

**CITY OF MANHATTAN BEACH  
[DRAFT] PLANNING COMMISSION  
MINUTES OF REGULAR MEETING  
DECEMBER 12, 2012**

A Regular Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 12th day of December, 2012, at the hour of 6:30 p.m., in the City Council Chambers of City Hall, at 1400 Highland Avenue, in said City.

**1. ROLL CALL**

Present: Conaway, Gross, Ortmann, Paralusz, Chairperson Andreani  
Absent: None  
Staff Present: Richard Thompson, Community Development Director  
Laurie Jester, Planning Manager  
Michael Rocque, Assistant Planner  
Recording Secretary, Sarah Boeschen

**2. APPROVAL OF MINUTES – October 24, 2012**

Chairperson Andreani requested that the fourth line on page 12 of the October 24 minutes be revised to read: “She said that she would like for the Commission to recommend that the City Council review and consider changing the Sign Ordinance . . .”

A motion was MADE and SECONDED (Paralusz/Conaway) to **APPROVE** the minutes of October 24, 2012, as amended.

AYES: Conaway, Gross, Ortmann, Paralusz, Chairperson Andreani  
NOES: None  
ABSENT: None  
ABSTAIN: None

Chairperson Andreani presented Sarah Boeschen with a certificate in recognition for her service as minutes secretary of the Planning Commission.

The Commissioners and Director Thompson commended Ms. Boeschen and thanked her for her years of service as minutes secretary for the Commission.

Director Thompson stated that Rosemary Lackow, previously a senior planner with the City, will be taking over as minutes secretary at the next meeting.

**3. AUDIENCE PARTICIPATION**

**Viet Ngo**, a Manhattan Beach resident, said that he is a candidate for the Manhattan Beach City Council for the election in March of 2013. He indicated that he would like the opportunity to get to know the Commissioners. He commented that he previously has disagreed regarding the accuracy of his comments as recorded in the minutes of prior Commission meetings. He said that the minutes need to be recorded correctly. He said that it is interesting that Ms. Boeschen has decided to follow the law under Government Code Section 134 and retire from taking the minutes. He pointed out that it is very important for the Planning Commission to follow the law and accommodate the citizens that come before the Commission. He commented that the Commissioners are not elected officers, but they should act as public servants and not act as superiors or as a judge. He said that he would like to have an opportunity to know

Commissioner Ortmann and Commissioner Conaway. He commented that if he is elected to the Council, he would like the opportunity to work with the Commission to maintain the community and provide service to the residents of the City.

#### **4. PUBLIC HEARING**

##### **12/12/12.2 Consideration of a Comprehensive Update to the City's General Plan Housing Element**

Director Thompson commented that the Housing Element is one chapter of the City's General Plan. He said that staff and the City's consultant on the Housing Element, **John Douglas**, will provide a history and background and the reasons the City is required to have a Housing Element.

Planning Manager Jester summarized the staff report.

In response to a question from Commissioner Paralusz, Planning Manager Jester said that the document would need to be returned to the California Department of Housing and Community Development (HCD) if any changes are made by the Commission to the document that has been certified.

**John Douglas** said that the Housing Element is unique in the General Plan, as it is the only section that must be reviewed and certified by the State. He said that the Housing Element must be determined by the Department of Housing and Community Development to be in compliance with State law. He commented that there is far more State law that refers to the Housing Element than to any other chapters of the General Plan. He indicated that both low income advocates and the development industry want simple regulations that minimize the time and cost of having a project approved and minimize the constraints placed on building housing. He commented that the legal adequacy of a city's housing element is a target that attorneys can use in a lawsuit against a City regarding a planning issue. He commented that the city of Mission Viejo was sued over their Housing Element, and the city ended up losing the case and being required to rezone the property in question after having used a great deal of money from their general fund to defend the lawsuit. He said that city managers, city attorneys, and planning directors want to receive the letter from the state certifying that the Housing Element of their city is in compliance with State law. He stated that Manhattan Beach has received a letter from the State indicating that the draft Housing element will be found in compliance if it is approved by the City Council. He commented that minor changes to the draft language to correct errors or clarify wording would be accepted by the State. He said that the State would be concerned with any changes to the language that would weaken any policy commitments.

**Mr. Douglas** commented that there is a new law that imposes a hard deadline on adopting updates to the Housing Element. He said that previously a penalty was not imposed for failing to complete a Housing Element by the deadline. He indicated that now there is a hard date to certify the next updates to the Housing Element of October 2013. He said that if the deadline is not met, the Housing Element would then be required to be updated every four rather than every eight years. He said that HCD wants the regulations to be as simple as possible so that development is not restricted.

