

**CITY OF MANHATTAN BEACH
[DRAFT] PLANNING COMMISSION
MINUTES OF REGULAR MEETING
OCTOBER 26, 2016**

A Regular Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 26th day of October, 2016, at the hour of 6:30 p.m., in the City Council Chambers, at 1400 Highland Avenue, in said City.

1. ROLL CALL

Present: Apostol, Bordokas, Conaway, Ortmann, Chairperson Hersman
Absent: None
Staff Present: Marisa Lundstedt, Director of Community Development
Assistant City Attorney Michael Estrada
Laurie Jester, Planning Manager
Nhung Madrid, Senior Management Analyst
Ted Faturos, Assistant Planner
Erik Zandvliet, City Traffic Engineer
Rosemary Lackow, Recording Secretary

2. AUDIENCE PARTICIPATION (3-minute limit) - None

3. APPROVAL OF THE MINUTES – September 28, 2016

A motion was MADE and SECONDED (Ortmann/Apostol) to **APPROVE** the minutes of September 28, 2016 as submitted.

Roll Call:

AYES: Apostol, Conaway, Ortmann, Chairperson Hersman
NOES: None
ABSENT: None
ABSTAIN: Bordokas

4. PUBLIC HEARING

10/26/16-1 Final Draft Downtown Specific Plan Public Hearing

Director Marisa Lundstedt introduced the subject and acknowledged staff members who have worked on the plan, including: Laurie Jester, Planning Manager, Nhung Madrid, DTSP project manager, Ted Faturos, Assistant Planner as well as others in the IT (for GIS contributions) and Parks and Recreation Departments. Ms. Lundstedt also emphasized the project has had much outreach to the entire community and detailed the timeline including community workshops up to March, 2016 when the draft plan became available for public review. The main focus tonight is a group of four key concepts: live/work regulations; the Use Permit process, a retail sales floor area square footage cap, and second floor outdoor dining. The goal is to conclude discussion and advise of any further desired changes, and Ms. Lundstedt noted that December 6th is the targeted date for the City Council public hearing, to consider the Commission's recommendations.

Ted Faturros, Nhung Madrid and Laurie Jester proceeded with a PowerPoint slide presentation that collectively: summarized the staff report and attachments, follow-up information on four key concepts, explained Chapter 9: Implementation Plan, including the Implementation Action Plan, explained proposed Local Coastal Program (LCP) revisions, including a set of reconciliation actions that reflect amendments made between 1992-2004 and lastly, the environmental documentation (Initial Study and proposed Mitigated Negative Declaration).

Chair Hersman asked whether the Commission had any questions of Staff.

In response to an inquiry by Commissioner Bordokas, Director Lundstedt clarified that the environmental analysis looked at a 30-foot height limit as per the direction provided by the City Council, however the 26-foot height limit in the Plan would be the applicable standard, as recommended by the Planning Commission (with an exception for elevators). Ms. Lundstedt explained that it's common for the environmental document to have a broader scope than what may later get adopted and that is why there can be a difference between documents. She also acknowledged that the table in the attachment to the Resolution adopting the DTSP will need to be modified to reflect the revised Plan.

In response to Commissioner Conaway's questions regarding Live/Work, Planning Manager Jester noted the differences between Live/Work and Mixed Use and most notably that with Live/Work the commercial tenant would be required to also live on the premises, which isn't the case with Mixed Use. Ms. Jester affirmed the Commission's understanding that an owner of a commercial parcel that wants commercial and residential on the same site has two options: Mixed Use and Live/Work and clarified further that one use can be converted to the other, as long as applicable standards are met and the use permit is amended as needed.

Ms. Jester clarified that a commercial building cannot extend over the public right-of-way without approval from the City Council through separate Encroachment Permit provisions (not regulated in the Zoning Ordinance).

There being no further questions of staff, Chair Hersman opened the public hearing and invited the public to comment.

PUBLIC HEARING

Jonathan Tolkin, Metlox-451, stated his major concern is that development Downtown might be over-regulated as it seems there are a lot use permits that would be needed. Projects that are permitted, and are good for the community should have a relatively easy approval process. He urged that the Plan include flexibility to accommodate evolution of uses over time.

Carol Perrin, Downtown Residents Group, continues to have concerns that allowing second-floor outdoor dining will increase noise and trash and could potentially, especially if there are more alcohol licenses, change the character of the downtown. Regarding visioning she recognized that visitors will always be in Downtown, attracted to the beach, but visitors should not be as important as residents when planning for the future, as there are many significant impacts.

Tami Zamrazil, resident on 5th Street, agrees with Ms. Perrin and suggested that there be a one-block buffer between residential uses and where second-floor outdoor dining is to be allowed (as on Appendix 8).

Neil Leventhal, 13th Street resident, believes the most significant issue is the Vision Statement and concurs with the other speakers regarding the role of visitors. He believes that the Vision Statement should reflect that

Downtown is primarily a community center not a commercial center. Allowing for more shuttles and sidewalk dining, is, in aggregate, an intensification of use, and should be regarded a detriment and generally, the City should resist any change that is not certain to be an improvement.

