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LUPC STAFF REPORT

June 4, 2025

Case No: CPC-2024-5346-DB-CU3-CDP-SPPC-MEL-PHP-HCA

CEQA Case No: ENV-2024-5347-EAF

Address of Project: 657-659 Sunset Avenue

Property Owner: Keith Abouaf

Owner's Representative: Kevin Scott, Brian Silveira & Associates

Standard of Review: Coastal Act, with certified Land Use Plan (LUP) as

guidance, State laws: AB 2097 and Density Bonus law

Coastal Zone: Single Permit Jurisdiction

City Hearing: Not yet scheduled*

LUPC Staff: Robin Rudisill

Project Description:

Demolition of two duplexes (one duplex contains 1 studio and 1 two-bedroom unit and the other contains 1 two-bedroom unit and 1 three-bedroom unit) and the construction of a 4-story, 48'-7.5" high, 18,773 square foot, 25-unit multi-family dwelling, with 11 studio units, 13 one-bedroom units and 1 two-bedroom unit, including 6 Very Low Income (VLI) units (2 studios, 4 one-bedrooms), on a 9,414.5 square foot lot, with 11 auto parking spaces and 25 long term and 6 short term bike parking spaces provided. The proposed project includes a front yard of 12', the required rear yard of 15' from the center of the alley, and side yards of 5' each. There is no roof deck, roof access structure or elevator (to roof).

Proposed Motion:

The Venice Neighborhood Council (VNC) Land Use and Planning Committee recommends that the VNC supports the City's approval of a Coastal Development Permit, for the project at 657-659 Sunset Ave, as proposed.

Moved by Robin Rudisill, Seconded by Corinne Baginski Vote: 6-0-0 (3 absent)

^{*} The case shows as on hold at City Planning but per the applicant all questions have been answered and documents provided, and a public hearing should be scheduled soon.



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LUPC discussion follow up items: the applicant agreed to consider the concerns from Mark Mack about overall height (whether each floor could be a little shorter) and transparency on the west side of the 4th floor, as well as scaling back the LID planters on the 4th story facing 7th Ave so that the height might appear lower from that perspective. The applicant agreed to consider suggestions from Robin Murez regarding using art elements, including murals, to make the structure more in character with the neighborhood and Venice.

Neighborhood Outreach:

August 2024--meeting with Naomi Nightingale and Sarah Mahir

September--correspondence with Ohana Ulloa, neighbor who reached out

December – discussion with Jodi Givenner, neighbor across the street who is concerned with shadows cast on her house and on her solar panels

December--meeting with Robin Rudisill (LUPC Staff), Lydia Ponce, and Sarah Mahir on zoom, who requested a shade study be completed

January 2025--shade study provided to Robin, Lydia, Sarah and Jodi

February--meeting with Keith (owner), Naomi, and Sarah

March--Kevin distributed letters to the abutting neighbors describing the project and asking them to reach out to speak about it

March--Kevin spoke to Brina, neighbor across Sunset from the project, who received the letter April--Kevin corresponded with Kiersten Timpe, neighbor directly behind the project in the multi-unit building, who received the letter

May--meeting with Lydia, Sarah, Robin

May--Kevin mailed out letters describing the project to approximately 50 addresses surrounding the project

May--Kevin corresponded with Daniel Liggett, neighbor on Flower

June--Kevin corresponded with John Castillo, neighbor

June - Kevin and Brian met with Robin, Keith and Daniel

<u>Concerns expressed by the neighbors:</u> shadow impacts on nearby houses, worries about street parking scarcity due to inadequate off-street parking, worries about mental illness and criminal behaviors of potential tenants, concern that the project will set a precedent for others in the neighborhood to go to 4 stories with no affordable units, worries about gentrification, concern about the Ficus tree removal.

Some neighbors suggest that it could be a good project for the neighborhood and wouldn't impact the neighborhood character and scale if it was 3 stories high, with a proportional reduction in number of units.

Entitlements:

1. City Coastal Development Permit (CDP)

Parking

56.25 parking spaces are required by the certified LUP (does not reflect any reduction for bicycle parking) for a 25-unit multi-family dwelling. This area is highly congested



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in terms of parking as it is close to the Rose/Whole Foods commercial area and the VCH 720 Rose project, which does not have off-street parking. However, the property qualifies for the State Assembly Bill 2097 parking exemption as it is within ½ mile from a Major Transit Stop at Rose and Lincoln and no parking spaces are required. In spite of the exemption, 11 spaces are provided (unbundled), including 1 handicapped space, 4 standard spaces and 6 compact spaces, as well as bike parking (25 long term, 6 short term) and an option for dedicated, shared electric cars (Envoy System). Reducing car ownership and vehicle trips conforms with Coastal Act section 30253(d) Minimize energy consumption and vehicle miles traveled.

