

**CALIFORNIA COASTAL COMMISSION**

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# F19b

Appeal Filed: 03/25/2022  
49<sup>th</sup> Day: 06/06/2022  
Staff: C. Seifert-LB  
Staff Report: 04/28/2022  
Hearing Date: 05/13/2022

## STAFF REPORT: APPEAL – SUBSTANTIAL ISSUE

**Appeal Numbers:** A-5-VEN-22-0012

**Applicant:** Place Holder DP, LLC (attn: Doron Benshalom)

**Agent:** Harvey Goodman Civil Engineering (attn: Susan Steinberg)

**Local Government:** City of Los Angeles

**Local Decision:** Approval with Conditions

**Appellants:** People Organized for Westside Renewal (attn: Bill Przylucki), Citizens Preserving Venice (attn: Robin Rudisill)

**Project Location:** 22 and 22 ½ Paloma Ave., Venice, City of Los Angeles, Los Angeles County (APN: 4286-022-006)

**Project Description:** Appeal of City of Los Angeles Local Coastal Development Permit No. DIR-2020-5351-CDP-SPP approved with conditions for the subdivision of a 3,525 sq. ft. lot into a 1,716 sq. ft. “Parcel A” and 1,809 sq. ft. “Parcel B”, with no alteration to the existing 2,186 sq. ft., two-story duplex and 2,268 sq. ft., two-story triplex on the proposed two lots.

**Staff Recommendation:** Determine that a substantial issue exists.

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**IMPORTANT HEARING PROCEDURE NOTE:** This is a substantial issue only hearing. Testimony will be taken only on the question of whether the appeal raises a substantial

issue. Generally, and at the discretion of the Chair, testimony is limited to 3 minutes total per side. Please plan your testimony accordingly. Only the applicant, persons who opposed the application before the local government (or their representatives), and the local government shall be qualified to testify. Others may submit comments in writing. If the Commission determines that the appeal does raise a substantial issue, the de novo phase of the hearing will occur at a future Commission meeting, during which it will take public testimony.

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## **SUMMARY OF STAFF RECOMMENDATION**

The action taken by the City of Los Angeles on Local Coastal Development Permit (CDP) No. DIR-2020-5351-CDP-SPP approved the subdivision of a 3,525 sq. ft. lot into two separate lots: a 1,716 sq. ft. “Parcel A” and 1,809 sq. ft. “Parcel B”. The existing, 2,186 sq. ft., two-story duplex fronts Paloma Avenue (a Walk Street) and will be located on “Parcel A”; the existing 2,268 sq. ft., two-story triplex fronts Paloma Court (the rear alley) and will be located on “Parcel B”. The duplex and triplex were constructed prior to passage of the Coastal Act and are legally nonconforming with parking requirements and unit density limitations of the certified LUP. The project does not include structural alterations to either structure.

The project site is located in the North Venice subarea of Venice within the City of Los Angeles Dual Permit Jurisdiction Area. The standard of review for this appeal is Chapter 3 of the Coastal Act, with the certified Venice Land Use Plan (LUP) serving as guidance. The applicant has not yet applied for a CDP from the Coastal Commission.

The City of Los Angeles Bureau of Engineering typically will not approve small lot subdivisions resulting in one or more lots without vehicle access, unless the project meets specific eligibility criteria specified in the City’s uncertified Small Lot Subdivision Ordinance. The stated intent of the ordinance is to “facilitate fee-simple home ownership opportunities through the preservation of existing housing within the City.” The ordinance allows existing, detached dwelling units to be subdivided into small lots if the subject structures are more than 45 years old. The subject duplex and triplex meet this criteria. The applicant indicates that the proposed project is intended solely to allow independent sale of the duplex and triplex onsite.

The appellants contend that the local CDP does not adequately address Venice’s status as a special coastal community. The appellants argue that the existing pattern of lot parameters in Venice plays a significant role in community character and the locally approved “small lot” subdivision will result in an adverse cumulative effect on the surrounding community character. The project site is located in the North Venice Walk Streets Historic District along a designated Walk Street, Paloma Avenue. This area shows a distinct pattern of long, narrow lots with vehicle access obtained solely from the rear alley, Paloma Court. The certified Venice LUP acknowledges that Venice contains a unique layout of lots that reflects the location of the original canal system and rail lines. Lot parameters can influence the mass, scale, and density of new development.

The portion of Paloma Avenue west of Pacific Avenue (where the project site is located) is characterized by long, singular lots greater than 3,000 sq. ft., while the portion of Paloma Avenue east of Pacific Avenue includes only small lot subdivisions with shorter lots less than 3,000 sq. ft. in size. Despite the difference in lot parameters between these two portions of Paloma Avenue, a comparison of architecture and building design does not suggest a significant difference from a street-level perspective; visitors on the Walk Street and neighbors can find 20<sup>th</sup> century architecture and multiple detached structures per lot on either side of Pacific Avenue. This suggests the relationship between lot parameters (i.e. siting and size) and community character (i.e. mass and scale, architectural styles, development use, etc.) is not explicitly causal unless accompanied by change to existing development. Review of past, current, and probable future projects proposing small lot subdivisions without redevelopment confirms the local CDP unlikely to result in an adverse cumulative effect on community character. Additionally, the subdivision will not impact the maximum housing density allowed onsite under the certified LUP. Under Policy I.B.7, a single 3,525 sq. ft. lot is limited to a maximum of two units; and two lots, each less than 2,000 sq. ft. in size, are also limited to a total maximum of two units. Therefore, the appellants' contention does not raise a substantial issue with regard to the project's consistency with development and visual resource policies of Chapter 3 of the Coastal Act, nor the certified LUP.

The appellants contend that "Parcel B" would no longer face the Walk Street, due to its location behind "Parcel A", and this will prevent potential, future new development from complying with Policy II.C.10 of the certified LUP. Policy II.C.10 requires specific design standards for residences located along Walk Streets, including the requirement that all residential entrances face the Walk Street. However, the local CDP did not approve any new development, and the project would result in "Parcel B" no longer located along the Walk Street and thus no longer subject to Policy II.C.10. Therefore, the project is not inconsistent with Policy II.C.10.