Kathy Clark, Downtown Residents Group, is concerned that the natural beauty of the beach head and pier as well as public mobility will be negatively impacted by more visitors including allowing more outdoor dining in the public right-of-way. Also, Ms. Clark feels current ongoing code enforcement problems should be addressed before considering any expansion of commercial uses such as outdoor dining, and offices off of alleys should not be allowed.

Kelly Stroman, Executive Director, Downtown Business and Professional Association, asked for clarification of the live-work ground floor vs. second floor standards, and summed her issues: regarding visitors, over 70% of revenue into the Downtown comes from non Manhattan Beach residents, and regarding outdoor dining, the second-floor option could require and allow removal of first floor dining space to be relocated upstairs, and as such there would be no net increase in dining floor area. Ms. Stroman also noted that the beach head feature has already been reviewed, and she urged that all stay focused on the current draft plan, to get it done.

Karol Wahlberg, expressed her recurring concerns: that there will be some unanticipated impacts, such as increased truck traffic going through the residential Tree Section area. Second-floor outdoor dining, if allowed, even a block from residential, especially in the evening, will carry noise. Such eating and drinking establishments also are more employee intensive which means more impacts, such as more parking demand, Fire and Police impacts, and she agrees with others that the Vision Statement should clearly state the downtown is mainly for the residents.

William Victor, doesn't believe a higher height limit (e.g. 30 feet) would be in the interest of residents who live behind commercial buildings. He believes that an EIR should be required, that the public notice per the Coastal Act hasn't been done, too many restaurants are not good and wants code enforcement enhanced and this includes the operation of the downtown valet.

Phillip Cook, Downtown Commercial Property Owners Association, believes: that economics should dictate uses and there should not be too many regulations, new rules in zoning, if more restricted will incentivize more bulky buildings and less attractive exteriors; likes increased setbacks at upper levels; a 50' frontage maximum is not needed, there is a fear of the unknown; allow commercial to go to 30' high, this is more vibrant and flexible; a bold and exciting downtown is achievable if residents and commercial owners work together and finally that proposed changes will likely result in more sales tax "leakage" to other communities, as we are already losing \$143 million in sales leakage.

Eileen Neill, resident, believes foremost this is a residential community and believes retail leakage occurs due to lack of parking since it's a hassle to walk and park Downtown; is weary of developers looking down at the residents and urged that the City not be ruined by having too much commercial development like Santa Monica.

There being no further public input, Chair Hersman closed the public hearing and invited the Commission to discuss the concerns brought up. Chair Hersman noted that many issues are forward thinking. This is an overarching policy document and is not a review of any specific project.

COMMISSION DISCUSSION

Commissioner Ortmann asked whether the beach head isn't already a settled issue; Chair Hersman noted that

the public terraced seating has been removed, but the idea at some point in the future for a turn-around is in the plan as a potential improvement, including enhancing mobility and traffic; Director Lundstedt clarified that the latter statement was direction from City Council and the concept drawing was henceforth revised – currently it is in the plan as a concept only and terraced seating has been removed.

Chair Hersman directed discussion to the four key concepts that are the focus.

Live Work Use (L/W): Commissioner Bordokas stated her only concern is that the living area should be above the ground level; Director Lundstedt noted that typically living quarters are on the upper levels with the commercial below and it was also pointed out, if the entire space is only one story, the employee/tenant typically lives to the rear.

Commissioner Conaway stated he doesn't understand many of the L/W provisions and they seem draconian. He questioned the percentage split of the uses; indoor only uses; prohibition on offices and restaurants; interconnection regulations; and allowing offices off of the alley. Discussion ensued, with the Chair pointing out this is a new use for the City and Commissioner Bordokas reminding that they looked at other city ordinances, and took parts of various ordinances that they thought were appropriate.

Director Lundstedt stated that the purpose of the provisions that offices were discouraged as an allowed use because they were trying to encourage more lively relationship to the pedestrian sidewalk space. Director Lundstedt suggested that staff can convey concerns of the Commission to Council when they consider the DTSP.

Commissioner Apostol inquired as to why staff is concerned about converting residential to commercial in the Downtown. Director Lundstedt explained the concern is to maintain the integrity of the L/W use – in that, if it is operating as L/W it must comply with applicable standards. Commissioner Apostol clarified that he likes L/W, but is concerned that the Plan could be tying owners' hands too much. He would like to see that the residential use of a L/W would be able to convert back to commercial, inquiring if this would be done via a Use Permit? Planning Manager Jester commented that a Use Permit would be the tool to amend the L/W parameters; e.g. if an owner has a 30/70 residential/commercial mix and want to change this, the owner would apply for a use permit amendment – similar to other use permits. Commissioner Conaway stated in conclusion he just believes that the provisions may be too restrictive against commercial use and Director Lundstedt clarified that the provisions could be changed by the City should that be the desire of the City.

Use Permit Findings: Brief discussion ensued and it was concluded that there are no concerns with this key concept.