In addition, the applicant has prepared an extensive "parking study," which shows that 1) the area of the subject property exhibits much less demand for coastal access parking because of its distance from the coast, 2) The project's parking garage and the availability of on-street parking are sufficient to accommodate any increased parking demand the project might create, 3) Existing and planned infrastructure and amenities support resident and visitor alternatives to automobile transportation, 4) Where demand for automobile transportation does exist, options such as on-site electric vehicle share, on-demand municipal ride services, and app-based rideshare can greatly reduce the need for car ownership, and 5) Reducing car ownership and vehicle trips helps the city complete its greenhouse gas (GHG) emissions reductions and active transportation goals.

Scenic and Visual Qualities

Coastal Act section 30251 states that: The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas...to be visually compatible with the character of surrounding areas..." A "character analysis" was performed by the applicant. The study area includes both sides of Sunset Ave and the south side of Flower Ave, between 6th & 7th Avenues. Although the project is larger than other structures in the immediate vicinity, the applicant states that the project's size is necessary to provide the 6 deedrestricted affordable units and market rate units needed to address the housing crisis. In addition, the project's location on the corner of two streets 60' in width helps soften the impact of its size. (Sunset and Flower are the only E-W streets in Oakwood that have 60' rights of way. All others are 50' or 40'.) Many other properties in the area have roof decks and Roof Access Structures (RAS's) and sometimes also an elevator that result in the appearance of a 3^{rd} or 4^{th} story. The absence of a roof deck, RAS's and elevator makes the overall appearance of the project similar to many 3-story structures with roof decks in Venice, as roof decks often give the impression of a taller building. Also, from the "pedestrian view" on the sidewalk below, the 4th floor is obscured and the building appears to be 3 stories as there is a significant step back on the 4^{th} floor (7-16 feet on Sunset Ave and 6-20 feet on 7th Ave). The project provides significant articulation with several balconies on all three residential levels. In addition, the sun/shade study shows that the only impact is on the neighbor to the east in the winter, when the longest shadows are cast across 7th Ave, but it doesn't really impact that house until about 4p.m.



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Certified Land Use Policy I.A.13. Density Bonus Applications

The project appears to comply with certified LUP Policy I.A.13, which states: "...in order to encourage the provision of affordable housing in the areas designated as multiple family residential...the City may grant incentives such as reduced parking, additional height or increased density consistent with Government Code Section 65915..."

Environmental Justice Policy

The Coastal Commission's Environmental Justice Policy states:

"The Commission recognizes that the elimination of affordable residential neighborhoods has pushed low-income Californians and communities of color further from the coast, limiting access for communities already facing disparities with respect to coastal access and may contribute to an increase in individuals experiencing homelessness."

Coastal Act Section 30604(f) states:

"The Commission shall encourage housing opportunities for persons of low and moderate income,"

Coastal Act Section 30604(g) states:

"The legislature finds and declares that it is important for the Commission to encourage the protection of existing and the provision of new affordable housing opportunities for persons of low and moderate income in the coastal zone."

Coastal Act Section 30116 states:

"Sensitive coastal resource areas" means those identifiable and geographically bounded land and water areas within the coastal zone of vital interest and sensitivity. "Sensitive coastal resource areas" include... areas that provide existing coastal housing or recreational opportunities for low- and moderate-income persons." (Emphasis added)

The project conforms with the Coastal Act's Environmental Justice Policies.

Cumulative Effect

Coastal Act section 30250 (a) states: New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources. There is a concern that the cumulative effect of minimal off street parking provided and of the large size of the structure compared to others in the surrounding area, could cause adverse cumulative effects.

However, the project is very unlikely to create a precedent for other similar projects because required base density for a Density Bonus project is 6 units and this cannot generally be achieved with the size of lots in Oakwood. Although a 3-lot



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consolidation could achieve base density of 6 units, the applicant has stated that no one to date has tried to string together 3 lots to create a base density of 6 units, which would allow for a Density Bonus project. Also, it's very difficult and expensive to acquire 3 abutting lots in Oakwood.

