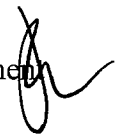



**CITY OF MANHATTAN BEACH
COMMUNITY DEVELOPMENT DEPARTMENT
STAFF REPORT**

TO: Planning Commission

THROUGH: Richard Thompson, Director of Community Development 

FROM: Laurie B. Jester, Senior Planner 

DATE: July 25, 2007

SUBJECT: Consideration of Residential Zoning Code Amendments and Local Coastal Program Amendments for the City Council 2005-2007 Work Plan Item on Mansionization, including but not limited to, 1) encouraging the retention of existing smaller homes, 2) the accessory use of adjacent common ownership parcels, 3) new residential development standards to increase open space and setbacks, and 4) lot mergers.

RECOMMENDATION

Staff recommends that the Planning Commission **CONDUCT the PUBLIC HEARING, DISCUSS, PROVIDE DIRECTION AND CONTINUE THE PUBLIC HEARING TO AUGUST 8, 2007**, for revisions to the Zoning Code and Local Coastal Program for residential development.

City Council Direction

On June 26, 2007 a special study session was held which included a windshield tour of the City to view residential development constructed under different Zoning Code standards. The staff report and attachments are included as Exhibit B. At that meeting the City Council discussed the Mansionization Committees recommendations and directed staff and the Planning Commission to conduct public hearings and evaluate the following possible Code Amendments related to Mansionization. The City Council specifically requested the Planning Commission to review and provide direction on a number of items as noted below.

- 1. Amendments to encourage the retention of existing smaller homes:**
 - a. Administratively allow 100% remodel and an increase in Buildable Floor Area (BFA) for existing non-conforming small homes with a limit of 66% to 75% of BFA or 3,000 SF whichever is less, instead of the current 2,000 SF limit with neighbor notification.
The City Council requested that the Planning Commission review the percentage of the maximum allowed BFA and the maximum square footage to determine what numbers may be appropriate.
 - b. Administratively, with neighborhood notification, allow 100% remodel and an increase in BFA for existing non-conforming homes with a limit of 66% to 75% of BFA, but no SF cap, instead of the current 2,000 SF limit.
The City Council requested that the Planning Commission review the percentage of the maximum allowed BFA to determine what numbers may be appropriate.

- c. Remodel of existing home- Exception to bulk-volume additional 8% (6%) front yard setback/open space requirement to allow a portion of the open space to be provided elsewhere, if the percentage of the portion that is relocated is increased; currently no provisions.
- d. Bulk Volume- Remodel of existing homes on corner lots-Require a portion of the 8% (6%) additional front yard open space to be provided on the streetside frontage; to provide building wall articulation; currently only required within the front.

The City Council requested that the Planning Commission review the percentage of the front yard setback that should be wrapped around a corner to provide adequate building wall articulation.

- 2. Amendments to allow accessory structures on adjacent lots under the same ownership:**
Allow accessory structures (pools, extra garage, poolhouse, guest house, etc.) on adjacent common ownership parcels without requiring the lots to be merged; currently only gardens and patios, no structures, are allowed.

3. Amendments for new residential development to increase open space and setbacks:

a. Open space revisions:

- i. Decrease the 8% bulk volume additional front yard setback to 6% and require a portion to wrap around the corner in single family residential RS AD I and II, to provide building wall articulation.
- ii. Require 15% open space in the Beach Area on RS lots, the same as RM and RH lots, currently no open space is required on RS lots.
- iii. Eliminate the 350 SF open space cap.
- iv. Consider calculating basement square area as BFA for 15% open space requirements, the same as basement area is counted for parking requirements, in order to increase open space.
- v. Allow a larger percentage of the required open space to be located on the top level, currently the square footage of open space on the 3rd story may not exceed the square footage of the floor area on that same level.
- vi. Decks above the 2nd or 3rd story will be permitted if increased setbacks are provided and deck is located adjacent to an indoor living area, currently not allowed.

b. Setback revisions:

- i. Eliminate the 5' cap on side yard setbacks; 10% of lot width required with no cap. *The City Council requested that staff provide and the Planning Commission review information on the number and percentage of lots that are impacted and impacts to BFA.*
- ii. Consider increasing the side setback to more than 10% of the lot width, in order to increase open space on standard size lots, and review impacts to BFA.
- iii. Increase the rear setback from 10' to 12' minimum and eliminate the 25' cap, AD I and II.

The City Council requested that staff provide and the Planning Commission review information on the number and percentage of lots that are impacted.

- iv. Increase the rear setback from 5' to 10' for RS Beach Area non-alley lots, rear abutting residential, 2,700 SF or larger in area
- v. Decrease the maximum side/rear building wall height from 25' to 24' and apply to corner side building walls also.
- vi. Provide articulation on building walls on streetside setback on corner lots through setbacks and/or a bulk/volume percentage.

