

LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



Land Use & Planning Committee (LUPC) STAFF REPORT

December 9, 2025

City Case No: CPC-2021-2020-DB-CDP-SPPC-MEL-HCA

CEQA Case No: ENV-2021-2021-EAF: Categorical Exemption

under CEQA sections 15301 (Class 1) and 15332

(Class 32)

Related City Case No(s): CPC-2013-2377-DB-CDP-SPP-MEL

Address of Project: 1410-1414-1422 Main Street

Applicant/Property Owner: Three on the Tree LLC, a Nevada LLC, and Three

on the Tree Venice LLC, a Nevada LLC

Applicant's Representative: Tony Russo, Crest Real Estate

Matthew Royce, Architect

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

as guidance (for CDPs) Venice Community Plan

Other applicable State laws: Assembly Bill 2097 Other applicable City laws: ADU ordinance

Mello Act & Housing Crisis Act

Coastal Zone: Single Permit Jurisdiction

City Hearing: December 10, 2025, 1 pm

Email for City Planner: Sienna.Kuo@lacity.org

LUPC Staff assigned: Robin Rudisill & Mark Mack

I. <u>Detailed Project Description:</u>

Demolition of 2 single-family dwellings, and the construction of a 26,845 SF, 5-story mixed-use structure on 3 lots, consisting of 19 residential units, of which 4 residential units will be set aside for Very Low Income (VLI) households; 6,152 SF of restaurant uses including 3,177 SF of indoor dining Service Floor Area and 467 SF of outdoor dining Service Floor Area; 656



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



SF of office uses and a roof deck with a solar trellis covered rooftop and an elevator/roof access structure, providing 28 parking spaces within a one level subterranean garage.

Reason for VNC/LUPC hearing this project:

The project representative failed to inform the neighborhood, LUPC and the VNC of the project's changed scope and impact on the neighborhood since the VNC heard the project in early 2021, almost 5 years ago. They have not conducted the proper neighborhood outreach necessary for the increased size and scope of this project, causing a strong neighborhood resistance to the project.

Therefore, the Venice Neighborhood Council scheduled a LUPC hearing (December 4th) and a Special VNC Board hearing (December 9th) in order to assess this significantly changed project and the impacts it presents to the neighborhood.

Changes between original project that VNC heard in 2021 to current version of the project:

- 1. Unit count increased from 9 units to 19 units (4 of which are affordable).
- 2. Parking garage reduced from two subterranean levels with 56 parking spaces to one subterranean level with 28 parking spaces.
- 3. Access is not through Main Street but rather through the alley, a very narrow 15' wide alley.
- 4. 3 stories to 5 stories (4 stories + 1 story solar trellis covered rooftop, roof access structure and elevator).
- 5. Height increase from 30' to 46'- 4" (maximum height of 57'10" with 15', 176 SF elevator overrun (vs. 10', 100 SF RAS) and solar trellis covered rooftop)
- 6. FAR increased from 1.49 to 2.95.
- 7. Restaurant spaces added on 2nd and 3rd floors, resulting in commercial grade occupancy on the second and third level of the structure, overlooking and adjacent to neighboring low-rise residential buildings.



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



II. Motion 1:

The Venice Neighborhood Council strongly requests that the CD-11 Council Office request that City Planning postpone the City Planning hearing for the project at 1410-1414-1422 Main Street, currently scheduled for Wednesday December 10, 2025, until January 26, 2026 or after, in order to provide a reasonable amount of time for the Land Use and Planning Committee, neighbors and the Board to have our community public hearings in order to provide our recommendations.

Moved: Mark Mack Seconded: Robin Rudisill

Vote: 6-1-1 (0 absent, 0 recused, 1 open seat)

III. Motion 2:

The Venice Neighborhood Council recommends denial of the project at 1410–1414–1422 Main Street, as proposed, based on the following findings:

- 1. Vehicular Accessibility: Very narrow alley will be overexposed to heavy daily traffic, loading zone nuisances and minimized turning radius for larger vehicles.
- 2. Height of project: Taller projects like this, double the LUP requirement, need height transitions to mitigate shade and sunlight access to the adjacent 1-2 story, residential historic neighborhood.
- 3. Lot consolidation: A 3-lot consolidation is not permitted.
- 4. Provides no Public Setback on Main Street: Needs better pedestrian circulation and the possibility to add more public green space on Main Street.
- 5. The law prohibits the demolition or conversion of residential structures for purposes of non-residential/mixed-use projects.
- 6. Accessibility fails to demonstrate safe, convenient, and equitable access for people with disabilities and others with limited mobility as well as mixing commercial and residential use within the building.
- 7. Open Space: The project requests a 100% reduction in usable open space and eliminates the step-back provisions.
- 8. Design: The project fails to "harmonize" Density Bonus Law with the Coastal Act and instead attempts to maximize buildout to maximize profitability.



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



9. Impact on Coastal Access: The project seeks substantial relief from on-site parking requirements while adding a high-intensity restaurant and dwelling units, inevitably pushing more demand onto already oversubscribed public streets and alleys.

Details of findings:

1. Substandard alley and unsafe access.

The project concentrates all vehicular access, garage entry, loading, trash, and service functions on a very narrow, non-conforming alley immediately abutting residential properties. That alley cannot safely accommodate the level of traffic, truck loading, turning movements, and rideshare/delivery activity generated by a 6,000+ square foot restaurant, 19 dwelling units, and office uses. The design provides no adequate turnaround or loading area, forcing vehicles to back or queue in the alley and creating unsafe conflicts with pedestrians, cyclists, and neighboring residents. This is an inappropriate and unsafe intensification of use on a constrained residential alley.

2. Excessive height, massing, and lack of transition.

The project seeks a maximum building height of approximately 57 feet 10 inches—nearly double the 30-foot height limit in the Venice Coastal Zone Specific Plan—and removes the required 45-degree step-back plane. It also requests major yard reductions on all sides and a FAR of 2.95, again, almost double the 1.5 FAR as limited in the Venice Specific Plan and certified Venice Land Use Plan (LUP). Together, these waivers create a five-story wall on a three-lot consolidation with no meaningful transition to the immediately adjacent 1–2 story residential neighborhood and the Lost Venice Canals Historic District, degrading the area's established low-scale character and scenic/visual qualities that the Coastal Act and certified LUP require to be protected.

3. Unpermitted lot consolidation of 3 lots

LUP I.B.7. limits commercial lot consolidations to two lots, or three lots with subterranean parking that is fully depressed with roof at natural grade and the structure must not look consolidated (breaks in front wall of 10' minimum). The only exception for more than a 2-lot consolidation is for mixed-use projects that conform to the existing scale and character of the surrounding community and provide adequate on-site parking. This project is in significant non-compliance with both of the exception requirements.

4. Inadequate setbacks and pedestrian/greenspace realm on Main Street.

The project requests a zero-foot front yard setback for residential floor area where a 5-foot setback is required, <u>leaving essentially no room for street trees</u>, landscaped



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



parkway, pedestrian refuge, or outdoor gathering space. In combination with very shallow side yards, the building fills almost the entire site, pushing a tall, bulky façade directly to the back of sidewalk. This undermines the pedestrian experience on Main Street, provides no meaningful public or quasi-public open space at the ground level, and is inconsistent with Venice Coastal Zone LUP policies calling for human-scaled, walkable frontages, landscaping, and preservation of the special coastal community character.

5. Violation of the Mello Act and Housing Crisis Act – unlawful loss and conversion of coastal housing.

The project demolishes two existing single-family residential structures in the Coastal Zone and proposes a predominantly commercial/mixed-use building. The Mello Act prohibits the demolition or conversion of residential structures for non-residential use unless the City first finds, based on evidence, that residential use is no longer feasible at that location; no such finding has been made, and nothing in the record suggests residential use is infeasible. The existing buildings are legally permitted, functioning residential housing, and therefore are protected by the Mello Act regardless of the underlying C2 zoning. Any redevelopment must maintain residential use and comply with Mello Act "no-net-loss" and replacement-housing obligations; it cannot lawfully convert coastal housing into more lucrative restaurant and commercial space.

6. Accessibility and life-safety concerns.

The project, as presented, fails to demonstrate safe, convenient, and equitable access for people with disabilities and others with limited mobility. By locating all vehicular access and loading on a substandard alley without a separated pedestrian path of travel, and by heavily intensifying restaurant and service traffic in that same space, the design exposes residents, visitors, and workers using mobility devices, strollers, etc. to unacceptable conflicts with cars and trucks. The plans do not clearly show how accessible parking, loading, and routes from the garage and public sidewalks will be provided without requiring people with disabilities to share the narrow alley with moving vehicles. This is inconsistent with ADA and California Building Code objectives and with the Coastal Act's requirement that new development protect public safety and access for all users.

7. Complete failure to provide required usable open space.

The project requests a 100% reduction in usable open space—from 2,525 square feet required to zero—and eliminates the step-back provisions that would otherwise provide light, air, and semi-private outdoor areas for residents. Any roof deck is primarily designed to serve the commercial/restaurant component and does not substitute for dedicated, code-compliant common and private open space for the 19 dwelling units. The absence of meaningful on-site open space will significantly diminish residential livability, privacy, and access to light and air, particularly given the building's extreme massing, and is inconsistent with the Venice Coastal Zone



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



Specific Plan's and LUP's open space standards and the Coastal Act's emphasis on high-quality residential environments in the Coastal Zone.

