

**CITY OF MANHATTAN BEACH
[DRAFT] PLANNING COMMISSION
MINUTES OF REGULAR MEETING
DECEMBER 11, 2013**

A Regular Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 11th day of December, 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, Chairperson Conaway
Absent: Paralusz
Staff Present: Community Development Director Richard Thompson
Esteban Danna, Associate Planner
Rosemary Lackow, Recording Secretary,

2. APPROVAL OF MINUTES – November 13, 2013

Commissioner Andreani requested three changes to the minutes:

- 1) Pg. 2, first full paragraph beginning “Assistant Planner Ochoa...” in the 4th line from the end: change as follows: “that used to be in the Downtown..”
- 2) Pg. 2, in the 2nd full paragraph beginning “Staff responded to questions from Commissioner Paralusz...” in the 2nd line from the end, change as follows: “...Commissioner’s ~~Paralusz’s~~ inquiry regarding.....”
- 3) Pg. 5, in the Kris D’Errico testimony, 3rd line, change as follows: “.....Downtown to look ~~Like~~ like?”

A motion was MADE and SECONDED (Gross/Andreani) to **APPROVE** the minutes of November 13, 2013, as amended.

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

3. AUDIENCE PARTICIPATION

Viet Ngo, advocate for anti-corruption addressed the Commission, stating his concerns that the Commission and City Council uphold law relating to conflict of interest.

4. PUBLIC HEARING

- 12/11/13-2. Consideration of a Coastal Development Permit and Use Permit to Allow a New 2-Story Commercial Building (Retail Space on the Ground Floor and Office Space on the Second Floor) Located at 211/213 Manhattan Beach Boulevard and 208/214 Center Place.

Community Development Director Thompson introduced Associate Planner Esteban Danna the project planner who gave a brief staff report, with a slide presentation. Associate Planner Danna summarized the project in terms of physical form and proposed operation, with retail being proposed on the ground floor and personal service and/or offices to be located on the upper floor. Mr. Danna noted the project’s compliance with the CD Zone, General Plan and Downtown

Guidelines, and summarized the staff recommendation – to conduct the public hearing, and adopt the draft resolution, approving the project subject to conditions. Associate Planner Danna also went through the findings for approval that are detailed in the written Staff Report and draft Resolution.

Staff responded to questions from Commissioner Andreani as follows:

- 1) Given the proposed maximum building elevation of 240.93 and the height limit of 26 feet, Associate Planner Danna stated that the project will be just under the maximum allowed height, but the actual vertical height to the ground may be a little different due to the averaging of the grades at the four lot corners.
- 2) Regarding the relative height of the proposed building compared to that of the Chase Bank building next door to the west, Associate Planner Danner stated he was not sure exactly what the difference between the two will be, but estimated the new building may be about a half story higher than the Chase building. Mr. Danna also noted that it is possible that the Chase building, having been built prior under a different code, is somewhat taller than as would be permitted under the current code height methodology.
- 3) Regarding possible impact of the project to the City's Housing Element, given that two existing apartment units would be eliminated, Associate Planner Danna stated that, while the Housing Element policies encourage mixed use, because the predominant use in the CD zone is commercial, the replacement of two units with commercial space is not expected to be a significant impact on the Housing Element programs.
- 4) Associate Planner Danna clarified that the awning is an architectural feature approximately one foot wide and will encroach 5 to 6 inches into the sidewalk area, and this is relatively minor in that the Sign Code allows an awning to encroach up to three feet.
- 5) Regarding standards for the Certificate of Compliance (C of C) process that is required for the lot merger, Associate Planner Danna explained that the subject project will merge two standard sized 2,700 square foot lots to form one 5,400 square foot and there are no existing or proposed limits on the merger of two commercial lots as applies in this case.

Staff responded to questions from Commissioner Gross as follows:

- 1) Regarding Commissioner Gross's concern that the finding M., Policy II.A.2 on page 2 of the Resolution appears to be in conflict with the 26-foot height limit applicable to the project, Associate Planner Danna explained that this is a standard Coastal finding that states a broad Coastal policy addressing building height and scale. This applies to the entire CD zone which includes two height limit zones, one which has a 26 foot limit (applicable to the subject project) and another which has a 30 foot limit, and therefore this policy statement is accurate. Director Thompson suggested that the Coastal policy statement not be changed, but that some wording be added to the Resolution to clarify that the applicable height limit for the project is 26 feet.
- 2) Regarding City policy on allowing residential use on the subject site, Associate Planner Danna explained that if the applicant had proposed to demolish the existing improvements and construct one or more new residential units, a Use Permit would be required. Development Director Thompson indicated further that current policies regard the CD zone as a "mixed use" area, and as such, viable projects include those that are entirely commercial or those with a mix of commercial and residential - both would be consistent with the General Plan.
- 3) Regarding the way the new commercial space is to be divided up, Associate Planner Danna stated that the developer has the option of having one 60 foot or two 30 foot wide stores, which would not affect the amount of required parking overall.

