

**MANHATTAN BEACH
PLANNING COMMISSION
MINUTES OF REGULAR MEETING
JUNE 24, 2020
(DRAFT)**

A. CALL MEETING TO ORDER

A Regular meeting of the Planning Commission of the City of Manhattan Beach, California was held virtually via Zoom on the 24th day of June, 2020, at the hour of 3:00 p.m. Chair Morton called the meeting to order and announced the protocol for participating in the meeting.

B. PLEDGE TO FLAG

C. ROLL CALL

Present: Burkhalter, Thompson, Ungoco, Vice Chair Fournier, Chairperson Morton
Absent: None
Others Present: Carrie Tai, AICP, Director of Community Development
Brendan Kearns, Assistant City Attorney
Diana Varat, Attorney, Richards, Watson & Gershon
Ted Faturos, Assistant Planner
Nhung Huynh, Participant Host
Drew Teora, Agenda Host
Rosemary Lackow, Recording Secretary (monitored meeting via livestream)

D. APPROVAL OF AGENDA

It was moved and seconded (Thompson/Burkhalter) that the agenda be unchanged.

Roll Call:

Ayes: Burkhalter, Thompson, Ungoco, Vice Chair Fournier, Chairperson Morton.
Noes: None
Absent: None
Abstain: None

E. AUDIENCE PARTICIPATION

Rosanna Libertucci, owner of a beach area nonconforming multi-unit property, asked if the Commission received her two emails regarding last meeting's Accessory Dwelling Unit/Replacement Ordinance Study Session. Vice Chair Fournier confirmed receipt, commenting that it was helpful that she not only identified the issues, but also raises possible solutions.

F. APPROVAL OF THE MINUTES

6/24/20-1. Regular Meeting - June 10, 2020

It was moved and seconded (Thompson/Burkhalter) to approve as presented.

Roll Call:

Ayes: Thompson, Ungoco, Burkhalter, Vice Chair Fournier, Chairperson Morton,
Noes: None
Absent: None
Abstain: None

G. PUBLIC HEARING

- 6/24/20-2. Proposed Use Permit for Establishing a Mixed-Use Development, Consisting of a Hotel Facilities (Limited) Use on the First Floor While Maintaining the Second Floor as a Residential Use in an Existing Two-Story, Two-Unit Residential Building in the Downtown Commercial (CD) Zone, Located at 325 12th Place; and Make an Environmental Determination in Accordance with the California Environmental Quality Act (Correa)

Chair Morton announced the item and opened the public hearing, inviting staff to make a presentation.

Ted Fatuos, Assistant Planner, summarized the staff report, highlighting proposed site-specific conditions including a requirement for the applicant to purchase and maintain two City issued Overnight Residential Parking Permits. He reported Staff received seven emails; one in opposition and six in support and concluded with the staff recommendation to: conduct a public hearing, receive input and adopt the draft Resolution approving the proposed mixed-use project, subject to conditions.

Commissioner Thompson inquired if the current owner has a Residential Parking Permit and **Assistant Planner Fatuos** indicated that the applicant might already have one, possibly two. **Assistant Planner Fatuos** further stated that the intent in requiring two residential parking permits is to compensate for the fact that the site has no on-site parking to serve the owner's unit. **Director Tai** noted that staff would need to check whether it would be permissible for a downstairs lodger to use one of the two permits (Commissioner Thompson). Furthermore, should the ownership on the deed change from a named individual(s) to a trust, Staff could work with the City's short-term rental enforcement contractor, Host Compliance, to both determine a way to enforce the requirement for owner occupancy and to establish that the site is a legal short-term rental. **Assistant Planner Fatuos and Commissioner Ungoco** discussed the following issues: 1) Enforcement of noise complaints are expected to be handled by the owner/applicant, who would function as an on-site manager. If necessary, the owner could enlist assistance from MBPD; 2) A dedicated loading zone is required because the unit takes access from 12th Place, an alley, which is suitable for pick-up/drop-off situations. **Commissioner Burkhalter** noted that this is the first hotel facilities (limited) use in an existing residential building located in a commercial zone in the City.

PUBLIC INPUT

Chair Morton invited public comments; the following persons addressed the Commission:

Robert Correa, applicant, addressed the Commission, echoing the comments he made in his application. He has rented out the ground floor unit as a short-term rental between 2015-2019 with no issues. He believes that having a certified, legal short-term rental in the downtown commercial zone will have several community benefits, has read the staff report and accepts the draft resolution's conditions.

Bradley Correa, son of the applicant, is a City resident and understands all the issues related to regulation of short-term rentals in the City. He echoes the positive comments from the downtown businesses that have submitted letters of support.

There being no others wishing to speak, **Chair Morton** invited Commission discussion.

COMMISSION DISCUSSION

Commissioner Thompson stated he supports the project as he sees no difference between this lodging use and an apartment. He pointed out that an approved Use Permit, including the conditions "runs with the land" and does not expire should, in the future, the property change ownership. He would like to explore whether the condition regarding the Overnight Residential Parking Permits can be modified to allow the tenant of the ground floor unit to use one of the two parking permits.