8. Poor design and incompatibility with the historic, special coastal community context.

The project's overall design—five stories, maximal lot coverage, minimal articulation, zero front yard, and commercial restaurant floors stacked above ground level—is out of scale and character with the surrounding one- and two-story historic residential neighborhood and the Lost Venice Canals Historic District. Rather than stepping down to adjacent homes, the building presents tall, sheer walls and roof structures that loom over the alley and neighboring properties, degrading views, privacy, and the existing small-scale rhythm of Main Street. By using density bonus incentives and waivers to override key Venice Coastal Zone standards on height, setbacks, lot consolidation, and open space, the project fails to "harmonize" Density Bonus Law with the Coastal Act and instead attempts to maximize buildout at the expense of scenic and visual resources and the Venice "special coastal community" that the Coastal Act and LUP explicitly seek to protect.

9. Significant adverse impact on coastal access and parking.

The site is only a short distance from the beach in an area already severely constrained for parking and heavily relied upon by coastal visitors. The project seeks substantial relief from on-site parking requirements while adding a high-intensity restaurant and additional dwelling units, inevitably pushing more demand onto already oversubscribed public streets and alleys. Under Coastal Act §30252, new development must maintain and enhance public access by providing adequate parking or equivalent transit measures; AB 2097 does not override this Coastal Act mandate. Here, the requested parking reductions, combined with alley-only access and lot consolidation, will cumulatively reduce the availability of convenient parking for beachgoers and visitors, impairing coastal access and conflicting with both the Coastal Act and the certified Venice LUP. In addition, the traffic analysis excludes the restaurant uses entirely by claiming that all of the restaurants are "local serving," which is not true. This artificially keeps the project below the 250-trip threshold. This omission must be corrected and a DOT traffic analysis performed.

Moved: Mark Mack

Seconded: David Turnbull

Vote: 8-0-0 (0 absent, 0 recused, 1 open seat)

IV. Motion 3 (continued indefinitely):

The Venice Neighborhood Council strongly recommends that the project be confined to 100% residential, within the development standards and policies of the Venice Specific Plan and LUP, which would: provide homes, be compatible with the surrounding residential neighborhood character, not create the



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



significant adverse impacts and nuisances on the surrounding residential neighborhood that commercial businesses would, and not violate the state Mello Act.

Motion 3 continued indefinitely:

Moved: David Feige Seconded: Mark Mack

Vote: 6-1-1 (0 absent, 0 recused, 1 open seat)

V. Pros & Cons of Project:

Positive aspects of project:

4 affordable units.

Negative aspects of project:

Concerns about hearing notices: Several parties indicated that they did not receive the hearing notice, including Rick Garvey (within 300 feet) and Dr. Khoe (adjacent).

See also detailed findings in LUPC motion, above.

I. Neighborhood Outreach/Summary of Community Input:

Describe neighborhood outreach by Applicant's Representative and LUPC Staff Member, in detail:

The applicant made it clear that they were not paid to do neighborhood outreach on the significantly changed project and that they did outreach on the original project. However, they did contact Karen & Art from the condo building across Main Street. Once LUPC became aware of the project hearing being scheduled, we immediately scheduled a meeting to hear it so that it could be heard by the VNC prior to the City hearing. We contacted the applicant's representative and met with them prior to the LUPC meeting. We informed a few of the neighbors, whom we were aware of were concerned about the project.

Summary of Community Input

Concerns expressed by Neighbors:

The proposed loading dock is not large enough to serve most of the 5 and 10 ton and larger trucks that make these deliveries, and so many will simply park in the alley, which will prevent residents, as well as emergency vehicles, from coming and going. Trucks will also park down the middle of Market St. It is not uncommon for several trucks to be making deliveries simultaneously.

The project is outrageous, this is overbuilding, this is egregious, this is greed.



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



When neighbors in the residential blocks behind the project to the east look out their windows, they will see a big 5 story wall and won't be able to see the sky any longer.

Concern about habitability of the residential units adjacent to upper floor restaurants. Concern about the mixing up of uses in a strange way on the upper floors. Concern about combining access/entrances for residents and commercial uses.

See additional concerns in these letters from the neighbors: https://www.venicenc.org/assets/documents/5/meeting69332e44d78a1.pdf

Suggestions from Neighbors:

At the LUPC hearing a request was made to the applicant for a sun/shade study. As of the publishing of this LUPC Staff report, the applicant has not provided the study.

As per neighbor Irv Katz, he would ask the developers to consider confining this proposal to a 100% residential use, within the requirements of the Venice Plan, which would provide homes and not create the problems that commercial businesses such as a restaurant would, including no constant flow of traffic into or out of the garage and no daily deliveries to block the alley or streets or create noise.

The traffic analysis excludes the restaurant uses entirely from the trip count by claiming the restaurants are "local serving." But restaurants with alcohol and outdoor dining are not local serving uses. "Local serving" refers to small convenience businesses (e.g., laundromat, dry cleaner, etc.), not destination restaurants. Restaurants in Venice draw visitors from outside the immediate neighborhoods. Restaurants have a very high trip counts (sit-down restaurant approx. 100 trips per 1,000 SF), especially when they serve alcohol. Excluding the restaurants keeps the project below the 250-trip threshold, dodging a full transportation analysis. This must be corrected and a full analysis done. DOT must require the inclusion of the restaurants in the trip count, which will require them to perform a traffic analysis.

The project seems to be trying to fit too much into an inappropriate lot. That is a sure sign of a developer more interested in profit than community.



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



II. <u>Findings re. Entitlements:</u>

For your use in determining the entitlements, here is the link to the City Planning Prefix (approving entity) and Suffix (entitlements) Report where you can look up the City Case No. coding abbreviations:

https://planning.lacity.gov/resources/prefix-suffix-report

A. Coastal Development Permit (CDP)—Coastal Act & certified Land Use Plan (LUP) are standard of review

NOTE: there is no Coastal Development Permit approving the March 2018 demolition of the structures on the 1410 Main St lot(as per the City's RSO unit, as disclosed in the Housing Department's May 18, 2022 letter to City Planning). That unpermitted demolition must be covered with an after-the-fact approval in this CDP. It was reported that the lot is currently used as residential/office space with converted shipping containers. The structures and uses currently on the vacant lot are not permitted as the related building permit application was never finalized/issued.

1. <u>Parking/Coastal Access – Assembly Bill 2097 must also be considered in the standard of review</u>

Coastal Act Section 30252 states: The location and amount of new development should maintain and enhance public access to the coast by facilitating the provision or extension of transit service... and providing adequate parking facilities or providing substitute means of serving the development with public transportation

The project lies in an AB 2097 area and as such minimum parking cannot be required. However, the applicant proposes only 28 parking spaces, which is significantly lower than the parking minimums required by the Venice Specific Plan and certified Land Use Plan (LUP). No proposed mitigations were noted. The 15' alley is too narrow for any real use, especially one that requires truck traffic, 2-way traffic, or a clear path for others to access parking spaces. Most Venice alleys are 25' and it is still difficult to enter one's garage nor can two cars pass.

2. Scenic and Visual Qualities

Coastal Act Section 30251 Scenic and visual qualities states: 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 minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas.

At 5 stories and 57′10″, and spanning three lots with no visual breaks, the project is in no way compatible with the character of the surrounding area, which is primarily 1-lot, 2-3 story structures. The project violates Coastal Act Section 30251.



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



3. 3-Lot Consolidation

Certified Land Use Plan Policy I.B.7. limits commercial lot consolidations to two lots, or three lots with subterranean parking that is fully depressed with roof at natural grade and the structure must not look consolidated (breaks in front wall of 10' minimum). The only exception for more than a 2-lot consolidation is for mixed-use projects that conform to the existing scale and character of the surrounding community and provide adequate on-site parking. This project is in significant non-compliance with both of the exception requirements.

Policy I. B. 7. Commercial Development Standards.	•
standards shall apply in all commercial land use designal specified elsewhere within this Land Use Plan.	ations, unless
Venice Local Coastal Program	
II-21	

Density/Intensity: Maximum Floor Area Ratio (FAR)

0.5 to 1 for retail only (including restaurants)

1.0 to 1 for retail / office

1.5 to 1 for retail and/or office and residential

Parking: See Land Use Plan Policies II.A.3 and II.A.4.

Lot Consolidation. Two commercial lots may be consolidated, or three with subterranean parking with the following restrictions:

- Methods for insuring that the structure does not look consolidated (breaks in front wall of ten feet minimum) shall be utilized.
- Subterranean parking shall be fully depressed with roof at natural

Exception: Lot consolidation of more than two lots shall be permitted for mixed-use projects which conform to the existing scale and character of the surrounding community and provide adequate on-site

Building Separation: A minimum of five feet between commercial and residential buildings (except for mixed-use projects).

Yards: Per the following Ground Level Development Policy which requires that commercial development be designed in scale with, and oriented to, the adjacent pedestrian accessways (i.e. sidewalks).

Ground Level Development: Every commercial structure shall include a Street Wall, which shall extend for at least 65% of the length of the street frontage, and shall be located at the property line or within five feet of the property line, except on Ocean Front Walk, where all commercial buildings shall have the Street Wall st zero (0) feet from the building line. The required Street Wall at sidewalk level shall be a minimum of 13 feet high. (A Street Wall is the exterior wall of a building that faces a street.)

