

**CITY OF HERMOSA BEACH
MEMORANDUM**

Date: August 13, 2002

To: Mayor and Members of the City Council

From: The Planning Commission

Subject: Proposed Text Amendment to Allow Mixed Use (Residential With Commercial) in All Commercial Zones and Establishing Standards for Mixed Use Projects.

Recommendations

To review and provide input on a proposed text amendment establishing standards for mixed-use development in commercial zones.

Background:

In February the Planning Commission reviewed and approved a small mixed-use project at 44 Hermosa Avenue, which included two residences above ground floor office/retail space. The approval was based on the provisions of the C-1 zone, which currently allow residences above commercial. In reviewing this case, it became clear that the Zoning Ordinance lacks specific development standards for the C-1 zone for mixed-use projects, leaving decisions about density, open space, setbacks, etc. to a case by case review. Therefore, the Commission directed staff to develop standards for mixed-use projects to provide applicants more clear guidelines in the future. In considering the standards recommended by staff for the C-1 zone at the March meeting, it was determined that smaller mixed-use projects may be a good way to encourage re-investment and positive improvement of under-utilized properties in the C-2 and C-3 zones. Therefore, the Commission also directed staff to work on text changes that would expand opportunities for mixed use projects the C-2 and C-3 zones, as well as live-work kinds of mixed-use projects in the M-1 zone.

Several jurisdictions in Southern California and the South Bay have taken steps to increase opportunities for mixed-use projects. The objective of mixed use is to increase housing opportunities in locations within walking distances to shops, restaurants, entertainment and cultural activities. This in turn helps contribute to reduced vehicle trips and reduction in traffic congestion and pollution. Mixed use is also seen as a way to revitalize commercial areas in need of investment since residential property is valued at approximately three times commercial property values in the City. It is also argued that mixed use increases pedestrian activity and increases the presence of residents to help improve safety and reduce crime. Many of these recommendations surfaced in the work of the Economic Development Subcommittee established by City Council.

Proposal

The Zoning Ordinance currently permits vertical mixed use only in the C-1, neighborhood commercial zone. This is limited to only a few neighborhood areas along Hermosa Avenue near 2nd Street and 26th Street and along Manhattan Avenue at Longfellow. To increase opportunities in other commercial districts and to provide standards for mixed-use projects the Commission recommends the following:

1. Amend the Permitted Use Lists of the C-1, C-2, and C-3 zones to add residential units, including apartments or condominiums, above ground floor commercial space as a conditionally permitted use (i.e. requiring a Conditional Use Permit).
2. Prepare standards relating to density, open space, lot coverage, etc. for residential portions of mixed-use projects similar to standards for the R-3 zone.
3. Add standards for the commercial uses within mixed-use projects, supplementing those already included in the C-1, C-2, C-3 and SPA zones, to accommodate mixed-use and address the unique issues in mixed-use projects.
4. Revise other standards to accommodate mixed-use, and to address the unique concerns related to mixed-use projects, for parking, noise, security, lighting, signs and maximum building height.

Remaining Steps

To enact these proposals staff and the Commission will need to conduct an environmental analysis of the impacts that might result from creating additional housing opportunities in the commercial zone. The Commission has taken a preliminary look at 9 possible development sites, and found that in comparison to these sites being developed to their full commercial potential, the mixed use project will result in less traffic and congestion impacts.

Further, the text of the General Plan will have to be supplemented to allow the introduction of residential uses into the General Commercial and Commercial Corridor designated areas of the City, which currently are identified for exclusively commercial uses. Also, the Zoning Ordinance will have to be amended as noted above in the proposal.

At this time, the issue of live-work spaces in the M-1 zone has been put on hold, as staff and the Commission investigate how to resolve nuisance issues, and necessary modifications to the Building Code.