Notes:

- 1 Provide a review process to allow consideration for a reduction to the side or rear setback, or the 6% or 8% front setback requirement for small, wide, shallow, and/or multiple front yard lots that can not meet their BFA due to the proposed requirements.
- 2 Provide a review process to allow consideration of a reduction in the 15% open space requirement for 1-story construction in the 2-story zones and 2-story construction in the 3-story zones.

4. Amendments to limit Lot Mergers:

The Mansionization Committee recommendation would prohibit new lot mergers where the new lot size would be more than **three times** the typical lot size, and lots that would be between two to three times the typical lot size would have new development standards to increase open space, reduce building height, limit BFA to that allowed on two lots, and require variation in perimeter fencing. The criteria would only apply to new mergers, and the RH, RM, and CL Zones in Area Districts I and II with three or more residential units would be exempted.

The City Council reviewed the Mansionization Committee recommendation and made revisions and provided direction to staff as follows:

- a. For new mergers of separate lots, a maximum of **two** standard lots may be merged. Exemptions for RM, RH, and CL in Area Districts I and II with 3+ dwelling units and for non-alley RH in Area District III east of Ardmore, and staff also recommends an exemption for religious institution uses.
The City Council requested that staff provide and the Planning Commission review and consider information on how these new residential development standards will impact the BFA on larger lots.
- b. Unmerged adjacent lots under common ownership larger than two lots and currently developed and used as one lot may continue to be used as one lot. When the lots are merged and developed with new structures then they will be subject to the new residential development standards in #3 above. These sites should not be developed with one large single family home.
The City Council requested that staff provide and the Planning Commission review information that identifies the number of these lots.

BACKGROUND

City Council Work Plan

Each year the City Council adopts a Work Plan which identifies many of the important projects that will be addressed during the following year. The 2004-2005 City Council Work Plan, adopted

March 2, 2004, included three items to address residential development standards. Two code Amendments were adopted as part of the Work Plan, a new Minor Exception to encourage the retention of smaller homes with a 2,000 square foot cap and the bulk-volume front setback was increased from 6% to 8%. The third item, lot mergers and development standards for larger lots, was also studied but tabled in April 2005 pending further City Council direction.

The 2005-2007 City Council Work Plan, adopted June 5, 2005, includes an item on Mansionization to address issues tabled from the 2004-2005 Work Plan related to lot mergers and maximum lot size, as well as new issues to be addressed, including developer incentives for development benefits and re-evaluation of the Minor Exception for smaller homes. The Mansionization Work Plan item states the following:

Mansionization 2005-2007

Develop an issue paper on lot mergers and present it for discussion at the July 26, 2005 joint City Council and Planning Commission meeting. The paper should include status of the lot merger ordinance and the possibility of establishing maximum lot sizes in certain residential zones. Also, in an effort to address mansionization issues, consider developer incentives to maximize rear yard areas in exchange for developer benefits (i.e. basements); and review of the Minor Exception Ordinance for small homes.

Mansionization Code Amendments

On July 26, 2005 staff presented an issue paper at the joint City Council Planning Commission meeting. This report provided background on Code Amendments that the City has implemented and studied over the past 15 years including ZORP (1990), Bulk Volume Amendments (2002, 2003, 2004), Minor Exception to encourage small home remodels and additions (2005), lot merger and development standards for large lots (2005), and maximum lot size (2005), as discussed in more detail in the following section of this staff report. At that meeting the City Council supported as a first step moving forward by establishing a maximum lot size.

Mansionization Issues Committee

Throughout the second half of 2005 Code Amendments to establish a maximum lot size were studied and after numerous Planning Commission and City Council public hearings and meetings no final action was taken. Instead, on December 6, 2005 the City Council formed a residents committee, the Mansionization Issues Committee, to comprehensively address mansionization issues and make recommendations to address residential development. The Committee was an informal group that consisted of two Council members, Nick Tell and Joyce Fahey, one Planning Commissioner, David Lesser, and about a dozen residents including a number of local architects, and real estate representatives.

The Mansionization Committee met thirteen times from February 2006 through March 2007, presented recommendations to the Planning Commission, and on April 3, 2007 the City Council considered the portion of the Committees recommendations specifically related to Lot Mergers. At the April 3rd Council meeting the Council decided to not take action on the Lot Merger proposal and instead directed staff to prepare a Moratorium on Lot Mergers in order to give the City Council an opportunity to study the issue of Lot Mergers further prior to the adoption of Code Amendments.