The appellants contend that the subdivision will eliminate any possible vehicle access to "Parcel A" if the site redevelops in the future. Vehicle access to the project site is obtained solely from the rear alley, Paloma Court. Neither structure currently provides onsite parking. The subdivision will eliminate any possibility of vehicle access to "Parcel A" by 'landlocking' the lot between a Walk Street and "Parcel B". Creation of a landlocked parcel on the Walk Street could ultimately result in pressure for the City and/or Commission to approve new development onsite without the provision of adequate access or parking. This action would be inconsistent with sections 30250 and 30252 of the Coastal Act, which require new development to be sited in a manner that will not adversely impact coastal resources, including public access. It could also result in a future applicant attempting to convert the Walk Street into a source of vehicle access to meet parking requirements, which would significantly impact the existing community character. Therefore, the appellants' contention raises a substantial issue as to whether the project is consistent with Section 30250(a) and 30252 of the Coastal Act and parking requirements of the certified LUP.

The appellants contend that the local CDP should not have been approved without a Mello

Act Compliance Review to assess whether any affordable residential units exist onsite. Additionally, the appellants claim that the project will waive the need for future replacement of existing affordable units under the Mello Act by reducing the number of units per lot. The appellants argue that the local CDP is inconsistent with environmental justice policies of the Coastal Act. However, the local CDP does not approve any loss of housing density. The project would convert the existing five units located on one lot (comprised of a detached duplex and triplex) to two units on “Parcel A” and three units on “Parcel B”. While the Mello Act allows applicants to appeal the requirement for replacement of affordable housing units in a duplex, this is not allowed under the Housing Crisis Act of 2019 (SB330). SB330 requires the replacement of units in any form of residential development regardless of whether the existing units are affordable. Additionally, the Commission does not have authority to review a local jurisdiction’s Mello Act decisions pursuant to Section 30011 of the Coastal Act. Therefore, the appellants’ contention does not raise a substantial issue with regard to Chapter 3 policies of the Coastal Act.

The appellants contend that the local CDP incorrectly exempted the project from CEQA Guidelines. CEQA is not the standard of review for this appeal. Therefore, the appellants’ contention does not raise a substantial issue with regard to the project’s consistency with Coastal Act policies.

Therefore, considering the factors for substantial issue in Section 13115(b) of the Commission’s regulations, the appeal raises a substantial issue regarding the City-approved development’s consistency with Chapter 3 policies of the Coastal Act. Staff recommends that the Commission determine that a **substantial issue exists** with respect to the grounds on which the appeal has been filed. The motion and resolution to carry out the staff recommendation is on Page 5.

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### EXHIBITS

[Exhibit 1 – Vicinity Map](#)

[Exhibit 2 – City Approved Plans](#)

[Exhibit 3 – City Determination Letter](#)

[Exhibit 4 – Appeal](#)

[Exhibit 5 – Paloma Avenue Survey Area](#)

[Exhibit 6 – Applicant Response Letter](#)

## I. MOTION AND RESOLUTION – SUBSTANTIAL ISSUE

**Motion:** I move that the Commission determine that Appeal No. **A-5-VEN-22-0012** raises **NO SUBSTANTIAL ISSUE** with respect to the grounds on which the appeal has been filed under Section 30602 of the Coastal Act.

Staff recommends a **NO** vote. Failure of this motion will result in a de novo hearing on the application, and adoption of the following resolution and findings. Passage of this motion will result in a finding of No Substantial Issue and the local action will become final and effective. The motion passes only by an affirmative vote of the majority of the appointed Commissioners present.

**Resolution:** The Commission hereby finds that Appeal No. **A-5-VEN-22-0012** presents a **SUBSTANTIAL ISSUE** with respect to the grounds on which the appeal has been filed under Section 30602 of the Coastal Act regarding consistency with Chapter 3 policies of the Coastal Act.

## II. APPELLANTS' CONTENTIONS

On March 25, 2022, an appeal was filed by Bill Przylucki on behalf of People Organized for Westside Renewal (POWER) and Robin Rudisill on behalf of Citizens Preserving Venice ([Exhibit 4](#)). The appellants raise the following concerns with the City-approved development:

- 1) The City did not make adequate findings regarding the cumulative effect of a small lot subdivision on the community character of the surrounding area and Venice's status as a special coastal community.
- 2) The project will render any future new development on Parcel A infeasible, due to the lack of vehicle access and inconsistency with certified LUP Policy II.C.10.
- 3) The City did not make adequate findings regarding environmental justice and the potential future loss of affordable housing units on the subject lot.
- 4) The project does not qualify for California Environmental Quality Act (CEQA) exemption under Section 15332, and there is substantial evidence demonstrating that an exception to the categorical exemption applies.

## III. LOCAL GOVERNMENT ACTION

On August 26, 2021, the City of Los Angeles Planning Department Director approved Local CDP No. DIR-2020-5351-CDP-SPP for subdivision of a 3,525 sq. ft. lot into two lots comprised of a 1,716 sq. ft. Parcel A and 1,809 sq. ft. Parcel B, with no alteration to the existing duplex and triplex onsite. The City's action found the applicant's (Place Holder DP, LLC's) project categorically exempt from CEQA pursuant to Section 15332 of the City's CEQA Guidelines.

On September 10, 2021, the Planning Director’s action on Local CDP No. DIR-2020-5351-CDP-SPP was appealed by Bill Przylucki on behalf of POWER. On January 19, 2022, the West Los Angeles Area Planning Commission denied the appeal and upheld the City Planning Department’s action to approve Local CDP No. DIR-2020-5351-CDP-SPP.

On February 25, 2022, the South Coast District office received notice of local action on CDP No. APCW-2020-1521-SPE-SPP-CDP-CUB-ZV. On March 25, 2022, prior to 5 PM, the appellants Bill Przylucki (on behalf of POWER) and Robin Rudisill (on behalf of Citizens Preserving Venice) filed a timely appeal ([Exhibit 4](#)). No other appeals were received prior to the end of the appeal period at 5 PM on March 25, 2022.

