

C I T Y P L A N N I N G C O M M I S S I O N M I N U T E S

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**STUDY SESSION** A study session was held at 12:00pm to discuss the issue of the Condominium Conversion Fee.

The regular meeting of the City Planning Commission and public hearing reconvened on July 20, 2006, at 1:35pm in the City Council Chambers, 333 W. Ocean Boulevard, Long Beach, CA.

**PRESENT: COMMISSIONERS:** Matthew Jenkins, Charles Greenberg, Morton Stuhlbarg, Nick Sramek, Charles Winn, Leslie Gentile

**ABSENT: EXCUSED:** Mitchell Rouse

**CHAIRMAN:** Matthew Jenkins

**STAFF MEMBERS PRESENT:** Suzanne Frick, Director  
Greg Carpenter, Planning Manager  
Angela Reynolds, Advance Planning  
Derek Burnham, Planner  
Scott Mangum, Planner  
Jeff Winklepleck, Planner  
Jamilla Vollmann, Redevelopment Agency

**OTHERS PRESENT:** Mike Mais, Deputy City Attorney  
Beth Stochl, Housing Services Manager  
Bonnie Lowenthal, Vice Mayor  
Jae Von Klugh, Redevelopment Agency  
Marcia Gold, Minutes Clerk

P L E D G E O F A L L E G I A N C E

The pledge of allegiance was led by Commissioner Winn.

M I N U T E S

The minutes of May 18, 2006 were approved on a motion by Commissioner Winn, seconded by Commissioner Stuhlbarg and passed 5-0-1. Commissioner Greenberg abstained, and Commissioner Rouse was absent.

Commissioner Winn asked that the minutes of June 1, 2006 accurately reflect his comment that the City should look at the retirement perks given by private industry.

Commissioner Winn moved to approve the minutes of June 1, 2006 as amended. Commissioner Greenberg seconded the motion, which passed 6-0. Commissioner Rouse was absent.

**S W E A R I N G   O F   W I T N E S S E S**

**C O N S E N T   C A L E N D A R**

The Consent Calendar was approved as presented by staff on a motion by Commissioner Sramek, seconded by Commissioner Stuhlberg and passed 6-0. Commissioner Rouse was absent.

**1A. Case No. 0506-33, Conditional Use Permit, Local Coastal Development Permit, CD 05-125**

Applicant: Cingular Wireless c/o Bechtel Communications  
Kendrick Ayres  
Subject Site: 5100 The Toledo (Council District 3)  
Description: A Conditional Use Permit and a Local Coastal Development permit to construct and maintain a roof-mounted cellular and personal communication services facility, consisting of twelve panel antennas within an existing 64' high bell tower with roof-mounted accessory equipment.

Continued indefinitely at the request of the applicant.

**1B. Case No. 0603-93, Tentative Tract Map, Condominium Conversion, CE 06-55**

Applicant: Yung's Holdings, LLC  
Subject Site: 1906-1910 E. 6<sup>th</sup> Street (Council District 2)  
Description: Request for approval of Tentative Tract Map No. 066070 to convert five residential dwelling units of an existing apartment building into condominiums.

Approved Tentative Tract Map. No. 066070 subject to conditions.

**1C. Case No. 0604-27, Tentative Tract Map, Condominium Conversion, CE 06-79**

Applicant: Nady Hebish c/o Ken Davis  
Subject Site: 1141 Junipero Avenue (Council District 2)  
Description: Request for approval of Tentative Tract Map No. 066649 for the conversion of eight apartment units into condominiums.

Approved Tentative Tract Map No. 066649 subject to conditions.

**1D. Case No. 0605-05, Conditional Use Permit, CE 06-87**

Applicant: Royal Street Communications  
c/o PermitMe-Sandra Steele, Representative  
Subject Site: 8105-8195 E. Wardlow Rd.(Council District 5)  
Description: A Conditional Use Permit to construct and maintain a ground-mounted cellular and personal communication services facility, consisting of a 60' high monopole antenna structure designed as a pine tree with accessory equipment.

Approved the Conditional Use Permit request.