On April 17th the Lot Merger Moratorium was adopted and the City Council agreed to hold a special joint study session with the Planning Commission on May 8, 2007 to discuss all of the Mansionization Committees recommendations for residential Code Amendments. At that Study Session the Council felt that additional review and possibly a tour of the City would be beneficial. On May 15th, the Lot Merger Moratorium was extended and the City Council directed staff to schedule a tour so that they could have specific visual examples and an overview of historic and current residential development and discuss what the next steps should be regarding Code amendments related to Mansionization, including:

1. **Amendments to encourage the retention of existing smaller homes** and encourage remodeling and enlarging instead of replacement with larger new homes and **allow accessory structures on adjacent lots under the same ownership** without requiring the lots to be merged which encourages open space.
2. **Amendments for new residential development to increase open space and setbacks** which minimizes building mass.
3. **Amendments to limit Lot Mergers** by limiting the number of lots that can be joined together and adding additional requirements on certain merged lots in order to increase open space, and limit the size of homes that can be built on one site.

DISCUSSION

Encourage the retention of smaller homes

This amendment was discussed at a number of Mansionization Committee meetings. There was general consensus among the Committee on the recommendation, with no major differing view points. *The City Council also discussed the concept and indicated that the percentage of the maximum allowed BFA and the maximum square footage numbers should be reviewed by the Planning Commission.*

Goals

The Goals of the amendment as recommended by the Mansionization Committee are as follows:

1. Encourage retention of existing smaller homes (ie those homes with less than the maximum allowed BFA).
2. Allow non-conformities to remain provided minimum required setbacks (50%) are provided, with some flexibility in unusual instances.
3. Upgrade non-conformities for Building Safety requirements to extent feasible.
4. Retain existing non-conforming garages and provide new garages or parking for homes that exceed a certain square footage.
5. Allow flexibility for 8% (6%) additional front yard open space for remodels and corner lots.
6. Retain and provide open space with flexibility in location.

Planning concerns

A number of potential concerns regarding the proposal, as outlined below, were discussed by the Committee. The Committee felt that the proposed amendments either addressed all of the potential concerns or the concerns were not significant. The items discussed were as follows:

1. Character of homes will not be maintained (ie. 800 SF house could expand up to 3,000+ SF and existing architectural style can change). The Committee felt that having freedom in

architectural style was important, and that the goal of retaining homes that would be significantly less than the maximum allowed BFA was the key concern.

2. Existing zoning non-conformities (ie. setbacks, height, driveway width and visibility, garage door width, turning radius, projections, landscaping, open space, parking access, bulk-volume additional 8% (6%) front yard setback, fences/walls, etc) would potentially remain. The proposal includes discretion so that minimum setbacks are provided, as well as parking.
3. Currently there is a 2,000 SF cap with a noticed discretionary process (Minor Exception) while the proposal provides a maximum of up to 3,000 SF cap non-noticed administrative process and no square footage cap with a noticed discretionary process. Again, the Committee felt that since there would be a discretionary review process with minimum required parking requirements that this issue was addressed and the goal of retaining homes that would be significantly less than the maximum allowed BFA was the key concern. Staff believes that a smaller square footage, more than 2,000. but less than 3,000 would serve the needs of the community and still meet the goals of the City Council.

Staff believes that it is important to provide minimum parking standards. The direction from the Planning Commission was to provide the following parking through the Minor Exception provisions for the remodel and expansion of homes as follows:

- a) Projects 2,000 SF or under require a minimum 1-car fully enclosed garage,
- b) Projects over 2,000 SF up to 2,800 SF require 2-car off-street parking with one enclosed and one unenclosed parking space
- c) Projects over 2,800 SF require a two-car enclosed garage
- d) Projects over 3600 SF require a minimum 3-car enclosed garage

Building Safety concerns

The Building Safety Division expressed some concerns with allowing existing building safety non-conformities (ie. seismic, exiting/access, light and ventilation, and fire protection) to potentially remain. Staff and the Committee felt that these concerns could be adequately addressed through the plan check process, as well as the criteria for approval that is incorporated into the proposed revisions which requires that all Building Safety non-conformities be brought into conformance with current regulations to the extent feasible, as determined by the Building Official. The concerns of Building Safety are that existing safety issues will continue for the life of the new building (20+ years) instead of being phased out as the useful life of the old building is depleted and then removed.

Proposed Code Revisions

The following outlines the proposed code revisions as recommended by the Committee:

- A. Administratively, with specific criteria outlined below, allow 100% remodel and an increase in BFA for existing non-conforming small homes with a limit of 66% (Area Districts III and IV) to 75% (Area Districts I and II) of BFA or 3,000 SF, whichever is less:**

Current provisions:

- Allows remodels/addition up to 2,000 SF total with no limit on project valuation with approval of a Minor Exception.

Proposed regulations:

- Limit BFA to 66% to 75% of maximum BFA, plus regulations for both A and B as detailed below.