#### IV. APPEAL PROCEDURES

Section 30600(b) of the Coastal Act provides that prior to certification of its Local Coastal Program (LCP), a local jurisdiction may, with respect to development within its area of jurisdiction in the coastal zone and consistent with the provisions of Coastal Act sections 30604, 30620 and 30620.5, establish procedures for the filing, processing, review, modification, approval or denial of a CDP. Pursuant to this provision, the City of Los Angeles developed a permit program in 1978 to exercise its option to issue local CDPs. Sections 13301-13325 of Title 14 of the California Code of Regulations provide procedures for issuance and appeals of locally issued CDPs. Section 30602 of the Coastal Act allows any action by a local government on a CDP application evaluated under Section 30600(b) to be appealed to the Commission. The standard of review for such an appeal is Chapter 3 of the Coastal Act. [Cal. Pub. Res. Code § 30625(b)(1)]

After final local action on a CDP application, the Coastal Commission must be noticed within five days of the decision. After receipt of such a notice, which contains all the required information, a twenty working-day appeal period begins, during which any person, including the applicant, the Executive Director, or any two members of the Commission, may appeal the local decision to the Coastal Commission. [Cal. Pub. Res. Code § 30602] As provided under Section 13318 of Title 14 of the California Code of Regulations, the appeal must contain the information required by Section 13111 of Title 14 of the California Code of Regulations, including the specific grounds for appeal and a summary of the significant question raised by the appeal.

The action currently before the Commission is to find whether there is a “substantial issue” or “no substantial issue” raised by the appeal of the local approval of the proposed project. Sections 30621 and 30625(b)(1) of the Coastal Act require a de novo hearing of the appealed project unless the Commission determines that no substantial issue exists as to the proposed project’s conformity with Chapter 3 of the Coastal Act.

Commission staff recommends a finding of **a substantial issue**. If the Commission decides that the appellants’ contentions raise no substantial issue as to conformity with Chapter 3 of the Coastal Act, the action of the local government becomes final. Alternatively, if the Commission finds that a substantial issue exists with respect to the conformity of the action of the local government with the Chapter 3 policies of the Coastal Act, the Commission typically continues the public hearing to a later date in order to review

the CDP as a de novo matter. [Cal. Pub. Res. Code §§ 30621 and 30625.] Section 13321 of the Coastal Commission regulations specifies that de novo actions will be heard according to the procedures outlined in Sections 13114 and 13057-13096 of the Commission's regulations. A de novo public hearing on the merits of the application uses the Chapter 3 policies of the Coastal Act. The Venice LUP, certified on June 14, 2001, is used as guidance. Sections 13110-13120 of Title 14 of the California Code of Regulations further explain the appeal hearing process.

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

## **V. SINGLE/DUAL PERMIT JURISDICTION AREAS**

Within the areas specified in Coastal Act Section 30601, which is known in the City of Los Angeles permit program as the Dual Permit Jurisdiction area, the Coastal Act requires that any development which receives a local CDP permit also obtain a second (or “dual”) CDP from the Coastal Commission. The Commission's standard of review for the proposed development in the Dual Permit Jurisdiction area are the Chapter 3 policies of the Coastal Act. For projects located inland of the areas identified in Section 30601 (i.e., projects in the Single Permit Jurisdiction), the City of Los Angeles local CDP is the only CDP required. The proposed project is located with the Dual Permit Jurisdiction Area. Therefore, the applicant is required to obtain a second, or “dual”, CDP from the Commission for the proposed development. An application for the dual CDP has not yet been submitted.

## **VI. FINDINGS AND DECLARATIONS – SUBSTANTIAL ISSUE**

### **A. PROJECT DESCRIPTION AND LOCATION**

The project site is a 3,525 sq. ft. lot located one block (or approximately 265 ft.) inland of the Venice Beach boardwalk in the North Venice subarea of Venice, City of Los Angeles ([Exhibit 1](#)). The subject site is located in an area characterized by the Los Angeles City Planning Department as the North Venice Walk Streets Historic District.<sup>1</sup> Walk Streets are defined by the certified Venice LUP as public streets that provide pedestrian access, but no vehicle access. The subject site is developed with a 2,186 sq. ft. duplex facing the Walk Street (Paloma Avenue) and a 2,268 sq. ft. triplex facing the alley (Paloma Court) ([Exhibit 2](#)). Both structures are detached and were constructed in 1922, prior to passage of the Coastal Act. The entire lot was designated by the City Planning Department as

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<sup>1</sup> Ref. <http://zimas.lacity.org/documents/zoneinfo/ZI2455.pdf>

“Contributors” to the subject Historic District on October 5, 2020. Vehicle access to the site is obtained solely from Paloma Court, and no parking spaces exist onsite.

The applicant (Place Holder DP, LLC) proposes subdivision of the 3,525 sq. ft. lot into a 1,716 sq. ft. “Parcel A” and 1,809 sq. ft. “Parcel B”. “Parcel A” would front Paloma Avenue (a Walk Street) and Parcel B would front Paloma Court (the rear alley) This would enable the existing duplex and triplex to be sold separately in the future by locating the duplex on “Parcel A” and the triplex on “Parcel B”. The locally approved project does not include any structural alteration or loss of housing density.

There is no CDP history for the site. However, one exemption has been approved. On September 28, 2018, the Executive Director issued a letter of determination finding the applicant’s (Placeholder DP, LLC’s) proposed repair and maintenance project exempt from CDP requirements of the Coastal Act on the basis of Coastal Act Section 30610(b). The letter described the project as ““exterior façade work, including full removal of unpermitted stairs.” The unpermitted stairs were removed consistent with the Executive Director’s determination and do not currently exist onsite.

The project site is designated Multi-Family Residential - Low Medium II Density under Policy I.A.7 of the certified Venice LUP. The existing five units are legally non-conforming with regard to Policy I.A.7, which limits lots under 4,000 sq. ft. in size to a maximum of two units. The existing five units would require at least 11 vehicle parking spaces per certified LUP policies II.A.3 and II.A.4 without its legally non-conforming status. (The total first floor area for both structures is unclear from the project plans, but LUP Policy II.A.4 requires one additional parking space for every 1,000 sq. ft. of ground floor area for development that includes three or more units in the Beach Impact Zone and requires a minimum of one additional space regardless of the ground floor area size.)

#### **B. FACTORS TO BE CONSIDERED IN SUBSTANTIAL ISSUE ANALYSIS**

When determining whether an appeal raises a “substantial issue,” Section 13115(c) of the Commission’s regulations provide that the Commission may consider factors, including but not limited to:

1. The degree of factual and legal support for the local government’s decision;
2. The extent and scope of the development as approved or denied by the local government;
3. The significance of the coastal resources affected by the decision;
4. The precedential value of the local government’s decision for future interpretations of its LCP; and
5. Whether the appeal raises local issues, or those of regional or statewide significance.

