DRAFT--May 16, 2015 VENICE COASTAL ZONE

INTERIM CONTROL ORDINANCE

Background:

Over the past 10 years, the cumulative impact of development consisting of successive projects of the same type in the same place has had and is having a very significant adverse effect on the character, social, racial and economic diversity, and quality of life of the Venice Coastal Zone neighborhoods. Development in Venice has increased at a significant and unforeseen pace since the inception of the Venice Coastal Zone Specific Plan (VCZSP), approved in 2004. It is also important to note that an environmental analysis/CEQA (California Environmental Quality Act, state law) review was NOT done in 2004 for the VCZSP City Ordinance approval, as this document had been intended for the Local Implementation Plan (LIP) portion of the Local Coastal Program (LCP), for which an environmental analysis/CEQA review is not required, as it was prepared assuming it would be certified by the Coastal Commission. As a result, the VCZSP was not reviewed for the possibility of unacceptable cumulative impacts. In particular, the impact of the Venice Sign Off procedure, aka Director of Planning Sign Off, (VSO) procedure, approved with the VCZSP, which allows for administrative approval of certain projects with no public processno public notice, no public hearing, no appeal, and little or no transparency, has had an unacceptable, significant and permanent adverse impact on the Venice Coastal Zone neighborhoods. Many of the developments approved over the past 10 years under the VCZSP, mainly using the VSO procedure, have been incompatible with the Mass, Scale and Character (MSC) of the Venice neighborhoods and thus have caused a significant adverse cumulative impact on the existing neighborhoods.

In addition, due to the lack of the required CEQA review, the other material adverse cumulative impact resulting from the VCZSP Ordinance has been the In Lieu Parking Fee, which was allowed to be approved in the VCZSP using a static \$18,000 fee per parking space and did not follow what should have been its policy equivalent, the Venice Land Use Plan, which states in Policy II.A.4., Implementation Strategies that "The In lieu fee for a BIZ parking space shall be established in the LIP (in this case, the VCZSP was originally proposed to be the LIP but was not certified as such by the Coastal Commission) at a rate proportional to the cost of providing a physical parking space." As a result, the difference between the \$18,000 in the VCZSP ordinance and the market rate of providing a parking space has resulted in a huge windfall for anyone wishing to "buy parking" using an in lieu parking fee. Until the In Lieu Parking fee is adjusted to reflect the current cost of a parking space, an effort currently underway under the direction of Councilmember Mike Bonin, it is necessary to protect Venice by restricting the current "below market" In Lieu Parking Fee from further use (note: no parking solutions have yet been funded using the fees), until such time as the LCP or a new City Council ordinance are in place which change the \$18,000 to an amount that reflects the current cost of a Venice Coastal Zone parking space.

This ordinance establishes interim regulations relating to the issuance of building permits, the demolition of structures, in whole or in part, and the construction of new structures on lots within the Venice Coastal Zone, during the time of preparation of the LCP, in order to assure that development prior to and during this ongoing LCP coastal planning effort does not prejudice, impede or negate the goals and policies of the ultimate certified LCP.

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WHEREAS, Proposition 20, passed by the People of the State of California in 1972, declared the California Coast a resource of statewide significance, and thus, the 1976 Coastal Act was promulgated, which established the following Legislative Findings and Declarations:

- (a) That the California Coastal Zone is a distinct and valuable natural resource of <u>vital</u> and enduring interest to all the People and exists as a delicately balanced ecosystem.
- (b) That the permanent protection of the state's natural and scenic resources is a <u>paramount</u> concern to present and future residents of the state and nation.
- (c) That in order to promote the public safety, health, and welfare, and to protect public and private property, wildlife, marine fisheries, and other ocean resources, and the natural environment, it is necessary to protect the ecological balance of the Coastal Zone and prevent its deterioration and destruction.
- (d) That existing developed uses, and future developments that are carefully planned and developed consistent with the policies of this division, are essential to the economic and social well being of the people of this state and especially to working persons employed within the Coastal Zone;