Street Walls adjacent to a sidewalk café, public plaza, retail courtyard, arcade, or landscaped area may be setback a maximum of 15 feet along the project which consists of the sidewalk café, public plaza, retail courtyard, arcade, or landscaped area. Such areas shall not be considered in calculating the buildable area of a project but, with the exception of areas used only for landscaping, shall be considered in calculations for required parking.

At least 50% of the area of the ground floor Street Wall shall be devoted to pedestrian entrances, display windows, and/or windows affording views into retail, office, gallery, or lobby space.

Blank walls shall be limited to segments of 15 feet in length, except



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



4. 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.

LUP Policy Preservation of Venice as a Special Coastal Community states:

Preservation of Venice as a Special Coastal Community **Policy I. E. 1. General.** Venice's unique social and architectural diversity should be protected as a Special Coastal Community pursuant to Chapter 3 of the California Coastal Act of 1976.

Policy I. E. 2. Scale. New development within the Venice Coastal Zone shall respect the scale and character of community development. Buildings which are of a scale compatible with the community (with respect to bulk,

height, buffer and setback) shall be encouraged. All new development and renovations should respect the scale, massing, and landscape of existing residential neighborhoods. Lot consolidations shall be restricted to protect

Policy I. E. 3. Architecture. Varied styles of architecture are encouraged with building facades which incorporate varied planes and textures while maintaining the neighborhood scale and massing.

According to ZI 2453, the project is located in the Lost Venice Canals Historic District, which is significant as a unique example of early-20th century residential development oriented around the original Venice canals developed by Venice of America founder Abbot Kinney. The district was evaluated as a whole and individual properties were surveyed and identified as Potential Contributors or Non-Contributors to the district, or as Not Sure (properties generally not visible from the public right-of-way). Properties identified as Potential Contributors or Not Sure in SurveyLA, unless otherwise found exempt, will be reviewed by the Department of City Planning, in consultation with its Office of Historic Resources, to determine if the property is a "historical resource" as defined in CEQA. If the City determines the property to be a historical resource, the City will evaluate if the project would have significant impacts to the historical resource. Even if the property is not determined to be a historical resource, the City will evaluate if the project would have an impact on other nearby historical resources, which may include the potential historic district.

The structure on 1422 Main St was identified as "Not Sure" in SurveyLA, which means that it should be reviewed by the Department of City Planning, along with the Office of Historic Resources, to determine if the property is a historical resource. Excerpt from SurveyLA:



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



Venice Report

Historic Districts, Planning Districts and Multi-Property Resources - 04/02/15





Primary Address: 1422 S MAIN ST

Type: Not sure

Year built: 1921

Property type/sub type: Residential-Single Family; House

Architectural style: Craftsman

It is not clear whether the City's Office of Historic Resources has analyzed the project's impact on the historic district.

Venice was designated as a "Special Coastal Community" by the City of Los Angeles and the California Coastal Commission, as documented in the LUP. The definition of Special Coastal Community is: "An area recognized as an important visitor destination center on the coastline, characterized by a particular cultural, historical, or architectural heritage that is distinctive, provides opportunities for pedestrian and bicycle access for visitors to the coast, and adds to the visual attractiveness of the coast." If the Lost Venice Canals Historic District is degraded by a project such as this that is so significantly out of compliance with the LUP in so many ways, the risk of Venice losing its Special Coastal Community status is increased because the very definition of Venice as a Special Coastal Community relies on Venice's historical heritage. Thus, the project does not protect the Special Coastal Community of Venice and in fact degrades it and thus is in violation of Coastal Act section 30253(d) and LUP Policy I.E.1.

As stated in ZI 2453, the Lost Venice Canals Historic District is a residential neighborhood with boundaries coinciding with those of Venice's original canal district. Streets throughout the district exhibit an irregular pattern which reflects the area's original network of canals. Development in the district is primarily residential. Original single and multi-family residences were constructed primarily from the 1910s through the early 1920s and are one or two stories in height. Other features of the district include the unique configuration of the streets, which create irregularly shaped blocks originally bounded by canals.

According to ZI-2453, the Lost Venice Canals Historic District is significant as a unique example of early-20th century residential development, oriented around the original Venice canals developed by Venice of America founder Abbot Kinney. The district's period of significance is 1904 to 1929, encompassing the period during which the canals were extant. The district represents the area set aside by Kinney for residential development in Venice. After a years-long legal battle between residents and city officials, in 1929 the Venice of America canals were filled in and paved over. Today, the Lost Venice Canals Historic District stands out from surrounding development due to its unique planning and development around Venice's original system of canals. Despite a relatively low percentage



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



of contributing properties, <u>the neighborhood retains a distinctive feel that conveys a strong</u> sense of time and place.



As with the first attempt at a development project at this site in 2014, which was withdrawn within one year of application, the historic preservation issues remain unaddressed.

5. 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...

This project violates Coastal Act Section 30250(a) because it places a large, high-intensity mixed-use development in a built-out, historic, low density coastal neighborhood that is not "able to accommodate it" in terms of circulation, parking, and public services, as shown by the documented loss of required parking and substandard alley access. By overconcentrating development on this constrained site and worsening traffic and parking conditions that already limit public access to the beach, the project will have significant adverse cumulative effects on coastal resources, contrary to section 30250(a).



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



B. Density Bonus Act (DB)

- 1. The "Major Transit Stop" qualifying the project is at Windward Circle.
- 2. With 4 Very Low Income (VLI) units, the project qualifies for 4 incentives (unlimited waivers of development standards is allowed).

The following Density Bonus incentives are requested:

- 1. Off Menu request for a Floor Area Ratio (FAR) increase of 96.6 percent resulting in a FAR of 2.95, in lieu of a FAR of 1.5, as otherwise required by the Venice Coastal Zone Specific Plan Section 11.B.3.
- 2. Off Menu request for a northwesterly side yard of 5 feet in lieu of 8 feet, as otherwise required in the C2 Zone pursuant to LAMC Section 12.14 C.2.
- 3. Off Menu request for a southeasterly side yard of 5 feet in lieu of 8 feet, as otherwise required in the C2 Zone pursuant to LAMC Section 12.14 C.2.
- 4. A zero-foot front yard setback for residential floor area, in lieu of 5 feet, as otherwise required by the Venice Coastal Zone Specific Plan Section 10.f.4(a).

The following Waivers of Development Standards are requested:

- 1. Maximum building height of 57′ 10″, in lieu of 30′, as otherwise required by the Venice Coastal Zone Specific Plan Section 10.F.3.
- 2. 100% decrease in usable open space from 2,525 square feet required.
- 3. Removal of the step back provisions, in lieu of a 45 degree step back plane, as otherwise required by the Venice Coastal Zone Specific Plan Section 10.F(3)(a).
- 4. A Roof Access Structure with a maximum height of 15 feet in lieu of 10 feet, as otherwise required pursuant to the Venice Coastal Zone Specific Plan Section 9.C.
- 5. A Roof Access Structure with a maximum exterior dimension of 176 square feet in lieu of 100 square feet, as otherwise required by the Venice Coastal Zone Specific Plan Section 9.C.

3. Harmonizing of State Density Bonus Act and State Coastal Act

Government Code Section 65915(m) of the state Density Bonus law states that all density bonus incentives, waivers, etc. to which the applicant is entitled under Government Code Section 65915 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 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



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



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, applicants are able to ask for more incentives and waivers than they need to cover the cost of providing the affordable housing, which appears to be the case for this project.

This project does *not* harmonize the State Density Bonus Act and State Coastal Act due to the <u>extreme de facto variances</u> from the development standards and policies of the Venice Specific Plan and LUP—3-lot consolidation rather than the maximum of 2, almost doubling of the height to 57′10″ vs. the LUP requirement of 30′, essentially doubling of the FAR (2.95 vs. allowable 1.5), removal of the step back provisions, 3′ reduction of both side yards.

For example, in the 657 Sunset case, the LUPC concluded that, on balance, the requested incentives and waivers were modest compared to typical density bonus projects in non-Coastal Zone areas of Los Angeles, and that the project omitted a roof deck, kept the fourth floor stepped back, and provided 24% VLI units, such that the density bonus incentives could be harmonized with Coastal Act resource protection for that project.

However, for 1410-1414-1422 Main, the applicant is requesting relief from several of the most sensitive standards in the Venice Coastal Zone:

- o Almost doubling the height
- o Essentially doubling of the maximum FAR
- o Major yard reductions on all sides
- o No step backs
- Significant reduction in on-site parking relative to VCZSP/LUP requirements in an area that is extremely close to the beach
- Consolidation of three lots (beyond the 2-lot maximum per VCZSP/LUP)

The project's design seeks to maximize buildout in every dimension. The applicant has not demonstrated that all of these requested incentives and waivers are the minimum physically necessary to accommodate the 4 affordable units. As a mixed-use project, the incentives—which are larger than others requested in the Venice Coastal Zone used to fund the provision of affordable units—not only provide for enough market rate residential units to fund the affordable units, but the incentives also provide a significant benefit in terms of the commercial uses, which are 25% of the project (6,808 SF/26,845 SF), which is an exploitation of the Density Bonus law.

Given the size and intensity of the proposed structure, it appears highly likely that a shorter, less massive building could still provide a meaningful number of affordable units while protecting coastal resources.