In response to a question from Commissioner Gross, **Mr. Douglas** indicated that considering the Code Amendments that are included in the Housing Element as a group would be preferable to considering them individually. He said that he does not believe that HCD will certify the next revision to the Housing Element that is due in October of 2013 until the ordinances are adopted.

In response to a comment from Commissioner Conaway, **Mr. Douglas** indicated that the goal of adding 895 units by October of 2013 is a planning goal and not a development mandate. He commented that the main focus of HCD is removing obstacles to residential development or special categories of development, which includes housing for people with disabilities and very low incomes. He stated that HCD is interested in cities having regulations that are as simple as possible so that development is not obstructed. He commented that the Regional Housing Needs Assessment (RHNA) is a process that allocates a fair share of total housing development to every jurisdiction in the State.

**Mr. Douglas** said that the purpose of the Housing Element is to ensure that cities use their powers to maintain and improve existing housing through rehabilitation, preservation, and Code enforcement and to provide for growth for all types of housing. He indicated that the intent of the Housing Element also is to remove constraints on development and accommodating a wide variety of housing, including single family, multi family second units, emergency shelters transitional housing and mixed use. He commented that there is a new law that establishes a “default density” of 30 units per acre in order to facilitate affordable housing. He said that there is another change in the law which strengthens planning requirements for permanent emergency shelters and transitional and supportive housing. He indicated that the law states that a zoning district must be designated where permanent emergency shelters can be established by a very simple administrative process. He commented that the law also states that cities must allow transitional and supportive housing as ordinary residential uses. He said that under the requirements, cities are not allowed to place any additional or more stringent regulations on nonprofit agencies that operate supportive housing facilities than are imposed on other residential uses.

**Mr. Douglas** indicated that the Regional Housing Needs Assessment (RHNA) is mandated by state law and prepared by the Southern California Association of Governments (SCAG). He commented that the State develops a level of need and population growth forecast for the entire state which is broken down into regions. He indicated that SCAG is allocated an amount of population growth at the beginning of each planning cycle which it divides among the approximately 200 jurisdictions that it oversees. He commented that SCAG identified a total need for the region of 700,000 housing units in the last cycle. He indicated that the amount of housing is then divided among the subregions and cities. He said that each jurisdiction must demonstrate that they can accommodate their fair share of housing as allocated by RHNA. He commented that Manhattan Beach worked to meet the requirements of HCD in identifying appropriate potential sites for housing. He indicated that a vacant parcel zoned for high density residential would have fewer obstacles for development of housing units than a commercially zoned property that is already developed with a commercial use. He indicated that HCD is skeptical of the likelihood that high density residential projects would be built as mixed use on commercially zoned properties.

Chairperson Andreani commented that it is an important distinction to distinguish between allowing for high density residential developments on commercially zoned properties as opposed to allowing for mixed use projects in commercially zoned properties. She pointed out that allowing for residential units above shops brings vibrancy to a city.

**Mr. Douglas** said that mixed use projects can be a benefit in terms of smart growth for cities and in reducing greenhouse gasses. He said that a tax credit project is an affordable housing project that is funded fully by federal tax credits. He said that there are various criteria that nonprofit groups must meet in order to receive the funding for such projects, and it is a very competitive process to receive the funding. He said that an affordable apartment project that is not mixed use is much more likely to receive tax credit funding and is more likely to actually

be developed than a mixed use project, and the HCD looks more favorably on projects that are not mixed use.

Commissioner Paralusz said that she understands the difficulty of providing for affordable housing as mixed used development. She pointed out that a larger affordable housing project would not be built over the Target site, and smaller commercial buildings can only accommodate a single residential unit.

**Mr. Douglas** said that providing for 30 residential units per acre requires having three-story developments and requires four-story developments as mixed use above commercial. He said that communities with height limits may not be conducive to having high density residential as a mixed use above commercial. He said that HCD approved of the City's Housing Element because Manhattan Beach zoning allows for residential developments in commercial districts without requiring that they include mixed use.

In response to a question from Commissioner Gross, **Mr. Douglas** indicated that cities can challenge the housing allocation that is distributed through SCAG. He commented that he has previously worked informally with SCAG on behalf of other cities on reducing the number of housing units that were allocated. He said that working with SCAG could change the housing allocation for the next cycle, but it would not have an effect on the current allocation. He indicated that there is no judicial review of the allocation of housing to cities as determined by SCAG.