The Commission may, but need not, assign a particular weight to a factor. Staff recommends that the Commission find that **a substantial issue exists** with respect to whether the local government action conforms to the provisions of Chapter 3 of the Coastal Act for the reasons set forth below.

### **C. SUBSTANTIAL ISSUE ANALYSIS**

As stated in Section IV of this report, the grounds for an appeal of a CDP issued by the local government prior to certification of its LCP are the Chapter 3 policies of the Coastal Act. Any local government CDP issued prior to certification of its LCP may be appealed to the Commission. The Commission shall hear an appeal unless it determines that no substantial issue exists as to conformity with Chapter 3 policies of the Coastal Act. The primary issues raised by this appeal relate to public access and development standards.

Section 30105.5 of the Coastal Act states, in relevant part:

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

Section 30250 of the Coastal Act states, in relevant part:

(a) New residential... development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it... and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources. ...

Section 30251 of the Coastal Act states, in relevant part:

Permitted development shall be sited and designed to... be visually compatible with the character of surrounding areas...

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

The location and amount of new development should maintain and enhance public access to the coast by ... (3) providing nonautomobile circulation within the development, (4) providing adequate parking facilities or providing substitute means of serving the development with public transportation ...

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

New development shall:

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

Section 30604 of the Coastal Act states, in relevant part:

...(f) The commission shall encourage housing opportunities for persons of low and moderate income. In reviewing residential development applications for low- and moderate-income housing, as defined in paragraph (3) of subdivision (h) of Section 65589.5 of the Government Code, the issuing agency, or the commission on appeal, may not require measures that reduce residential densities below the density sought by an applicant if the density sought is within the permitted density or range of density established by local zoning plus the additional density permitted under Section 65915 of the Government Code, unless the issuing agency or the commission on appeal makes a finding, based on substantial evidence in the record, that the density sought by the applicant cannot feasibly be accommodated on the site in a manner that is in conformity with Chapter 3 (commencing with Section 30200) or the certified local coastal program.

(g) The Legislature finds and declares that it is important for the commission to encourage the protection of existing and the provision of new affordable housing opportunities for persons of low and moderate income in the coastal zone.

(h) When acting on a coastal development permit, the issuing agency, or the commission on appeal, may consider environmental justice, or the equitable distribution of environmental benefits throughout the state. ...

The Venice Certified LUP defines “Special Coastal Community” as:

An area recognized as an important visitor destination center on the coastline, characterized by a particular cultural, historical, or architectural heritage that is distinctive, provides opportunities for pedestrian and bicycle access for visitors to the coast, and adds to the visual attractiveness of the coast.

Venice Certified LUP Policy I. A. 7(d) Multi-family Residential - Low Medium II Density, states, in relevant part:

Oakwood, Milwood, Southeast and North Venice

...Density: One unit per 1,500-2,000 square feet of lot area. Lots smaller than 4,000 square feet are limited to a maximum density of two units. ...

Venice Certified LUP Policy II. C. 7 Walk Streets, states, in relevant part:

Designated walk streets shall be preserved and maintained at their present widths for public pedestrian access to the shoreline and other areas of interest and to preserve views along and from the public right-of-way. Vehicular access on walk streets shall be restricted to emergency vehicles. ...The following streets are designated as walk streets (as shown on Exhibit 19)...

West of Main Street and east of Ocean Front Walk:

a. Paloma Avenue

The Venice Certified LUP defines “Walk Street” as follows:

A public street in the Coastal Zone and/or beach area that has been improved for public pedestrian use over part of its width and is landscaped (privately or publicly) over the remainder, but which has not been improved for vehicular access.

Venice Certified LUP Policy I.E.2 Scale, states, in relevant part:

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

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

...Multiple dwelling: 2 spaces for each dwelling unit.

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

Any new and/or any addition to commercial, industrial, and multiple-family residential development projects within the Beach Impact Zone shall provide additional (in addition to parking required by Policy II.A.3) parking spaces for public use or pay in-lieu fees into the Venice Coastal Parking Impact Trust Fund. Beach Impact Zone (BIZ) Parking Impact Trust Fund criteria:...

b. Multiple family residential projects in the BIZ shall provide an additional parking space for each 1,000 square feet of floor area of the ground floor for multiple dwelling projects of three units or more. Up to 100% of the total number of these additional parking spaces required in this section may be paid for in lieu of providing the spaces. The recommended rates shall be established based upon the development cost study of the area...

d. In no event shall the number of BIZ parking spaces (over and above those spaces required by the parking requirements set forth in Policy II.A.3) required for projects of three or more dwelling units, or commercial or industrial projects, be less than one (1) parking space for residential projects and two (2) parking spaces for commercial and industrial projects.

Venice Certified LUP Policy II. C. 10. Walk Streets – Residential Development Standards, states:

New residential development along walk streets shall enhance both public access and neighborhood character. Building materials, colors, massing and scale of new structures shall complement those of existing structures in the neighborhood. Building facades shall be varied and articulated to provide visual interest to

pedestrians. Primary ground floor residential building entrances and frequent windows shall face the walk streets. Front porches, bays, and balconies shall be encouraged. In case of duplexes and low density multiple-family buildings, entries shall be located in the exterior building facade for each residential unit, shall face walk streets, and be well-defined and separate.

### **Development Standards**

Section 30250(a) of the Coastal Act encourages siting new development contiguous with existing developed areas in a manner that will not adversely impact coastal resources individually or cumulatively. Sections 30251 and 30252 require that new development be sited for visual compatibility with the surrounding community character and to preserve public coastal access. Taken together, these policies require consideration of whether new development has been optimally sited and designed.

Section 30253 requires protection of special coastal communities and neighborhoods that are significant visitor destination areas because of their unique characteristics, echoed by the certified Venice LUP definition. The Commission has determined that Venice constitutes a special coastal community in past actions and has certified LUP development standards to protect the existing community character unique to each neighborhood.

### **Community Character**

The appellants contend that the local CDP findings do not adequately address Venice's status as a special coastal community. The appellants contend that the existing pattern of lot sizes and configurations in Venice contributes to community character and that the project would result in an adverse cumulative effect on community character.