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



Under §65915(m), the City cannot treat the Density Bonus Law as overriding the Coastal Act or the LUP. Instead, the City must limit or deny incentives and waivers that would otherwise cause the project to conflict with Coastal Act resource protection policies, including:

- Significant adverse impacts on coastal access and parking
- <u>Degradation of scenic and visual resources</u> in a highly scenic area--the Lost Venice Canals Historic District
- Harm to a recognized Special Coastal Community

The City is obligated to withhold those specific waivers and require redesign so that affordable housing goals and coastal protection goals are <u>both</u> honored.

The project does *not* comply with the Density Bonus Act because the project, as proposed, does not harmonize the Density Bonus Law with the Coastal Act. Instead, it uses density bonus tools to attempt to override key coastal protections (height, parking, FAR, massing, lot consolidation) in a manner that is directly contrary to §65915(m)'s command that density bonus entitlements be granted only in a Coastal-Act-consistent manner. This project is an abuse of the Density Bonus law.

4. LUP Policy I.A.13. Density Bonus Applications

Policy I. A. 13. Density Bonus Applications: Required replacement dwelling units shall be counted as reserved units in any related State-mandated density bonus application for the same project. In order to encourage the provision of affordable housing units in the areas designated as "Multiple Family Residential" and in mixed-use developments, the City may grant incentives such as reduced parking, additional height or increased density consistent with Government Code Section 65915 provided that the affordable housing complies with sections a – f of Policy I.A.13.

The project does *not* conform with LUP policy I.A.13. for all of the same reasons noted above that it does not comply with the Density Bonus Act.

C. Mello Act (MEL)

This project violates the Mello Act (Gov. Code §§65590–65590.1). The Mello Act state law protects housing in the Coastal Zone. The purpose of the Mello Act is three-fold: <u>to maintain existing residential structures</u>, to protect existing affordable <u>units</u>, and to provide new <u>affordable housing in new developments</u>. The law states:

"The conversion or demolition of any <u>residential structure for purposes of a</u> <u>nonresidential use</u> which is not coastal dependent...shall not be authorized unless the local government has first determined that a residential use is no longer feasible in that location."



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



The statute flatly prohibits demolishing or converting an existing residential structure to a non-residential use that is not coastal-dependent unless the local government first determines, based on evidence, that residential use is no longer feasible at that location. No such feasibility finding has been made here, and the facts show the opposite:

- The legal, permitted use of the existing buildings is residential.
- The structures are functioning residential housing in a residential context.
- Nothing in the record shows that continued residential use is infeasible—only that the applicant *prefers* a more lucrative commercial/mixed-use project.

The legal, permitted use for the existing structures is residential; thus, they are protected by the Mello Act regardless of the underlying zoning designation, and any project for these properties must be residential use only. The Mello Act state law does not distinguish between zones, it protects all residential structures and affordable units, regardless of what zone they are in. The project cannot be approved as a mixed-use project whose purpose is to convert coastal housing into any portion of commercial space.

The Mello Act was enacted to prevent exactly this pattern—the erosion of coastal housing stock, especially lower-cost units, in favor of high-profit commercial uses, just like this project. Approving this project would defeat the very purpose of the statute and would be inconsistent with both state law and the City's own Mello Act implementation procedures.

The applicant believes that because the City, in 2019, proposed a Mello Act ordinance that would have allowed demolition of a residential structure for purposes of a mixed use project if the project provided all required replacement affordable and inclusionary units, that they could do so with the proposed project. However, this provision would have constituted a change to the existing Mello Act law and City Mello Act policy, and the draft ordinance was never approved. The Council file (15-0129-S1) expired in November 2023 and in fact no effort has been made since then to resurrect this significant proposed change:

Proposed new LAMC 12.21H.c.7.: "Mixed Use Development. A proposed mixed use development may not result in a net reduction in the total number of existing Residential Units unless a residential use is no longer feasible. A mix of uses is permitted, so long as the structure provides all required Replacement Affordable and Inclusionary Units."

The fact that City Planning was requesting this change in their draft of the Mello Act ordinance shows that it is not currently allowed; otherwise, they would not have wanted or needed to add this provision.

See Attachment I for a May 4, 2021 letter from housing rights and environmental/land use attorney Venskus & Associates and the California Women's Law Center that explains why this proposed change would be unlawful and could not have been lawfully approved. As stated in this letter: "One of the main avenues the Mello Act proscribes for protecting residential housing is to limit the ability to convert existing residential structures to non-



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



residential uses. To allow such conversions would not only violate both the letter and the spirit of the Mello Act, but it would plainly threaten housing, by allowing its destruction for purposes of a more lucrative commercial use, including mixed use projects, thus displacing families and damaging coastal communities that are already holding on by a thread—exactly what the Mello Act was intended to prevent." The Applicant's demolition of the existing residential structures for purposes of a non-residential mixed-use project is a violation of the Mello Act and the City's Interim Administrative Procedures for complying with the Mello Act, and thus this mixed-use project is a non-starter.

In addition, in its letter dated October 19, 2021 regarding the draft Mello Act ordinance, the Coastal Commission Staff stated: "The mixed-use development policy outlined [in the draft Mello Act ordinance, proposed new LAMC 12.21.H.5.c.7] is therefore not consistent with the Mello Act, since it expands the definition of "residential structure" beyond the intent of the Mello Act. Commission staff is aware of several recent developments, especially in Venice, that have already incorporated draft language of this ordinance to justify approval of the demolition or conversion of residential properties for purposes of mixed-use properties along commercial corridors."

Lastly, the City's May 18, 2022 letter from the Los Angeles Housing Department with the subject "Mello Act Determination" is a determination with respect to only one requirement of the state Mello Act—the affordability of the existing units. As per the City's Mello procedures, the overall Mello Act Determination would be included in the related discretionary permit, the Coastal Development Permit, where all three Mello Act requirements would be considered: whether existing affordable units are being replaced, and whether inclusionary affordable housing is being provided.

D. Housing Crisis Act (HCA)

According to the City in its October 29, 2025 letter from the Los Angeles Housing Department, of the two units that existed on the properties within the last five years, one unit will remain protected by the RSO, one unit must be replaced as an affordable unit, and one unit must be replaced at market rate. The residential unit(s) demolished in 2018 are not covered in this analysis because they occurred more than five years prior to the date of Housing's affordable units determination, October 29, 2025.

E. Add any other applicable entitlements here, such as SPPE (Specific Plan Project Exception), ZAA (Zoning Administrator Adjustment), etc.

It is not clear why the original project's entitlement request for a waiver of dedication is no longer being considered.



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



Prior VNC letters for same/similar location:

In 2021, the VNC heard the original project proposed under this application, which was significantly different, i.e. 3 stories v. current proposed 4 + 1 story for solar with trellis ceiling, and 9 dwelling units v. current proposed 19 dwelling units, etc. The VNC Board supported the project but only if the underground mechanical room was removed, the entrance to the parking garage and the loading zone were moved from the alley to Main Street, and deliveries were restricted to 8 am to 8 pm. Also, the applicant was to clarify whether the proposed solar structures are compliant with city code and/or mandated by State law:



Venice Neighborhood Council



PO Box 550, Venice, CA 90294 / www.VeniceNC.org Email: info@VeniceNC.org / Phone or Fax: 310.606.2015

June 23, 2021

Bv emai

Bindu Kannan bindu.kannan@lacity.org

Dear Bindu Kannan:

Please be advised that at a regular public meeting of the Venice Neighborhood Council (VNC) Board of Officers held on June 15, 2021, the following Land Use Planning Committee (LUPC) motion was approved.

Project Description: 1410 -1422 Main Street APCW-2021-2020-CDP-MEL-SPE-SPP-WDI. Demolition of the (2) existing single family dwellings and the construction of a new 3-story mixed use building (commercial + 9 new dwelling units) and a 2-story basement garage on (3) lots.

MOTION: The Venice Neighborhood Council recommends approval of the project with the following conditions:

- 1. Remove the underground mechanical room
- Make the entrance/exit the project on Main Street, and the loading zone on Main Street. City to stripe the pavement accordingly.
- 3. Deliveries not prior to 8am and not after 8pm
- 4. Applicant to clarify whether the solar structures as proposed are compliant with city code and/or mandated by State law

ACTION

it was approved by a vote of 12-5-1.

Respectfully submitted,

Ira Koslow President

Venice Neighborhood Council

www.venicenc.org

It's YOUR Venice - get involved!



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



In 2014 the VNC heard a different Density Bonus project on the site, which was slightly larger. The Board recommended denial of that project due to: excessive incentives requested, inconsistency with the surrounding neighborhood character, mass and scale, applicant's failure to show that the incentives requested were necessary to make the housing units economically feasible, excessive FAR, danger of extremely poor circulation with the parking entrance on the back alley, excessive lot consolidation, no demand management strategy, and unaddressed historic preservation issues. That application was withdrawn in 2015.



Venice Neighborhood Council

PO Box 550, Venice, CA 90294 / www.VeniceNC.org Email: info@VeniceNC.org / Phone or Fax: 310.606.2015



April 21, 2014

Linn Wyatt Chief Zoning Administrator Los Angeles Department of City Planning 200 N. Spring Street Los Angeles, CA 90012-2601

<u>Case Number:</u> CPC-2013-2377-DB-CDP-SPP-MEL 1414 Main Street, Venice 90291

<u>Description</u>: Density Bonus (Off-Menu) with 5 incentive requests, SPP, CDP, Mello Act compliance review to develop a 46-feet/4-stories, 91,968 square foot, mixeduse development.