With respect to a 2-lot consolidation, using a typical 4,800 square foot lot size in Oakwood, then you would have a base density of 5 units, not the required 6 units. As per certified LUP policy I.a.7.d. Replacement Units/Bonus Density: "Lots greater than 4,000 square feet can add extra density at the rate of one unit for each 1,500 square feet of lot area in excess of 4,000 square feet on parcels zoned RD1.5...if the unit is a replacement affordable unit reserved for low and very low income persons." Total consolidated lot size = 9,600 square feet. 2 units per lot for the first 4,000 square feet for each lot = 4 units. 9,600 square feet less 8,000 square feet (4,000 square feet * 2 lots) = 1,600 square feet. 1,600 square feet divided by 1,500 square feet = 1 replacement affordable unit. 4 units + 1 replacement affordable unit = 5 units. However, it might be possible to get to a base density of 6 units by consolidating two much larger lots. In addition, cumulative effect is unlikely as building luxury single family homes is still much more lucrative and far less risky for developers.

<u>It should be noted that the VNC Community Plan/LCP ad hoc committee has</u> recommended that lot consolidation in Oakwood be reduced to 2 lots.

Also, there is a concern that the project will set a precedent for others in the neighborhood to go to 4 stories with no affordable units. However, density bonus incentives and waivers are only available to projects that provide affordable units above a certain percentage. In addition, for projects that do not provide affordable units, State law and the Coastal Act do not allow for more than 2 units per lot and 30 feet of height.

Protection of Special Coastal Communities

Coastal Act section 30253(e) states: "New development shall do all of the following...(e) Where appropriate, protect special communities and neighborhoods that, because of their unique characteristics, are popular visitor destination points for recreational uses." Because of the dire need of affordable housing in the Coastal Zone, a protected sensitive coastal resource, and because it does not appear that this project would cause a cumulative effect (as explained above), the proposed project should not harm the Special Coastal Community status of Venice.

Harmonizing of State Density Bonus Law and Coastal Act

State law—Government Code Section 65915(m)—states that all density bonus incentives, waivers, etc. to which the applicant is entitled under Government Code Section 65915 (the Density Bonus law) shall be permitted in a manner that is consistent with both the Density Bonus law and the Coastal Act. The State Legislature's intent is that the two statutes be "harmonized" so as to achieve the goal of increasing the supply of affordable housing in the Coastal Zone while also protecting Coastal Resources and Coastal Access. According to the Coastal



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Commission's February 6, 2019 Report (W7f), the two state laws are to "be harmonized to provide for affordable housing in the Coastal Zone in a manner that is consistent with Coastal Act resource protection policies and ensures that the Act's scenic and visual resources policy is not used erroneously as a basis for blocking density bonus projects in the Coastal Zone."

This means that the question is whether a project is seeking the minimum incentives and waivers necessary to provide for the affordable units. The problem in determining the answer is that State Density Bonus law mandates that evidence of the need is not required. Therefore, theoretically, applicants can ask for more incentives and waivers than they need to cover the cost of providing the affordable housing but there is no way to prove this. Typical L.A. Density Bonus projects are usually significantly taller than this project and provide only 10-11% of their units as affordable. This project is only asking for one additional story, significantly stepped back and without a roof deck, multiple roof access structures, or an elevator in order to minimize its impact on the visual character of the neighborhood. They are also proposing that 24% of the total units be affordable, which is more than double that of a typical L.A. Density Bonus project. In addition, this project is keeping all of the units relatively small, including the market rate units, such that even the market rate units are a lower-cost alternative to the luxury single-family homes and large condos and small-lot subdivisions that constitute the majority of projects in the Venice Coastal Zone. A similar Density Bonus project outside of the Coastal Zone would likely have asked for much more in the way of incentives and waivers, but because of the need in the Coastal Zone to protect Coastal Resources, this project has kept the additional incentives and waivers to a minimum.

Conclusion

Therefore, on balance, considering the dire need for affordable housing, given the fact that the Coastal Act defines areas that provide existing coastal housing for low- and moderate-income persons as sensitive coastal resources, and looking at the project through an Environmental Justice lens, vs. the protection of Coastal Resources and Coastal Access, the project does not violate the Coastal Act.

2. Density Bonus Act (DB)/Conditional Use (CU3)

Under AB 2334, a Density Bonus over 35% is allowed because the applicant is planning to include 67% of the base allowable density as units affordable to Very Low Income (VLI) households, making the project eligible for an additional 175% density bonus to be eligible for a total of up to 25 dwelling units. Thus, the applicant is providing 6 Very Low Income (VLI) units to achieve a 175% density bonus, an increase of 12 units over what would be permitted through the by-right 35% density bonus. The project meets the findings required for a Conditional Use permit for the increased density as it is consistent with and implements the affordable housing provisions of the Housing Element of the City's General Plan.

