

**CITY OF MANHATTAN BEACH
[DRAFT] PLANNING COMMISSION
MINUTES OF REGULAR MEETING
OCTOBER 9, 2013**

A Regular Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 9th day of October, 2013, 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: Andreani, Gross, Ortmann, Paralusz, Chairperson Conaway
Absent: None
Staff Present: Richard Thompson, Community Development Director
Eric Haaland, Associate Planner
Michael Rocque, Assistant Planner
John Douglas (Housing Element Consultant)
Recording Secretary, Rosemary Lackow

2. APPROVAL OF MINUTES – August 28, 2013

The following two amendments were requested by Commissioner Gross:

Page 3: fourth line, last paragraph as follows:
shared parking and this request necessitates an amendment to the site's existing ~~Planner~~Planned Development Permit.

Page 5: second line, sixth paragraph as follows:
change if ~~there was no cap and the parking had some~~ all spaces were reserved spaces, **Mr. Tuoff** responded that....

A motion was MADE and SECONDED (Andreani/Paralusz) to **APPROVE** the minutes of August 28, 2013, as amended.

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

3. AUDIENCE PARTICIPATION

Patrick McBride, resident at 5th and Peck, stated that he had attended the City Council hearing the night before regarding the Manhattan Village project and he has concerns about two requirements relating to bridge construction and bike paths that are in the conditions of approval that were in the Resolution that had been adopted by the Planning Commission for the project in July. Mr. McBride's concern regarding bridges is that the 15 foot required clearance may be incompatible or in conflict with Caltrans' design which is currently being developed to widen the Sepulveda Boulevard Bridge south of Rosecrans Avenue that adjoins Manhattan Village. His concern about the bike path is that there may be concrete placed in the greenbelt area and he feels that the community would strongly object to this.

At the request of the Chair, Development Director Thompson explained that the condition relating to bridge clearance does not apply at all to the Sepulveda Bridge project because that

bridge is not located on the Manhattan Village property. The condition Mr. McBride is speaking to applies only to pedestrian bridges on the private shopping center property that would provide access from parking structures to the mall building. Director Thompson also noted that the bike paths were important to the Commission to provide linkages to the mall from under the Sepulveda Bridge for the surrounding community, but the condition does not specifically require a concrete bike path. Director Thompson stated he expects there will be future considerations of the bike path design and opportunity for more input on that subject.

4. GENERAL BUSINESS

10/09/13-2. Request for a One-Year Time Extension of a Master Use Permit and Associated Applications for 1000-1008 Sepulveda Boulevard (1008 Investment Group, LLC)

Community Development Director Thompson noted that this application is a routine request for a Use Permit time extension and introduced Associate Planner Haaland, the project planner who proceeded to give a detailed report. Mr. Haaland noted that the applicant's request is to extend the life of a Master Use Permit and for construction of a new 23,350 square foot medical and retail use building, including medical office condominiums and a parking reduction. Mr. Haaland noted that a related General Plan Amendment and Zone Change took permanent effect in September, 2007. The project, initially approved in 2007, has received extensions from the Planning Commission in 2010, 2011, and 2012 and was scheduled to expire again this year. Mr. Haaland concluded by stating that the Staff recommendation is to grant the extension to July 17, 2014, based on findings that have been included in the draft Resolution.

In response to a question from Commissioner Gross, Associate Planner Haaland stated that a Resolution is not required for this minor type of procedure and the decision is recorded "by minutes order" meaning that the Commission's motion and vote would be recorded in the meeting minutes.

In response to a question from Commissioner Ortmann, Associate Planner Haaland explained that the 12 foot street dedication on Sepulveda to Caltrans is a routine condition for significant projects located on the east side of Sepulveda. The dedication allows construction of deceleration and acceleration lanes abutting the project.

In response to questions from Commissioner Andreani, Associate Planner Haaland indicated that the submitted plan check plans must be in conformity with the plans that were approved by the Planning Commission. Associate Planner Haaland stated that this unusually large number of extensions is due to the timing of the project, coming just at the beginning of the economic downturn. Mr. Haaland also stated that the Zoning Code does not have a limit on the number of extensions that can be requested for a Master Use Permit.

Chairperson Conaway invited the applicant to address the Commission.