**1E. Case No. 0605-09, Conditional Use Permit, CE 06-91**

Applicant: Anthony Morris & Edgar Marquez  
Subject Site: 737 W. Pacific Coast Highway  
(Council District 7)  
Description: Conditional Use Permit to allow the establishment of a tattoo studio within an existing commercial retail strip center.

Continued to the August 3, 2006 meeting as requested by the applicant.

**1F. Case No. 0512-22, Tentative Tract Map, Condominium Conversion, CD 05-272**

Applicant: David Ramirez  
Subject Site: 2524-30 and 2540-46 E. 10<sup>th</sup> Street  
(Council District 2)  
Description: Request for approval of Tentative Tract Map No. 064968 to convert eight residential dwelling units of an existing apartment building into condominiums.

Approved Tentative Tract Map No. 064968 subject to conditions.

**1G. Case No. 0603-58, Tentative Tract Map, Condominium Conversion, CE 06-58**

Applicant: Larry Getzoff & Hugo Lerner  
Subject Site: 1027 Newport Avenue (Council District 4)  
Description: Approval of Tentative Tract Map No. 066419 to convert an existing eight unit apartment building into condominiums.

Approved Tentative Tract Map No. 066419 subject to conditions.

**C O N T I N U E D   I T E M S**

**The following item was heard out of order:**

**3. Case No. 0601-11, Amendment to Zoning Ordinance and  
Subdivision Regulations, CE 06-120**

Applicant: City of Long Beach  
Suzanne Frick, Dir. Planning & Building  
Subject Site: Citywide  
Description: Proposed amendment to the Zoning Ordinance  
and Subdivision Regulations to establish a fee related to  
Condominium Conversions to support the Housing Trust Fund.

Angela Reynolds summarized the study session and presented the staff report requesting Commission review and a recommendation to establish a new fee on condominium conversions.

Chris Christensen, 4817 Palm Avenue, Suite I, La Mesa, CA 91944, developer, said he felt the fee was excessive and would discourage further redevelopment of existing, aging housing stock, which when converted, gave the City more affordable housing in the long-term, along with neighborhood stabilization and an increased tax base.

Michael Dixon, 224 Natrick Avenue #1, spoke against the fee, saying he thought it would decrease the affordable housing stock.

Caitlin Lynch, 3345 Wilshire Blvd., Suite 1005, Los Angeles 90010, representing the Southern California Association of Non-Profit Housing, expressed support for the fee to preserve affordable housing and secure funding for more.

Todd Hawke, 1300 E. 1<sup>st</sup> Street, developer, spoke against the fee, especially if retroactive, saying he felt it was burdensome to smaller developers.

Sandra Kroll, 5280 Atherton Street #138, expressed concern that the loss of rental units would present added hardships to low-income residents that might be offset in part by a viable, healthy housing trust fund fed by the conversion fee.

Adil Kardmalli, 23 Castille, Irvine, independent developer, said he was working in Long Beach to upgrade the City and was opposed to any fee imposition since he felt it would lead to slowing conversions and therefore increased home costs.

Ray Clark, 2015 E. Broadway, said he was against the fee because condo conversions upgraded existing properties and neighborhoods, creating new home ownership opportunities, and this would stop if the developers were unable to pass on the additional costs.

Bob Hildebrand, 555 Maine Avenue #306, expressed support for the condo conversion fee, saying that the Housing Trust Fund would help create more affordable housing, and he suggested that the Fund be boosted with contributions from the RDA and perhaps public bonds.

Elina Green, 2651 Elm Avenue, Suite 100, also expressed support for a fee that would reflect increasing housing costs, saying she thought ongoing condo conversions were having an adverse, gentrification effect on the City.

Kevin Cwayna, 7120 E. Mezzanine Way, expressed concern that the fee might slow down conversions and eventually the local economy if the costs could not be passed on. Dr. Cwayna suggested that overall condo conversions be limited to preserve low- and moderate-income housing stock.

Heather Bradley, 8009 E. Damar Street, real estate professional, said she felt the condo market was saturated; prices were dropping, and that relocation fees were already hurting small developers.

Laura Rodriguez, 42 W. 49<sup>th</sup> Street, resident, expressed support for the fee.