Director Tai noted that she checked the Overnight Residential Parking Permit program parameters and because it authorizes use of a parking space by registered vehicle, not a person, and is non-transferable, the Commission would not have the authority to modify the parking permit condition as suggested by Commissioner Thompson.

Commissioner Thompson commented that, given this information, he would like to explore with the other Commissioners, the possibility of modifying condition nine such that one, not two Overnight Residential Parking Permits would be required.

Commissioner Burkhalter commented that he has no problem conceptually with short-term rental use in commercial areas including downtown but recognizes that this being the first such Use Permit, the mechanics of the use permit, particularly for enforcement - need to be worked out. He noted that by approving the application, one residential unit will transfer to a commercial use and he'd like to see more policy developed to address this. The application also raises the issue of downtown parking and access – he advocates establishing ride sharing drop-off/pick-up zones downtown, which potentially could alleviate access issues. He's reminded that the City will be refining and possibly establishing more robust mixed-use standards in the future but he believes the subject proposal is a sound concept.

Vice Chair Fournier stated he understands and appreciates concerns raised, however he feels the application, though the first of its kind, addresses concerns - he accepts the proposed findings and fully supports.

Commissioner Ungoco stated that he generally supports and does not think this will set an undesirable precedent for short-term rentals, due to the location of the project within a commercial zone.

Chair Morton echoed previous comments and supports the project, in that it is located in a commercial zone, and believes the project will be a good fit with the surrounding area.

COMMISSION ACTION

Commissioner Thompson moved to **approve** the Use Permit, subject to modifying condition nine to require only one Overnight Residential Parking Permit. **Commissioner Ungoco** stated his concern that, by requiring only one permit there could be a problem in the future, if there are more occupants in the upstairs owner's unit. He's inclined to go with the staff recommendation, unless the cost of a second permit would be a financial burden. **Commissioner Burkhalter** questioned whether the permits, being non-transferable and not necessarily convenient, are really useful as a parking solution for the short-term rental unit.

Assistant Planner Faturos checked the Finance Department website and informed the Commission about the cost of the Overnight Residential Parking Permit.

Vice Chair Fournier stated he doesn't see the need for a second parking permit and believes the additional permit would effectively be a tax.

Director Tai clarified that the intent of condition nine is to provide two parking spaces for the owner's unit through the City's Overnight Residential Parking Permit program. If only one permit is required by the Use Permit at this time for the owner occupied unit as a condition of approval, this would not preclude the property owner in the second floor unit nor any future ground floor tenant (if the use changes to a standard apartment) from having the option of obtaining additional Overnight Residential Parking Permits.

In discussing further, **Commissioners Fournier, Burkhalter and Ungoco** indicated that they would support Commissioner Thompson's motion. **Commissioner Ungoco** seconded the pending motion.

Roll Call:

Ayes: Thompson, Ungoco, Burkhalter, Vice Chair Fournier, Chairperson Morton
Noes: None
Absent: None
Abstain: None

Director Tai announced that the motion passed; the Commission’s decision is subject to a 15-day appeal period and if an appeal is not filed, the Commission’s approval will stand.

H. GENERAL BUSINESS

06/24/20-3 Housing Laws Training facilitated by the City Attorney’s Office

Director Tai gave a brief introduction and checked-in with **Participant Host Huynh**, who reported there were no members of the public wishing to speak. Chair Morton called for a recess at 3:30 and called the meeting back to order at 3:33 pm.

Assistant City Attorney Brandon Kearns introduced **Attorney Diana Varat** with the law firm Richards, Watson and Gershon. **Attorney Varat** proceeded with a presentation covering the most recent updates to California housing and land use laws and highlighting how the laws determine the scope of the City’s authority in these areas including Housing with respect to land use and housing. **Ms. Varat** walked the Commission through Housing Element law, touching on the “no net loss provision”, briefly touching on Accessory Dwelling Units, provided a detailed discussion regarding on “The Housing Crisis Act of 2019” (SB 330) and responded to questions.

I. DIRECTOR’S ITEMS

Director Tai reported that on June 25, the City Council approved a Local Early Action Grant Program application, prepared by staff, that will be submitted to the State Department of Housing and Community Development. The City is eligible for funding of up to \$150,000 to assist in the preparation of the City’s 6th Cycle Housing Element.

J. PLANNING COMMISSION ITEMS - None

K. TENTATIVE AGENDA – July 8, 2020

- Follow-up Study Session on Housing and Accessory Dwelling Unit Regulations

Director Tai reported that staff is working diligently to gather information as directed by the Commission.

L. ADJOURNMENT TO – The meeting was adjourned at 5:00 p.m. to Wednesday, July 8, 2020 at 3:00 P.M. via Zoom/virtual format.

ROSEMARY LACKOW
Recording Secretary

GERRY MORTON
Chairperson

ATTEST:

CARRIE TAI, AICP
Community Development Director