

**CITY OF MANHATTAN BEACH
[DRAFT] PLANNING COMMISSION
MINUTES OF REGULAR MEETING
JULY 27, 2016**

A Regular Meeting of the Planning Commission of the City of Manhattan Beach, California, was held on the 27th day of July, 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, Chairperson Hersman
Absent: Ortmann
Staff Present: Marisa Lundstedt, Director of Community Development
Michael Estrada, Assistant City Attorney
Laurie Jester, Planning Manager
Nhung Madrid, Senior Management Analyst
Ted Fatuross, Assistant Planner
Rafael Garcia, Assistant Planner
Rosemary Lackow, Recording Secretary

2. AUDIENCE PARTICIPATION (3-minute limit)

Jim Murray, resident, inquired as to whether the audience would be able to address the Commission on the Downtown Specific Plan item tonight and Chair Hersman confirmed that input would be accepted for that item.

3. APPROVAL OF THE MINUTES – June 22, 2016

A motion was MADE and SECONDED (Conaway/Bordokas) to **APPROVE** the minutes of June 22, 2016, no changes.

Roll Call:

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

4. PUBLIC HEARING

07/27/16-2. Consideration of a Use Permit for Proposed Construction of a Mixed Use Building at 1762 Manhattan Beach Boulevard (Manhattan Beach Plastic Surgery Properties)

Assistant Planner Rafael Garcia summarized the staff report with the aid of a slide presentation, explaining that the project proposes to demolish existing improvements and construct a 4,406 square foot, three level mixed-use building with an enclosed parking structure at the ground level. A 2,434 square foot residential use will be on the second and third levels and a 1,835 square foot single tenant medical office space will be at the second level. Mr. Garcia explained that the zoning (CL-Local Commercial) allows both commercial and residential on the same site subject to approval of a Use Permit. Mr. Garcia concluded that the staff recommendation is that the Commission conduct the public hearing, discuss the application and adopt the draft resolution, with revisions to conditions 24 and 34 as follows:

Condition 24: All two-way driveways and approaches shall be as wide as the aisle it serves. ~~Both~~ The driveway ~~approaches~~ approach must be at least ~~22~~ 20-feet wide (W=~~22~~ 20'), not including approach wings.

Condition 34, first sentence only: A ~~25-foot~~ 15-foot radius corner ~~cut-off~~ dedication shall be provided to the City at the southwest corner of Manhattan Beach Boulevard and Harkness Street as formed by the existing property lines.

Chair Hersman opened the public hearing and invited public input.

PUBLIC INPUT

Louie Tomaro, project architect described the project, emphasizing that the intent design-wise was to provide a terraced façade, and put the mass more toward the rear. He pointed out modern materials and planters on each level to soften including a hedge to buffer the rear residential property. He noted that building will be LEED certified and a number of environmentally friendly aspects are to be incorporated, including solar panels.

Bill Peterman, resident on Harkness, received a notice and was concerned about the size of the project and that it will stand out or not blend well with other buildings.

There being no others wishing to speak, Chair Hersman closed the hearing and invited the Commission to ask questions of staff and discuss the application.

COMMISSION DISCUSSION

Commissioner Conaway complimented the project noting the following positive attributes: it is 10% less in size than the maximum allowed improvements; the overall design is very good, including provision of natural light via an interior courtyard, and articulation of the exterior building walls as well as meeting ADA requirements, especially the solution for disabled access in the right-of-way; and the mixed-use provides a good transition between commercial and nearby residential uses.

Commissioners Apostol, Bordokas and Chair Hersman joined Commissioner Conaway in his comments about the project and the proposed mixed-use at this location. Chair Hersman acknowledged that the building height will be higher than the existing structures but believes this will be a significant improvement.

In response to questions posed by the Commission, Assistant Planner Garcia informed that once approved, the project would not be able to be converted to a solely residential use nor could the commercial uses be upgraded or intensified beyond what can be supported by the parking on the site. Also, the residential use could not be sold off separately, as there has been no subdivision application request. Mr. Garcia also pointed out that while there is no open space requirement for this type of a mixed-use project; staff worked with the applicant to provide upper level open space beyond what was required.

Mr. Garcia noted that staff would like to add another routine condition to the Resolution that would require that rooftop solar panels must comply with the building height limit.

Discussion followed in which Mr. Garcia explained that when solar panels are being added to the roof of an existing building, staff allows panels to exceed the height limit by 6-inches; however with new buildings, the height limit is typically strictly applied. Mr. Garcia noted that staff has identified a couple of solutions for the applicant in order for the solar equipment to comply with the height limit: they can located the panels on a lower area or reduce the height of the building roof by six inches.

PLANNING COMMISSION ACTION

A motion was made and seconded (Apostol/Conaway) to approve the subject mixed-use project based on the submitted plan, with an allowance that solar panels may exceed the height limit by six inches maximum.

The Commission discussed the pending motion and arrived at a consensus that at this stage in the project planning, it would be unduly burdensome for the building design to be modified to a height that was 6 inches lower than the building height limit. The Chair called for a vote on the motion.

Roll Call Vote:

AYES: Apostol, Bordokas, Conaway, Chairperson Hersman

NOES: None

ABSENT: Ortmann

ABSTAIN: None

5. OLD BUSINESS

07/27/16-3. Draft Downtown Specific Plan Follow-Up

Chairperson Hersman announced this item and explained the Commission will accept the staff presentation, discuss and provide input to staff, and the public will have an opportunity to give comments. Chair Hersman complimented staff on a well written report and expressed appreciation that more time has been provided the Commission for its review of the plan.

Planning Manager Laurie Jester addressed the Commission and acknowledged this has been a full team effort especially the work of Nhung Madrid, project manager and Ted Fatuross, Assistant Planner who has also organized the walking tours. Ms. Jester distributed new emails received from Martha Andreani and Bill Victor.

With the aid of a slide presentation, Ms. Jester summarized three categories of topics: Consensus Items (10 total), New Proposals (4 total) and Follow-up items to PC questions (10 total). The focus of tonight's discussion will be the New Proposals and Follow-up items for which input is needed.

Ms. Jester explained all of the **Consensus** items which are changes in the Plan for which there is consensus by the City Council and Planning Commission and no new input is needed.

Ms. Jester summarized and explained issues/staff recommendations for **New Proposals**, including: Maximum Setbacks; Minimum Rear Yard Setbacks; Live/Work Use Classification; and Non-Pedestrian Ground Floor uses on Alleys. Input is requested from the Commission on these proposals.

Next, Ms. Jester summarized and explained issues/staff recommendations for **Follow-up to direction from the Planning Commission**, including: Building Height; Maximum Ground Front Setback; Façade Transparency; Historic Preservation; Ground Floor Uses and Non-Conforming Uses; Land Use Changes; Second Story Outdoor Dining Use Permit Application Submittal Requirements; Retail Square Footage Cap; and Maximum Tenant Frontage. Ms. Jester also went over the relationship between a retail square footage cap, tenant frontage and lot size and orientation. Planning Commission input is request on all of these items.

Concluding, Ms. Jester outlined the project next steps and timeline, including completion of the environmental review (August-September) conduct of the public hearings before the Planning Commission (Early Fall, 2016), City Council (Winter, 2016) and submittal, after adoption, to the Coastal Commission for certification (Winter, 2016).

Chairperson Hersman invited the Commission to direct questions of staff.

Responding to Commissioner Bordokas, Planning Manager Jester explained that "mixed-use" occurs when distinct residential and commercial uses occur on a single site with no specific Code limitations but Use Permit conditions while, in the case of a "live/work" use, the residential use is integrated with an on-site commercial use, for example, there may be a bakery and the baker who is an employee or employer, also lives in a unit on the premises. A Live/Work use typically carries a restriction that links the two uses but there is also flexibility, such as a reduction in the overall parking requirement since there is overlap of parking demand.

The Chair invited any interested parties to address the Commission.

PUBLIC INPUT

Philip Cook, resident and business owner, was disappointed to see there was no discussion or proposal to increase the height of commercial buildings by 4-feet, to match the residential uses downtown which he believes deserves attention since it would not add another story, increase floor area, increase a "canyon effect" which is mitigated by setbacks, and the plus side, will allow higher commercial ceiling heights, put commercial and residential on an equal footing, give commercial investors a way to realize their capital and provide a sense of vitality. He doesn't believe a "small town feel" can be legislated.

Jim Murray, 45 year resident, has participated in this planning process; believes that there has not been a priority to safeguard downtown small town character relative to quality of life and would like to see more consideration regarding traffic congestion, truck deliveries blocking streets, enforcement of traffic, parking and smoking and safety concerns in the area of Manhattan Beach Boulevard and Highland.