Page II-1 of the certified LUP acknowledges that Venice contains unique subdivision patterns, stating that the layout of lots "still reflects the original canal system and rail lines" and includes lots ranging in size from less than 3,000 sq. ft. to 5,000 sq. ft. The appellants also cite Section 17.50.A of the uncertified Los Angeles Municipal Code (LAMC), which outlines parcel map regulations intended in part to "assure lots of acceptable design and of a size compatible with the size of existing lots in the immediate neighborhood." The appellants claim that this policy, in conjunction with the statement on Page II-1 of the certified LUP, supports the need for preservation of existing subdivision patterns. However, the appellants did not indicate which specific provision of uncertified Section 17.50 is violated by the proposed project, and, regardless, the uncertified LAMC is not the standard of review for the subject appeal. The following analysis will thus be limited to the Chapter 3 policies of the Coastal Act with guidance from policies of the certified LUP.

Lot configuration and size plays a role in community character primarily through its influence on the scale and character of new development. This is acknowledged by certified LUP Policy I.E.2, which requires restriction of lot consolidations to protect the scale of existing neighborhoods "with respect to bulk height, buffer and setback." For example, a larger lot would allow larger development, and a smaller lot would allow smaller development, potentially with smaller buffers or setbacks. However, the scope of the subject appeal is limited to the proposed project: subdivision of an existing 3,525 sq. ft. lot

into two 1,716 sq. ft and 1,809 sq. ft. lots. The subject project does not propose any change to the structures currently on the site.

The North Venice Walk Streets Historic District is an area characterized primarily by long, narrow lots between 3,000 and 4,000 sq. ft. in size. The entire Paloma Avenue Walk Street is approximately 690 ft. long (excluding the width of Pacific Avenue). The 450-ft. long portion of Paloma Avenue located west of Pacific Avenue consists entirely of long, singular lots at least 3,000 sq. ft. in size ([Exhibit 5, shown in yellow on pages 79 and 80](#)).<sup>2</sup> Considering aerial images and Assessor Record maps, most of the North Venice subarea consists of similarly sized lots. The project site (22 and 22 ½ Paloma Avenue) is located in the western-most portion of Paloma Avenue and conforms with the pattern of long narrow lots at least 3,000 sq. ft. in size.

The 225-ft. long portion of Paloma Avenue located east of Pacific Avenue diverges from this pattern with a row of lots facing Paloma Avenue and a second, rear row facing the alley, Paloma Court ([Exhibit 5, shown in blue on pages 79 and 81](#)). This results in square lots roughly half the size and width of the rectangular lots in the western-most portion of Paloma Avenue described above. The lots facing Paloma Avenue in this eastern-most portion do not have any vehicle access, as they are blocked from the alley.

Comparing the western and eastern portions of the Paloma Avenue Walk Street shows a significant difference in lot configuration and size. However, this difference currently does not seem to produce a corresponding difference in visual resources and community character between the western and eastern blocks. Walking along the entirety of Paloma Avenue, both west and east of Pacific Avenue, provides pedestrians with similar views of fenced front yards and historic architecture on either side of the walkway. The potential presence of a detached structure behind the structure fronting Paloma Avenue is not immediately apparent from a pedestrian viewpoint on the Walk Street. Furthermore, aerial images show multiple examples of two or more detached structures sited on a single, long lot along the western-most block of Paloma Avenue—the subject project site is one such example. The existing duplex faces the Walk Street (Paloma Avenue) and visibly differs in design from the existing rear triplex, which faces the alley (Paloma Court) ([Exhibit 1](#)).

This comparison suggests the relationship between lot parameters (i.e. siting and size) and community character (i.e. mass and scale, architectural styles, development use, etc.) is not explicitly causal unless accompanied by changes to the subject development. There are several examples of locally approved small lot subdivisions that included redevelopment of the existing structures onsite, often resulting in changes to unit density or mass and scale.<sup>3</sup> In most of these examples, the proposed change to existing lot parameters clearly facilitated a change to the existing development. The local CDP subject

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<sup>2</sup> The entirety of the subject Walk Street is known as East Paloma Avenue, but staff refer to the eastern- and western-most blocks of Paloma Avenue solely in reference to their location relative to Pacific Avenue. No additional portions of Paloma Avenue beyond those described in the staff report are within the coastal zone.

<sup>3</sup> Ref. [A-5-VEN-15-0059](#) (Kamdar), [A-5-VEN-15-0071](#) (Lunia), [A-5-VEN-16-0083](#) (Kolah), [A-5-VEN-17-0001](#) (Al-Shawe), [A-5-VEN-19-0185](#) (Tikva), [A-5-VEN-19-0201](#), local CDP rescinded (Zhang), [A-5-VEN-20-0011](#) local CDP rescinded and re-issued with no subdivision (Zhang).

to this appeal did not approve any alterations to the existing detached structures onsite, other than a potential change in future property ownership. The City designates the multi-family residence at 22 and 22 ½ Paloma Avenue as a “Contributor” without clarifying whether the historic status applies to both the duplex and triplex, or just the duplex facing the Walk Street.<sup>4</sup> The applicant has indicated solely the duplex as a “Contributor” historic structure. The duplex will remain a historic structure designated as a “Contributor” by the City. The locally approved project will not visibly adversely impact the community character of the surrounding area. Additionally, the subdivision will not impact the maximum housing density allowed onsite under the certified LUP. Under Policy I.B.7, a single 3,525 sq. ft. lot is limited to a maximum of two units if redeveloped, and two lots, each less than 2,000 sq. ft. in size, would also be limited to a total maximum of one unit per lot if redeveloped. The exception for replacement affordable units to exceed maximum unit density does not apply for lots less than 4,000 sq. ft. pursuant to Policy I.B.7.

The City’s local CDP findings do include an inaccurate statement, claiming that “the subject site is located within a residential neighborhood and not within an area identified as a popular visitor destination for recreational use.” The subject site is developed with “Contributor” structures in a Walk Street Historic District and located less than 300 ft. from the Venice Beach boardwalk, suggesting the area is a popular visitor destination despite its residential status. However, the local CDP findings follow this statement with analysis of the project’s consistency with development standards of the certified LUP and Section 30251 of the Coastal Act, which requires preservation of visual compatibility and visual resources. The City’s findings also consider potential cumulative effects of the project on public access and whether it would result in a loss of on-street parking spaces. Thus, despite the inaccurate statement, the local CDP includes adequate findings determining that the project will not impact Venice’s status as a special coastal community.

The appellants additionally contend that the local CDP will result in adverse cumulative effects on the community character of the surrounding area. Section 30105.5 of the Coastal Act defines “cumulative effects” to include the effects of past projects, other current projects, and probable future projects. This analysis must consider projects similar to the locally approved project subject to this appeal (Appeal No. A-5-VEN-22-0012): specifically, subdivision of an existing lot without alteration to the existing structures.