George Apostol, Manhattan Beach resident and project owner clarified that the reason for the delays has been the recession during which he was unable to secure financing, but presently with the better economy he has secured financing and has paid all the City permit fees and has a very sizeable investment in the project and is ready to proceed. **Mr. Apostol** stated that he believes there is strong local interest in the project, and has some potential tenants. In response to an inquiry from Commissioner Gross regarding the number of offices which was approved with a maximum 30 spaces, he expects at the most a dozen spaces will be created, and probably fewer.

There being no further questions of the applicant, Chairperson Conaway invited the Commission to discuss the application.

The Commission had a brief discussion, in which unanimous support of the project was expressed.

ACTION

A motion was MADE and SECONDED (Ortmann/Paralusz) to **APPROVE** the subject one-year time extension.

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

Director Thompson announced that the Planning Commission's decision of approval will be forwarded to the City Council for consideration at its regular meeting of November 5.

5. PUBLIC HEARING

10/09/13-3. Consideration of a Comprehensive Update to the City's General Plan Housing Element for the 2013-2021 Planning Period

Community Development Director Thompson made introductory remarks, noting that the City recently went through this process for the last planning period (2008-2013) and accordingly there is not too much that is new to report in this cycle. Director Thompson introduced John Douglas, the City's Housing Element consultant who gave a detailed presentation.

John Douglas, J.H. Douglas and Associates, the City's Housing Element consultant, gave an overview, explaining the public review process and explained that, other than new Census and other data, this Housing Element is mainly a continuation from the last Element. Mr. Douglas reviewed accomplishments from the last Element including a new density bonus ordinance and reasonable accommodation procedures, an ordinance for emergency shelters, transition and supportive housing, a streamlined City review process, and lot consolidation incentives.

Mr. Douglas noted two key issues under State law, the City needs to demonstrate compliance with: 1) special needs housing (e.g. elderly, large families, families with disabilities, homeless, female headed households and farmworkers) and, 2) the RHNA, or Regional Housing Needs Assessment, whereby the City must demonstrate that it has sufficient land zoned to accommodate a specific RHNA allocation. **Mr. Douglas** further explained that the City's RHNA allocation was reduced significantly to 38 from 895 (dwelling units) since the last cycle and these 38 units, distributed over four different income levels, are a planning target, not a mandate to construct. **Mr. Douglas** noted that the draft Element demonstrates well that the City has sufficient land zoned to accommodate the RHNA.

Mr. Douglas noted that due to time constraints, there are two programs in the Housing Plan (in Chapter V) that were not completed in the last Housing Element and are recommended to be continued into the new planning period. These include: 1) Program 3d, to evaluate the feasibility of a Code Amendment to eliminate the current requirement for a maximum number of units per lot in mixed-use developments – to facilitate provision of smaller units for single persons and seniors; and 2) Program 5e: to establish regulations for 2nd units in accordance with state law.

Mr. Douglas noted that the City is pressed to meet the state schedule for approval of the 2013-2021 Housing Element by early February 2014, and most importantly, if the City misses this

target, a much more onerous cycle - 4-year as opposed to the current 8-year schedule will apply. **Mr. Douglas** noted further that the program relating to Second Units is required, and should the city not adopt a local standard that complies with state law, the City would have to default to the State's standards.

Mr. Douglas distributed copies of some change pages in the report.

Mr. Douglas stated that the role of the Planning Commission tonight is to conduct a public hearing to review the draft Housing Element, accept input from the public and the Commission and, adopt the draft resolution recommending that the City Council approve the draft Housing Element. Staff then will submit the document to HCD. If HCD is satisfied that the draft complies with State law, then Staff would schedule a hearing for the City Council to review and adopt the Element.

At this time Chairperson Conaway invited the Commission to direct questions to Mr. Douglas and Staff.

Commissioner Gross requested that Staff review the following that he thinks may be errors:

- Page 17 / 124, first paragraph of A. Overview, the land area of the City is indicated at 3.13 square miles and he questioned whether this is different than other sources.
- Page 18 / 124, "Grand Avenue" should be "Grandview Avenue" but he questioned whether Grandview is inaccurate and perhaps should be Blanche Road instead.
- Page 21 / 124 he questioned whether the top and bottom photos were of the beach area, and it was determined that the top photo may not accurately represent the beach area.