To Linn Wyatt,

Please forward the **DENIAL** of the proposed project to the appropriate Zoning Administrator for this project once that person is assigned. This will advise that at a regularly held public meeting of the Venice Neighborhood Council's (VNC) Board of Officers on March 18, 2014, it was moved and passed by the Venice Neighborhood Council as follows:

MOTION:

The Venice Neighborhood Council recommends DENIAL of the project as presented based on:

- Excess of off-menu affordable housing density bonus incentives (five vs. three that are specified by SB 1818).
- Inconsistency with the character, mass, and scale of the surrounding neighborhood
- The applicant's failure to show that the off-menu incentives are necessary to make the housing units economically feasible (especially in lieu of cost to develop 89 excess parking spaces).
- Excessive FAR.
- Danger of extremely poor circulation with the parking entrance onto alleyway Toledo Court (except for residences and employees).
- Excessive lot consolidation.
- Missing transportation demand management strategy.
- Unaddressed historic preservation issues.

ACTION: Motion made by Ira Koslow, seconded by Marc Saltzberg. Motion to DENY the project approved 14-1-1

It's YOUR Venice - get involved!





Photos of existing:

Alley (15' wide) - from south/Market St. Note: 2 normal sized cars cannot pass.







Alley (15' wide) – from North/Horizon Ave. Note: 2 normal sized cars cannot pass.





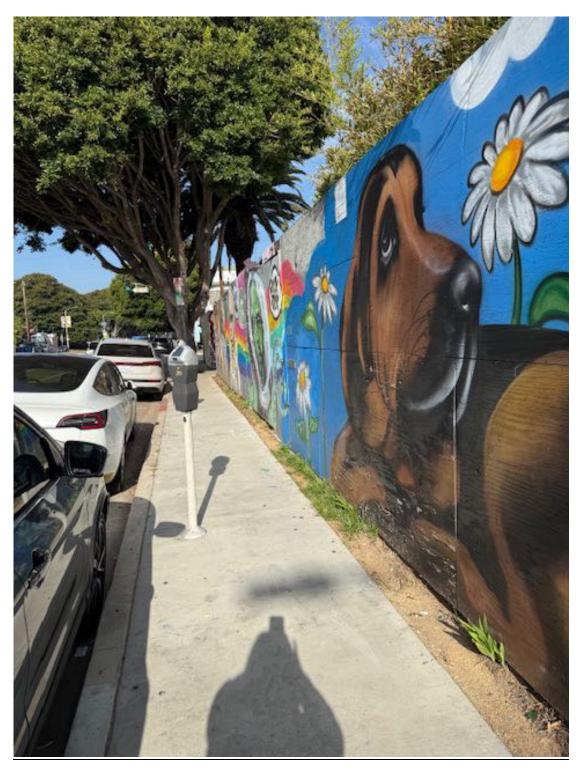


Main Street frontage - 3 lots between 5-unit apartment building to the left and commercial building to the right.



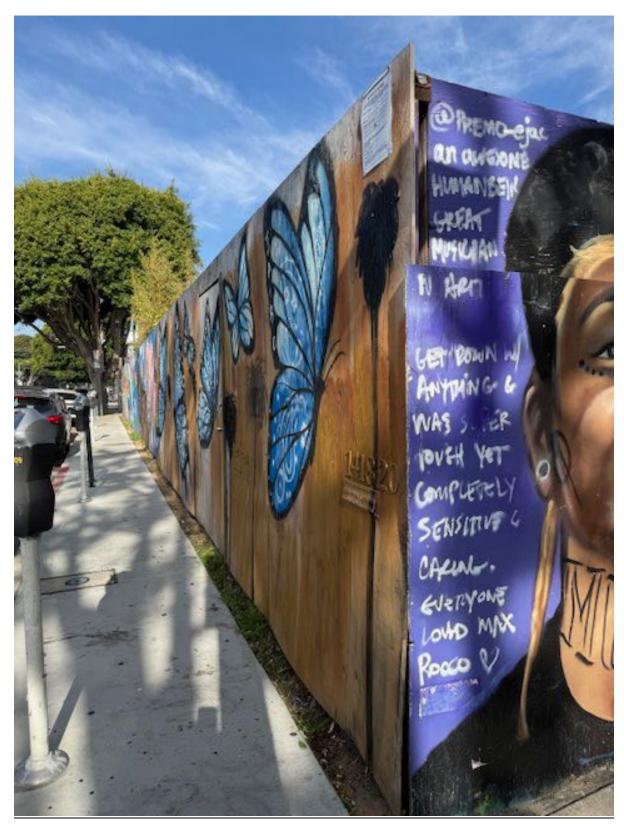
















1422 Main St lot from Alley







1414 Main St lot, from Alley







1410 Main St lot from alley







Unpermitted structure in 1410 Main St vacant lot:



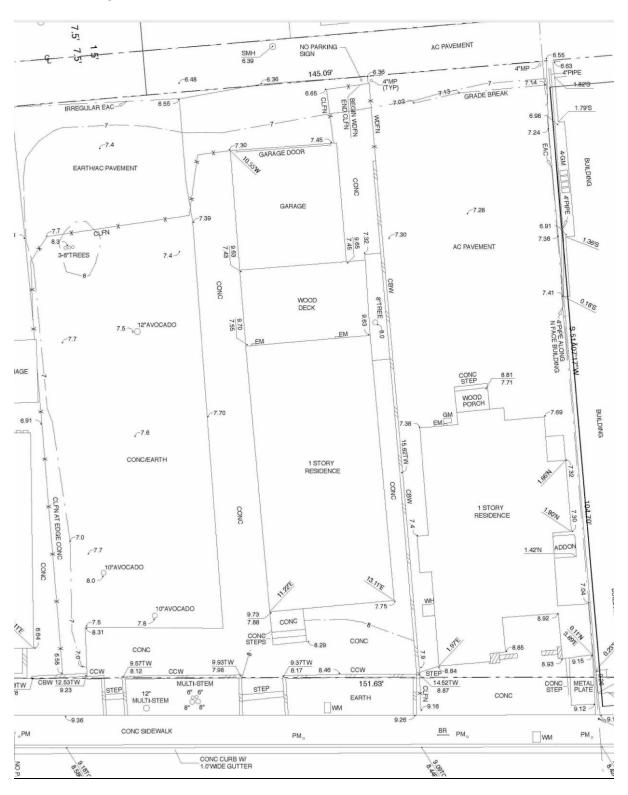


Venice Neighborhood Council LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



I. **Existing Site Plan:**







Renderings of proposed project II.











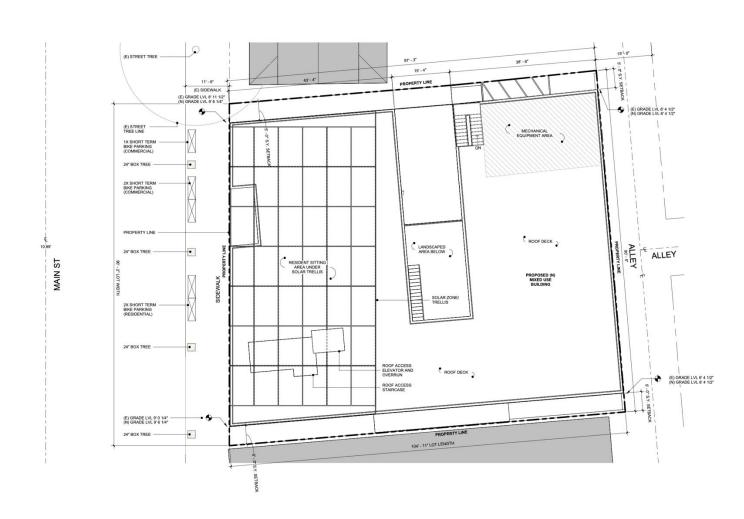








Site Plan: III.





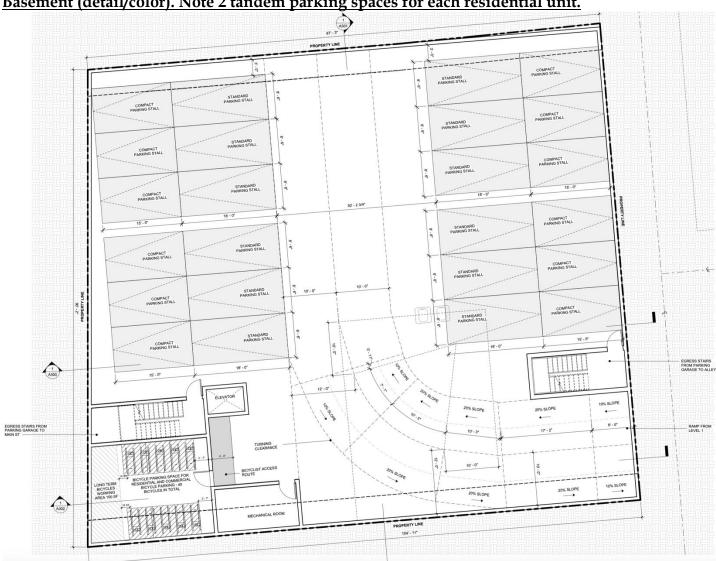
Venice Neighborhood Council LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



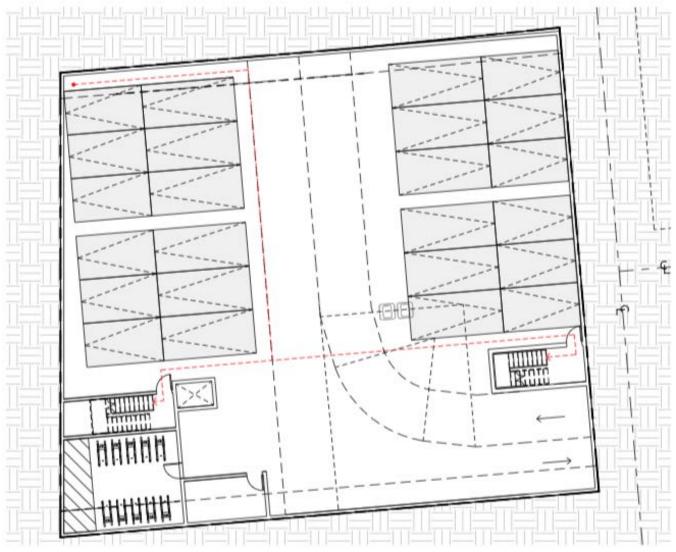
Floor Plans (detail/color) IV.