The appellants provided a list of all small lot subdivisions approved in Venice since 2012 as recorded on Cityhood.com and indicated that this source is an online database updated to reflect the Venice Neighborhood Council’s (VNC’s) bi-weekly case reports ([Exhibit 4](#)).<sup>5</sup> The submitted list shows 59 small lot subdivisions approved by the VNC in Venice since 2012, but doesn’t indicate whether those approvals were followed by approval from the City of Los Angeles Planning Department. It also doesn’t indicate whether those small lot subdivision projects included redevelopment of existing structures on the subject lots. As indicated above, there have been several small lot subdivision projects accompanied by redevelopment. However, City and Commission records reflect far fewer small lot

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<sup>4</sup> Ref. <http://historicplacesla.org/reports/a8beebd2-a344-4c01-a493-7662cf95afa7>

<sup>5</sup> Ref. <http://cityhood.org> (The VNC assigns “small lot” subdivision projects a file number ending in “SL”, which allowed the appellants to narrow the search results.)

subdivisions comparable to the project subject to this appeal. Staff were able to find records of three past projects similar to the subject project, approved by the City Planning Department.

On January 23, 2006, the City Planning Department approved Local CDP No. ZA-2006-8695-ZAA-CDP-SPP for subdivision of a 6,011 sq. ft. lot at 357 5<sup>th</sup> Avenue into three lots, resulting in one single-family dwelling per lot rather than three detached units, with no structural alterations proposed.<sup>6</sup> Current Assessor Record maps do not reflect three lots at this address, suggesting the applicant did not act on the local CDP. The three existing units have remained onsite.

On February 27, 2009, the City Planning Department approved Local CDP No. ZA 2007-0743-CDP-ZV-ZAA-SPP-MEL for subdivision of a 5,314 sq. ft. lot spanning 2812, 2814, 2816, and 2818 S. Grand Canal into two lots, resulting in one duplex per lot rather than a single quadraplex, with no structural alterations proposed.<sup>7</sup> The applicant does not appear to have acted on the local CDP, as a subsequent City action dated March 16, 2017 references a single lot spanning 2812, 2814, 2816, and 2818 S. Grand Canal.<sup>8</sup> The 2017 City action approved demolition of the quadraplex for construction of a new single-family residence on the single lot, with conditions allowing a maximum of “one unit per lot”. On June 12, 2020, the Commission approved CDP Nos. A-5-VEN-18-0049 and 5-19-1015 for the demolition of the quadraplex and construction of a new single-family residence with an ADU on the single lot at spanning 2812, 2814, 2816, and 2818 S. Grand Canal.<sup>9</sup>

On July 8, 2014, the City Planning Department approved Local CDP No. ZA-2013-2003-CDP-MEL-ZAA for subdivision of a 5,400 sq. ft. lot at 750 E. California Avenue into two lots, resulting in one single-family dwelling per lot rather than two detached units, with no structural alteration proposed.<sup>10</sup> The two existing units have remained onsite.

These three examples illustrate that small lot subdivisions may be approved without directly impacting the existing structures. The ultimate redevelopment of 2812-2818 S. Grand Canal as a single lot, rather than the previously approved subdivided lots, shows the distinction between alteration of existing lot parameters and existing development. Changes to lot parameters can occur independent of changes to existing development and vice versa. As established above, it is not evident that subdivision of lots without accompanying structural changes adversely impacts community character.

Commission staff are aware of one other small lot subdivision currently proposed by the same applicant (Place Holder DP, LLC). On August 3, 2020, the City Planning

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<sup>6</sup> Ref. <https://planning.lacity.org/pdiscaseinfo/document/MTA1Nzk40/2414c9ed-2b48-4a99-b482-3be9d5954750/pdd>

<sup>7</sup> Ref. <https://planning.lacity.org/pdiscaseinfo/document/MTAzMTcz0/2414c9ed-2b48-4a99-b482-3be9d5954750/pdd>

<sup>8</sup> Ref. <https://planning.lacity.org/pdiscaseinfo/document/MTAzMTcz0/2414c9ed-2b48-4a99-b482-3be9d5954750/pdd>

<sup>9</sup> Ref. <https://documents.coastal.ca.gov/reports/2020/6/F17b/f17b-6-2020-report.pdf>

<sup>10</sup> Ref. <https://planning.lacity.org/pdiscaseinfo/document/MTQ5NDkz0/de98c26c-073f-43dc-b739-b418741a3276/pdd>

Department filed Application No. DIR-2020-4538-CDP-MEL-SPP-HCA for subdivision of an existing, approximately 6,257 sq. ft. lot into six lots at 40 E. Club House Avenue in the North Venice subarea, resulting in conversion of six detached bungalow units to six single-family dwellings.<sup>11</sup> No structural alterations to the existing structures are proposed. The project site (40 E. Club House) is located along another Walk Street, approximately 0.5 miles south of the subject project site (22 and 22 ½ Paloma Avenue). The City has not scheduled the application for local hearing. Commission staff are currently unaware of any additional future probable small lot subdivision projects in Venice.

Therefore, based upon this review, the appellants' contention regarding the project's adverse cumulative effect on community character does not raise a substantial issue with regard to project consistency with sections 30251 through 30253 and 30226 of the Coastal Act, nor relevant policies of the certified Venice LUP.

### **Lack of Vehicle Access**

The appellants contend that the local CDP will eliminate vehicle access to "Parcel A". The appellants also contend that "Parcel B" would no longer face the Walk Street, due to its location behind "Parcel A", and this will prevent potential, future new development from complying with Policy II.C.10 of the certified LUP. Policy II.C.10 requires specific design standards for residences located along Walk Streets, including the requirement that all residential entrances face the Walk Street.

The local CDP did not approve any alterations to the existing structures As described above, the locally approved subdivision does not determine the design of future development with regard to architecture, mass and scale, or proposed use. Additionally, the project would result in "Parcel B" no longer located along the Walk Street and thus no longer subject to Policy II.C.10. Therefore, the project is not inconsistent with Policy II.C.10.