Commissioner Gross noted that he is interested in knowing and will be asking the developer for information on rental rates for the proposed commercial spaces.

In response to an inquiry from Commissioner Andreani concerning signage, Associate Planner Danna noted that the project will be held to the Sign Code standards and that a maximum of 60 square feet (1 sq. ft per foot of street lot frontage) of sign area will be allowed consistent with all sign standards.

There being no further questions of staff, the Chair invited the applicant to address the Commission.

Kyle Ransford, 213 Manhattan Beach Blvd Partners, LLC, lives close to downtown, and is excited about the project and adding something new to the downtown. He thanked staff for their guidance, and believes that the project will be a great fit, blending well in its appearance and operation. He wants to do a high quality space and to do this he needs the full 60 foot width, as opposed to narrower spaces. **Mr. Ransford** did not consider residential, because in his experience this inherently brings conflicts. By setting the second floor back with a generous deck the bulk of the structure will be reduced and the building will be less boxy and intimidating. **Mr. Ransford** stated he is committed to using high quality materials, and displayed a sample of Ipe, a tropical wood that he will use on the exterior, which is known to weather well and will be very attractive.

In response to an inquiry from Commissioner Gross regarding potential tenants and the issue of high rents and affordability, **Mr. Ransford** stated his overall belief that the market will address this issue. He has talked to three retailers who are already in town, the rental rate discussed is below \$10/sq. foot and also believes that the retail rental market is reaching its peak.

In response to an inquiry from Commissioner Andreani as to the reasons for not considering residential use at the upper level, **Mr. Ransford** stated that in his experience there are some possible long term challenges that relate to tenants and potential nuisance impacts from the commercial uses.

In response to a question from Commissioner Conaway, **Mr. Ransford** stated that he accepts the condition that prohibits office uses on the first level.

PUBLIC HEARING

Chairperson Conaway **OPENED** the public hearing.

Don McPherson, downtown property owner, distributed copies of comments and stated that he supports the project, liking that open space is provided, that building square footage has not been maximized, and that parking is provided fully to the code. However he has concerns that a lack of detail of the approved plan may result in undesirable changes in the future that could increase the intensity of the building. His concerns including: accuracy of the rendering, concern about a basement area, that in the future storage space may be converted to another use and require more parking, and concern that the amount an awning is going to encroach into a sidewalk area is unclear and may be increased in the future.

Mike Simms, 224 34th Street, supports the project which will be a great addition to downtown.

Chandra Shaw, 512 4th St, Owner of Trilogy Spa, has known the applicant for over 10 years and strongly supports the project.

Kelly Stroman, 340 9th Street, representing the DBPA as the Executive Director, supports the project, appreciates the proposed use, as well as the question regarding residential use upstairs. **Ms. Stroman** indicated the DBPA support is also based on the belief that the commercial space upstairs will provide a great meeting space; that the overall use will encourage a new flow of traffic; that the thoughtful design extends as well to the back of the building, and storage has been provided. She urged that the project be encouraged to move forward.

Viet Ngo, anti-corruption advocate stated his concern that the Planning Commission uphold the law, and that any Commissioner owning property within 500 feet of the project site, must abstain from voting to avoid a conflict of interest. Mr. Ngo also had concern that the retail use not turn into a bar.

There being no further speakers, Chairperson Conaway closed the Public hearing.

COMMISSION DISCUSSION

Chairperson Conaway asked staff to address some concerns and comments received in the hearing.

Regarding the 500 foot hearing notice and how this relates to conflict of interest, and compliance with this, Development Director Thompson stated that if a Commissioner owns property within 500 feet of an application site, this could constitute a possible conflict of interest. Mr. Thompson further explained that because public notice is provided to all owners of property within 500 feet, staff typically recommends that any Commissioners who receive such a notice should recuse themselves from discussing the subject project.

Commissioner Gross stated he believes his property is about 1700 feet away from the project and did not get a notice about the hearing and therefore believes there is no conflict. Commissioner Andreani stated for the record that her property also is well under 500 feet from the project and believes there is no conflict for her.

Commissioner Gross added that he has recently undergone training for conflict of interest and if he had any doubt he would consult with the City Attorney.

Chairperson Conaway raised the following issues that arose in the hearing and these were addressed as follows:

- 1) The Chair affirmed that to the best of his knowledge, there is a voting quorum and all 4 Commissioners can vote.
- 2) In response to a question about the legality of condition 9 and the possibility of a restaurant or bar being in the retail space, Director Thompson stated that condition 9 is appropriate and Associate Planner stated that condition 9 in the draft resolution specifically prohibits office uses in the ground floor.
- 3) At the request of the Chair, Associate Planner Danna explained that the code allows an awning to encroach up to 3 feet into the public right-of-way and the Planning Commission can add wording in the resolution to specify the degree of encroachment proposed (less than one foot) and typically staff does not include such a condition when compliance is being proposed.
- 4) Regarding the “basement”, Associate Planner Danna stated that the ground floor is partially a basement, but the proposed storage is located between the two levels but all storage area is counted in the parking calculation and contributes to the required retail parking amount.