William Victor, long time property owner is disappointed that there hasn't been much outreach to residents for this item tonight. He agrees that the small town character is very important for the quality of life of the residents' downtown and stressed the importance of this. He has concerns with the valet double parking and no enforcement and he distributed a copy of an email with the mayor about the issue of outreach.

Dr. Robert Stahl, former resident of Manhattan Beach and current downtown businessman (optometrist), thanked the Commission and staff, and urged the Commission to keep in mind points made by the ULI, including that small tweaks only may be needed because the downtown is successful already. He is concerned that bigger changes may result in unanticipated consequences, such as market control. He noted that the City has treated residential, seemingly, from the viewpoint that "bigger is better" and many small bungalows have gone away; perhaps commercial property owners should be given the same consideration as residential owners.

Tony Choueke, Commercial Property Owners Association, believes that that buildings that are developed downtown should be beautiful. He knows the commercial owners won't get everything they want, he feels the plan is balanced and wants to see everything discussed in a non-confrontational way.

Jim Burton, downtown beach cottage owner, disagrees with the ULI report as being too aggressive. He urges that no height limit increase and is reluctant to support encouraging office space fronting on alleys, because he thinks more thought is needed to consider potential impacts, although perhaps this may be in incentive to keep the alleys clean. He has concerns regarding requiring the applicant to submit an acoustic study for upper level outdoor dining, unless there are specific objective metrics to evaluate the study. Mr. Burton suggested that there should be some new outreach to the community at large informing of the project timeframe for the new schedule of upcoming hearings.

There being no other speakers, the Chair invited the Commission to discuss.

PLANNING COMMISSION DISCUSSION

Commissioner Bordokas commented: regarding "live/work" use: believes more work is needed on the definition; regarding office uses on alleys: she likes the idea and understands that this wouldn't apply to walk streets; regarding ground floor uses and nonconformities: she still is concerned that this will give a windfall to owners who will have an incentive to keep undesirably large offices, and would like more discussion. Regarding the discussion on the relationship of store frontage and sales floor area: she likes what has been done but prefers to keep this simple with only a cap of 1,600 or 2,000 square feet of sales area, that triggers a use permit, without also creating, as suggested, a complicated maximum frontage rule based on lot depth.

Commissioner Apostol commented: the walking tour was very helpful and he is concerned, in looking at rear yard setbacks, that trash storage regulations and generally, "back of store" issues have been adequately addressed; regarding transparency, he would like to see above 60%, perhaps slightly less than 70%, but he is also concerned that too much required window space could result in too many window signs or posters. He appreciates the discussion in the staff report about the ratio of the depth of retail floor area to its width and the fact that elevators are being proposed to encroach a little beyond the height limit.

Director Lundstedt informed the Commission that on the August 2nd City Council agenda there will be a report about downtown maintenance issues and one recommendation is to revisit the existing Municipal Code trash storage standards. Staff will be following this review and incorporate Council approved recommendations into the downtown plan as appropriate.

Commissioner Conaway commented: regarding minimum rear yard setbacks, clarification is still needed as to the purpose and if the goal is to encourage parking pavement, permeability should be addressed; regarding live/work uses, more information is needed on the standard itself, how this would be a benefit, and why we could not just use the Code "mixed-use" provisions. Commissioner Conaway supports non-pedestrian uses on alleys, but wants to make sure that there is a clear diagram as to what right-of-ways this would apply to;

regarding maximum front yard setbacks, 10-feet seems reasonable but perhaps 11 or 12 feet is better. Regarding transparency, he is still unsure if this is a big problem, but believes having a higher percentage can translate to more vibrant street life, such as Vancouver that has 90%, and corners need to be addressed; regarding outside dining at second levels, he strongly supports if restricted to Manhattan Beach Boulevard or at least a block away from “edge areas” where uses transition to residential and supports not requiring an acoustic study. Regarding a retail cap and frontage limits, he shares concern with Commissioner Bordokas that the regulations shouldn’t get too complex, and he questions whether by setting a cap or being too onerous, the City inadvertently discourage some desirable uses such as a small hardware store or movie house. However, he supports setting a cap in such a way that an exceedance would require a use permit and not outright prohibit overages.