Mr. Douglas and Development Director Thompson responded to questions from Commissioner Gross as follows:

1. Page 49/124 (II-33): **Mr. Douglas** indicated that the term "construction need" is a term of convention and comes from the RHNA, and is used to differentiate from "replacement need" (units lost from demotion, e.g.)
2. Page 74/124 (V-2): Director Thompson indicated that while the City does not have a specific zoning district designation of "Mixed Use", mixed use as a land use category is permitted in a number of commercial districts; such as Downtown Commercial and North-End Commercial.
3. Page 62/124 (IV-6): **Mr. Douglas** indicated, regarding a reference to a commitment to process a code amendment for reasonable accommodation, that this will be corrected to reflect that this has been already accomplished.
4. Page 64/124 (IV-8) regarding Second Units: **Mr. Douglas** explained that ordinarily the City's local zoning regulations guide development, however when there is a State law that regulates (as in the case of second units), if the City does not have an ordinance to implement State law, then the state regulations would prevail.
5. Page 74/124 (V-2) Regarding Program 1.a. and mansionization ordinance standards: a question was expressed by Commissioner Gross, whether, per the statement following the table at the top of page 74, it is intended under this program for mansionization standards, including lot size, to be relaxed for properties in the RM and RH districts that have 3 or more units? In response, Director Thompson stated he did not think this would affect density but is intended to streamline the development process by allowing development administratively instead of requiring a discretionary permit. To Commissioner Gross'

follow-up question as to whether this statement in Program 1.a. is meant to relax the mansionization code that addresses consolidating lots, Director Thompson indicated that Staff will be examining the codes to check for consistency with the Housing Element.

6. Page 79/124 (V-7); Regarding Program 3.e, “No Net Loss”: **Mr. Douglas** explained that there is a provision in State law that says that the City must maintain sufficient land capacity to accommodate the RHNA allocation, or in the City’s case, 38 more units, throughout the 8-year planning period. The City must therefore monitor its inventory of land summarized in Table B-1 (Appendix B of the Housing Element) as residential projects are approved, to ensure that adequate inventory exists. Further **Mr. Douglas** explained that the City cannot approve a project at a lower density than described in Table B-1 unless it makes findings that there would still be capacity to meet the RHNA allocation. In response to Commissioner Gross’ question as to whether it would be beneficial, over the next several years of the planning period, to use a smaller total capacity number than used in the last planning period. Mr. Douglas stated that he felt this was not necessary.

Mr. Douglas and Development Director Thompson responded to questions from Commissioner Andreani as follows:

1. Page 65/124 (IV-9): Regarding Density Bonus, the program states that the Zoning Code was amended in 2013 to include density bonus regulations – **Mr. Douglas** explained that this new ordinance although enacted several months ago, has not yet been codified yet.
2. Page 65/124 (IV-9): Regarding condominium conversions: where is it stated that we have a restriction on condominiums? And should we take another look at this code? **Mr. Douglas** explained that this is an existing program and is codified in 10.88.070 of the Zoning Code with no changes. Whether it would be useful to revisit this code, **Mr. Douglas** explained that condominium conversions have both pros and cons: from one perspective conversions of apartments to condominiums can result in a loss of available rental units, but from another view, they provide opportunity for home ownership that is more affordable than a new condo. **Mr. Douglas** also explained that this code only pertains to conversion of existing apartments to condominiums, not when single homes are replaced with condominiums.
3. Page 79/124 (V-6) regarding Program 3c regarding potential senior housing units in the Manhattan Village area, including in an existing parking lot that may be evaluated for providing parking for a commercial expansion. The question: is this a conflict in goal setting? Director Thompson indicated that this parking lot site has been looked at a number of times for various development scenarios, and it is useful to include this site in the Housing Element as a potential site for senior housing.

Commissioner Gross added that these are goals not mandates and believes that it is not inappropriate to include the parking lot site as a potential site for housing. Development Director agreed and further noted that the parking lot site could be developed as mixed-use for both residential/commercial.

PUBLIC HEARING

Chairperson Conaway OPENED the public hearing, and seeing no one wishing to speak, CLOSED the public hearing and invited Commission discussion.