Karen Hudson, 1650 Ximeno Avenue #120, Coldwell Banker representative, expressed opposition to the fee, saying it would force the smaller developers to go elsewhere.

David Lines, 30902 Clubhouse Drive, Laguna Niguel, apartment building owner, said he was not opposed to paying his fair share of the Housing Trust Fund, but he wanted to see the fee spread out among all involved in the conversion process. Mr. Lines also suggested adjusting the conversion rules to allow low-income tenants to purchase their units.

Maria Geesey, 1901 E. Ocean, supported the fee, given the waiting list of low-income families for Section 8 housing.

Tom Wertzel, 244 Redondo, developer, opposed the fee saying that it would inhibit business especially if retroactive, and impart a negative message to smaller developers who are instrumental in upgrading neighborhoods with their conversions.

Laura Sanchez, 3759 Orange Avenue, said she supported the idea of the fee to fund the Housing Trust Fund, and felt the cost could easily be passed on to buyers.

Bonnie Lowenthal, Vice Mayor, City of Long Beach, expressed support for a percentage-based condo conversion fee, saying that this would capture more from upscale developments. Ms. Lowenthal added that most other large cities already had such a fee structure in place, which she commented was an appropriate mechanism to fund the HTF, which would in the end create more home ownership opportunities at all income levels.

Katie Della Donna, no address given, developer, expressed opposition to the fee because she felt it would negatively impact the small developer. Ms. Della Donna said that increased code enforcement action would create more funds for the City.

Commissioner Winn stated that he could not support the amendment because he did not feel that the amount of money generated by this fee would be insufficient to even begin to successfully address affordable housing and education needs.

Commissioner Gentile agreed that imposition of this fee on a relatively small number of units would be an insufficient solution, whereas a small annual tax increase might generate much more.

Deputy City Attorney Mais pointed out that it would be problematic to attach any fee to property taxes, which would require a vote by the general population.

Beth Stochl, Housing Services Manager, noted that affordable housing has a deed restriction for 30-year resident with a maximum income 150% of the county median since HTF assists up to that.

Commissioner Stuhlbarg said he felt that even a small fee would help bolster the Housing Trust Fund and be a move in the right direction.

Commissioner Sramek pointed out that condo conversion policies were to be reexamined yearly, and he felt that these conversions used a very low percentage of the overall housing stock. Mr. Sramek suggested that the Housing Trust Fund focus on turning renters into homeowners via special exemptions.

A discussion followed which resulted in the crafting of the final motion. Commissioner Greenberg commented that the cost should not be front-loaded onto the developers, which could lead to the loss of construction loans, and that the fee would be less consequential if it was more equitably applied, but at this point, there seemed to be no alternative. Mr. Greenberg added that although he preferred to wait until all the issues were clarified, if this fee turned out to be problematic, the Commission could deal with it at a later date.

Commissioner Stuhlbarg then moved, seconded by Commissioner Sramek, to recommend that the City Council adopt the amendment to the Zoning Ordinance with the following revisions:

- **That the condominium conversion fee be 1.5 percent of the sales price, to be applied to future applications and applications not deemed complete as of July 20, 2006;**
- **That the fee be collected through escrow upon the sale of each individual unit, but not later than 18 months after final map approval;**
- **That the fee be provided exclusively to the Housing Trust Fund with exemptions listed in the proposed ordinance**
- **That condominium conversion projects providing state-defined affordable housing units for sale will be exempt from a portion of the fees, dependent on the affordability rate and number of units deed-restricted for such purpose as determined by the Housing Services Bureau.**

The motion passed 5-1, with Commissioner Winn dissenting. Commissioners Rouse was absent.

**2. Case No. 0605-35, Site Plan Review, Standards Variance, Tentative Map, General Plan Conformity 6-15-06, Mitigated Negative Declaration 08-05**

Applicant: Peter Zak - Lyon Realty Advisors  
Subject Site: 210 E. 3<sup>rd</sup> Street (Council District 2)

Description: Request for approval of a Finding of General Plan Conformity for a proposed alley vacation and Site Plan Review, Standards Variance and Vesting Tentative Map No. 064636 to construct a five-story mixed-use development and parking structure with 104 residential units, approximately 15,000 square feet of commercial space and 400 parking spaces.