Basement (detail/color). Note 2 tandem parking spaces for each residential unit.









1/16" = 1'-0"



PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



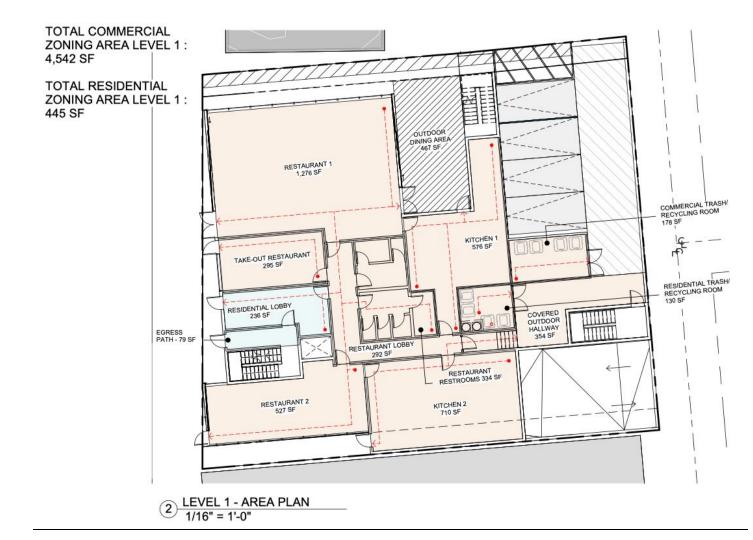
Ground Floor Plan (detail/color). Note 4 parking spaces for the restaurant, with loading zone behind.





PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org







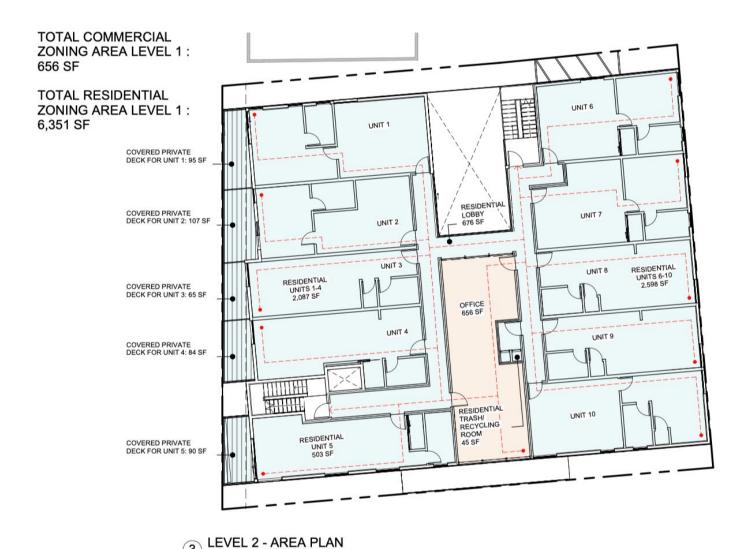






PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org





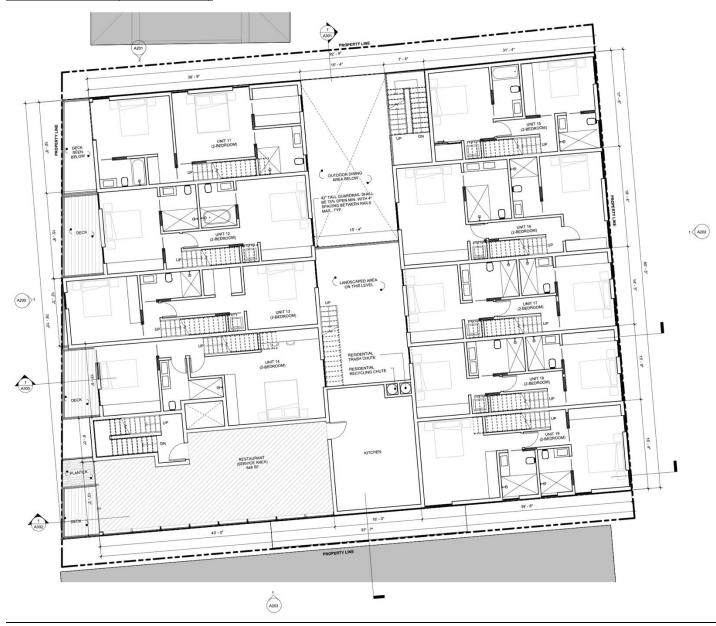
1/16" = 1'-0"



PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



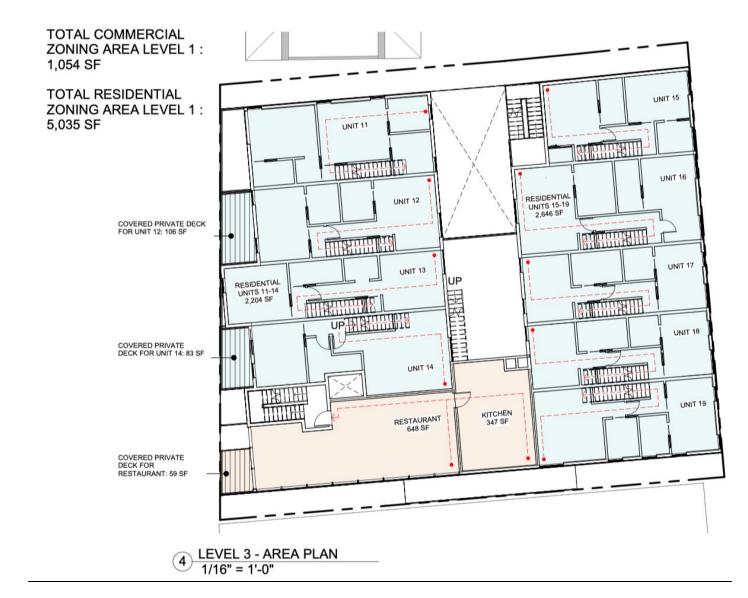
Third Floor Plan (detailed/color)





PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org







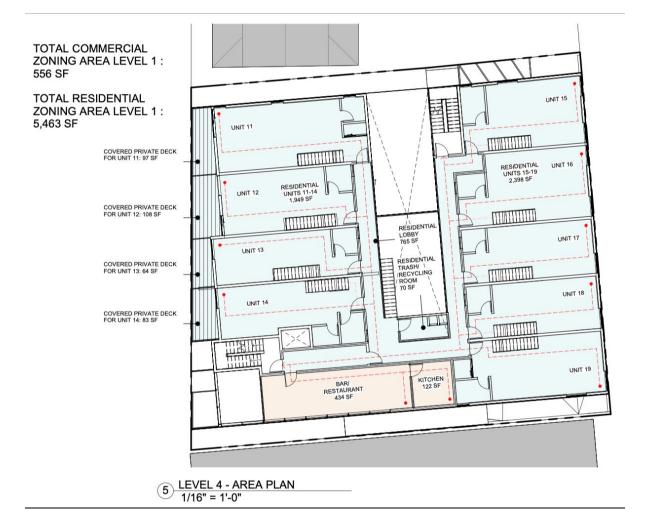






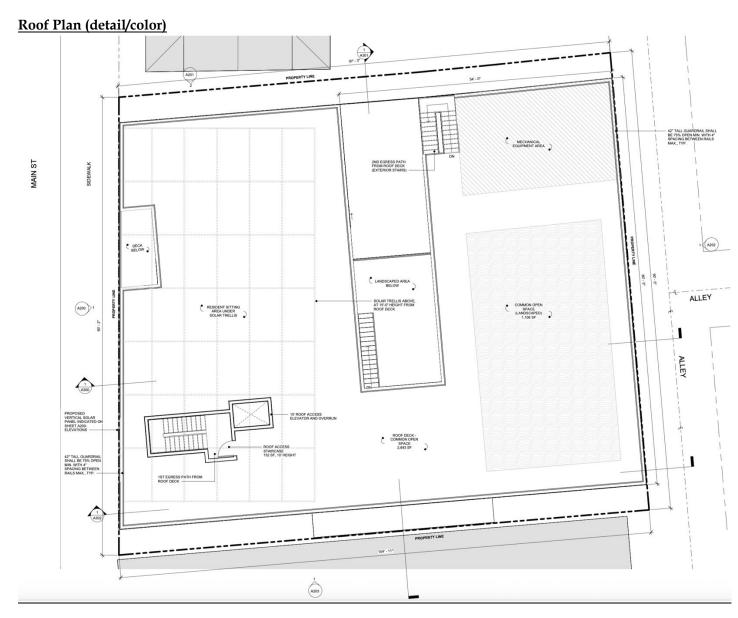
PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org