WHEREAS, the Legislature also established the following Findings and Declarations, which constitute the basic goals of the State for the Coastal Zone:

- (a) <u>Protect</u>, <u>maintain</u>, and where feasible, enhance and restore the <u>overall quality</u> of the Coastal Zone environment and its natural and artificial resources.
- (b) Assure orderly, balanced utilization and conservation of Coastal Zone resources taking into account the social and economic needs of the people of the state.
- (c) Maximize public access to and along the coast and maximize public recreational opportunities in the Coastal Zone consistent with sound resource conservation principles and constitutionally protected rights of private property owners.
- (d) Assure priority for coastal-dependent and coastal-related development over other development on the coast.

WHEREAS, in order to support the Coastal Act's objective to protect the scenic and visual qualities of coastal areas as a resource of public importance, the <u>Legislature mandated that developments</u> <u>permitted in the Coastal Zone shall be visually compatible with the character of the surrounding area.</u>

WHEREAS, the Venice LCP is intended to accomplish the Coastal Act objectives of preserving coastal amenities and increasing public access to the shoreline and to address the City's need to plan for the improvement of the physical, social and economic environment of its communities in an orderly and timely manner;

WHEREAS, the Coastal Commission's Regional Interpretive Guidelines for the Coastal Act and the Venice Land Use Plan (LUP), certified by the Coastal Commission in 2001, provide guidance in determining how the policies of the Coastal Commission shall be applied in the Coastal Zone prior to the certification of a LCP;

WHEREAS, development in Venice has been increasing at a significant and unforeseen pace since the VCZSP Ordinance was approved in 2004;

WHEREAS, certain errors and inconsistencies in the VCZSP have been identified that are causing harm to the Venice Community, including the In Lieu Parking Fee provisions (Section 13), certain erroneous references to post-LCP procedures in the processing/review procedures (Section 8), definitions for Change of Use and Change in Intensity of Use are in conflict with the Venice LUP (Section 2), and other miscellaneous errors and inconsistencies, which are causing harm to the Venice neighborhoods;

WHEREAS, there is a need to protect the Venice community from further use of the current "below market" In Lieu Parking Fee (no parking solutions have yet been funded using the fees) until a modified policy is in place via either the LCP, a change to the VCZSP, or a new City Council Ordinance:

WHEREAS, there is serious concern within the Venice neighborhoods that because the Coastal Act and the certified Venice LUP policies and development standards have not been followed and that because CDP Findings have generally been inadequate, the result has been that many developments are incompatible with and are having significant adverse impacts on the MSC of the existing neighborhoods;

WHEREAS, the ongoing rapid acceleration of development in the Venice Coastal Zone has given cause for serious concern within Venice neighborhoods that the cumulative impact of successive projects of the same type in the same place are having a very significant, permanent adverse cumulative effect on the MSC, the social, racial and economic diversity, and the quality of life in our Venice coastal neighborhoods;

WHEREAS, L.A. is known as the city with the least amount of Affordable Housing stock in the nation, and Venice is known as the area within the City of L.A. that is losing Affordable Housing at the fastest rate;

WHEREAS, having a Cumulative Impact Study is critically important to the analysis currently being done by the VNC's MSC Committee, with respect to approaches being used in analyzing the compatibility of the development with the existing neighborhood's MSC;

WHEREAS, it is of critical importance that development occurring during the time of preparation of the Venice LCP does not prejudice, impede or negate the ability of the City to prepare a LCP that is in conformity with Chapter 3 of the California Coastal Act of 1976.

THEREFORE BE IT RESOLVED THAT THE FOLLOWING ACTIONS AND CHANGES ARE EFFECTIVE WITH THE APPROVAL OF THIS ORDINANCE (Note: all references to procedural changes required to be made by the State Coastal Commission shall be reviewed and approved by its Executive Director, with documentation of such review and approval to be provided via letter or email to Councilmember Bonin's office, which will process any changes affecting the City's codes for Coastal Development Permits (LAMC 12.20.2) for appropriate City approval.)

- 1. The following changes shall be made to the VCZSP Ordinance:
 - a. Expand details of policy requirements for Findings on MSC, to make it clear that the MSC provisions of the VCZSP and the Venice LUP apply to all projects within the Venice Coastal Zone;
 - b. Revise the In Lieu Parking Fee such that it reflects current market value and has an annual adjustment based on CPI or similar index, as appropriate;
 - c. Correct all references to Post-LCP Procedures and inconsistencies with the Venice LUP, including for Sections 2, 8 and 13, and others to be identified;
 - d. The VSO processing procedure shall be eliminated effective immediately. For all projects for which a VSO was utilized and for which a Building Permit has not yet been issued as

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of the date of this ICO or for which a Building Permit has been issued within the last 45 days prior to this ICO, the VSO shall be revoked and a Specific Plan Project Compliance Permit (SPP) shall be issued.

- 2. All Coastal Zone clearances for purposes of Building Permit issuance shall be made directly to the LADBS Building Permit clearance system by the State Coastal Staff and not via City Planning Staff. Access for separate and secure posting to the City Planning system of record for State-issued permits and clearances shall be provided to the applicable, assigned State Coastal Commission District Office Staff (only).
- 3. All State Coastal Commission actions/determinations must be disclosed on ZIMAS, along with the related City actions/determinations,, so that there is one place for a given Venice Coastal Zone project that lists all applicable permits.
- 4. The West L.A. office of LADBS shall be the ONLY office permitted to process Venice Coastal Zone Building Permits. All Venice Coastal Zone permits shall be processed according to a Building Permit approval matrix approved by City Planning, the VNC, the Council Office and the Coastal Commission field office. This matrix shall be updated on an ongoing basis for any necessary changes, including closure of "loopholes."
- 5. NO demolitions shall be approved by the City OR the State or occur in advance of approval of the related project, so as not to risk prejudicing the approval of the Building Permit for the proposed new structure being constructed.
- 6. ALL Venice Coastal Zone demos shall require conspicuous Notice, posted such that it is easily readable from off of the premises, 30 days in advance of the planned demolition.
- 7. LADBS Inspectors for the Venice Coastal Zone shall rotate every 2-3 months, and all Building Permits for the past one year, as well as all Building Permits for the duration of this ICO, and related clearances and City Planning determinations shall be reviewed by an independent committee (to be selected by the VNC and the Council Office) prior to issuance, for compliance with the VCZSP, the Coastal Act, the Mello Act, the Venice LUP, this ICO, and the LAMC.
- 8. The Department of Transportation (DOT) shall be instructed that they must not accept in lieu parking fee payments until all final clearances are in place for a given project, and that they must return any fees that they have received for which the related permit has not been finalized and issued.
- 9. Procedures shall be put into place which assure that construction plans reviewed and ultimately approved by LADBS are the same as those plans approved in conjunction with the CDP and other determinations.
- 10. Procedures shall be put into effect that will assure that decisions made and plans provided to the Coastal Commission are the SAME as what was approved by the City, including the West L.A. Area Planning Commission.
- 11. All City officials and employees in City Planning, LADBS, City Attorney and the Council Office who are involved in the Venice Coastal Zone land use and planning process, as well as all VNC Board members and LUPC members, shall be provided with annual training on the Coastal Act, the Mello Act, Density Bonus regulations, Small-Lot Subdivision regulations, the Venice Community Plan, the Venice LUP, the VCZSP ordinance, the Oxford Triangle Specific Plan, the LAMC, and all provisions of the City of L.A. Code of Ethics, with appropriate testing on completion of training.

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- 12. A hold shall be placed on all Small-Lot Subdivision projects until an independent report can be commissioned (to be funded by the Council Office) and finalized for the purpose of reviewing the merits of such projects and any conflicts with respect to the Venice Coastal Zone policy requirements related to regulations for MSC, the accuracy and ethics of the processing procedures being used for such projects, as well as the cumulative impact of such projects, and also to determine whether Small-Lot Subdivisions are meeting their intent and stated goal with respect to affordable housing options in the Venice Coastal Zone.
- 13. A cumulative environmental impact study of development in the Venice Coastal Zone shall be prepared by an independent expert for such studies, to be selected by the VNC, upon recommendation by its LUPC, with Report of Findings provided to Councilmember Bonin and to the VNC, to be funded by the Council Office.
- 14. Both the City Coastal Exemption (CEX) procedure and the State Coastal Exemption procedure or practice shall be eliminated immediately, for the Venice Coastal Zone.
- 15. A system of fines shall be designed and put into place by the Council Office that will strongly discourage applicants from not following the law and procedures with respect to Venice Coastal Zone development.
- 16. All approval signatures for Venice Coastal Zone developments shall be required to be accompanied by a typed or printed name so that it is possible to identify the approver, including and especially for CEQA cases.
- 17. The City Council Office, the Coastal Commission Staff and the VNC shall be provided "read only" access to all City Planning and LADBS systems.
- 18. LADBS shall correct the ZIMAS systems database for all miscoding with respect to Dual Permit Jurisdiction Coastal Zone classification, which shall be determined according to the maps prepared by the Coastal Commission's Executive Director, as required by the California Administrative Code, which maps for Venice are included as Exhibits 1a and 1b of the VCZSP; and shall also assure proper systems controls over any future changes.
- 19. For all Venice Coastal Zone CEQA cases, a second review by an independent, highly trained and experienced Senior Planner shall be performed at the time of CEQA case-type categorization in order to assure proper initial classification and accuracy of any exemptions or exclusions, and at the time of final review of the CEQA report, to assure the appropriate categories have been selected for review, to assure that mitigating factors are adequate, and to assure that cumulative impact, for the MSC aesthetics and land use categories, on the immediate surrounding neighborhood, the Subarea, and the Community of Venice is specifically and adequately addressed. Procedures for filing of CEQA appeals shall be clearly and completely stated on all City decisions that give rise to the appeal right.
- 20. A Venice Community Planning (VCP) form shall be completed by City Planning for every Venice Coastal Zone project at the time of initial filing of any application, which form shall have a section for designation of all required case types and the case number assigned (prefix, year, # of case and suffixes for each entitlement) for each, including the State required CDP or exemption (if not in the dual permit jurisdiction), the VCP form shall make it clear that all cases for the project shall be filed and processed together. The VCP form shall be provided to the City Council Office, the VNC, and the Coastal Commission Staff, and shall also be available online via hyperlink on the City Planning website, within 48 hours of preparation. If any of those three bodies have questions regarding or disagree with the initial case coding and classification used, there shall be a process for challenging the decision on cases required, with the Council Office making the final decision.

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- 21. The City Planning Department shall include the accurate size of the project, including lot size, square footage of the building with and without the garage, and height of the proposed structure, including the height of the non-contiguous heights if there is more than one peak, and whether the roof is a varied roofline or a flat roof, in the Project Description field, including for purposes of the CNC report; and such Project Description shall be consistent for any one project between all City Planning and LADBS reports/systems.
- 22. Councilmember Bonin shall issue a letter making clear that the definition of "Architectural Diversity" under the Coastal Act (as per LUP Policy 1.E.3), includes "utilization of varied planes and textures" and, most importantly, "maintenance of the neighborhood scale and massing," until such time that this definition can be added to the VCZSP and the Venice LUP.
- 23. The "butterfly" roofline design shall be discontinued effective with all projects that do not yet have approved building permits as of the date of this ICO, and such design shall be limited to the flat roof height for the Subarea as per the VCZSP.
- 24. All Venice Coastal Zone and State Coastal and City Determinations and notices shall be provided to the City Council Office, the Coastal Commission Staff and to the VNC, including ALL exhibits, immediately upon issuance, both in hard copy and electronic form, as follows:
 - a. City Planning (including specifically the Advisory Agency as well as all other Departments of City Planning) shall treat the VNC, the City Council Office, and the California Coastal Commission office, as an "interested party" for all Venice-related matters, and shall provide them all City Planning Notices (including "environmental publication notices"), case documents (both hard copy & digital copy, if provided by applicant) and related correspondence, Determinations (including all Exhibits), Environmental Reports, and other Policy Planning (including LCP) related reports or correspondence, for the VNC directly to the VNC President, the VNC Vice-President, and the Land Use & Planning Committee Chair, upon receipt, issuance or approval, by both email and U.S. mail, at the email and postal addresses as per the then-current VNC website (currently president@venicenc.org, vicepresident@venicenc.org and chair-lupc@venicenc.org, respectively; and PO Box 550, Venice, CA 90294).
 - b. The Coastal Commission shall treat the VNC, the City Council Office, and City Planning as an "interested party" for all Venice-related matters, and shall provide them copies of all related documents, including but not limited to State CDPs issued, revocations and any other decision/opinion/approval/denial forms or letters, City CDP Notices of Determination received, notices of the start and end of Coastal Commission Appeal periods, State CDP, Administrative & other permits, and any other applications, for the VNC directly to the VNC President, the VNC Vice-President and the Land Use and Planning Committee Chair, upon receipt, issuance or approval, by both email and U.S. mail, at the email and postal addresses as per the then-current VNC website (currently president@venicenc.org, vicepresident@venicenc.org and chair-lupc@venicenc.org, respectively; and PO Box 550, Venice, CA 90294).
 - c. In addition, within 10 days of the decision date, all case determinations shall be made available by hyperlink on the City Planning and the ZIMAS systems, and cases shall be searchable on the City Planning website using both address and case number.
- 25. The City shall act immediately to curtail the loss of affordable housing in the Venice Coastal Zone by
 - a. immediately and fully enforcing existing federal, state and city regulations-including orders to comply for prohibited short-term rentals and other properties in violation of laws

- governing land use and housing in Venice with respect to conversion/change of use of housing, especially affordable housing, into short-term rentals and de facto hotels—and laws prohibiting short-term rentals in residential zones and in commercial zones if the Certificate of Occupancy is for Apartment use.
- b. Directing that adequate resources and detailed instructions be immediately provided to City departments, including especially (but not limited to) City Planning, Building & Safety, Housing and the City Attorney in order that they immediately put the following actions into effect until such time as the City has determined its policies, rules and regulations regarding short-term rentals and has enacted an ordinance or ordinances to implement them:
 - i. Carefully follow the Interim Administrative Procedures for complying with the Mello Act, including but not limited to those related to handling of Mello checklists and applications, Mello Determinations and Appeals (including filing with the related case), conversions/changes of use or occupancy, including careful review of any currently pending conversions/changes of use and deferral of approval of any conversion/change of use requests until relevant enforcement procedures are clarified and confirmed feasible;
 - ii. Clarify city procedures regarding the definition of "feasible" as pertains to the intent and the letter of the Mello Act law, which is to protect affordable housing in the Coastal Zone and which is not to provide bonus density, which is covered in separate laws;
 - iii. Improve the HCID standard of review procedures and documentation related to the determination of replacement affordable units to a "generally accepted" standard and implement procedural controls in order to stop the current abuse of the Mello Act via loopholes and workarounds, including a final Building Permit clearance by HCID for Owners using the "owner occupied single-family dwelling" exemption;
 - iv. Require filing of the Mello Act application at the same time as the original filing of the project application.
 - v. Prepare and widely disseminate (including and especially to citizens being evicted) a "Tenant's Bill of Rights" that covers the rights of tenants under both the Rent Stabilization Ordinance and the Mello Act, as well as other applicable laws, in order to control and to stop the further erosion of Venice Coastal Zone housing, especially affordable housing, and the resulting permanent damage to the Venice neighborhoods;
 - vi. Immediately and fully enforce existing federal, state and city.
- 26. Any and all agreements with tenants within 2 years prior to an application for a demolition or conversion of a property and for 2 years after issuance of the related Certificate of Occupancy shall be provided by Applicant to HCID and such agreements shall adhere to policies (to be provided by HCID) that, in addition to all of the other requirements, assure that the tenants are clearly and conspicuously notified of the Mello Act and their rights thereunder and that such agreements do not result in waiver of certain key tenant rights, and further that any agreed notice for termination of the tenant's occupancy is not for a period of less than 6 months.
- 27. It shall be written into every job description of every City official and employee involved with Affordable Housing in the Venice Coastal Zone, and into every procedure and policy related to Affordable Housing in the Venice Coastal Zone, that the number one priority of the City and the Community of Venice is to protect, maintain and increase affordable housing in the Venice Coastal Zone. The laws are in place to support this and all involved in or responsible for these processes shall work to enforce them with the highest integrity, including timely, vigorous and ongoing review for the purposes of closing of any loopholes or stopping any workarounds noted, including those reported to them by the VNC.
- 28. All Public Hearings for Venice projects shall be held IN Venice, including City Planning Commission (when applicable) and West L.A. Area Planning Commission hearings, in order to

facilitate increased public participation by Venice residents.

- 29. Appeals for Venice Coastal Zone projects shall be accepted via fax, and with no charge, during the period of the Interim Control Ordinance.
- 30. A procedure shall be installed such that Venice Neighborhood Council questions and concerns, including document requests, are addressed timely and that City Planning personnel will work with the Neighborhood Council representatives with open lines of communication, in order to avoid community appeals and the resulting waste of resources.
- 31. A committee shall be assigned to identify all completed projects in the Venice Coastal Zone that were not approved in consideration of CSM and thus that should not be used as precedents or considered as "part of the existing surrounding neighborhood" for purposes of determining compatibility of MSC for new projects.
- 32. Neighborhood Council Land Use and Planning-related recommendations shall be disclosed in a "standing" section of all related City Staff Reports and Determinations, called "Neighborhood Council Recommendation." Along with such recommendations, if the Neighborhood Council recommendation has not been followed, the City "decision maker" shall provide an explanation.
- 33. Guidelines for CDP Findings and SPP Findings shall be prepared by the VNC MSC Committee, in coordination with the Coastal Commission Staff, and shall be reviewed/recommended for approval by the VNC, for the purpose of standardizing the requirements for providing evidence for each Finding, including for the definition of "immediate surrounding neighborhood," and including for the clarification of "materially detrimental to adjoining lots or the immediate neighborhood," guidelines for preparation of Streetscapes and other analyses used in making conclusions on the compatibility of the project with the existing neighborhood for MSC.
- 34. The VNC MSC Committee and the LUPC shall work together to provide a recommendation to the VNC on an overall FAR and any other standards or policies deemed advisable, and the VNC shall make a final recommendation to the City in this regard.
- 35. The Council Office shall institute a process for submitting concerns re. breach of City or State process or policy regulations for the purpose of early resolution, in order to avoid unnecessary work by either government officials or citizens, which process would include consideration of removal from work on future Venice Coastal Zone projects of any Zoning Administrator who has abused their discretion with respect to the Venice Coastal Zone and/or a fair representation of Community members believe/perceive has abused their discretion with respect to the Venice Coastal Zone.
- 36. The Councilmember's office shall request/assign representatives from the City Attorney's office, LADBS, and City Planning to be available to the Venice Neighborhood Committee Land Use & Planning Committee members, which representatives are very familiar with the Coastal Zone requirements, are in support of State and City laws for protection of Venice as a Special Coastal Community, and are in support of assuring that the LCP is not prejudiced, impeded or negated and that the ultimate, certified LCP adheres to Chapter 3 of the Coastal Act.

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