Commissioner Andreani stated that because the encroachment of the proposed awning is not more than 3 feet (actually 5 or 6 inches), she believes that it doesn't seem appropriate to add a condition, however her concern was whether the Planning Commission would have a further review if, during plan check, the awning winds up encroaching one foot or more, up to 3 feet.

In response to Commissioner Gross who expressed difficulty in understanding the parking calculation, Associate Planner Danna explained a formula that is used to determine the number of parking spaces required on this Downtown site –after deducting the lot size from the building size, you calculate the amount of parking required based on a pro-rationing of uses per the associated parking requirement.

Commissioner Ortmann stated that he fully supports the application, believing that the project: is in keeping with goals for downtown, the architecture is understated and well thought out, and likes how the building greets the streets.

Commissioner Gross stated the he supports the project. He particularly likes: the care taken on the 2nd floor; the exterior wood treatment and “boardwalk” character that will fit well with the beach, the flexible design, and appreciates that the applicant has fully supported all conditions and use limitations. He hopes the project can be processed as quickly as possible.

Commissioner Andreani stated that she also supports, in particular she likes: the exterior appearance, the 2nd story setback and that this design understands the concept of “open space”. She believes the project design is excellent and will be in keeping with the harmony and scale of the City as it aspires to be a modernized beach community. Commissioner Andreani stated that her concern regarding the Housing Element has been satisfied and appreciates that the applicant has looked into the issue of residential use on the upper floor. Commissioner Andreani stated that she appreciates that 6 parking spaces will be maintained, and in response to her question as to whether parking would be affected if, in the future any of the storage space were to convert to another use, or be rented out separate from the main retail or office uses, Director Thompson stated that the parking requirement would not change. She thanked the applicant for bringing the project forward.

Chairperson Conaway also thanked the applicant for bringing a beautiful project to the City, and stated he believes it fits in very well contextually and overall joins the other commissioners in their statements of support. He believes the project complies well with all of the findings required for approval but suggested one minor change in condition 20 that the word “handicap” in the second sentence be replaced with “accessible”. Chair Conaway asked whether finding M in Section 1 of the Resolution pertaining to Coastal policies, should be changed to clarify the applicable height limit, and it was agreed that, as Director Thompson suggested, that an additional statement be added in finding B instead of M to clarify that the project height is less than the applicable height standard of 26 feet.

In response to comments made by Commissioner Andreani, it was agreed 1) to correct a typo in the first line of condition 8, page 9 (change “area” to “are”); and 2) for the purpose of clearer delineation of permitted and prohibited uses, to divide condition number 9 into separate conditions, with the first condition 9 to contain the provisions for permitted uses, and the second condition 10 to contain the prohibited uses such as eating and drinking establishments and banks and offices on the ground floor.

In response to a question from Commissioner Gross, Director Thompson explained that disabled access parking is required by code to be provided and labelled as such.

ACTION

A motion was **MADE** and **SECONDED** (Andreani/Gross) to **ADOPT** the draft Resolution, with amendments thereto on pages 1 (Finding B), 6 (to condition 9), page 7 (to condition 20), and page 9 (correct typo).

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

Director Thompson announced that the project is approved and there is a 15 day appeal period, and this item will be placed on the City Council “consent calendar” for “receive and file” action at its regular meeting of January 7th.

6. DIRECTOR’S ITEMS

Development Director Thompson reported:

1. On December 17, the City Council will reorganize and new mayor will be seated.
2. The Shade Hotel has submitted a Use Permit Amendment - the hearing will be scheduled for the Planning Commission on February 12. In response to a request by Commissioner Gross, Director Thompson stated he would give the background information to the Commission as soon as possible in advance of the hearing.
3. The revocation hearing for the 900 Club will be scheduled for the Planning Commission on February 26.
4. In response to a request by Commissioner Gross, a status report was given for the Mansionization code amendments. The Planning Commission recommendations were heard by the City Council on two occasions.

7. PLANNING COMMISSION ITEMS

Commissioners Andreani wished everyone a merry Christmas as the next meeting (December 25) will be cancelled and Commissioner Gross wished all happy holidays.

8. TENTATIVE AGENDA – December 25, 2013

No tentative agenda (cancelled)

9. ADJOURNMENT

The meeting was adjourned at 8:12 pm. to Wednesday, January 8, 2014, in the City Council Chambers, City Hall, 1400 Highland Avenue

ROSEMARY LACKOW
Recording Secretary

ATTEST:

RICHARD THOMPSON
Community Development Director