
Subject: Keeping Laguna Beach a unique gem while updating old space to new businesses.

From: Peter Mann [<mailto:pmann@metrovest.net>]

Sent: Wednesday, September 25, 2019 10:49 AM

To: Planning Commission <PC@lagunabeachcity.net>

Subject: Keeping Laguna Beach a unique gem while updating old space to new businesses.

To City and Staff,

As a full time resident of Laguna Beach and also a commercial real estate developer, I can tell you that this town remains a unique gem, untouched by oversized rectangular concrete parking structures climbing into the sky casting shadows where there was once daylight and blocking the night sky. For those that love Laguna Beach for the small town atmosphere these developers need to be recognized as the enemy. Any building in the village that exceeds two stories would simply be a crazy thing to allow. An expansion of Laguna Canyon or a freeway into the village? The City is already at maximum capacity from June 1st thru Sept 15th. We live here and witness the incredible traffic congestion during these summer months; we don't need even one more car here! I love new concepts like "The Drake" restaurant which adds flavor and pizzazz to the town without building a multi level low rise. Remodeling existing hotels in a style reflective of our small town life would be terrific and needed.

Sincerely,

Peter Charles Mann

Sent from my iPhone

From: johnthomas@cox.net
Sent: Monday, September 30, 2019 9:20 PM
To: Jung, Wendy CD; Pfof, Greg CD; Planning Commission
Cc: Thomas, John
Subject: Has anyone asked downtown merchants what they think of the DSP Update? We have. Here are the results
Attachments: Five question questionnaire RESULTS v3agwdl 9 30 19.pdf

Has anyone asked downtown merchants what they think of the DSP Update?

We have. Here are the results:

A handful of residents, concerned about some of the proposed provisions in the draft Downtown Specific Plan Update, formulated a simple questionnaire for downtown merchants and conducted face-to-face interviews with 20 downtown merchants.

The survey questions were vetted for fairness by two people with extensive survey research experience and the people conducting the interviews were coached on how NOT to influence answers. Businesses interviewed included clothing stores, art galleries, restaurants, and others. We spoke with a mix of managers, owners, and other employees.

A recap of responses includes:

- 70% (14 of 20) were NOT aware the DSP Update is in process.
- 75% (15 of 20) felt adding stores, bars and restaurants to the downtown without adding more parking would HURT their businesses.
- 50% (10 of 20) felt easing the CUP process would HURT their businesses; others were split between 3 saying it would help, 3 saying it would make no difference, and 4 that did not know.
- 55% (11 of 20) felt aggregating lots into a larger building complex would HURT their businesses: others were split between 3 saying it would help, 2 saying it would make no difference, and 5 that did not know. When prompted, if the resulting rent were higher, that would be a problem.
- Responses to the open-ended question about the biggest barrier to success varied, with parking being mentioned more than other responses, and surprisingly – not one mentioned internet (Amazon) unless prompted

One other conclusion agreed to by virtually all merchants interviewed was that, before concluding on changes to the downtown specific plan, the City should do what we just did – speak directly to merchants who will be impacted by the plan and ask what in the plan will help and what will hurt their businesses.

Here are the questions and detailed results.

Your business is located in the Downtown Specific Plan area. Are you aware the City is working on changes to that could affect you?	Yes 5	No 14	Don't Know 1	
Do you think adding stores and bars and restaurants to the downtown without adding more parking will help or hurt your business? (Note – Some businesses have their own parking)	Help 2	Hurt 15	Don't Know 2	Makes No Difference 1
Most businesses in the Downtown are required to get a Conditional Use Permit (CUP) from the City. Do you think easing the CUP process to allow some uses without a CUP will help or hurt your business?	Help 3	Hurt 10	Don't Know 4	Makes No Difference 3
If your building were redeveloped into a larger building complex (like the Art Museum Hotel project) would that help or hurt your business?	Help 2	Hurt 11	Don't Know 5	Makes No Difference 2

What do you see as biggest barriers to the success of your business?

Responses to open-ended question regarding barriers to success or other comments:

- About half mentioned parking; including individual comments on beach parking impact, employee parking, price of parking, impact of Farmers Market on parking.
- Surprisingly – not one mentioned internet unless prompted
- Two mentioned building maintenance issues due to uninvolved building owners
- One restaurant mentioned there are too many restaurant seats in Laguna

The merchants were directed to city staff and to city website links for further information.