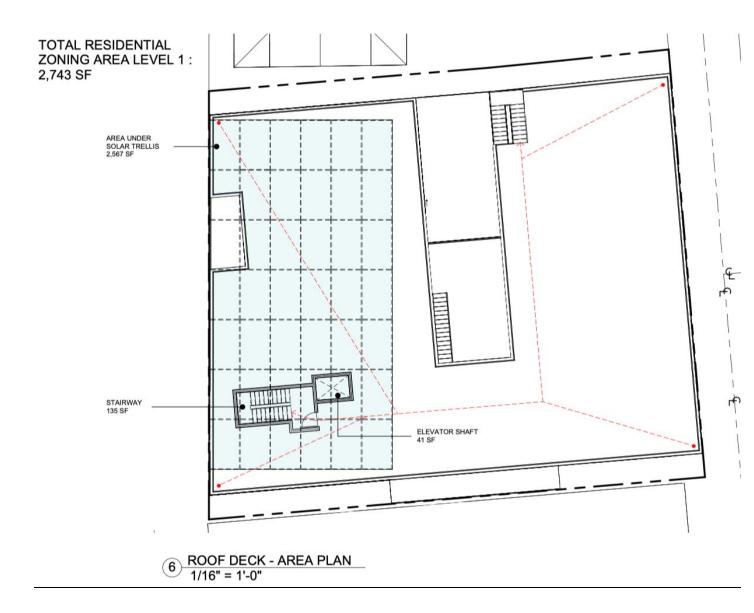










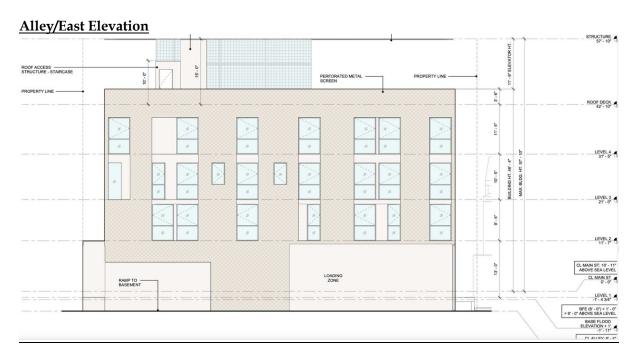




PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



V. **Elevations:**



Frontage on Main Street/West Elevation





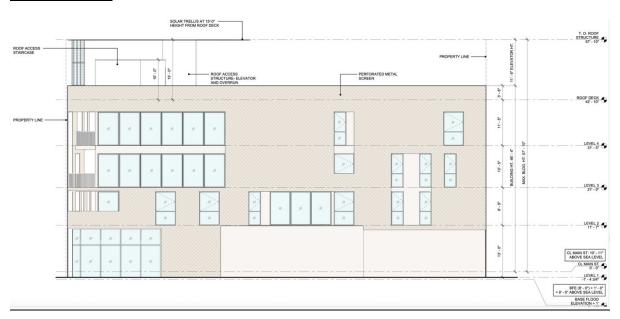
PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



North Elevation



South Elevation





LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



ATTACHMENT I



May 4, 2021

CPC-2019-7393-CA ENV-2019-7394-ND

Re: Mello Act Ordinance must not allow demolitions/conversion of residential structures for purposes of mixed-use projects

Dear Los Angeles City Planning Commissioners:

The California Women's Law Center ("CWLC") is a non-profit law and policy center whose mission is to create a more just and equitable society by breaking down barriers and advancing the potential of women and girls through transformative litigation, policy advocacy and education. We focus on addressing economic justice, gender discrimination, violence against women, and women's health.

Venskus & Associates, APC is a boutique law firm litigating in the areas of housing rights and environmental/land use. The law firm represents and advocates for traditionally underrepresented plaintiffs, such as low-income tenants, community organizations and environmental groups.

We write to urge the Los Angeles City Planning Commission ("Planning Commission") to ensure that its proposed Mello Act Ordinance (CPC-2019-7393-CA) does not:

- exceed the City's jurisdiction by conflicting with, or changing the meaning of, state law;
- run afoul of the Settlement Agreement Concerning Implementation of the Mello Act in the Coastal Zones within the City of Los Angeles ("Settlement Agreement");
- establish a law that is weaker than the City of Los Angeles' ("City") Mello Act Interim Administrative Procedures ("IAP").

The Settlement Agreement provided that the City must adopt Interim and Permanent Ordinances to implement both the Mello Act and the provisions of the Agreement. In response, the City adopted the IAP in 2000. In 2015, the City Council requested that City Planning prepare a permanent ordinance, but one was not adopted at that time. In April 2019, the City Council directed the Planning and Housing Departments to prepare and present a permanent ordinance to implement the Mello Act. In December 2019, the City's proposed Mello Act Ordinance was released. On February 25, 2021, the Planning Commission reviewed the proposed ordinance, but the vote was continued to May 13, 2021.



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



Adopting a permanent ordinance is an important step to protect housing stock including, specifically, affordable and Rent Stabilized (RSO) housing in the City's coastal zones, and to prevent displacement of people and communities. The ordinance must be in accordance with controlling state law and the Settlement Agreement. As currently proposed, the Mello Act Ordinance is not in accordance with controlling authority and thus exceeds the City's jurisdiction.

I. The purpose of the Mello Act is to preserve residential structures in the coastal zone, to protect existing affordable housing, and to provide new affordable housing

As stated in the IAP, under the Mello Act each local jurisdiction shall enforce three basic rules—

- 1. maintain existing residential structures,
- 2. replace converted or demolished affordable units
- 3. provide inclusionary residential units in new housing developments.

However, by adding clause 12.21.H.c.7. Mixed Use in the draft Mello Act Ordinance, the City is not honoring the first requirement, which states:

"Existing residential <u>structures</u> shall be maintained, unless the local jurisdiction finds that residential uses are no longer feasible." (IAP pg. 7.)

California courts also have made clear that the Mello Act's purpose is to preserve housing in the Coastal Zone. The Court of Appeal stated that the purpose of the Mello Act is:

"to preserve residential units occupied by low or moderate-income persons or families in the coastal zone."

The California Supreme Court similarly explained that:

"[t]he Mello Act supplements the housing elements law, establishing minimum requirements for housing within the coastal zone for persons and families of low or moderate income."²

In fact, the Mello Act specifically mentions the housing elements state law, making it clear that the Mello Act is a law that protects housing for all income levels and certainly not one that would allow for non-residential uses. One of the main avenues the Mello Act proscribes for protecting residential housing is to limit the ability to convert existing residential structures to non-residential uses. To allow such conversions would not only violate both the letter and the spirit of the Mello Act, but it would plainly threaten housing, by allowing its destruction for purposes of a more lucrative commercial use, including mixed use projects, thus displacing families and damaging coastal communities that are already holding on by a thread—exactly what the Mello Act was intended to prevent.

¹ Venice Town Council v. City of L.A., 47 Cal. App. 4th 1547, 1552-53 (1996).

² Pacific Palisades Bowl Mobile Estates, LLC v. City of Los Angeles, 55 Cal. 4th 783, 798 (2012) (emphasis added).



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



The Mello Act states:

"The conversion or demolition of any <u>residential structure</u> for purposes of a nonresidential use which is not 'coastal dependent,' as defined in Section 30101 of the Public Resources Code, shall not be authorized unless the local government has first determined that a residential use is no longer feasible in that location."

This language is repeated in IAP section 4.1 (also covered in the Settlement Agreement, section VI.C.1.):

"The Mello Act states that the Demolition or Conversion of <u>residential structures</u> for the purposes of a non-Coastal-Dependent, non-residential use is prohibited, unless the local jurisdiction first finds that a residential use is no longer feasible at that location."

II. As proposed, the draft Mello Act Ordinance exceeds the City's jurisdiction and violates the Settlement Agreement

The draft Mello Act Ordinance exceeds the City's jurisdiction. Under article XI, section 7 of the California Constitution, "[a] county or city may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws." The Mello Act is a state statute; therefore, any attempt to enact an ordinance in conflict with it is in excess of the City's authority.

The City must also comply with the Settlement Agreement in enacting the Mello Act Ordinance. The permanent ordinance must be consistent with both the Mello Act and the provisions of the Settlement Agreement. Adopting an ordinance that is contrary to the provisions of the Settlement Agreement would be in violation of the Settlement Agreement itself.

III. Words have meaning: terminology in land use law is specific

³ Sherwin-Williams Co. v. City of L.A., 4 Cal. 4th 893, 897 (1993).

The draft Mello Act Ordinance new proposed provision (LAMC 12.21H.c.7.) for conversion to mixed uses changes the meaning and application of the Mello Act by stating:

"Mixed Use Development. A proposed mixed use development may not result in a net reduction in the total number of existing Residential Units unless a residential use is no longer feasible. A mix of uses is permitted, so long as the structure provides all required Replacement Affordable and Inclusionary Units."

This new provision would allow for the conversion of one hundred percent residential structures to non-residential mixed uses and by doing so, change the meaning, spirit, and purpose of the Mello Act. This change is in direct violation of the Mello Act and the Settlement Agreement, which explicitly forbid the conversion of a residential structure to a non-residential use.