The "Major Transit Stop" qualifying the project is at Lincoln Blvd. & Rose Ave, per 2024 Southern California Association of Governments (SCAG) Regional



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Transportation Plan (RTP) – the intersection of 2 or more major bus routes with service intervals of 15 minutes or less during peak commute periods.

With 6 Very Low Income (VLI) units, the project qualifies for three incentives (unlimited waivers of development standards is allowed).

The following Density Bonus incentives are requested:

- 1. Off Menu request for a 20% decrease in the front yard setback, from 15' required to 12'.
- 2. Off Menu request for a 29% decrease in the west side yard setback from 7' required to 5'.
- 3. Off Menu request for a 29% decrease in the east side yard setback from 7′ required to 5′.

The following Waivers of Development Standards are requested:

- 1. 23'-7.5" increase in allowable height from 25' required per the LUP for a project with a flat roof to 48'-7.5".
- 2. 100% decrease in usable open space from 2,525 square feet required.

3. Mello Act (MEL)

As per the Mello Act analysis (letter from LAHD dated 4.18.25), there are no existing affordable units under the Mello Act (LUPC Staff confirmed by reviewing the source documents for rent paid). Although no affordable units were found pursuant to the Mello Determination, three affordable units are required to be replaced under the Housing Crisis Act, as noted below. In addition, the project meets the inclusionary Mello Act requirement for projects with 10 or more units as it has more than 10% Very Low Income (VLI) affordable units.

4. Housing Crisis Act (HCA)

There are 4 existing RSO units. HCA/SB8 requires that if even one RSO unit is demolished, that all new units in the project have "protected " RSO status. Under the HCA, in the absence of occupant income documentation (rents are not used for HCA), 3 of the 4 existing units are considered protected lower income housing and are being replaced in the new project. The six new deed restricted Very Low Income (VLI) affordable units (24% of 25 total units) will be distributed throughout the building. Also, all residents of the proposed project will have access to all common amenities within the building. Applicant to clarify whether the deed restriction is 55 years or will increase to 99 years, which depends on the project's vesting.

5. Priority Housing Program (PHP)

Under the Priority Housing Program, developments that include over 20% of their units as affordable receive priority case processing—this project is at 24% Very Low Income (VLI) units (6 divided by 25); thus, it qualifies for PHP.

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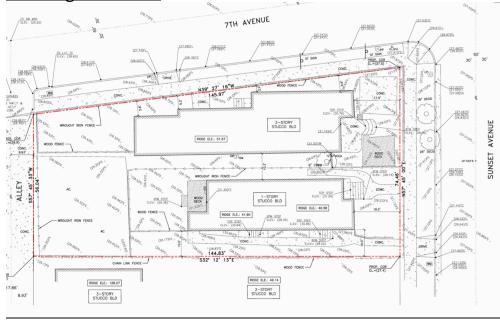
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Existing two duplexes:



Existing Site Plan:





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Rendering of proposed project:

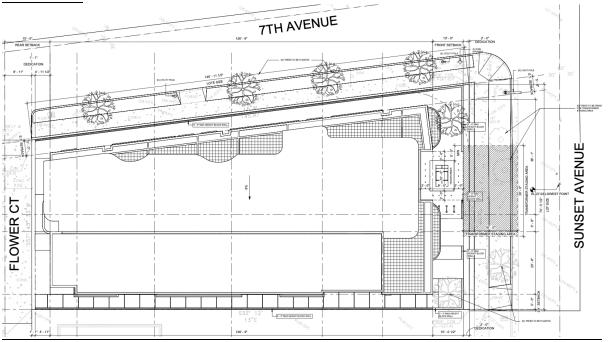




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Site Plan:

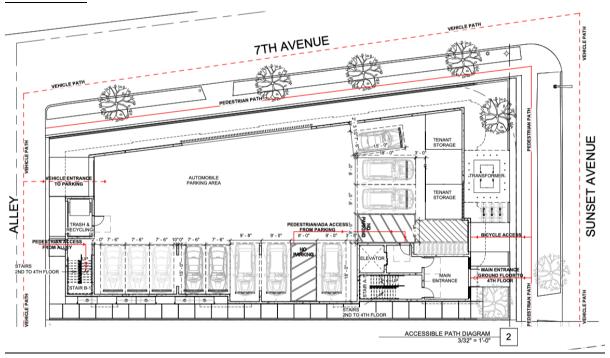




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Plot Plan:





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East elevation: FOURTH FLOOR THIRD FLOOR 23' - 9" SECOND FLOOR GROUND FLOOR EAST ELEVATION 2



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West elevation:





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North elevation: М



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South elevation:

