

February 7, 2011

Client-Matter: 43150-060

BY E-MAIL (KSCHWING@COASTAL.CA.GOV)

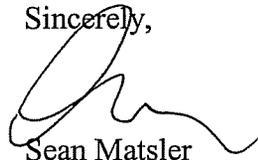
Sara Wan, Chair and Members of the California Coastal Commission
c/o Karl Schwing
South Coast District Office
California Coastal Commission
200 Oceangate, 10th Floor
Long Beach, CA 90802-4416

**Re: Dispute Resolution No. 5-11-012-EDD
Laguna Terrace Park LLC & Ohana Laguna Reef LLC
Agenda Item No. W13.5a**

Dear Chair Wan and Coastal Commissioners:

On February 9, 2011, the California Coastal Commission is scheduled to hold a Dispute Resolution hearing in connection with the appealability of Coastal Development Permit #10-57 (the "CDP"). The CDP was recently approved by the Laguna Beach City Council in connection with a lot line adjustment (the "Project"). Our client, Paul Esslinger, owns property in the vicinity of, and would be adversely affected by, the proposed Project. By this letter, Mr. Esslinger wishes to communicate his support for Staff's recommendation that the City's action on the CDP should be appealable to the Coastal Commission. Mr. Esslinger therefore respectfully requests that the Commission accept staff's recommendation to enforce the provisions of the Coastal Act by allowing an appeal of the Project to the Commission.

Sincerely,



Sean Matsler

cc: Paul Esslinger

300211031.1

OHANA LAGUNA REEF LLC
720 University Avenue, Suite 200
Los Gatos, California 95032

February 1, 2011

Commissioners
California Coastal Commission
200 Oceangate, Suite 1000
Long Beach, CA 90802-4302

Copied to Coastal Commission Staff

Re: CDP 10-57
Dispute Number 5-11-012-EDD
30802 & 30806 South Coast Highway, Laguna Beach

Dear Commissioners:

I am writing in regards to the above referenced item which was approved by the City of Laguna Beach on January 19, 2011 and for which the appealability is the subject of the current dispute. The purpose of this letter is not to address the appealability of the City's action, as it is clear from the record that this is an issue of ongoing disagreement between Laguna Terrace Park LLC (our co-applicant), the City of Laguna Beach and the Commission. I am writing to give you a bit of background on the purpose for the lot line adjustment (LLA) at issue in the hopes that it will allow all parties to look at the big picture and the potential adverse impact bureaucratic delay may have on a the continued operation of an affordable lodging facility in the coastal zone.

Background

The owners of Ohana Laguna Reef LLC purchased the property located at 30806 South Coast Highway in Laguna Beach, California in September, 2005¹. The property was subject to a fifty (50) year lease which commenced in March, 1960, pursuant to which the lessees operated the 43-room motel, Laguna Reef Inn. As the result of a claim filed by the lessees against the adjacent landowner (predecessor to the current landowner, Laguna Terrace Park LLC, co-applicant in the LLA), the lessees were able to obtain, among other things, an easement over the adjacent landowner's property for seventeen (17) parking spaces in order to bring the motel into compliance with the City of Laguna Beach's parking regulations (see Exhibit "A"). However, the easement was personal to the lessees, Robert and Rachel Hayward, and terminated upon the earlier of either the transfer of motel operations to a third party or August 31, 2010. As such, when Rachel Hayward retired at the same time the lease terminated on August 31, 2010, the property no longer benefitted from the easement and did not have adequate parking to meet City requirements.

¹ Originally purchased by an affiliated entity, Laguna Beach Luxury Hotel LLC

Ohana Laguna Reef LLC assumed operations of the Laguna Reef Inn on September 1, 2010 and entered into an agreement to purchase the parking spaces from Laguna Terrace Park via a lot line adjustment. Laguna Terrace Park has informally permitted the motel to continue use of the parking spaces during the application process. However, if we are unable to successfully complete the LLA, Laguna Terrace Park has indicated it is unwilling to extend the previous easement or otherwise lease the property for parking purposes for a variety of reasons².

Since there have been limited capital expenditures on the property in the past fifty (50) years, the facility is in desperate need of significant repairs and renovation. Additionally, Ohana Laguna Reef LLC recently contracted with Travelodge to assist in the marketing and operations of the motel and must bring the property up to certain standards in order to market the motel under the Travelodge brand. Without long-term control of the necessary parking, Ohana Laguna Reef LLC cannot justify the significant capital investment necessary to continue operating the motel and will be forced to explore alternative uses for the property.

No Change of Use/Change in Intensity of Use

As discussed above, the property being transferred to Ohana Laguna Reef LLC pursuant to the LLA has provided parking for the motel for decades. The change of ownership of the portion of the parcel at issue with Commission staff will not change its use, or the intensity of its use. It will continue to provide the same number of parking spaces for motel guests. This is simply a ministerial act that has been complicated by other issues surrounding the Laguna Terrace Park LLC property.

Protection of Lower-Cost Lodging Facilities

The motel has provided lower-cost lodging for decades and currently offers rates as low as \$59 per night and averages approximately \$114 per night, which is 50-75% lower than the average room rate for all Laguna Beach lodging facilities. Without securing the requisite parking, Ohana Laguna Reef LLC cannot operate all 43 rooms of the motel, eliminating the viability of the business.

Given that Ohana Laguna Reef's parcel is entirely within the City's jurisdiction, as depicted in the post-cert map and confirmed by the Staff Report dated January 27, 2011 prepared by Karl Schwing, any change of use for the property will be handled directly with the City in accordance with the LCP. However, by permitting the LLA the Commission has the opportunity to protect the current use of the property in accordance with Section 30213 of the California Coastal Act, which mandates that "Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided".

² The parking area is also used for ingress/egress for the adjacent mobile home park property, and Laguna Terrace Park LLC believes that providing non-exclusive parking for motel guests is problematic because of the challenges in properly managing the property (i.e., it became unclear for both the motel and the mobile home park as to whether parked cars were guests of the motel, guests/residents of the mobile homes, or were simply trespassing). Laguna Terrace Park's other ingress/egress to the property is also subject to a parking easement, over which the owners have been embroiled in extensive litigation regarding the assigned responsibilities and liabilities for the parking spaces. As such, Laguna Terrace Park LLC has stated that it will only sell the subject parking area outright while reserving an ingress/egress easement to access the mobile home park so that the parking spaces will be entirely on the motel's property and there is no dispute regarding the management and maintenance.

In closing, I would like to encourage the Commission to separate the issues it has with Laguna Terrace Park in evaluating this action and focus on the benefit the LLA would provide by ensuring the motel's continued business operation and provision of affordable lodging in Laguna Beach.

Thank you in advance for your consideration of this matter. Please do not hesitate to contact me directly at (949) 290-0093 if you have any questions or would like to discuss this in greater detail.

Best regards,

A handwritten signature in black ink that reads "Kimberly Carter". The signature is written in a cursive, flowing style.

Kimberly Carter Esq.

cc: Karl Schwing, California Coastal Commission
Teresa Henry, California Coastal Commission

Enclosure

Laguna
Beach
30806 Coast Highway

1 LAW OFFICES OF HUGH BRECKENRIDGE
2 State Bar No. 65285
3 4199 Campus Drive, Suite 700
Irvine, CA 92715,
(714)854-2520

4 Attorneys For Plaintiffs
5 ROBERT D. HAYWARD and
6 RACHEL E. HAYWARD

7
8

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

9

IN AND FOR THE COUNTY OF ORANGE

10 ROBERT D. HAYWARD AND)
11 RACHEL D. HAYWARD,)

CASE NO. 67 30 82

12 Plaintiffs,)

DECLARATION OF
JOHN N. CONNORS

13 v.)

14 PAUL R. ESSLINGER, individually,)
15 as successor trustee of the)
16 Esslinger Family Trust dated)
17 April 16, 1976, and as a)
18 beneficiary of the Esslinger)
19 Family Trust, and as trustee and)
20 beneficiary of the Paul R.)
21 Esslinger Trust established)
22 September 13, 1960; LAWRENCE)
23 JONES, trustee of the Marilyn E.)
24 Smith Trust established December)
25 30, 1976 by Paul H. Esslinger and)
26 Marie M. Esslinger, Trustors;)
27 MARILYN E. SMITH, individually)
28 and as a beneficiary of the)
Marilyn E. Smith Trust established)
December 30, 1976 and as)
beneficiary and successor trustee)
of the Esslinger Family Trust)
dated April 16, 1976; DONALD K.)
SMITH, individually and as)
beneficiary of the Marilyn E.)
Smith Trust established December)
30, 1976; and Does 1 to 25,)
inclusive,

Defendants.)