B. Administratively, with specific criteria outlined below and with neighborhood notification (current Minor Exception process), allow 100% remodel and an increase in BFA for existing non-conforming homes with a limit of 66% (Area Districts III and IV) to 75% (Area Districts I and II) of BFA, but no SF cap.

Current provisions:

- Allows remodels/addition up to 2,000 SF total with no limit on project valuation with approval of a Minor Exception.

Proposed regulations:

- Limit BFA to 66 to 75% of maximum BFA, plus regulations for both A and B as detailed below.
- Require a minimum 3-car enclosed garage for projects over 3,600 SF in area.

Proposed regulations for both A and B:

- No limit on project valuation- 100% of existing home could be remodeled
- Revise existing standard that requires a minimum of 25% (based on building valuation) of the existing home must be retained, to require a minimum of 10% of the existing home must be retained.
- Retain existing standard that requires that the remaining non-conforming portions of the house provide a minimum of 50% of the required setback; add flexibility if there is an unusual lot configuration and relationship of the existing house to the lot lines for minor portions of the building then less than 50% can be allowed subject to approval of the Director of Community Development.
- Allow existing zoning non-conformities (setbacks, height, driveway width and visibility, garage door width, turning radius, projections, landscaping, open space, parking access, bulk-volume additional 8% (6%) front yard setback, fences/walls, etc.) to remain.
- Require a minimum 1-car fully enclosed garage for projects 2,000 SF or under (1 foot existing non-conforming dimensions per space in all directions ok). Retain all existing required parking (ie: can not remove or convert an existing 2-car garage to create only a 1-car garage).
- Require a minimum 2-car off-street parking for projects over 2,000 SF (1 foot existing non-conforming dimensions per space in all directions ok) with one enclosed and one unenclosed, located outside of the front setback.
- Require a minimum 2-car fully enclosed parking for projects over 2,800 SF (1 foot existing non-conforming dimensions per space in all directions ok)
- Require all Building Safety non-conformities be brought into conformance with current regulations to the extent feasible, as determined by the Building Official.
- New construction must comply with current Code requirement, and no alterations to existing non-conforming portions of the home, except as follows and subject to Directors approval for both new and existing:
 - To comply with Building Safety requirements

- For architectural compatibility
- To integrate new construction into old construction
- Other minor alterations as determined to be necessary by the Director

Criteria/Findings for approval for both A and B:

- Compatible with adjoining properties in the surrounding area.(Scale, mass, orientation, size and location of setbacks, height)
- No significant detrimental impact to surrounding neighbors. (privacy, pedestrian and vehicular accessibility, light, air)
- Practical difficulty which warrants deviation from Code standard (lot configuration, size, shape, or topography, relationship of existing house to the lot)
- Existing non-conformities brought closer to conformance with Planning requirements where reasonable and feasible
- Existing non-conformities brought closer to or into conformance with Building Safety requirements to the extent feasible
- Compliance with current policy guidelines
- Applicant can appeal Directors decision to the Planning Commission

C. Remodel of existing home- Exception to bulk-volume additional 8% (6%) front yard setback/open space requirement:

- Allow less than 8% (6%) (4% or 3% minimum) additional setback area/open space in the **front** yard; current provisions require 8% (6%) in the front yard.
- Percentage of open space provided that is not within the front yard required to be 2 times the percentage if it was provided in the front yard. [ie 8% (6%) required, if 4% (3%) in the front (4% (3%) balance due)- provide 8% (6%) outside of the front yard= 12% (9%) total], to the extent feasible as determined by the Director of Community Development.
- Open space provided outside of the front yard required to be adjacent to a property line (ie, not an interior courtyard)

Criteria/Findings for approval of C:

- Decision of Director of Community Development
- Compatible with adjoining properties in the surrounding area.(Scale, mass, setbacks, height)
- No significant detrimental impact to surrounding neighbors. (privacy, pedestrian and vehicular accessibility, light, air)
- Practical difficulty which warrants deviation from Code standard (lot configuration, size, shape, or topography, relationship of existing house to the lot.)
- Compliance with current policy guidelines
- Applicant can appeal Directors decision to the Planning Commission

D. Bulk Volume- Remodel of existing homes on corner lots

- Require a percentage (6% (4%) maximum) of the 8% (6%) additional front yard open space to be provided on the streetside frontage on corner lots, instead of only along the front as is currently required.

- Require a minimum and maximum dimension along the streetside frontage for consistency with the purpose of the bulk volume regulations as determined to be appropriate by the Director of Community Development.