However, the subdivision will determine whether "Parcel A" is vehicle accessible. The project will site "Parcel A" between a Walk Street (Paloma Avenue) and "Parcel B", with no access to the rear alley (Paloma Court). The local CDP did not require a parking or other access easement. No vehicle parking spaces currently exist onsite and both structures are legally non-conforming with regard to parking requirements of the certified LUP. The local CDP will formalize the existing lack of vehicle access to the duplex through a subdivision, rendering any future new development on "Parcel A" inconsistent with the parking requirements of the certified LUP. Additionally, the residents of the existing duplex would no longer have the right to walk through the triplex parcel from Paloma Court to access their residences; nor will the residents of the existing triplex have the right to walk through the duplex parcel from Paloma Avenue. Creation of a landlocked parcel on the Walk Street could ultimately result in pressure for the City and/or Commission to approve new access to the site from the Walk Street. This action would be inconsistent with Section 30250 of the Coastal Act, which requires new development to be sited in a manner that will not adversely impact coastal resources, including public access. It could also result in a future applicant attempting to convert the Walk Street into a source of vehicle access to meet

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<sup>11</sup> Ref. <https://planning.lacity.org/pdiscaseinfo/search/encoded/MjM5NTE30>

parking requirements or to ensure access to the parcel on the Walk Street, which would significantly impact the existing community character.

The applicant has responded to this contention by identifying other existing site constraints as evidence that LUP-consistent redevelopment is not feasible at the subject site regardless of whether the subdivision occurs ([Exhibit 6](#)). The applicant indicates that the Housing Crisis Act of 2019 (SB8) prohibits any reduction in housing density for projects that require discretionary approval, including the coastal zone. SB8 and SB330 amended multiple Government Code sections and require all housing development projects in California to “create at least as many residential dwelling units as will be demolished” pursuant to Section 66300(d)(1).<sup>12</sup> This requirement applies regardless of whether the units have been designated as affordable. Thus, demolition of the existing duplex and/or triplex onsite would require a commensurate number of units included in any new development of the site. The applicant states that this requirement would conflict with development standards of the certified LUP, including parking standards. Commission staff do not disagree with the applicant that these laws are applicable to this site—however, these laws are not implemented by the Commission nor are they part of the Commission’s standard of review.

Policy I.A.7 of the certified LUP limits lots smaller than 4,000 sq. ft. to a maximum density of two units in the subject Multi-family Residential - Low Medium II Density land use designation. The subject lot is 3,525 sq. ft., and the existing five units are legally non-conforming with Policy I.A.7. Demolition of the existing structures would result in inconsistency with either state laws or the certified LUP, since the demolished units could not be replaced consistent with the provisions of the LUP. Substantial remodel of the existing structures would pose the same issue, as LUP Policy I.E.5 requires correction of all non-conformities with a substantial remodel and/or addition.

Furthermore, LUP policies II.A.3 and II.A.4 require at least two parking spaces for each dwelling unit and an additional parking space for each 1,000 sq. ft. of ground floor area for multiple dwelling projects of three units or more. The total ground floor area of the detached duplex and triplex is unclear from the locally approved plans, but the existing five units are legally non-conforming with regard to a deficit of at least 11 vehicle parking spaces. Under Government Code Section 66300 of the Housing Crisis Act, any redevelopment would have to provide five units and at least 11 parking spaces on the subject 3,525 sq. ft. lot while maintaining visual compatibility with the surrounding neighborhood. The applicant argues that excavation of a subterranean parking level would be financially infeasible and likely would require multiple levels to accommodate 10 or more parking spaces ([Exhibit 6](#)). It would also raise issues of coastal hazards associated with groundwater elevation onsite. The applicant additionally argues that the historic “Contributor” status of the existing duplex is another site constraint rendering future redevelopment infeasible under local historic rehabilitation guidelines uncertified by the Commission. Redevelopment that is consistent with both state laws and the certified LUP

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<sup>12</sup> Ref.

[https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=201920200SB330&search\\_keywords=housing](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200SB330&search_keywords=housing)

does appear infeasible at the subject lot. It is unclear how the subdivision will impact this issue.

Lastly, the applicant indicates that the subject project is unlikely to be accompanied by a flood of other small lot subdivisions in Venice due to uncertified Los Angeles Municipal Code (LAMC) eligibility restrictions ([Exhibit 6](#)). In 2004, the City adopted the Small Lot Subdivision Ordinance amending the uncertified LAMC to allow small lot subdivisions with the intent of facilitating “fee-simple homeownership” and new residential development.<sup>13</sup> In 2017, the City amended the ordinance to include additional eligibility criteria for small lot subdivisions with the intent of protecting existing dwelling units. Uncertified LAMC Section 12.22(C)(27)(b) allows detached duplex and triplex structures to be subdivided into small lots if the structures have been “maintained under a single ownership with an original building permit issued more than 45 years prior to the date of submittal of the application for subdivision, or where information submitted with the subdivision application indicates that the building(s) is/are more than 45 years old”.<sup>14</sup> This provision and others included in the Small Lot Subdivision limit the number of lots eligible for subdivision.

In summary, the applicant is correct in arguing that several site constraints make future redevelopment problematic even without a subdivision. But the local CDP will add to these existing issues by eliminating pedestrian access from Paloma Court to the existing duplex and from Paloma Avenue to the existing triplex and formally eliminating vehicle access to “Parcel A”, and the local CDP findings do not address the issue of vehicle or other access. Section 30250(a) of the Coastal Act encourages siting new development in a manner that will not adversely impact coastal resources, including public access. The project requires additional review for consistency with Section 30250(a).

Therefore, the appellants’ contention raises a substantial issue as to whether the project is consistent with Section 30250(a) of the Coastal Act and policies II.A.3 and II.A.4 of the certified LUP.

### **Environmental Justice and CEQA**

Section 30604 of the Coastal Act encourages the protection of existing affordable housing and provision of new affordable housing in the coastal zone, as well as the “equitable distribution of environmental benefits”. Section 30604(h) specifies that the Commission may consider environmental justice when acting on an appeal.

### **Mello Act**

The appellants contend that the local CDP should not have been approved in the absence of a Mello Act Compliance Review to assess whether any affordable residential units exist onsite.<sup>15</sup> The appellants contend that the five units at 22 and 22 ½ Paloma Avenue are protected from rent increases under the Los Angeles County

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<sup>13</sup> Ref. <https://planning.lacity.org/odocument/01d4a580-f174-4a97-b144-9b3c98616ddf/SmallLotDesignStandards.pdf>

<sup>14</sup> Ref. <https://planning.lacity.org/ordinances/docs/smalllot/CodeAmendment/updated/OrdAmend.pdf>

<sup>15</sup> In 1982, the California Legislature codified the Mello Act (Government Code Section 65590) requiring local governments to protect and mitigate for displacement of affordable units. A Mello Act Compliance Review includes a determination of whether affordable residential units exist on a subject site.