Chair Hersman commented that she concurred with most comments, and generally believes that the focus should be to maintain what it has now that is working well. She concurs in having a simple retail cap for a use permit without complicated frontage rules. She appreciated the very clear graphics from San Francisco on transparency.

Chair Hersman asked staff if they needed any more input tonight from the Commission.

Director Lundstedt informed that one more study session has been planned with the Commission which will provide another opportunity to provide more information on any outstanding items which so far include:

- Live/work land use classification: Provide definition
- Ground floor retail uses and nonconforming uses
- Retail Square Footage Cap: Set a maximum floor sales area cap of 1,600 square feet beyond which a Use Permit is required.
- Maximum tenant frontage: Possibly not having limits.
- Minimum rear yard setback: Include input from City Council meeting on August 2 related to Downtown maintenance issues.
- Façade transparency
- Maximum ground floor front setback: Should be increased to 12 feet.

Brief discussion ensued regarding the issues related to regulation of nonconforming uses. Director Lundstedt explained that this is a difficult issue but one which the Commission needs to discuss, and it is very important when standards or regulations change. She reminded that ULI recommended against regulating nonconformity based on specific tenancies; there are other options to consider.

At the Chair’s suggestion, the Commission briefly discussed and further clarified their recommendations for each of the following **follow-up items** identified in the staff report, as follows:

1. Building Height: Keep 26-foot height for commercial development with a 2-foot exception for elevators, 10’ x 10’ maximum, in lot rear half (per staff recommendation)
2. Maximum Ground Floor Front Setback: Increase to 12 feet (per staff recommendation)
3. Façade Transparency: Require minimum 70% for Manhattan Beach Boulevard, Manhattan Avenue and Highland Avenue, and 60% transparency on the corner side frontage of a building where feasible, plus articulation as provided in the Guidelines, subject to considerations including but not limited to structural or interior floor plan constraints.
4. Historic Preservation: Concurs with staff proposed changes.
5. Retail Ground Floor Uses and Nonconforming Uses: Staff will discuss existing code in more detail.
6. Land Use Changes: Concurs with staff recommendation.
7. Second Story Outdoor Dining: Allow on Manhattan Beach Boulevard and possibly on Manhattan Avenue as long as dining location is a minimum of 1-2 blocks from a residential block as a transition, subject to use permit review, and no requirement for an acoustic report. Staff clarified that the acoustic report requirement may still be recommended as a mitigation measure in the draft environmental document.
8. Retail Square Footage Cap: Set a maximum sales floor area cap of 1,600 square feet beyond which a Use Permit is required.
9. Maximum Tenant Frontage: Concurs with staff recommendation, for maximum 35 foot frontage for lots greater than or equal to 35 feet in depth, and for lots less than 35 feet in depth, a maximum frontage of 50 feet.

Director Lundstedt requested clarification on the **New Proposals** presented in the staff report. The Commission briefly discussed and directed that more information be provided on the minimum rear setback as previously discussed. In addition, Director Lundstedt received clarification that the Commission was comfortable with allowing some small office uses, banks, catering or communication facilities on the ground floor adjacent to alleys. Direction on maximum setbacks versus maximum ground floor setbacks was not provided.

With concurrence from the Commission, Chair Hersman continued the Draft Downtown Specific Plan follow-up report and discussion to the August 10, 2016 Planning Commission meeting.

6. DIRECTOR'S ITEMS

Director Lundstedt informed of the following:

- The Commission will discuss the rotation of the chair at the next meeting.
- The Gelson's project environmental document, a 'Mitigated Negative Declaration' (MND), has been released and public comments can be received until August 20, and should be directed to the Community Development Department. Copies of the MND can be seen at the City Hall as well as at the Public Safety Facility at Civic Center.
- As to Manhattan Village Shopping center, much of the interior of the Mall is being refreshed as well as the exteriors of CVS, Ralph's and the Cocos building.

7. PLANNING COMMISSION ITEMS - none

8. TENTATIVE AGENDA – August 10, 2016 – Draft Downtown Specific Plan Follow-Up.

9. ADJOURNMENT

The meeting was adjourned at 9:30 pm to Wednesday, August 10, 2016 the City Council Chambers, City Hall, 1400 Highland Avenue.

ROSEMARY LACKOW
Recording Secretary

ATTEST:

MARISA LUNDSTEDT
Community Development Director