Criteria/Findings for approval of D:

- Decision of Director of Community Development
- Compatible with adjoining properties in the surrounding area.(Scale, mass, setbacks, height)
- No significant detrimental impact to surrounding neighbors. (privacy, pedestrian and vehicular accessibility, light, air)
- Practical difficulty which warrants deviation from Code standard (lot configuration, size, shape, or topography, relationship of existing house to the lot.)
- Compliance with current policy guidelines
- Applicant can appeal Directors decision to the Planning Commission

Accessory use of adjacent parcels- (with common ownership of parcels)

Under the current Zoning Code provisions if two or more adjacent parcels are under common ownership but are not merged, the additional parcels that are not used for the main house can only be developed as a separate parcel with another house or with non-structural accessory uses (ie, patios, decks, sport courts, gardens). Section 10.52.040, Accessory structures, does not allow the establishment or construction of accessory structures on a site prior to the construction of a principal structure on the site. On a residential parcel a principal structure would be the main house. Additionally, several definitions within the Zoning Code prohibit an accessory structure unless there is also a primary structure on the parcel.

Common ownership of an adjacent parcel has historically created more open space as any structures must conform to the development standards for each individual parcel, including height and setbacks. Often adjacent parcels will be purchased to allow more outdoor living area, but they will not be merged into one parcel so the at the owner has the flexibility in the future to sell the adjacent parcel or to pass the property along to children or other beneficiaries. The existing regulations are very restrictive though and allow very limited use of the adjacent parcel which can encourage some owners to sell the lot or develop it with a new residence which increases density.

The proposed regulations would administratively allow additional parcels to be developed with only an accessory use, and not require a “principal structure” on the adjacent parcel if the lots are under common ownership and one parcel is developed with a principal structure; a dwelling unit. These proposed regulations would not allow a structure to be built over the property line; all development standards including setbacks and height limits would need to be complied with. Accessory structures would be limited to a pool, sports court, decks, patios, poolhouse, guest house, extra garage, workshop, or similar structure. The single-family residential (RS) zone allows detached accessory structures up to 900 SF or 12% of lot area, whichever is more, in total gross floor area. Guest houses are limited to 500 SF and are currently only allowed on a lot with one single-family residence. Required garages for the dwelling units would not be allowed on the adjacent parcel, although a garage that is an “extra” garage would be allowed. The accessory structures would need to meet all development standards.

Specific Code criteria and findings will be incorporated into the proposed Code language. These criteria would require the following:

1. Compatible with adjoining properties in the surrounding area (scale, mass, setbacks, height).
2. No significant detrimental impact to surrounding neighbors (privacy, pedestrian and vehicular accessibility, light, air).
3. Practical difficulty which warrants deviation from Code standard (lot configuration, size, shape, or topography, relationship of existing house to the lot).
4. Compliance with current policy guidelines.
5. Recordation of a covenant to tie the common ownership lots together unless the lots are brought into conformance with the Zoning Code by constructing a residence on the lot(s) with the accessory structure(s) or removing the accessory structure(s) prior to selling the separate lot(s).

Lot Mergers

Over the past few years a number of owners, predominantly in the RS (Single Family Residential) district have bought a neighboring lot and demolished the building on it, thus creating a double lot building site. In most cases the additional lot has been used only for supplemental yard which provides greater open space and buffer on one side. As such the second lot is not permanently part of the home site and may be sold off at any time. In other instances, an owner, after demolishing the second structure on the adjoining lot, has combined the lots and built a new home that extends over the line separating the two lots. In such cases the added land has often been used for larger yards, more evenly distributed around the home. The latter is what is referred to in this study as a lot merger. Lot mergers legally and permanently join two or more lots together.

Under the current code, a building site comprised of two or more merged lots may develop to the maximum that is set forth in the development regulations. The codes contain limits or allowances based on certain building site attributes. For example, the building height limit is based on the existing ground elevation at the site's four boundary corners and the amount of building floor area allowed is limited to a percentage of the total lot or site area. There currently are no regulations that specifically restrict or control the size of a home or yard area when lots are merged and result in a site that contains land area in excess of the minimum lot size standard.

As noted, the Mansionization Committee studied lot mergers, based on guidance from the City Council in the Work Plan and joint meeting with the Planning Commission. Throughout the course of its deliberations this past year there was debate and differences in opinion regarding the relationship of lot mergers to Mansionization and possible solutions. Some members felt strongly that strict controls should be applied to development on sites comprised of as few as two lots. Others expressed strong concern that such changes would significantly impact private property development rights and should be carefully considered.

Based on the goals established by the Committee, to preserve neighborhood character, to preserve quality open space and provide adequate space around homes, the Committee developed a compromise proposal. The Committee recommendation would prohibit new lot mergers where the new lot size would be more than **three times** the typical lot size, and lots that would be between two to three times the typical lot size would have new development standards to increase open space, reduce building height, limit BFA to that allowed on two lots, and require variation in perimeter

fencing. The criteria would only apply to new mergers, and the RH, RM, and CL Zones in Area Districts I and II with three or more residential units would be exempted.

This recommendation from the Mansionization Committee was presented to the Planning Commission in October 2006, and then the item was tabled in November based on direction from the City Council to review all of the Mansionization Committee recommendations at one time. After several more months of Mansionization Committee meetings the Council determined it would address Lot Mergers again as the Committee still had not completed its review. In April 2007 the City Council considered the Lot Merger recommendation from the Mansionization Committee and adopted a Moratorium to allow time for further study of the Lot Merger issue and so that all of the Mansionization Committee recommendations could be reviewed at one time.

During the discussion of the Lot Merger moratorium in May 2007, the City Council raised questions on the number of residential lots in town that are contiguous with common ownership and when combined are two times or more the minimum lot size. The information provided to staff from a local real estate firm is that there are approximately 100 lots that meet this criteria. The data base that staff uses has too many variables to determine the number that meet this criteria as the ownership names may not match exactly due to partnerships, LLC's, corporations, trusts and other forms of ownership which will not show as common ownership.

This number of approximately 100 lots does not necessarily provide an accurate depiction of how many lots will be developed as double lots or larger in the future. These lots could be developed separately, which is more common for developers. Many homeowners tend to maintain the larger lot and build a larger, although not maximum allowed size, home and maintain a larger amount of yard and open space. Historically the City has approved approximately one or two lot mergers per year for the last 8 years.

In May 2007 a joint study session with the City Council and Planning Commission was held and at that time the Council felt that additional review and a City tour would be beneficial. On June 26th a special study session and tour was held. Staff showed the Council examples of residential development during different time frames and under different development regulations including Pre-ZORP, ZORP, 6% and 8% bulk-volume requirements. The tour also showed examples of large lots, merged lots, older smaller homes, and lots that will be affected by the new proposed open space, setback and lot merger requirements. The Council reviewed the Mansionization Committee recommendations and provided direction to staff prepare lot merger amendments as outlined below.

1. Unmerged adjacent lots under common ownership larger than two standard lots and currently developed and used as one lot may continue to be used as one lot. These sites should not be developed with one large single family home. The City Council requested that staff identify the number of these lots that meet this criteria and would be subject to the new regulations. Existing lots that have been legally merged would not be affected, although new development would be subject to the new open space and setback development regulations.
2. For new mergers of separate lots, a maximum of two standard lots may be merged. The following exemptions are recommended:

- a. Lots in the RM, RH, and CL in Area Districts I and II with 3+ dwelling units, in order to encourage the development of multi-family residential in these areas.
 - b. Non-alley RH lots in Area District III on Manhattan Beach Boulevard east of Ardmore, since the Zoning Code does not allow vehicles to back out onto the street in this area and lots need to be merged in order to allow adequate on-site turning movements so vehicles can safely exit onto Manhattan Beach Boulevard traveling in a forward direction.
 - c. Religious institutions, since many of these sites are a consolidation of many original subdivided single family lots that have not been merged and the expansion of existing religious uses on these sites may require a merger of the parcels. The City Council did not provide direction on this exemption; the issue was brought up by staff after the Council review of the proposed Amendments in June.
3. The City Council also requested that staff and the Commission consider how new residential development standards will impact the BFA on larger lots.

Staff would suggest that the new lot merger regulations be effective for mergers containing lot area that is more than 2 times the typical lot size, not the minimum lot size identified in the Code. Since there is such a large variety of lot sizes setting the standard at two times the minimum would not allow two typical 33.33' by 90' lots in the Beach Area to be merged or two typical 40' by 120' lots in the Tree Section to be merged. Staff feels the direction of the Council was to allow these types of mergers, just not more than two typical lots so that the neighborhood character would not be negatively impacted. New lot mergers larger than 2 times the typical lot size would not be allowed. When lots are merged and developed with new structures then they will be subject to the new residential development standards to increase open space and setbacks as indicated in the next section of this report. Additionally these new development standards will apply to all lots, including existing lots larger than two times the typical lot size.

Increase open space and setback

In order to implement the goals of the Mansionization Committee and the City Council to preserve neighborhood character, encourage quality private open space, and address the space between homes (setbacks), new residential standards are proposed. The Council felt that since these standards would apply to all lots, including Lot Mergers, that additional regulations such as supplemental open space, a reduction in building height, a limit on BFA, and perimeter fencing regulations, as recommended by the Mansionization Committee would not be necessary for Lot Mergers. The following are the new development standards recommended by the Committee in order to increase open space and setbacks:

a. Open space revisions:

- i. Decrease the 8% bulk volume additional front yard setback to 6% and require a portion to wrap around the corner in single family residential RS AD I and II, to provide building wall articulation. The Committee felt that this was a balance issue, in that additional side and rear setbacks would increase the open space in these areas around the home and a slight decrease in the additional front yard setback would help to redistribute the open space.

- ii. Require 15% open space in the Beach Area on RS lots, the same as RM and RH lots. Currently no open space is required on RS lots and there is no bulk-volume additional front setback area. With a 3-story, 30' height limit, and 1 and 5 foot setbacks there is a potential in the RS zone in the Beach Area for homes to be very massive and provide little open space, articulation and impact neighborhood character.
- iii. Eliminate the 350 SF open space cap. This would apply to all lots RS, RM and RH in the Beach Area. Typically this would impact single family residential development as any house with over 2,333 square feet of BFA would need to provide more than 350 SF of open space. Typically multi-family residential such as condominiums are less than 2,333 SF in area, however since the requirement is per unit, a two unit condo with two 2,333 SF units would provide 700 SF total of open space.
- iv. Consider calculating basement square area as BFA for 15% open space requirements, in order to increase open space. The most recent amendment to the bulk-volume requirements added the regulations that basement area is counted for parking requirements, however it is not counted or only partially counted towards BFA, which increases on-site parking. This proposal is similar in that the basement area would be included for open space calculations. As an example, if 1,000 square foot basement increased the building area to over 3,600 a third garage would be required and an additional 150 square feet of open space. The lot could be limited to an maximum BFA of 2,600 SF, and add as much basement area as desired.
- v. Allow a larger percentage of the required open space to be located on the top level. Currently the square footage of open space on the 3rd story may not exceed the square footage of the floor area on that same level. By allowing more flexibility in this regulation the quality of open space could be increased.
- vi. Decks above the 2nd or 3rd story will be permitted if increased setbacks are provided and deck is located adjacent to an indoor living area. Currently this is not allowed. Again, by allowing more flexibility in this regulation the quality of open space could be increased.

b. Setback revisions:

- i. Eliminate the 5' cap on side yard setbacks. Currently 10% of lot width is required with a 5' cap. So very wide lots, wider than 50' have the same side setbacks as a 50' wide lot. The Committee felt that the space between homes was important and increased setbacks should be provided for larger, wider lots.
The City Council asked staff to provide information on the number and percentage of lots that would be impacted and what those impacts are to BFA. Staff will provide this information at a future meeting.
- ii. Consider increasing the side setback to more than 10% of the lot width, in order to increase open space on standard size lots. The Council felt that the standard 30 to 50 foot wide lots should be reviewed to determine if a increase in side yard setbacks would further the goals as established by the Committee.
The Council also requested that staff review any impacts to BFA.

- iii. Increase the rear setback from 10' to 12' minimum and eliminate the 25' cap, AD I and II. Again, the Committee felt that providing quality open space and the space between homes was important and increased setbacks would help meet these goals.
The City Council asked staff to provide information on the number and percentage of lots that are impacted. Staff will provide this information at a future meeting.
- iv. Increase the rear setback from 5' to 10' for RS Beach Area non-alley lots, rear abutting residential, 2,700 SF or larger in area. Again, the Committee felt that providing quality open space and the space between homes was important and increased setbacks would help meet these goals. There are only a very small number, about 46, of these lots.
- v. Decrease the maximum side/rear building wall height from 25' to 24' and apply to corner side building walls also. Building walls over 24' feet in height require an additional 3' setback. This reduction in the building wall height would increase building wall articulation.
- vi. Provide articulation on building walls on streetside setback on corner lots through setbacks and/or a bulk-volume percentage. On corner lots in the Beach Area there is only a 1 foot setback on streetside corners and in other areas the setback is 3 to 5 feet, although the 5 foot cap is proposed to be eliminated. Also the 8% (6%) bulk-volume setback requirement is proposed to be required to wrap around the corner on corner lots.

Staff is proposing two exemptions consistent with the current Code exemptions. The first would provide for a review process to allow consideration for a reduction to the side or rear setback, or the 6% or 8% BV requirement for small, wide, shallow, and/or multiple front yard lots that can not meet their BFA due to the proposed requirements. And the second exemption would provide a review process to allow consideration of a reduction in the 15% open space requirement for 1-story construction in the 2-story zones and 2-story construction in the 3-story zones.

Public Input

A ¼ page ad as a public notice for the project was published in the Beach Reporter newspaper on July 19th. The newspaper did not publish the ad with the required minimum 10 day notice, therefore the Planning Commission is not able to take final action at this time. Staff also sent notice of the hearing to the Mansionization Committee as well as to a list of local architects and designers. At the writing of this report, staff has not received any public comments

CONCLUSION

Staff recommends that the Planning Commission review the proposed Amendments, take public input and provide direction to staff. Staff believes that the first two amendments, to encourage the retention of smaller homes and to allow accessory structures on adjacent lots under the same ownership, are straightforward and non-controversial items and staff would recommend proceeding with approval of those amendments as soon as possible. Staff will provide a draft Resolution with proposed Code revision language for those two items for the Commissions review and recommendation at the next meeting. Those two items will then be forwarded to the City Council

for review and approval. The other items may take an additional meeting and staff will provide the additional information that the City Council requested on those items at a future meeting.

