact. Projects that comply with the SOIS and the local design guidelines may be eligible for a categorical exemption.

(F) Pre-construction Meeting. Prior to the issuance of a building permit, a preconstruction meeting shall occur and shall consist of the property owner, contractor, inspector assigned to inspect the structure, a City staff member, the project architect/designer and historic monitor (if required). This meeting will be used to convey the obligations and responsibilities of the property owner and his or her contractors and architects in protecting and avoiding destruction of the identified historic fabric that is to be retained.

25.45.012 Historic Property disclosure

(A)Agent Disclosure. If property has been included in the register, the owner of the property or the owner's representative shall, in any real property transaction, provide the buyer of the property with notice informing the buyer of the property's listing on the register. Distribution of a current Real Property Report issued pursuant to Section 14.76.090 of this code to the buyer shall satisfy the requirements of this subsection.

(B)Penalty. Any person who violates the provisions of subsection (A) of this section shall be subject to the penalties and remedies specified in Section 14.76.090 of this code.

25.45.014 Procedures for demolition of an historic structure.

The following procedures shall be applied to all properties identified as an historic resource

(A)Application. An application for demolition of an historic resource shall be filed with the department. Demolition permits require that the applicant obtain a Coastal Development Permit Coastal Commission

Page 15 of 21

and are subject to compliance with the provisions of CEQA, unless exempt. (B)Heritage Committee Review. Upon receipt of a complete application to demolish an historic resource, the department shall, within thirty days, schedule the application to be reviewed by the Heritage Committee for a recommendation to the design review authority. (C)Design Review Action. After the appropriate environmental documentation has been prepared pursuant to CEQA, and the Heritage Committee has provided a recommendation, the design review authority shall address any project impacts and identify project alternatives which may mitigate the defined project impacts. The design review authority shall consider project mitigation measures. After conducting the public hearing, the design review authority shall either approve or deny the permit.

(D)Public Notice. Public notice for the design review hearing shall be subject to the provisions of Section 25.05.065, and Chapter 25.07.

(E)Demolition Approval. If the design review authority approves a permit for demolition, the permit is subject to a waiting period of ninety calendar days to consider relocation and/or documentation unless building relocation is included as part of the project mitigation measures as adopted by the design review authority.

(1) During the waiting period, the applicant shall advertise the proposed demolition in a paper of general circulation in the City once a month for the first two months following the design review hearing. Such advertisement shall be one-quarter page in size and shall include a photograph of the resource, the address at which the resource proposed for demolition is located, information as to how arrangements can be made for relocation, and the date after which a demolition permit may be issued. Evidence of this publication must be submitted to the department prior to issuance of a demolition permit.

(2) Any application for relocation of the resource shall be filed within the specified waiting period as determined by the design review authority.

(3) The design review authority may extend the waiting period up to one hundred eighty days if it determines that relocation is imminent.

(4) During the continuance period, the Heritage Committee may investigate relocation of the building or modification of the building for future uses in a way which preserves the architectural and historical integrity of the building.

(5) During the continuance period, the applicant may pursue plan approval.

(F) Findings. Prior to the issuance of a demolition permit, the design review authority shall make one of the following findings:

(1) The action proposed is consistent with the purposes of this chapter and the historic resources element of the general plan; or

(2) There are no reasonable alternatives to demolition.

25.45.012 Unsafe or dangerous conditions.

None of the provisions of this chapter shall be construed to prevent any demolition necessary to correct the unsafe or dangerous conditions of any structure, feature, or part thereof, when such condition has been declared unsafe or dangerous by the building official or the fire chief and where the proposed measures have been declared necessary and permitted by such official to correct such conditions. A City permit is required prior to demolition. However, only such work as is necessary to correct the unsafe or dangerous condition may be performed. In the event any structure or other feature shall be damaged by fire or other calamity, the building official may specify, prior to the design review authority's review, the amount of repair necessary to correct any unsafe conditions.

Public agencies that own property in the City shall be notified of the provisions of this chapter and encouraged to seek the advice of the Heritage Committee before the construction, alteration, demolition, or relocation of any historic resource.

25.45.020 Property maintenance required.

- (A) The City's intention is to preserve from deliberate or inadvertent neglect the exterior portions of any historic resource and all interior portions thereof whose maintenance is necessary to prevent deterioration of an historic resource. No owner of any historic resource shall fail to undertake such repairs or maintenance as are necessary to prevent significant deterioration of the property beyond the condition of the property on the effective date the property is identified as an historic resource.
- (B) No owner, lessee, or occupant of any property listed in the register shall fail to comply with all applicable provisions of this code and other ordinances of the City regulating property maintenance, including, without limitation, weed control, garbage, and housing.
- (C) Before the City Attorney files a complaint in a court of competent jurisdiction for failure to maintain the historic property, the director shall notify the property owner, lessee, or occupant of the need to repair, maintain, or restore the property, and shall give the owner a minimum of thirty days within which to perform such work.

25.45.022 Illegal construction—Penalty for violations.

The following penalties shall be determined by the City Council after a public hearing, with a recommendation from the Heritage Committee.

(A) The removal or demolition of any structure listed on the historic register without an approved demolition permit shall result in a five-year stay in the issuance of a building permit for any new construction at the site previously occupied by the historic structure.

(B) In addition to the repayment or restoration provisions of Section 25.45.006(F), any person who demolishes a structure listed on the City's register, either in whole or in part, may be subject to an administrative penalty of up to one hundred thousand dollars for each violation. The determination shall be based on the extent of the demolition and the benefits received, including setback and parking incentives.

Chapter 25.54 SIGN REGULATIONS

25.54.024 Murals.

(B) The following procedures shall govern the approval of mural proposals:

...

. . .

(3) Heritage Committee Review Required. If a mural is proposed on a historic structure identified on the city's Historic Register, the heritage committee shall review and make a recommendation regarding the mural proposal prior to the review of the arts commission.

Coastal Commission Exhibit 3 Page 18 of 21 <u>CITY PROPOSED CHANGES TO DESIGN GUIDELINES – A GUIDE TO</u> <u>RESIDENTIAL DEVELOPMENT:</u>

•••

Section B Design Review Criteria

The Design Review Board reviews projects on the basis of the applicable property development standards and design review criteria.

The design review criteria that relate to residential development are listed in Municipal Code §25.05.040(H) as follows:

Access

Conflicts between vehicles, pedestrians and other modes of transportation should be minimized by specifically providing for each applicable mode of transportation. Handicapped access shall be provided as required by applicable statutes.

Design Articulation

Within the allowable building envelope, the appearance of building and retaining wall mass should be minimized. Articulation techniques including, but not limited to, separation, offsets, terracing and reducing the size of any one element in the structure may be used to reduce the appearance of mass.

Design Integrity

Consistency with the applicant's chosen style of architecture should be achieved by the use of appropriate materials and details. Remodels should be harmonious with the remaining architecture.

Environmental Context

Development should preserve and, where possible, enhance the City's scenic natural setting. Natural features, such as existing heritage trees, rock outcropping, ridgelines and significant watercourses should be protected. Existing terrain should be utilized in the design and grading should be minimized.

General Plan Compliance

The development shall comply with all applicable policies of the General Plan, including all of its elements, applicable specific plans and certified local coastal program.

Historic Preservation

Destruction or significant alteration to properties with historic resources, should be avoided whenever possible.

Landscaping

Landscaping shall be incorporated as an integrated part of the structure's design and relate harmoniously to neighborhood and community landscaping themes. View equity shall be an important consideration in the landscape design. The relevant landscaping guidelines contained in the City's "Landscape and Scenic Highways Resource Document" should be incorporated, as appropriate, in the design and planned maintenance of proposed landscaping.