Rent Stabilization Ordinance (RSO) and are therefore subject to Mello Act Compliance Review. Additionally, the appellants claim that the project is intended to evade the need for future replacement of existing affordable units under the City’s uncertified Interim Administrative Procedures (IAP) by reducing the number of units per lot.

The appellants also contend that the City misinterpreted the definition of “unit conversion” under the uncertified IAP and argue that a small lot subdivision results in unit conversion similar to condominium ownership, which would trigger the need for a Mello Act Compliance Review. However, this contention is based on disagreement with the City’s interpretation of the IAP, which has not been certified by the Commission. Pursuant to Section 30011 of the Coastal Act, the Commission does not have authority to review a local jurisdiction’s Mello Act decisions.

Therefore, the appellants’ contention does not raise a substantial issue with regard to project consistency with Chapter 3 of the Coastal Act.

### **CEQA Exemption**

The appellants contend that the local CDP incorrectly exempted the project from CEQA Guidelines under CEQA Section 15300.2 and that the project would have benefited from a full review of environmental impacts, included review of potential cumulative impacts to coastal resources. The appellants also contend that the CEQA findings seem to approve remodel of the existing structures at 22 and 22 ½ Paloma Avenue.

CEQA Guidelines Section 15315 (Class 15) determines minor subdivisions in urban areas categorically exempt from CEQA review if the project meets specific criteria. CEQA Guidelines Section 15300.2 specifies exceptions to the use of categorical exemptions, such as when the project will result in a cumulative adverse effect in conjunction with successive, similar projects. In the findings determining Section 15300.2 not applicable to the project, the local CDP characterizes the project as “the remodel of an[*sic*] existing multi-family dwellings located at 22 and 22 ½ Paloma Avenue.” The City has confirmed that this was an error and no remodel is proposed or approved; the locally approved project plans also do not show any remodel work or structural alterations ([Exhibit 2](#)).

Additionally, CEQA is not the standard of review for this appeal, and this contention does not raise a substantial issue with regard to the project’s consistency with Coastal Act Chapter 3 policies.

### **SUBSTANTIAL ISSUE FACTORS:**

The Commission’s standard of review for determining whether to hear the appeal is whether the appeal raises a substantial issue as to conformity with Chapter 3 of the Coastal Act. Cal. Pub. Res. Code § 30625(b)(1); 14 C.C.R. § 13321. The Commission’s decision is guided by the factors listed in the previous section of this report.

**1. The degree of factual and legal support for the local government’s decision that the development is consistent with the relevant provisions of the Coastal Act.** The City found that the project would be consistent with the Chapter 3 policies of the Coastal Act, including sections 30250 and 30252 which encourage the design and location of development in appropriate areas without impact to surrounding visual resources. The City also analyzed whether the project could result in cumulative adverse effects on public access, visual resources, and recreation. However, the City did not address whether the proposed lack of vehicle access to “Parcel A” is inconsistent with public access sections of the Coastal Act and parking requirements of the certified LUP. There are no findings analyzing whether a vehicular or other access easement is necessary. Therefore, the Commission finds that the City did not provide an adequate degree of factual and legal support for its decision to approve a subdivision locating “Parcel A” between a Walk Street and another lot. This factor supports a finding of a substantial issue.

**2. The extent and scope of the development as approved or denied by the local government.** The City-approved development will approve subdivision of a 3,525 sq. ft. lot into a 1,716 sq. ft. “Parcel A” and 1,809 sq. ft. “Parcel B”, with no changes to the existing duplex and triplex on the project site. The project scope is limited to a change in the existing parcel map and potentially parcel ownership. However, the impact of ‘landlocking’ “Parcel A” between a Walk Street and another lot with no vehicle access for potential future development is unclear and may affect the status of Paloma Avenue as a Walk Street. The issue has the potential to increase the extent and scope of the project to the entire Paloma Avenue Walk Street, creating inconsistency with the Chapter 3 policies of the Coastal Act, and this factor supports a finding of a substantial issue.

**3. The significance of the coastal resources affected by the decision.** Venice is a unique area that specifically draws millions of visitors from around the world each year. As such, it has been designated a coastal resource that deserves special protection. Additionally, the project site is located in the North Venice Walk Streets Historic District, a residential area that has preserved early 20<sup>th</sup> century architecture and unique pedestrian walkways. The proximity of this neighborhood to the boardwalk and the resulting competition for on-street parking renders public access especially significant in this location. The locally approved development will not significantly impact visual resources or community character; however, it may adversely impact the ability of “Parcel A” to provide adequate parking or access for tenants without relying on public on-street parking. Therefore, the Commission finds that this factor supports a finding of a substantial issue.

**4. The precedential value of the local government’s decision for future interpretations of its LCP.** The City does not currently have a certified LCP, but it does have a certified LUP. The LUP was certified by the Commission in June 2001 and includes development and parking standards for new development. The locally approved project raises the question of whether small lot subdivisions pose public access issues on Walk Streets where vehicle access is only available from the rear alley. This could result in future revisions to certified LUP policies outlining Walk Street development standards. Therefore, the Commission finds that the City-approved development could have an adverse impact on future interpretations of its LUP and may prejudice the City’s ability to

certify an LCP. The Commission finds that this factor supports a finding of a substantial issue.

**5. Whether the appeal raises local issues, or those of regional or statewide significance.** The appellants contend that the project raises issues related to community character, cumulative adverse effects, public access, environmental justice, and interpretation of CEQA guidelines. The locally approved project appears solely to raise a substantial issue with regard to potential future impacts on public access. Public access in special coastal communities is important locally, regionally, and statewide, considering the importance of tourism and equitable recreational opportunities in the coastal zone. As such, this factor supports a finding of a substantial issue.

**Conclusion**

Applying the five factors listed above clarifies that the appeal raises a “substantial issue” with respect to the project’s consistency with Chapter 3 of the Coastal Act. Staff recommends that the Commission find that a substantial issue exists with respect to whether the local government action conforms with the policies of the City’s certified LCP and the public access policies of the Coastal Act.