Jamilla Vollman presented the staff report recommending approval of the requests since the proposed project is attractively designed and complies with PD-30 development standards; because it will add quality dwelling units to the housing stock downtown; since no significant negative environmental impacts were identified, and because the design of the project has been approved subject to conditions by the RDA.

Jae Von Klug, Redevelopment Agency, stated that they preferred that affordable family-type housing be encouraged outside of the entertainment district area in order to avoid noise and activity conflicts.

Peter Zak, Lyon Realty Advisors, 4901 Birch Street, Newport Beach, 92660, stated he was available to answer questions.

Commissioner Winn moved to review and consider Mitigated Negative Declaration No. 08-05, and to approve the Site Plan Review, Standards Variance, General Plan Conformity Findings and Vesting Tentative Map, subject to conditions. Commissioner Stuhlbarg seconded the motion, which passed 6-0. Commissioner Rouse was absent.

## **R E G U L A R   A G E N D A**

**Agenda Item #4 was moved to the end of the agenda.**

### **5. Case No. 0411-07, Site Plan Review, Tentative Tract Map, FEIR 09-04**

Applicant: Ben Besley, The Olson Company  
Subject Site: 634 W. Broadway (Council District 1)  
Description: Request for approval of Site Plan Review, Finding of General Plan Conformity for a proposed alley vacation and Vesting Tentative Map No. 062773 to construct a four-story development with 195 residential units (includes six live/work units) and 404 parking spaces.

Jeff Winklepleck presented the staff report recommending approval of the requests since they are in conformance with the adopted goals and policies of the City's General Plan.

Ben Besley, 634 W. Broadway, Nielsen Company, Project Manager, in response to concerns expressed by Commissioner Gentile about the scale of the project and uniqueness of the building type explained that they had attempted to use architectural variations on each side of the building.

Commissioner Gentile remarked that she thought the building elements were monotonous and that stronger concepts should be required on larger downtown projects.

Applicant Besley asked that two conditions be removed--one regarding the holding of the affordable housing disposition agreement by the RDA, which he felt should supercede the staff's conditions; and secondly, that the requirement for off-site improvements not include those of all three planned developments.

Planner Winklepleck stated that the first condition could be removed.

The item was temporarily suspended to allow staff to research the origin of the second condition.

**6. Case No. 0410-20, Modification, Site Plan Review, Local Coastal Development Permit, EIR 01-05**

Applicant: Camden Development c/o Rick Holcomb  
Subject Site: 150 W. Ocean Boulevard (Council District 2)  
Description: Request for approval of a Modification to an approved Tentative Map and Master Plan (Case No. 0002-25) to remove the visitor center building and replace it with a public open space; and modify the Conditions of Approval and EIR mitigation measure to remove the requirement to preserve the Loeff's Roof (Condition #49, Mitigation Measure #24 of EIR 20-88).

Request for approval of Site Plan Review and a Local Coastal Development Permit for a 21-story building consisting of 216 residential units, 3,900 square feet of commercial space and 476 parking spaces.

Derek Burnham presented the staff report recommending approval of the requests, since the proposed development would replace a

parking lot with an attractively-designed mixed-use project; and because the modifications will still allow for retention of a portion of the Loeff's Building consistent with the intent of the original approval.

In response to a query from Commissioner Sramek regarding the amount of tandem parking approved in the new building, Planner Burnham clarified that the tandem parking was recommended because of the configuration of the units, because it would give the City additional parking availabilities and facilitate the density of development proposed.

In response to a concern from Commissioner Sramek regarding the loss of Loeff's Roof, Ms. Frick explained that the roof was in such bad condition that necessary repairs could render the historical aspect of the roof non-existent, and the preservation of the cupola was a fair compromise.

William Wynne, Cultural Heritage Commission, said that in exchange for allowing the removal of the roof, the developer would build the Historical Society a new home, which was more valuable, given the condition of the roof.

Rick Holcomb, 150 W. Ocean Blvd., Director, Real Estate Investments, Camden Development Inc., introduced his development team.