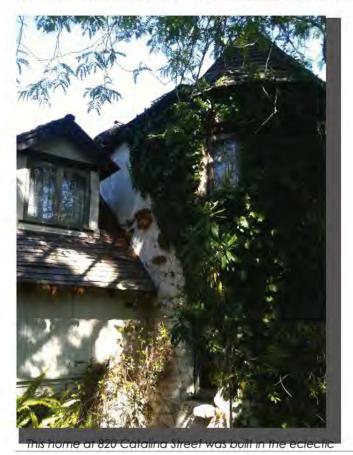
• • •

Chapter 8 Historic Preservation

"Destruction or significant alteration to historic resources, should be avoided whenever possible." Destruction or alteration to properties with historie significance, as identified in the City's Historic Resources Inventory or Historic Register, should be avoided whenever possible. Special preservation consideration should be given to any structures over forty five years old." LBMC §25.05.040(H)

Historic structures mark the stages of evolution of Laguna Beach and contribute to the City's character. It is important to preserve them. The Laguna Beach Historic Resources Inventory and Register constitute an active record of historic structures within the city. Structures identified on the Historic Resources Inventory are eligible for placement on the City's Historic Register (see Municipal Code §25.45). Owners of historic structures who are contemplating modifications to them are encouraged to engage licensed architects, historical resource consultants and design professionals with experience working within the constraints of a historic project to assist in concept development.

Before demolishing a historic structure or altering it in any way, it is important to contact the Zoning or Planning Division to determine the correct procedures. Most projects will require environmental review, a historical <u>report</u> and Heritage Committee review.



A Guide to Residential Development

Page 33

Coastal Commission Exhibit 3 Page 20 of 21

Appendix Glossary

<u>Historic structure</u>: A historic building or site that is noteworthy for its significance in local, <u>state</u> or national history or culture, its architecture or design, or its works of art, memorabilia or artifacts.

<u>Historic Inventory</u>: A historic survey done to identify homes with historical significance built prior to 1935 which retained their original architectural integrity. This survey was adopted as the Historic Inventory in 1982. The Inventory was updated to included homes within South Laguna during the adoption of the South Laguna Specific Plan (1983). The inventory classifies structures into three categories of historical significance, "E" Exceptional, "K" Key and "C" Contributive. For a complete description of these categories see the city's historic resources element.

<u>Historic preservation</u>: Maintenance and repair of existing historic materials and retention of the property as it has evolved over time. The limited and sensitive upgrading of mechanical, electrical, and plumbing systems and other code-required work to make properties functional is appropriate within a preservation project.

<u>Historic Register</u>: Historic structures are identified as historically significant. These properties were voluntarily placed on the register and are eligible to receive incentives for development. The register classifies structures into three categories of historical significance, "E" Exceptional, "K" Key and "C" Contributive. For a complete description of these categories see the eity's historic resources element.

<u>Historic rehabilitation</u>: The act or process of making possible a compatible use for a property through repair, alterations and additions while preserving those portions or features that convey its historical, <u>cultural</u> or architectural value.

<u>Historic restoration</u>: The act or process of accurately depicting the form, features and character of a property as it appeared at a particular period of time by means of the removal of features from other periods in its history and reconstruction of missing features from the restoration period.

<u>Historic reconstruction</u>: The act or process of depicting, by means of new construction, the form, features and detailing of a <u>non surviving</u> site, landscape, building, structure or object for the purpose of replicating its appearance at a specific period of time and in its historic location.

<u>Human scale</u>: The appropriate relationship or scale between human beings and <u>the</u> <u>size</u> of the surrounding buildings. Buildings scaled to human physical capabilities have steps, doorways, railings, work surfaces, seating, shelves, fixtures, walking distances, and other features that fit well to the average person.

<u>Impervious surface</u>: A surface through which water cannot penetrate.

<u>Improvements</u>: Permanent additions to real property that are designed to make the property more useful or to increase its value.