Second-Floor Outdoor Dining:

Commissioner Ortmann acknowledged local neighbor concerns about expanding second-floor outdoor dining and he believes now that the area south of Manhattan Beach Boulevard should not be in the boundaries of where this is to be potentially permitted. He would rather go smaller now with the boundaries and expand later if this was found to work well.

Discussion followed about the boundaries, using the provided maps. (Attachments 8 and 9) The Commissioners focused on the specific streets and whether one block was a good measure. Commissioner Conaway agreed with the concerns expressed by Commissioner Ortmann. Commissioner Apostol pointed out that currently the entire Downtown commercial zone allows a restaurant with second-floor outdoor dining subject to a use permit, and asked whether the City has been bombarded with such applications under the status

quo. Ms. Jester confirmed this understanding and stated that she could think of one application for second-floor outdoor dining in 15 years.

Director Lundstedt advised that the Council direction was to keep this in the Plan for evaluation. After further discussion there was a straw vote from the Commission on the item indicated that the majority were in support of the boundaries shown in Attachment 9.

Retail Sales: 1,600 Sales Floor Area Square Footage Cap

Director Lundstedt confirmed that no discussion was needed on this topic. The survey of sales floor area was provided by Staff so the Commission can have more context in understanding the impacts of this new regulation.

Chapter 9 Implementation Plan:

Commissioner Conaway stated he agrees with Director Lundstedt in that a lot of this is going to be left to the discretion of the City Council, and therefore there is not much for the Commission to respond to at this time. Commissioner Bordokas commented that she likes the parking issues in this section in that she feels there are some substantive suggestions. Commissioner Conaway pointed out that when the Commission reviews master use permits there is a need to find out the mix of uses for parking, when it comes to the Downtown, the City isn't really tracking the ongoing parking supply. City Traffic Engineer Zandvliet commented that his understanding is the parking supply is addressed in concept in the Plan now, but the Council included some recommendations for the City to initiate a parking study soon after the Plan is adopted pointing to specifically as examples "Re-evaluate land use parking requirements every five years" and "Update Downtown Parking Management Study".

Chair Hersman turned discussion towards the proposed Resolutions and the proposed environmental document (MND) asking if there is anything to discuss. Commissioner Ortmann commented generally as to whether the use of an MND as opposed to an EIR was a sort of "lower road" taken in meeting CEQA as he feels may be a public perception. Director Lundstedt responded that programmatic documents (as is the DTSP) compared to project documents (i.e. for a proposed Use Permit) tend to be less specific, for good reason, in that the level of detail in a programmatic document is not defined pursuant to CEQA.

Commissioner Ortmann added that he acknowledges that no one is 100% thrilled with the plan, which perhaps suggests that staff did a great job; this is a dense document and it is hard to consume it all; however bottom line, great job.

Appendices: Senior Management Analyst Madrid explained that the appendices are part of the DTSP document and that Appendix 3 and 4 was part of the March 2016 draft that was previously released.

ACTION

There being no further discussion, motions were made to: Adopt Resolutions Recommending to the City Council the following:

1. Resolution 16-06 (Specific Plan/General Plan/CEQA): (Ortmann/Conaway)

Roll Call:

AYES: Apostol, Bordokas, Conaway, Ortmann, Chairperson Hersman

NOES: None

ABSENT: None
ABSTAIN: None

2. Resolution 16-07 (Zoning Map and Text/MND) (Conaway/Bordokas)

Roll Call:

AYES: Apostol, Bordokas, Conaway, Ortmann, Chairperson Hersman
NOES: None
ABSENT: None
ABSTAIN: None

3. Resolution 16-08 (LCP Reconciliation- 1994 and 2004) (Bordokas/Apostol)

Roll Call:

AYES: Apostol, Bordokas, Conaway, Ortmann, Chairperson Hersman
NOES: None
ABSENT: None
ABSTAIN: None

4. Resolution 16-09 (LCP/LIP revisions for DTSP – with correction made to Exhibit C, to conform to the Specific Plan) (Bordokas/Ortmann)

Roll Call:

AYES: Apostol, Bordokas, Conaway, Ortmann, Chairperson Hersman
NOES: None
ABSENT: None
ABSTAIN: None

5. DIRECTOR'S ITEMS

Director Lundstedt gave a report regarding the proposed Gelsons. The environmental process is still ongoing and staff does not yet have an estimated date for the public hearing. Staff will provide the Commission a hard copy of the Initial Study as soon as possible, and due to its length, may provide the technical attachments separately in a CD.

6. **PLANNING COMMISSION ITEMS** - None.

7. **TENTATIVE AGENDA – November 9, 2016** – Manhattan Village Height Variance

8. **ADJOURNMENT**

The meeting was adjourned at 9:14 pm to Wednesday, November 9, 2016 in the City Council Chambers, City Hall, 1400 Highland Avenue.

ROSEMARY LACKOW
Recording Secretary

ATTEST:

MARISA LUNDSTEDT
Community Development Director