TO: Laguna Beach Planning Commission and Planning Staff

DATE: October 1, 2019

FROM: Ad Hoc Committee on the Downtown Specific Plan Revisions

SUBJECT: MIG Draft Downtown Specific Plan

We are submitting our comments on the staff recommendations for modification of the draft Downtown Specific Plan (DSP).

General Comments:

- We regret that these comments are being submitted so close to the hearing, giving Commissioner and staff little time to review our concerns, but the staff report was not released two weeks earlier, as had been the case with previous hearings.
- We are concerned with the philosophical approach to issues of concern. On most of the items, including urban design, parking, height, and lot combinations, the staff position is in favor of increasing flexibility without, in our opinion, as full discussion of potential consequences. At the same time, with regard to Conditional Use Permits, the staff is recommending a continuation of a policy that has proven to be harmful to the health of the retail component of the Downtown.

Staff Recommendations:

1. Urban Design: We strongly disagree with the staff recommendations for the following reasons –
 - The DSP should be a standalone document. Staff’s recommendation to let the Downtown Action Plan (DAP) handle issues of unifying elements means that a reader of the DSP will have to access additional documents, including the recently adopted Landscape and Scenic Highways Element, to understand potential improvements.
 - If unifying elements are left entirely to the DAP, is staff suggesting removing that portion of the MIG draft version on pages 100-101?
 - How can the public judge the Urban Design portion of the draft DSP with details missing?
 - Staff does not address specific improvements suggested by the Urban Design Committee (UDC), including options for Forest Avenue, specific streetscape improvements, and additional crosswalk options. Are those to be ignored?
 - Will the Illustrative Plan on page 94 of the draft DSP be modified to include the suggestions from the UDC Urban Design Plan Map on page 55 of that document?
2. Building Height: We question the staff recommendation on protection of historic structures –
 - With regard to nonconforming building height standards applied to historic structures, staff recommends against adoption of our suggested language to apply restrictions to “Structures on the City’s Historic Register or Eligible for the National Register.” Staff’s reason is that “. . .all

structures on the City's Historic Register. . ." must go through a rigorous process that guarantees protection. However, this process **does not apply** to structures not already on the Register that are eligible for the National Register such as the movie theater. The ad hoc committee suggested language should be use to handle these types of structures.

- The DSP needs to reflect the current City codes. In order to be consistent, the listing of historic resources in Chapter 3, Topic 1, needs to include all 72 structures in the current DSP, not the 20 in the draft document.

3. Parking Requirements: This section raises a number of questions and suggestions –

- Does the parking demand study assume that all private spaces are available at peak hours, particularly in the evening?
- Does the suggested parking ratio take into account the proposed addition of second story residential units with parking incentives?
- Should a parking demand study include a full year of data now that the City has installed detectors in all City spaces?
- Is the City planning of adopting a complete demand pricing strategy that includes dropping rates in surrounding areas to induce parking on the periphery?
- Is the City planning on a study on the impact of this policy on surrounding neighborhoods?
- Has the City contacted the California Coastal Commission staff to gauge their opinion and concerns on this strategy?
- Although the Ad Hoc Committee supports the concept of blended parking, we believe that the safeguards we suggested, particularly regarding food serving uses and the 85% occupancy standard, need to be included. As to the staff question on how this would be maintained, that is one of the functions of a proper demand pricing implementation.
- The existing DSP does not specify a parking ratio, but simply reference Chapter 25.52 of the Municipal Code. A similar approach could be used in the current updated version by indicating support of innovative parking solutions, such as blended parking, while allowing time to study the full implications of the program and developing a public understanding of the methodology.

4. Land Use Permit Requirements, Special Findings, and Definitions: Another area where we strongly disagree with the staff recommendations –

- As mentioned in General Comments, the pressure on the retail sector has increase dramatically over the past several years as detailed in Chapter 3. The current restrictions on allowed uses have resulted in a lack of innovative businesses and a situation where failing businesses are replaced with similar use establishments. Innovative uses may be allowed, but require owners willing to spend several months working to get approvals.