Commissioner Conaway commented that the goal of the General Plan is to preserve the small town atmosphere of the City and the beach community, and many of the City's ordinances are intended to preserve smaller structures. He said that he sees that the City may become more restrictive on their zoning ordinances in the future in order to preserve its character, which would be in conflict with the intent of the Housing Element in providing higher density housing.

**Mr. Douglas** said that the Housing Element is linked to other planning programs such as the Regional Transportation Plan and the growth forecast. He pointed out that SCAG updates their growth forecast every few years. He stated that the growth forecast determines the RHNA numbers. He said that he is certain that staff will monitor and participate with SCAG so that the forecast accurately reflects the City's policy.

Planning Manager Jester stated that staff does work very closely through the South Bay Cities Council of Governments and through SCAG in meetings and phone conversations. She indicated that the City has provided a great deal of documentation to SCAG. She commented that staff was very pleasantly surprised to have received a much lower housing allocation number from SCAG for the next cycle.

Commissioner Gross pointed out that the city has had approximately 40 years of no growth, and yet the allocation from the RHNA has been high.

Planning Manager Jester said that other local cities have also had difficulty in accommodating the number of units as allocated by SCAG.

Commissioner Gross suggested that allocating staff time to influence the process of determining the housing allocation through SCAG should possibly be made a work plan priority.

Director Thompson commented that he has been very involved during the last two cycles with allocating the housing numbers. He pointed out that the representatives of cities have no

control over the allocation of housing as determined by the State. He indicated that the only way for Manhattan Beach to reduce their allocation of housing is for another local city to accept a larger percentage of the allocation in trade, which no other city is willing to do. He said that individual cities do not have a large influence in determining the number of units that are allocated.

**Mr. Douglas** said that of the number of units that are allocated, 40 percent are allocated to low income housing, which means that they are high density. He stated that three unit condominium projects are not high density. He said that many units are replaced, but there are not many new units.

**Mr. Douglas** said that low income according to the law is considered up to 80 percent of the median county household income of \$59,000; very low is considered up to 50 percent of the median income; and extremely low is considered up to 30 percent of the median income. He indicated that a four person household with a gross income of \$60,000 is considered low income. He said that at the beginning of the current planning period, a low income apartment was considered a two bedroom apartment with a rent of \$1,500 per month. He commented that new construction near the beach means having public subsidized assisted housing. He pointed out that assisted housing does not necessarily mean public housing. He said that public housing is owned by the government, and assisted housing is privately owned by a nonprofit group or sold to the homeowners at a reduced price. He commented that HCD is not very much concerned with the allocations for moderate and upper income housing, as they feel it is regulated by the market. He indicated that the main goal of the Housing Element is to show the HCD how the City can accommodate the allocation of 236 very low income and 149 low income units. He said that because the City has been built out and there are very few vacant parcels, most of the high density residential development capacity is in commercial districts. He said that staff compiled the information regarding all of the potential sites for affordable housing to present to HCD to make the argument that there are sufficient sites with the appropriate zoning and that have the potential for redevelopment that could accommodate the City's allocation of housing.

In response to a question from Commissioner Gross, **Mr. Douglas** indicated that such information regarding all lots that could potentially accommodate high density housing is gathered for each update of the Housing Element. He pointed out that the information for the next cycle will only need to be updated to list any changes that have occurred to any potential sites for housing development.

**Mr. Douglas** indicated that over 600 new housing units were built in the City between 2006 and 2011; however, it is presumed that they are all in the above moderate and high income categories. He commented that the large number of new units is the reason for the larger allocation by RHNA.

**Mr. Douglas** pointed out that RHNA is not a development mandate. He indicated that cities are not required to build housing but rather are only required to demonstrate that they have not placed unreasonable constraints on any potential development of housing and that there are potential sites available for such housing. He commented that cities must rezone properties to allow for their allocation of housing if they are unable to demonstrate that their existing zoning does not provide adequate sites to accommodate the amount of housing that they are allocated. He indicated that cities must also demonstrate that they are encouraging development of housing. He commented that HCD is more skeptical of potential housing sites on commercial properties because the owners of commercial sites can redevelop with another commercial use.