Eric Olsen, 600 Wilshire Blvd, Suite 1470 Los Angeles, 90017, Project Architect, TCA, Inc., in response to requests from Commissioner Gentile, stated they were willing to work on the design to incorporate natural light and opportunities for pedestrians to access the building or travel south.

George Medak, 6230 Majorca Circle, President, Affiliated Development Group, Inc., noted that the walkway was the result of coastal access requirements, and they had worked to mitigate many issues created by the uniqueness of the area.

Commissioner Sramek moved to certify Addendum to EIR 01-05; to approve the Modification to the Tentative Map and Master Plan subject to revised conditions of approval; and to approve the Site Plan Review and Local Coastal Development Permit requests, subject to conditions of approval. Commissioner Greenberg seconded the motion which passed 6-0. Commissioner Rouse was absent.

**Item #5 was returned to the Agenda for a motion**

**5. Case No. 0411-07, Site Plan Review, Tentative Tract Map, FEIR 09-04**

Applicant: Ben Besley, The Olson Company  
Subject Site: 634 W. Broadway (Council District 1)  
Description: Request for approval of Site Plan Review, Finding of General Plan Conformity for a proposed alley vacation and Vesting Tentative Map No. 062773 to construct a four-story development with 195 residential units (includes six live/work units) and 404 parking spaces.

Staff reported that one condition of approval related to affordable housing could be removed and the condition of approval related to off-site improvements could be clarified.

Commissioner Greenberg moved to review and consider the Final Environmental Impact Report No. 09-04, and to approve the Site Plan Review, General Plan Conformity Findings and Vesting Tentative Map, subject to amended conditions. Commissioner Winn seconded the motion, which passed 6-0. Commissioner Rouse was absent.

**4. Case No. 0601-10, Amendment to Zoning Ordinance, CE 06-115**

Applicant: City of Long Beach  
Suzanne Frick, Director Planning & Bldg.  
Subject Site: Citywide  
Description: Proposed amendments to the Zoning Ordinance regarding large retail establishments with grocery sales.

Commissioner Stuhlberg recused himself from voting on the item. Scott Mangum presented the staff report recommending adoption of the amendment based on the economic impacts of superstore retail establishments on smaller retailers, particularly grocery stores.

In response to a query from Commissioner Greenberg as to whether this applied to stores other than Wal-Mart, Deputy City Attorney Mais explained that this ordinance was designed to discourage certain big box retailers, and that courts had upheld similar local legislation throughout the country.

Angela Reynolds noted that it was unclear as to whether Wal-Marts would fall into the listed category since they usually had their grocery sections in less than 10% of the floor space. Ms.

Reynolds added that there was no specific information on the impact these retailers had on grocery stores.

Commissioner Greenberg stated that he was not concerned about protecting grocery stores, saying he felt that from a land-use standpoint, there was an advantage to not having big box retailers with big grocery stores.

Chairman Jenkins pointed out that strategically, Long Beach probably didn't have the land to support the large retailers.

Ms. Frick observed that cities are able to address these issues through zoning ordinances to better manage concentration and effect of uses to maintain compatibility. Ms. Reynolds added that there was a new CEQA law regarding big box effects on adjacencies, which Ms. Frick explained would be a preventative, proactive measure.

John Getz, no address given, UFCW representative, said he felt this was not an anti-Wal-Mart ordinance, but rather a way to regulate business models that could have potential impacts on the infrastructure and nearby businesses.

Commissioner Sramek moved to recommend that the City Council adopt the amendment related to new large retail shopping establishments with grocery sales. Commissioner Winn seconded the motion, which passed 5-0. Commissioner Stuhlbarg had recused himself, and Commissioner Rouse was absent.

**M A T T E R S   F R O M   T H E   A U D I E N C E**

There were no matters from the audience.

**M A T T E R S   F R O M   T H E   D E P A R T M E N T   O F  
P L A N N I N G   A N D   B U I L D I N G**

There were no matters from the Department of Planning and Building.

**M A T T E R S   F R O M   T H E   P L A N N I N G  
C O M M I S S I O N**

There were no matters from the Planning Commission.

**A D J O U R N**

The meeting adjourned at 4:40pm.

Respectfully submitted,

Marcia Gold, Minutes Clerk