- Staff is basically recommending keeping the current system in place until potentially changed by a later City Council resolution. Given that the DSP must be approved by the California Coastal Commission, this could result in a delay of over two years before the current use table is revised.
- We recommend the alternative approach of adopting the Ad Hoc Committee's use table that allows most businesses, not including food services, to proceed without a CUP to help revitalize the Downtown retail sector. The table can be modified at a later date if problems arise.

As always, thank you for your consideration and please feel free to contact any of us to discuss our recommendations.

Bob Chapman, Ann Christoph, Kate Clark, Norm Grossman, Becky Jones, Barbara Metzger, Kavita Reddy, David Rubel, and Kent Russell



Planning Commission
City of Laguna Beach
Laguna Beach, CA 92651
October 2, 2019

Dear Planning Commissioners,

The Downtown Specific Plan was designed to protect our business district's mix of architectural styles, small-scale buildings, pedestrian orientation, rich variety of shops and services, and sense of community. This update of it remains committed to preserving those features. We welcome this approach and would like to comment on some policies in the draft that are in conflict with that objective.

1. The height limit.

The proposal to allow new second stories almost everywhere in the downtown violates the objective of keeping the downtown small-scale and pedestrian-friendly.

One commissioner has said that not being allowed to build taller buildings has "stifled change," implying that that's a bad thing. But there's no evidence that residents are interested in seeing change in the look and feel of the downtown, and the specific plan properly places emphasis on preserving it.

Commissioners seem to be convinced that adding housing to the downtown would revitalize the business environment. Did you know that we already have 400-some resident households in the downtown and it isn't clear how much they do to keep the downtown functioning?

Staff argues that there are so many other constraints that few new second stories will get built, but once there's a new second story on the block it's going to be very difficult for commissioners and council members to insist on applying the rules when the applicant says, "You let that guy have one, why can't I?"

The existing height limit is fair, and it's been working for thirty years to help keep our downtown unique.
Please don't change it.

2. Lot consolidation.

Allowing lot consolidations of more than 5,000 square feet on Broadway and in the Arts and Office districts conflicts with the central objective of keeping the downtown small-scale (see in particular p. 45, policies 19 and 20). General Development Standard A on p. 159 is clear about the intent—it says that parcels that exceed 5,000 square feet "**shall not** be merged together except for City-ownership projects." The existing affordable housing projects in the downtown are built on small lots and seem to fit very well into the fabric of the downtown.

Staff says that "it isn't the intention that entire-block redevelopment would occur." The best way to ensure that it doesn't is to *leave this important standard intact and eliminate the one that conflicts with it (on p. 80)*

3. The nonconforming building height standard.

The municipal code permits nonconforming structures throughout the city to be reconstructed in kind when they're destroyed by fire or some natural disaster. The proposed general standard would appear to allow the owner of a downtown building to tear it down himself and replace it with a building of the same size, regardless of its historic defining features. There's a conflict here with the policies in Topic 1 (p. 45) on encouraging the preservation of historic structures and requiring replacement of demolished or altered structures to reflect historic character and style. *Please eliminate this standard.*

4. Flexibility in the permit process.

Monitoring the mix of businesses annually and changing permitting requirements as necessary (p. 142) is a good idea, but, as Commissioner Sadler has pointed out, the draft plan doesn't identify any retail uses as permitted by right. Staff argues that we shouldn't do this until we've heard from the consultants who are studying the retail mix, but would it really be too risky, essentially on a trial basis, to permit, for example, shops offering tailoring or pet grooming or books or office supplies? *Please consider taking a small step in the direction of flexibility by designating some uses "permitted."*

5. Parking.

In contrast to the other topics in the draft plan, the section on parking has not previously been reviewed, and it raises a number of questions. The draft plan (p. 63) shows that parking occupancy often exceeds the 85% standard in the summer, but staff sees "great potential" in the current parking management plan for meeting the standard year-round and is comfortable with moving ahead with a dramatic reduction in parking requirements. This seems to us wishful thinking. *Please (1) give this topic the separate discussion it needs to be clear to everyone and then (2) adopt the Ad Hoc Committee's suggestion that no changes be made in the parking requirements until the 85% standard year-round has been met and (3) add the committee's special finding with regard to parking for restaurant uses.*

6. Village character.

Commissioner Dubin has objected to the term "village character." It's a kind of "term of art" in Laguna, and there are a number of places he can find clarification of what it means: (1) the text, policies, and photographs listed under Topic 1 of Chapter 3 of the draft plan; (2) Chapter 2 of the City's *Design Guidelines*; (3) Principle 5 of the "Mission Statement" and Goal 3 of the Land Use Element of the General Plan; and (3) Municipal Code 25.05.040(H). Beyond all these references, as the saying goes, Lagunans generally "know it when they see it."