**Mr. Douglas** stated that the City's Zoning Code currently requires a Use Permit for any residential development of more than four units, which is not favored by the HCD. He commented that the HCD requested that the City simplify the process for approving higher density housing. He said that the City has developed a procedure for approval of a Precise Development Plan for residential projects of more than four units, which allows for a more simplified and narrowly focused review process. He stated that the Precise Development Plan review would not question whether a multi-family development is appropriate for a site but rather would only focus on the design of the project and whether it meets Code development standards. He said that there is a limited ability to deny the project under the Precise Development Plan if it does meet all development standards. He commented that under the Precise Development Plan, projects under five units would be reviewed administratively by the Community Development Director without a public hearing. He commented that another program has been established to allow for an increase in the number of units permitted on a site if parcels are joined to allow a development to be built across more than one site.

Commissioner Paralusz commented that there is a conflict between the goal of maintaining the small town atmosphere of the City and allowing for lots to be combined for projects to be built across more than one parcel. She asked regarding the City's current regulations regarding lot mergers.

Director Thompson said that areas zoned for medium density and single-family residential allow for two contiguous lots to be merged. He indicated that the new rule allowing for more units on combined lots would apply in multi-family zones.

**Mr. Douglas** pointed out that the incentive to allow for more units on combined lots would only apply to projects that are providing affordable housing.

In response to a question from Commissioner Gross, Director Thompson said that the new rule would address density and housing types, and the Mansionization Ordinance is intended to address the size of structures. He commented that the market drives most of the development in the City.

**Mr. Douglas** said that a commitment is also being made by the City to allow a relaxed parking standard for affordable housing projects consistent with State law. He said that the State standard for affordable housing is 1 parking space for studio and one bedroom units, 2 parking spaces for two bedroom units, and 2 ½ parking spaces for three bedroom units or larger.

**Mr. Douglas** indicated that a new process has also been established for a Site Development Permit that would apply to all multi-family development. He said that under such a permit, developments of less than five units would be administratively reviewed by the Director of Community Development, and any projects that include six or more residential units would be reviewed by the Commission. He said that any decision of the Commission regarding such permits could be appealed to the City Council.

**Mr. Douglas** said that there is a program included in the Housing Element to amend the Code to allow emergency shelters in the Public Facilities (PS) zone or the Industrial Park (IP) zones. He said that the Commission will have an opportunity to recommend to the Council whether they feel emergency shelters should be permitted in one or both of the zones. He commented that the Commission will also have an opportunity to review the development standards for such shelters including the maximum number of beds that would be permitted, security, management, lighting, landscaping, and parking. He indicated that such shelters would be permanent structures intended for continual rather than temporary use. He commented that the Housing Element also provides for supportive and transitional housing, which applies to

nonprofit agencies that place clients in apartment building or homes. He said that the participants would be screened, and there typically is no tolerance for alcohol and drug use. He stated that the Code Amendment would state that such uses are treated the same as any other residential uses in the zone in which the subject property is located. He indicated that reasonable accommodation is a requirement of Federal and State fair housing law that directs cities to remove obstacles in order to provide housing for people with disabilities. He said that cities are required to adopt an Ordinance that specifies procedures for reviewing applications for projects involving people with disabilities. He commented that there are no specific requirements for particular change in the City's regulations, but rather is a requirement that a process be established in reviewing such applications.

**Mr. Douglas** commented that all cities are required to adopt local procedures to implement the State density bonus law regulations. He commented that there also is a State law which limits the extent to which cities can regulate or exclude secondary units.

**Mr. Douglas** commented that a public hearing will be held before the City Council after the recommendation of the Commission regarding the updates to the Housing Element has been forwarded. He said that the document would be brought back before the HCD for final review if it is approved by the Council. He commented that HCD has indicated that the draft document will be found in compliance if it is adopted by the City Council.

Chairperson Andreani said that it would behoove the Commission to approve the Housing Element as it has been drafted so that it can move forward through the certification process. She commended **Mr. Douglas** and staff on their work in preparing the document.

Commissioner Ortmann commended **Mr. Douglas** and staff on a very clear presentation.

Commissioner Gross said that he appreciates **Mr. Douglas** answering all of his questions.

In response to a question by Commissioner Gross, **Mr. Douglas** indicated that the requirement of Program 3e in the last sentence of the second paragraph on page 115 of the draft Housing Element is a requirement of State law. He commented that if the City has met its requirement to have adequate sites available for high density housing and the Council then chooses to rezone property from high density residential to low density residential, the City would need to identify appropriate sites in other areas that could accommodate the housing assessment.