3



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



This new conversion provision included in the draft Mello Act Ordinance essentially changes the Mello Act, as follows:

"Conversion or demolition of any Residential Structure residential unit or residential use, for purposes of a non-residential use that is not Coastal-Dependent, is prohibited, unless a residential use is no longer feasible at that location."

This new provision has the effect of replacing the word "structure," as used in the Mello Act, the Settlement Agreement and IAP, with "unit or use." The words "structure" and "unit" are not interchangeable. Nor are the words "unit" and "use." The word "structure" refers to an entire building as an entity, while the word "unit" refers to an individual dwelling, which may be one of many within a single structure. This is an important distinction, because the use of the word "structure" in both the Mello Act and the IAP intentionally protects the entire residential building.

The terminology used in land use law is specific and purposeful. The use of "unit" in the Mello Act pertains to sections of the law related to protecting existing affordable housing or providing inclusionary affordable housing, whereas "structure" relates to the protection of housing from the desires of developers for more lucrative commercial uses, including mixed use.

A residential structure in a commercial zone may also not be changed to a mixed use, as the Mello Act specifically protects housing regardless of zoning. Furthermore, the definition of a "residential structure" does not include "mixed use," which is considered a commercial use and is restricted to commercial zones. A "residential structure," on the other hand, is permitted in both residential and commercial zones. They are far from equivalent. Therefore, the substitution of "unit or use" in the proposed ordinance amounts to a sleight of hand, apparently to promote the substitution of mixed use structures in place of residential structures. This was clearly not the intent of the clear and carefully chosen language of the Mello Act, the Settlement Agreement and the IAP.

Municipalities are permitted to strengthen the local implementation of a statute, but not to weaken it. As per the Mello Act, Government Code Section 65590(k):

...[t]his section establishes minimum requirements for housing within the coastal zone for persons and families of low or moderate income. It is not intended and shall not be construed as a limitation or constraint on the authority or ability of a local government, as may otherwise be provided by law, to require or provide low- or moderate-income housing within the coastal zone which is in addition to the requirements of this section.

The present use of the term, "residential structure" protects an entire building, whereas "residential unit or use" does not, necessarily. It would therefore weaken the implementation of the statute and is thus beyond the jurisdiction of the City.

IV. Conversion to mixed use is used as loophole to allow unpermitted conversions to commercial uses



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



The result of the change in terminology will destroy housing by allowing for conversion to commercial uses. Replacing the word "structure" with the words "unit" or "use" is beyond the jurisdiction of the City because it contradicts the Mello Act, a state law.

The City's Mello Act Ordinance must also comply with the Mello Act's intent. Since this new mixed use provision would effectively change the meaning, in direct contradiction to the Act's intent, the City would be acting in excess of its jurisdiction.

The harm from the City's attempt to exceed its jurisdiction by allowing conversion or demolition of residential structures for purposes of non-residential use is not just theoretical. Several recent projects have already seized on the current, draft language of the proposed Mello Act Ordinance, regarding "residential units" or "residential uses," to justify approval of the conversion of residential properties to mixed-use properties. Many of these properties have then illegally converted the entire structure to commercial, non-residential use, with no consequence.

Thus, already the use of "units or uses" rather than "structures" has created a loophole to allow developers to convert one hundred percent residential use structures to "mixed use" and then fail to actually maintain any residential uses, in violation of state law and the Settlement Agreement.

A. Example #1: 1214 Abbot Kinney Blvd.

First, for the property at 1214 Abbot Kinney Blvd., in 2014, the City approved a change of use from residential to mixed use, in violation of the Mello Act. Since then the property has been used illegally as commercial office use, even though it was only approved for conversion to "mixed use." Yet another example of ongoing use of residential structures for commercial use is 619-701 Ocean Front Walk, aka Thornton Lofts. When the tech industry moved in they took over residential structures for offices. There are numerous other similar examples of unpermitted mixed uses or full commercial uses where the structures are only permitted for residential use.

B. Examples #2 & #3: 811-815 Ocean Front Walk, and 1310 Abbot Kinney Blvd.

Other Coastal Zone projects are pending that would violate the Mello Act by allowing demolition of 100% residential structures for purposes of a mixed-use development. One example is the project at 811-815 Ocean Front Walk, which proposes the demolition of three residential structures for purposes of a mixed-use commercial development. Another example is the project proposed at 1301-1303 Abbot Kinney, which is requesting a change of use from a 100% residential triplex structure to two live/work mixed use units. The approvals of both of these projects have been appealed. If these projects are ultimately approved by the City it will be in clear violation of the state Mello Act and the Settlement Agreement. There are other examples where the City approved a residential structure to be replaced by "artist in residence" use, a mixed use, but they do not meet the code's definition of artist and thus the structures have become essentially all commercial use.

C. Example #4: 1047 Abbot Kinney Blvd.



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



One final example is the three bungalows at 1047 Abbot Kinney Blvd., which have certificates of occupancy as residential units but have for years been illegally used for a non-residential use. The City recently approved the demolition of those bungalows for purposes of the Venice Place mixed use project, for which they will be covered by the hotel's CUB, and they will be included in the hotel buildings, very likely losing their identity as housing.

These examples illustrate that because the as-now-proposed Mello Act Ordinance provisions regarding conversion to mixed use contradict the Mello Act's language and intent to protect housing, developers have exploited, are currently exploiting, and will likely continue to exploit this "mixed-use" loophole to effectively destroy residential housing, including and especially affordable housing for low-income residents and communities of color, thus causing a gross, unacceptable, adverse cumulative impact on housing, including affordable housing, in the Los Angeles Coastal Zones.

All of this is an unfortunate, perhaps unconscious, continuance of the City's practices of institutional racism.⁴

V. <u>If not amended, the draft Mello Act Ordinance will disproportionately harm low income communities of color in the Coastal Zone as new mixed use development will be encouraged</u>

The impact of the destruction of housing that has and will continue to result from the Mello Act Ordinance if the ability to convert residential structures to mixed uses is not eliminated, disproportionately harms communities of color. In 2017, California had nearly two million rent burdened households of color that spent more than thirty-percent of the household income on rent and utilities.⁵ There were also 1.6 million extremely low-income renter households, two-thirds of which were households of color.⁶ During the COVID-19 pandemic, there has been a disproportionate financial impact on populations of color, which has created even greater disparities.⁷ All housing will be put in jeopardy in the Coastal Zone if the draft Mello Act Ordinance is not amended to prohibit demolition or conversion of residential structures for purposes of mixed use developments, and those who will be impacted most are low-income people and communities of color.

This is especially true because by allowing such mixed use developments to replace residential structures the current draft of the Ordinance actually encourages, rather than discourages,

⁷ See Kelly Anne Smith, Covid and Race: Households of Color Suffer Most From Pandemic's Financial Consequences Despite Trillions in Aid, FORBES (Sept. 17, 2020), https://www.forbes.com/advisor/personal-finance/covid-and-race-households-of-color-suffer-biggest-pandemic-consequences/.

⁴ On top of these egregious practices, the City has a pattern and practice of using the rent paid by existing unpermitted commercial uses (this was done for 1301-1303 Abbot Kinney and 1047 Abbot Kinney, among many others) to determine whether affordable housing must be replaced, a a gross double violation of the Mello Act and a practice that the City must never allow, and yet it openly does allow it.

⁵ AMEE CHEW & CHIONE LUCINA MUÑOZ FLEGAL, POLICY LINK, FACING HISTORY, UPROOTING INEQUALITY: A PATH TO HOUSING JUSTICE IN CALIFORNIA 14 (2020), https://www.policylink.org/sites/default/files/pl report califhousing 101420a.pdf.

⁶ Id.



LAND USE AND PLANNING COMMITTEE

PO Box 550, Venice, CA 90294 | www.VeniceNC.org Email: Chair-LUPC@VeniceNC.org



displacement. With the "mixed use" loophole, developers are encouraged to demolish the building and erect a new building in its place, thus displacing families currently living in older housing stock which is always, by definition, more affordable than new units deemed "affordable" pursuant to federal and state law. It makes no sense for the City to encourage destruction of existing housing, including affordable housing, so that more lucrative commercial mixed use projects can be built in the Coastal Zone, especially when such a concept runs completely contrary to the Mello Act's intent. This would be a boon to developers and would cause a steady stream of property owners getting richer on the backs of our existing renters in the L.A. Coastal Zones as they will be displaced when mixed use projects replace residential structures.

VI. Conclusion

We understand that the City's priority is to increase housing, but it must be done within the confines of the law and not by allowing conversions of residential structures to mixed use, in violation of the Mello Act.

We too support mixed use developments, but only where they replace existing commercial uses and thus add housing.

The Mello Act's purpose is to protect all housing in the Coastal Zone, <u>as well as to protect</u> existing and provide for new affordable housing.

For the foregoing reasons, we respectfully urge you to eliminate any and all proposed Mello Act Ordinance language that would allow for demolition or conversion of residential structures for purposes of non-residential/commercial mixed use projects, in order to comply with state law and the Settlement Agreement and to ensure the City is acting within its jurisdiction.

Sincerely,

Amy Poyer Senior Staff Attorney

California Women's Law Center 360 N. Pacific Coast Hwy, Suite 2070 El Segundo, CA 90245 amy.poyer@cwlc.org Sabrina Venskus Partner

Venskus & Associates, A.P.C. 1055 Wilshire Blvd., Suit 1996 Los Angeles, CA 90017 venskus@lawsv.com