EXHIBITS

- A. Definition of Mansionization, and what the City has done to address Mansionization 1990 to 2007
- B. June 26, 2007 City Council Special Study Session staff report and attachment , (excluding attachment 1- tour map and photos of homes on tour)

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Definition of Mansionization

In order to gain a better understanding of this issue it is helpful to attempt to define Mansionization. The following definitions were discussed by the Mansionization Committee.

- 1) A trend whereby large homes are replacing historically small homes, on consolidated and standard sized lots resulting in an impression of unrelieved building bulk, screening out light and air and dwarfing existing standard sized buildings in a neighborhood. (Planning Commission discussion during Maximum Lot Size Public Hearing)
- 2) Construction of large homes with minimum setbacks, attaining maximum floor area, that appear out of scale with neighboring houses and that may result in decrease of open space and landscaping.
- 3) The process of tearing down an existing house and replacing it with one that is bigger, especially one that is much larger than surrounding houses.

What the City has done to address mansionization

Over the last 15 years the City has taken a proactive role in addressing concerns with the appearance of large homes that are being built to the near maximum size allowed by our codes. As a result of this effort, codes that regulate height and size of buildings have gotten more restrictive and the density (number of residential units) has decreased over time. The following is a summary of recent actions the City has taken to address mansionization.

ZORP 1990 and Bulk Volume Amendments 2002, 2003, 2004

In 1990 the City undertook the Zoning Ordinance Revision Program (ZORP) which resulted in many changes to reduce the appearance of large homes, which was followed by three subsequent amendments, Bulk Volume 1, 2 and 3, all of which were also intended to reduce the appearance of large homes from public view without reducing the allowable square footage or Buildable Floor Area (BFA). A chart that provides a summary of the changes that were adopted is included as Exhibit B to the February 6, 2006 Mansionization Committee report that is attached.

Minor Exception to encourage small home remodels and additions-2005

A Code Amendment was adopted in January 2005 to encourage home remodeling and small additions to existing homes up to 2,000 square feet by waving certain nonconforming requirements (i.e. substandard setbacks). This has been a popular provision in our code for young growing families wishing to add on to and remodel their small home, as well as "empty nesters" that want to remain in their homes. It is staff's opinion that this amendment results in fewer small homes that are being replaced with large homes. The 2,000 square foot limit have been too restrictive to meet the needs of some homeowners. The City approved nine applications in 2005, six in 2006, and five have been submitted through June 2007.

Lot merger and development standards for large lots- 2005

Staff studied this issue and presented its findings to the Planning Commission at several meetings. The Planning Commission then tabled the item in April 2005, waiting for further

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direction from City Council. The concept was to restrict the number of lots that could be merged and then limit the size of the house that could be built on large lots. Several residents attended the public hearings expressing concern about the City limiting the size of a home that could be built. Little concern was expressed about limiting lot mergers.

Maximum lot size- 2005

This study was an extension and refinement of the previous lot merger study. This proposal to establish a maximum lot size was an attempt to limit the number of lots that could be joined and developed together which results in larger homes being built. The purpose of establishing a maximum lot size was to preserve a neighborhood's character and the existing lot patterns. Staff studied this issue and presented its findings to the Planning Commission, which recommended a maximum lot size for certain residential zones. In December 2005, City Council tabled this item and formed the Mansionization Issues Committee to study the issue further along with other issues related to Mansionization.

Mansionization Issues Committee

On February 9, 2006, at the first meeting of the Committee, four broad goals were defined and agreed upon. These are summarized below:

1. Preserve neighborhood character
2. Space between buildings (setbacks) is important
3. Examine new Minor Exception for small homes criteria
4. Encourage "quality" private open space

A chart of the Mansionization Committees recommendations from March 15, 2007 related to amendments for new residential development to increase open space and setbacks is included as attachment 3 to the June 26, 2007 City Council report, and a list of all of the Committee recommendations on all of the proposed amendments is attached as attachment 5 to that same report. The Committee also reviewed and discussed, but did not recommend, a number of other options to address Mansionization, and a list of those options are attached as attachment 6.

Lot Merger Moratorium

At the April 3, 2007 Council meeting the Council decided to not take action on the Lot Merger proposal as recommended by the Mansionization Committee and instead directed staff to prepare a Moratorium on Lot Mergers. This would provide the City Council an opportunity to study the issue of Lot Mergers further prior to the adoption of Code Amendments. On April 17th the Lot Merger Moratorium was adopted, then extended and amended in May and June. The Moratorium is intended to remain effective until new development standards are implemented.