COMMISSION DISCUSSION

Commissioner Paralusz noted that she is comfortable with the recommendations made in the draft Housing Element and has no proposed changes. She applauded the fact that the RHNA allocation was reduced from almost 900 to 38 units which puts the City in a good position to achieve its RHNA goal. She thanked Mr. Douglas for a great job and presentation.

Commissioner Andreani expressed concern that on Page 105/124 (B-11) there is a photo of a downtown single story commercial site with a caption that notes that 3-story mixed-use is permitted. Her concern is, while the Housing Element does not state any policies encouraging or discouraging additional stories for downtown building, to build up as suggested would represent a significant change in the downtown character. Mr. Douglas responded by stating that the intent is to only state what existing codes allow, and the photo has been useful in demonstrating to HCD that there is capacity to add more housing, which was especially difficult in the last cycle when the RHNA was almost 900 units. Commissioner Andreani acknowledged this and thanked staff and Mr. Douglas for their hard work and a well done report.

Chairperson Conaway commented that Commissioner Andreani's point is well taken, but realizes also that the Housing Element has to look at development from a certain perspective, and sometimes there are conflicting and complex policy issues in matters that come before the Commission. As to the draft Resolution for the Housing Element, Chairperson Conaway has concern regarding the wording "with certainty" in Section 1. Finding D.

Commissioner Paralusz agreed with the Chair's concern regarding Finding D, to which Mr. Douglas responded that this wording is directly from the CEQA Guidelines, so it should not be changed.

ACTION

A motion was MADE and SECONDED (Andreani/Gross) to **ADOPT** the draft Resolution PC-13-12, **RECOMMENDING** that the City Council Adopt the Housing Element of the General Plan for the 2013-2021 Planning Period.

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

Director Thompson announced that Staff will now forward the document and comments to HCD and then bring the Element to the City Council with HCD comments within the next few months.

Chairperson Conaway thanked Staff and Mr. Douglas for their work on the Housing Element.

6. DIRECTOR'S ITEMS

Director Thompson announced the next public hearing on the Manhattan Village Mall before the City Council will be on November 12th at 6:00 p.m.

7. PLANNING COMMISSION ITEMS

Commissioner Paralusz announced that Phase 1, the Math and Science Building of the Mira Costa Campus Modernization Project funded by Measure BB, is now complete, on time and on budget. On October 15 the public is invited to tour the building.

Commissioner Andreani inquired as to how the public can find information about the Sepulveda bridge widening project that was raised tonight by a member of the public. Development Director Thompson stated that the City's Public Works Department has been asked to make a presentation, if not on November 5th, soon after to the City Council.

Commissioner Andreani raised the question as to whether it is a good time to ask the City Council if the Planning Commission should review the Zoning Code relative to time extensions of Master Use Permits. Her concern is that delay of permitted development may cause a site to be unused for a long time as has been the case for "Rite-Aid project" at Sepulveda and Manhattan Beach Boulevard. Director Thompson noted that the Rite-Aid project has expired at this point and a new application would have to be filed. He informed that the City Council has required him to look into this issue.

Commissioner Andreani noted that resident Evelyn Frey will be 98 years old on October 11 and wished her a very happy birthday and thank you for all she has done for Manhattan Beach.

Commissioner Gross inquired as to the status of the Open Space code amendment; and Director Thompson responded that the City Council supported the mansnionization amendments with the exception of open space. Staff is working on taking this back to the City Council at its meeting on November 19th and this issue will not be coming back to the Planning Commission unless directed by the Council.

Commissioner Andreani noted, on the issue of mansionization she thought it may be very interesting to ask Council if the Commission should take a look at a meaningful reduction of BFA (buildable floor area) as a next step in the review of mansionization.

8. TENTATIVE AGENDA - October 23, 2013

Director Thompson indicated so far there are no items for the Planning Commission's agenda on October 23, and that the Capital Improvement Plan (CIP) for Fiscal Year 2013-2014 has been rescheduled to the Commission's December meeting.

9. ADJOURNMENT

The meeting was adjourned at 8:05 p.m. to Wednesday, October 23, 2013, in the City Council Chambers, City Hall, 1400 Highland Avenue

ROSEMARY LACKOW
Recording Secretary

ATTEST:

RICHARD THOMPSON
Community Development Director