Commissioner Gross indicated that he is convinced after the presentation that the document as proposed is one of very few alternatives that would be certified by the State. He commented that he does appreciate the work of staff and **Mr. Douglas** in preparing the document. He said that he appreciates the answers to his questions provided by **Mr. Douglas**, and he would support the document as presented.

Chairperson Andreani opened the public hearing.

There being no one wishing to speak, Chairperson Andreani closed the public hearing.

Chairperson Andreani suggested that the first sentence under "Home Values" on page 65 of the draft document should read: "As shown in table ~~24~~ 22, housing values in beach cities are much higher than those in Los Angeles County as a whole."

Chairperson Andreani suggested that staff reword the third sentence of the paragraph under Table 38 on page 81 of the draft document which currently reads: "The 2000 Federal Census

recorded few overcrowded dwelling units in the City of Manhattan Beach. (generally more than 1 person per room).”

Chairperson Andreani said that the presentation was an excellent overview.

Commissioner Paralusz commented that there were six meetings before the Commission regarding the Housing Element since 2008. She said that she appreciates the staff time that has been put into drafting the Housing Element. She commended **Mr. Douglas** on giving a focused presentation. She indicated that she supports the plan and thanked everyone involved for their work.

Commissioner Gross commented that the County median income was mentioned but not defined in the beginning of the document. He said that he feels it would be helpful if the median income was explained earlier in the report. He commented that he was also confused that the third paragraph on page 72 of the document refers to the 2000 Census median income.

Commissioner Conaway commended staff and **Mr. Douglas** on a very clear presentation. He said that the presentation answered all of his questions. He commented that he had a concern as to whether there were any conflicts between the updates to the Housing Element and the General Plan. He said that he feels there may be a concern in the future when there may be a need to consider more prominent changes to the City’s zoning. He commented, however, that he supports approving the document as proposed.

In response to a question from Commissioner Paralusz, Director Thompson said that staff did not receive any public comments regarding the notice for this hearing.

Chairperson Andreani commented that it is the obligation of of the Commission to support the General Plan. She said that she feels there could be an issue of compatibility between the goals of the General Plan and the requirements of the Housing Element. She stated that she would look to **Mr. Douglas** to address any issues of compatibility with the General Plan in approving the individual ordinances included in the Housing Element. She stated that she feels there is an appreciation by the general public regarding the need for affordable housing. She indicated that there recently was a symposium held at the Joslyn Center, during which a concern was raised regarding affordable housing being made available for people who support the City’s school system including teachers, janitors, and food service employees. She stated that many people who work at schools within the City often come from other areas and commute a great distance to work because they are not able to find affordable housing in the City.

A motion was MADE and SECONDED (Paralusz/Gross) to **APPROVE** a Comprehensive Update to the City’s General Plan Housing Element and adoption of a Negative Declaration of environmental impacts in accordance with the California Environmental Quality Act (CEQUA)

AYES: Conaway, Gross, Ortmann, Paralusz, Chairperson Andreani  
NOES: None  
ABSENT: None  
ABSTAIN: None

5. **DIRECTOR’S ITEMS**

6. **PLANNING COMMISSION ITEMS**

In response to a question from Commissioner Paralusz, Director Thompson said that staff thinks that the next public hearing regarding the Manhattan Village mall renovation project will



take place in January or February. He indicated that staff is continuing to work on the Environmental Impact Report, and negotiations are continuing to take place with the developer.

Commissioner Paralusz asked regarding the development that is occurring at the site of the former veterinary clinic on Morningside Drive across from the site that previously was Pasta Pomodoro.

Director Thompson indicated that the development on the site will include office space on the top level and retail on the lower level.

Commissioner Paralusz asked if the City has a prohibition against roof decks.

Director Thompson stated that there is a prohibition against roof decks in certain areas of the City. He said that roof decks are limited by height. He pointed out that rooftop decks are not permitted along The Strand.

In response to a question from Commissioner Gross, Director Thompson commented that staff is meeting with representatives of the County regarding the library project on December 13. He said that staff expects the next public hearing before the Planning Commission on the library project to take place in January or February of 2013.

**7. TENTATIVE AGENDA December 26, 2012**

**8. ADJOURNMENT**

The meeting was adjourned at 8:35 p.m. to Wednesday, December 26, 2012, in the City Council Chambers, City Hall, 1400 Highland Avenue

SARAH BOESCHEN  
Recording Secretary

ATTEST:

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RICHARD THOMPSON  
Community Development Director