Sincerely,

Johanna Felder
President, Village Laguna

Subject:

FW: draft Downtown Specific Plan needs improvement

-----Original Message-----

From: Catherine Jurca [mailto:cathjurca@gmail.com]
Sent: Wednesday, October 02, 2019 9:53 AM
To: Planning Commission <PC@lagunabeachcity.net>
Subject: draft Downtown Specific Plan needs improvement

Dear Commissioners,

Staff propose significant changes to the size and scale of downtown development, promising that “Design Review” will ensure that the look and feel of downtown won’t really change. This is wishful thinking.

Once larger heights and more massive projects are allowed in the downtown, it will be harder and harder to allow subjective criteria to guide the appropriateness of each individual project. We have already seen what pressure from large developers is wreaking in our city; and we have already seen what the State has done to eliminate discretionary actions by cities when it comes to ADUs, projects including small amounts of affordable housing, etc. SB 50 is coming back, in one form or another, and it is not reasonable to think Laguna will be exempt from the implications of this bill and others like it forever.

I am concerned that the draft DSP now offers incentives to owners of older non-conforming buildings, which contribute so much to the quirky charm that makes Laguna beloved, to demolish them by allowing them to rebuild at the non-conforming height.

I ask that in order to better fulfill the DSP’s stated commitment to preserving the small, human-scale character of the downtown, you please:

- retain the current height limits
- not allow lot consolidation
- eliminate the standard that allows all non-conforming buildings to be demolished and replaced at the same height

Certainly any relaxation of these standards for anything but affordable or special needs housing is a mistake. Market-rate housing is almost certainly going to be used for short-term lodging—the last thing Laguna needs is more visitors.

I also urge you not to change parking requirements until the 85% standards has been met year-round. It’s not fair to residents to allow landlords and developers to pack more visitors into downtown without providing places for them to park their cars.

Thank you so much for your consideration.

Best wishes,
Cathy Jurca
31423 Coast Highway

I'm John Thomas

DSP Update

1. The idea of blended parking needs to be deleted from the plan – not adjusted – deleted.
 - I believe it is the single worst recommendation in the plan and will, if implemented, simply make existing conditions worse.
2. It is not good for either residents or merchants
 - (Survey) – We know it is bad for residents, but to check on perceptions by merchants, a couple of us surveyed 20 downtown businesses.We learned:
 - 70% (14 of 20) were NOT aware the DSP Update is in process.
 - 75% (15 of 20) felt adding stores, bars and restaurants to the downtown without adding more parking would HURT their businesses.
 - And what they virtually all agreed was that before concluding on changes to the downtown specific plan, the City should do what we just did – speak directly to merchants who will be impacted by the plan and ask what in the plan will help and what will hurt their businesses.
3. The staff recommendation of adjusting the requirement from 3/1000 to 4/1000 is not the solution – the whole concept needs to be deleted from the plan.
 - Changing the number simply reduces the scheme to its essence – which is to obliterate the difference in requirements for high and low intensity uses – in simplest terms – to allow any retail shop to be turned into a much higher traffic bar or restaurant – raising rents, driving merchants out of town, making parking and traffic worse for everyone, and creating more DUIs and other problems – without mitigating the impacts created.
4. The plan is inconsistent: After saying we have too much parking and we should reduce requirements; it actually suggests we should add parking for employees. (Page 68) Which is it? We have too much or too little parking?
5. The results are irreversible – experimenting is good – but once you permit the use of a building to be intensified, you won't be able to un-permit it
6. The blended parking scheme is based on flawed data from an earlier IBI study–
 - It treats private and public spaces the same – they are not
 - Its count lumps usage of private and public spaces together – which lowers the usage results – distorting the data
 - You can't count what isn't there – the IBI study states by code we should have over 4400 spaces – (not the 3365 we do have). If we had 4400, would the percent of use be the same?
 - The flat statement in the plan that “we have too much parking” (page 61) is based on the 85% idea that is a theory in book – that's all it is.
 - Even if you accept that idea, it does not mean that blended parking is the resulting solution
 - And I haven't been able to find one city that has actually implemented blended parking
 - You can't build a good plan on a bad foundation.
7. For those who want a creative solution, blended parking is not it – a creative solution starts with figuring out the precise problem and solving that – if it's that a merchant wants to hold a couple of classes or wants to pass out free cookies – address that – don't use a sledge hammer on a thumb tack.
8. Finally - Note also this applies to the Central Bluffs – it should not. And the results will be even worse when combined with other parking incentives.
9. I firmly believe implementation of blended parking will not end well and will soon lead to a repeat plea for a big, expensive, controversial, divisive resident-financed parking structure.

Nine Problems with the IBI/MIG DSP Update Blended Parking idea

1. The data in the DSP Update is not consistent and may not be accurate.
 - a. For example, the number of private parking spaces in the report varies from 1621 to 1691 – see pages 14 & 16.
 - b. There are inconsistencies in the DSP Update regarding what is already there in terms of building square footage in the downtown – see tables on pages 27 and 60.
2. If the plan is built on baseline data that is not consistent and which may not be accurate, the resulting plan may be faulty. Clarification is needed on the number of excess spaces and/or building space that could be added without adding parking.
3. The methodology in the IBI study may be flawed.
 - a. The IBI study assumed public and private spaces are the same. They are not. The IBI study does not differentiate between private residential parking spaces and private non-residential parking spaces. Page 2 of staff report dated 3 22 2017 regarding the IBI study stated: “According to the report, the current total parking supply throughout the DSP area is 3,365 spaces, whereby 1,674 are public parking spaces and 1,691 are private parking spaces.”
 - b. IBI combined public and private parking to come to 3365 existing spaces. Public and private parking is not the same and the city has had little success in contracting for private spaces to be used as supplemental public spaces.
 - c. The occupancy of private spaces was measured as lower than occupancy of public spaces which therefore lowers the average use.
 - d. The DSP Update includes allowance for city lease of non-residential parking spaces, but not for lease of private residential parking spaces (page 164.)
 - e. The plan ignores beach parking demand – which cannot be ignored. The lifeguards tell us they see more than 6 million people on the beaches annually. Visit Laguna says we have 6 million visitors annually. IBI ignored the impact of beach parking and possibly the impact of such an unusually high number of number of tourists on demand for parking.
 - f. The sample size was small
 - g. IBI threw out from their sample the busiest days from the sample.
4. Such flaws could distort the results of the study and lead to faulty conclusions.
5. The IBI Study- on Page 30 – 5.1 Land Use – stated: “The total number of required parking spaces from these parking requirements is 4,421 spaces based upon built square footage.”
 - a. You can only count what you have. The IBI report stated that if actual spaces complied with the existing actual code, there would be 4421 spaces. But Laguna actually has only 3365 spaces. The study counted use of the 3365 actual spaces. You can’t count what you don’t have. So, we don’t know if we would be at 85% of 4421 spaces if they existed. We just know we are, by IBI’s count, under 85% of the 3365 existing spaces.
6. Maybe there would be less of a parking problem in the residential neighborhoods if there were 4421 spaces.
7. What has changed? It has only been a few years since the City was willing to spend \$42 million for 200 net new spaces, so the City must have felt there were not enough spaces at that time. But now, IBI says we have too many spaces. What has changed?
8. What cities have tried “blended parking?” There may be some, but I haven’t been able to find them.
 - a. If there are any, how has that worked out for them?
 - b. And, how similar are they to Laguna?
9. How much building space could be added without adding parking of blended parking is adopted?
 - a. Using data from page 60 which shows actual built square footage in the downtown of 933,523 sq. ft, and the 3/1000 suggested parking scheme, developers could add over 188,000 sq. ft., which is a 20% increase in the square footage of downtown buildings, without adding any parking.
 - b. There re inconsistencies in the DSP Update regarding what is already there – see tables on pages 27 and 60 -- so the plan may be built on baseline data that is not consistent and may not be accurate. This needs to be clarified.