ASSIGNED FOR ALL PURPOSES TO:
JUDGE FLOYD H. SCHENK
DEPARTMENT 91

FILE DATE: 11/4/92
DISCOVERY CUT-OFF: 10/2/92
TRIAL DATE: 11/6/92

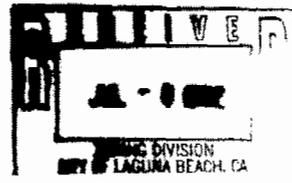
HEARING DATE: 7/23/92
TIME: 1:30 P.M.

//

HAYCONN.DEC.92

SCANNED

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1 I, JOHN N. CONNORS, declare:

2 1. That I am over the age of eighteen and have personal
3 knowledge of the facts set forth in this Declaration.

4 2. That I am employed by the City of Laguna Beach in the
5 Community Development Department and my title is Zoning
6 Administrator.

7 3. That I am familiar with the site at which the Laguna Reef
8 Inn is located in the City of Laguna Beach. I understand that it is
9 a forty-three (43) unit motel. Under current City of Laguna Beach
10 Ordinances, a 43 unit motel requires forty-six (46) exclusive
11 parking spaces. The City Code requires one space for each unit,
12 plus an additional space for each fifteen (15) units or any fraction
13 thereof.

14 4. That the Laguna Reef Inn is currently a legal non-
15 conforming use. It is a non-conforming use because: 1) Motel use
16 is not allowed under existing zoning; and 2) There is not adequate
17 parking on the Motel site to comply with the current zoning
18 ordinances requiring 46 parking spaces.

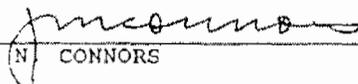
19 5. In order to obtain a Certificate of Compliance with the
20 Subdivision Map Act and Zoning Ordinances for the parcel on which
21 the Motel is located, there must be compliance with the existing
22 parking regulations and zoning ordinances. Since the property does
23 not currently comply with parking regulations set forth in the City
24 of Laguna Beach zoning ordinances, the City would not issue a
25 Certificate of Compliance for the property. .

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1 I declare the foregoing is true and correct and if called as
2 a witness I could competently testify thereto. Executed this ____
3 day of July, 1992, at Laguna Beach, California.

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6 _____
7 JOHN N. CONNORS

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CALIFORNIA COASTAL COMMISSION

South Coast Area Office
 200 Oceangate, Suite 1000
 Long Beach, CA 90802-4302
 (562) 590-5071

W13.5a

Staff: Karl Schwing
 Staff Report: January 27, 2011
 Hearing Date: February 9, 2011
 Commission Action:

**STAFF REPORT: APPEALABILITY****DISPUTE RESOLUTION****NUMBER:** 5-11-012-EDD**LOCAL CDP APPLICATION NO.:** 10-57**LOCAL JURISDICTION:** City of Laguna Beach**APPLICANTS FOR LOCAL PERMIT:** Laguna Terrace Park LLC & Ohana Laguna Reef LLC**PROJECT LOCATION:** 30802 & 30806 Coast Highway
City of Laguna Beach, Orange County**DESCRIPTION:** Public hearing and Commission determination of appealability of City of Laguna Beach action on coastal development permit No. 10-57 to adjust lot lines, at 30802 & 30806 South Coast Highway, Laguna Beach, Orange County.**SUMMARY OF STAFF RECOMMENDATION:**

The development plan considered by the City is to adjust a lot line between a parcel of land that contains a mobile home park and an adjacent parcel occupied by a hotel. A small portion of the mobile home park parcel contains a paved area, near Coast Highway, used for parking. According to the applicants, that parking area has been leased for use by patrons of the hotel for many years. Now, the hotel wishes to formally add that parking area to their parcel of land by adjusting the lot lines so that the parking area is transferred from the mobile home park parcel, to the hotel parcel. However, similar to the recent action to subdivide the mobile home park into small lots that is currently on appeal (see A-5-LGB-10-174), the request assumes the validity of lot line adjustments that occurred in 1995, which have never been permitted, and which raise significant coastal resource issues. The current lot line adjustment request is, in effect, also a request to legalize the unpermitted 1995 lot line adjustment. Therefore, all the issues related to that lot line adjustment are also raised by the current proposal, and the 'development' involve not just the adjustment of the lot line in the parking area, but also the redivision of land that is described in the 1995 lot line adjustments.

The City's decision that its action is not appealable to the Commission is based on its determination that there is no development occurring within 100 feet of any stream. The City's resolution of approval states "...the lot line adjustment and coastal development permit will not create any lots or parcels which 'require any new lot lines or portions of new lines within the area subject to the [California Coastal] Commission's retained jurisdiction.'" This is the incorrect standard. The proposed lot line adjustment would reconfigure a lot onto which a blue-line stream extends and therefore qualifies as appealable development.

Furthermore, the proposed lot line adjustment is reconfiguring a parcel that the mobile home park occupies that was the result of two lot line adjustments the City approved in 1995. Those lot line adjustments were never authorized through any coastal development permit even though such

authorization is required¹. The proposed action could have the effect of legalizing a slightly modified version of the boundary of Parcel 1 of Lot Line Adjustment 95-01. Thus, the entire configuration of this modified parcel, and the resultant remainder parcels that would be created, are also part of the 'development' the City approved. There are streams within those reconfigured parcels, which render the City's action to be appealable.

The Commission has previously addressed the appealability of a subdivision at this site in February 2010 (5-10-014-EDD), and in June 2010 (5-10-117-EDD), finding the subdivision to be appealable, and found substantial issue on appeals that were filed at hearings in March 2010 (A-5-LGB-10-039) and September 2010 (A-5-LGB-10-174). Laguna Terrace Park LLC has also pursued litigation with the Commission over its decisions.

I. STAFF RECOMMENDATION ON APPEALABILITY DETERMINATION:

Staff recommends that the Commission adopt the following findings and resolution to determine that the City of Laguna Beach's approval of pending local Coastal Development Permit application No. 10-57 is an action on a coastal development permit application that would be appealable to the Commission. See, e.g., See Cal. Code Regs., tit. 14, § 13572.

MOTION: *I move that the Commission reject the Executive Director's determination that the City of Laguna Beach's approval of pending Coastal Development Permit Application No. 10-57 would be appealable to the Coastal Commission pursuant to Public Resources Code Section 30603.*

Staff Recommendation that City of Laguna Beach Coastal Development Permit No. 10-57 is Appealable:

Staff recommends a **NO** vote on the motion. Failure of this motion will result in (1) the Commission upholding the Executive Director's determination that (a) the City's approval of CDP 10-57 would be an action on a coastal development permit application that is appealable to the Commission and that (b) City notices must reflect that the local action to approve the development is appealable to the Commission, and (2) the Commission's adoption of the following resolutions and findings. A majority of the Commissioners present is required to approve the motion.

Resolution:

The Commission hereby (1) finds that (a) it does have appeal jurisdiction in this matter pursuant to California Public Resources Code Section 30603(a) because the City's approval of CDP 10-57 is an action on a coastal development permit application that would be appealable to the Commission and that (b) City notices must reflect that the local action to approve the development is appealable to the Commission and (2) adopts the findings to support its jurisdiction that are set forth in the staff report.

¹ These unpermitted lot line adjustments are the subject of an ongoing enforcement investigation (Exhibit #9)

Exhibits

1. Vicinity Map
- 2a. Map showing approximate parcel boundaries pre-1995 lot line adjustment & location of appeals area
- 2b. Map showing detail of the area of the parcel boundary adjustment between the 270-acre area and the hotel parcel, before the LLA
- 2c. Map showing detail of the area of the parcel boundary adjustment between the 270-acre area and the hotel parcel, after the LLA
3. E-mail from Ms. Penny Elia to City re appealability dated 1/14/2011
4. Executive Director's Appealability Determination dated 1/14/2011
5. Lot Line Adjustment Approved By City
6. City Notice of Final Action and Resolution Received 1/25/2011
7. A portion of *Post LCP Certification Permit and Appeal Jurisdiction, City of Laguna Beach* Map ("post-cert map") adopted by the Commission on September 16, 1993

Substantive file documents: Lot Line Adjustment 95-04, Lot Line Adjustment 95-01, findings and file materials for Dispute Resolution No.s 5-10-014-EDD and 5-10-117-EDD, findings and file materials for determinations of substantial issue on appeals A-5-LGB-10-039 and A-5-LGB-10-174, Notice of Violation Letter dated May 4, 2007; City of Laguna Beach Agenda Bills dated 11/16/2010 and 1/18/2011

II. FINDINGS AND DECLARATIONS:

The Commission hereby finds and declares:

A. COASTAL COMMISSION AND CITY ACTIONS

The subject site is an approximately 1 acre site developed with a hotel at 30806 Coast Highway and a 270 acre area partly developed with a mobile home park located at 30802 Coast Highway, in the City of Laguna Beach, Orange County (Exhibit #1). The hotel site is adjacent to Coast Highway. The developed part of the mobile home park occupies about 14 acres adjacent to Coast Highway within and at the mouth of a steeply sided canyon (Hobo Canyon). According to the City, the hotel site is designated Commercial Neighborhood, and the area of land occupied by the mobile home park is designated for recreation and mobile home use and surrounding lands are designated for various uses including residential, commercial and open space conservation. The majority of the developed part of the mobile home park is surrounded by undeveloped area. The site has varied topography, ranging from moderately steep slopes, and moderately sloped to flat areas at the bottom and mouth of the canyon, near Coast Highway, where the hotel, mobile homes and related structures currently exist. The surrounding undeveloped land is a mosaic of vegetation types including southern maritime chaparral, ceanothus chaparral, toyon-sumac chaparral and coastal sage scrub, which is identified in the City's LCP as high value habitat and has been determined by the Commission staff biologist to be environmentally sensitive habitat area (ESHA).

Laguna Beach Coastal Development Permit No. 10-57 is a lot line adjustment between the mobile home park and the hotel, which as explained more fully below, results in the creation of several parcels. On January 4, 2011, the City Council of the City of Laguna Beach held a hearing on CDP 10-57, at which the City staff recommended the City find that its action would be appealable to the Commission. City Council members questioned this determination, and continued the matter for City staff to work on that question, and proposed condition language. On or about January 13, 2011, City staff published a staff report on the City's web site, revising their appeals determination and stating that the City's action would not be appealable to the Commission. On January 14, 2011, a member of the public, Ms. Penny Elia, sent an email to City staff and City Council members, with a copy to Commission staff, stating her objection to the City's determination that the currently pending proposal would not be appealable. Ms. Elia requested that the City contact the

Executive Director of the Commission for a determination on appealability (Exhibit 3). Following that email, also on January 14, 2011, the Executive Director sent a letter to the City with his determination that the City's action would be appealable to the Commission because there are streams in the vicinity of the proposed development (in effect, a subdivision) which establish the appeals area; and the appeals area extends into parcel(s) that would be reconfigured as a result of the proposed subdivision (Exhibit 4). On January 18, 2011, the City Council took action to approve Coastal Development Permit No. 10-57, and adopted a resolution of approval stating its action is not appealable to the Commission. On January 25, 2011, the Commission received a Notice of Final Action from the City (Exhibit 6). The Notice of Final Action contained the following statement: "...The City considers the project as not appealable to the California Coastal Commission; however, on January 14, 2011, the Executive Director of the California Coastal Commission has made a determination that the project is appealable pursuant to Coastal Act Section 30603. Based on the Coastal Commission's Executive Director's determination, an aggrieved person may appeal this decision to the Coastal Commission within 10 working days following Coastal Commission receipt of this notice...". Since this language was inconsistent with a statement in the attached resolution from the City Council, Commission staff contacted the City on January 26, 2011, to find out whether they believed a dispute existed. At that time, City staff advised Commission staff of their opinion that there was no ongoing dispute. The following day, January 27, 2011, Commission staff received a call from City staff advising that they had changed their opinion, stating that a dispute exists and they requested that a dispute resolution hearing on appealability be scheduled. Thus, a dispute exists between the City and the Executive Director. When, as here, a local government and the Executive Director disagree regarding the appealability of a coastal development permit, the Commission must hold a public hearing to resolve the dispute. Title 14, Cal. Code Regs. § 13569(d).

1. The City's Approval Involves More Development Than Is Described in Their Action.

The development plan considered by the City is to adjust a lot line between a parcel of land that contains a mobile home park and an adjacent parcel occupied by a hotel. A small portion of the mobile home park parcel contains a paved area, near Coast Highway, used for parking. According to the applicants, that parking area has been leased for use by patrons of the hotel for many years. Now, the hotel wishes to formally add that parking area to their parcel of land by adjusting the lot lines so that the parking area is transferred from the mobile home park parcel, to the hotel parcel.

However, similar to the recent City action to subdivide the mobile home park into small lots that is currently on appeal (see A-5-LGB-10-174), the current lot line adjustment request relies on lot line adjustments that occurred in 1995, which have never been permitted by a coastal development permit, and which raise significant coastal resource issues. An unpermitted 1995 lot line adjustment, 95-01, purported to create at least three parcels out of the subject 270 acre area – Parcel 1, a 45.44 acre parcel which is occupied by the mobile home park and includes some vacant land around it, Parcel 2, a 0.53 acre parcel next to Coast Highway that contained a gas station, and Parcel 3, which contains undeveloped land and was said to be 74.81 acres (but would have been larger as it would have contained the balance of the 270 acres land). The current lot line adjustment refers to Parcel 1 of LLA 95-01, and purports to adjust the line between that parcel and the adjacent 1 acre hotel parcel. Since the current lot line adjustment request makes reference to and utilizes the unpermitted 1995 lot line adjustment, and adjusts the boundaries of that lot, the current lot line adjustment request is, in effect, also a request to legalize the unpermitted 1995 lot line adjustment. It could have the effect of legalizing a slightly modified version of Parcel 1, and have the effect of carving out Parcel 2 along Coast Highway, and the balance of the undeveloped land, called Parcel 3 in LLA 95-01, that was part of the 270 acre subject area. Therefore, all the issues related to the 1995 lot line adjustment are also raised by the current proposal, and the 'development' involves not just the adjustment of the lot line in the parking area, but also the re-division of land that is described in the 1995 lot line adjustments.

2. There Are Streams Within 100 Feet of the Proposed Development

The *Post LCP Certification Permit and Appeal Jurisdiction, City of Laguna Beach* Map ("post-cert map") adopted by the Commission on September 16, 1993, depicts an appeals area within the subject 270 acre area. This appeals area is within parcel(s) that are being reconfigured in conjunction with the subject lot line adjustment.

Furthermore, the U.S. Geological Survey 7.5 minute quadrangle map for Laguna Beach depicts an approximately 1,300 foot long segment of blue-line stream closer to Coast Highway (herein 'Stream Segment B') than the stream that is depicted on the post-cert map (herein 'Stream Segment A')². The most southerly/downstream portion of Stream Segment B exists in the vicinity of the northerly terminus of "K" Street and of mobile home unit space number K52 and an existing storage yard for the mobile home park. Stream Segment B continues inland until it intersects Stream Segment A and is essentially a downstream continuation of that stream. Both stream segments (i.e. Stream Segments A and B) are within the parcel(s) of land that are involved in the lot line adjustment that is the subject of Laguna Beach's action on January 18, 2011 involving CDP 10-57. According to Section 13577 of the Commission's regulations, blue-line streams are to be used to determine appeals areas³. Thus, Stream Segment B forms the basis for a larger appeals area than is depicted on the post-cert map.

Stream Segment A is located inside of Parcel 3 of the unpermitted Lot Line Adjustment No. 95-01, and may touch Parcel 1 of unpermitted Lot Line Adjustment LL 95-01. Stream Segment B extends onto Parcel 1 of LL 95-01. Since Parcels 1, 2 and 3 of Lot Line Adjustment LL 95-01 aren't legally separated, both Stream Segments A and B form the basis for appealability. Thus, the subject land division is clearly appealable to the Commission and satisfies section 30603(a)(2) because the stream is on the parcels that are the subject of the land division—the development.

In sum, the Commission has appellate jurisdiction regardless of the legal status of the 1995 lot line adjustments. If, as the Commission has found, the 1995 lot lines should be disregarded for the purposes of Coastal Act review, both Stream Segment A and Stream Segment B are located on a parcel that is being reconfigured as part of the proposed subdivision. If the 1995 lot lines are assumed to be effective for purposes of Coastal Act review, then Stream Segment B extends onto Parcel 1, a parcel that is being reconfigured as part of the proposed subdivision.

3. The City's Rationale for Non-Appealability is Erroneous

The City of Laguna Beach contends that their action on a coastal development permit for the subject lot line adjustment, which also has the effect of a land division, in the Coastal Zone, is not appealable to the Coastal Commission. This determination appears to be based on an erroneous interpretation of the location of the proposed development with respect to the location of a stream-based appeals area. Their erroneous appealability determination also reflects a misunderstanding of the legally authorized configuration of parcels within an approximately 270 acre area that is involved in the City's action. However, Commission staff assert that based upon Stream A

² Stream Segment A appears on both the Commission's Post-certification map for the City of Laguna Beach, and as a blue-line stream on USGS maps. Stream Segment B is not depicted on the Commission's map titled *Post LCP Certification Permit and Appeal Jurisdiction, City of Laguna Beach* Map ("post-cert map") adopted by the Commission on September 16, 1993, but is depicted on the USGS map. Pursuant to Section 13576 of the Commission's regulations, the post-cert map includes a statement that the map "may not include all lands where permit and appeal jurisdiction is retained by the Commission."

³ California Code of Regulations Title 14 § 13577 states in part, "For purposes of Public Resources Code Sections 30519, 30600.5, 30601, 30603, and all other applicable provisions of the Coastal Act of 1976, the precise boundaries of the jurisdictional areas described therein shall be determined using the following criteria: (a) Streams. Measure 100 feet landward from the top of the bank of any stream mapped by USGS on the 7.5 minute quadrangle series, or identified in a local coastal program..."

depicted on the *Post LCP Certification Permit and Appeal Jurisdiction, City of Laguna Beach Map* ("post-cert map") adopted by the Commission on September 16, 1993, and based on the presence of a blue-line stream within a parcel being reconfigured, Stream B, the proposed development involves a division of land and the reconfiguration of a parcel located within 100 feet of a stream, therefore, the City's action is appealable. Commission staff recommends that the Commission uphold the Executive Director's determination that the City's approval of a CDP for development in the subject area is appealable based on Section 30603(a)(2) of the Coastal Act.

The City's decision that its action is not appealable to the Commission is based on their determination that there is no development occurring within 100 feet of any stream. The City's resolution of approval states "...the lot line adjustment and coastal development permit will not create any lots or parcels which 'require any new lot lines or portions of new lines within the area subject to the [California Coastal] Commission's retained jurisdiction.'" The City argues that the area where the lot lines are being adjusted, down near Coast Highway, is more than 100 feet from any stream, and thus no new lines or portions of new lines are within areas subject to the Commission's jurisdiction. This determination and rationale by the City is erroneous for the following several reasons, which are discussed more fully below: 1) a lot line adjustment (or other division of land) is appealable if any portion of the parcel(s) being reconfigured are located in the appeals area – the actual portion of the lot line that is being adjusted/moved need not be in the appeals area in order for the action to be appealable (the City is erroneously applying Commission guidance related to permit jurisdiction, to a determination on appeals jurisdiction, which are distinctly different topics in the Commission's published guidance); and 2) the 'development' involved includes not only the adjustment of the lot line in the area of the parking lot, but also the redivision of land that occurred in conjunction with an unpermitted 1995 lot line adjustment.

The City makes reference to the following statement in their resolution of approval: that the lot line adjustment and coastal development permit will not create any lots or parcels which 'require any new lot lines or portions of new lines within the area subject to the [California Coastal] Commission's retained jurisdiction.' Although the City does not identify the source from which they are quoting, it appears that the City is quoting from the Commission's *Local Coastal Program, Post-Certification Guide for Coastal Cities and Counties*, Revised May 6, 2002 (herein 'post cert guide'). The post cert guide contains guidance to cities on various topics related to LCP implementation. It is solely guidance and does not have the legal standing of a statute or regulations. Among the topics is a discussion of handling projects that straddle various types of jurisdictional boundaries, including appeal jurisdiction boundaries, permit jurisdictional boundaries, and projects bisected by different local government jurisdictions. Each is covered under separate headings in the post cert guide, and there is a specific topic that discusses projects that are bisected by an appeals jurisdiction. However, the quotation the City cites is not from that topic. The quotation, which reads in full as follows, is from the discussion on projects that bisect, or occur, in both the Commission's permitting jurisdiction, and in the City's jurisdiction: "*Projects bisected by Commission and local government jurisdiction. The circumstance may arise wherein proposed development is located within both the Coastal Commission's and local government's coastal development permit jurisdictions. In such cases, coastal permits are required by both the Commission and the local government. In the case of any division of land, the permit is issued by the Commission only for lots or parcels created which require any new lot lines or portions of new lot lines within the area subject to the Commission's retained jurisdiction. In such an instance the Commission's review is confined to those lots or portions of lots within its jurisdiction. In the case of any development involving a structure or similar integrated physical construction, the Commission issues a permit for any structure partially in the retained jurisdiction area. For example, a permit for a shoreline protective device (e.g. a seawall) that is located partially within the Commission's retained jurisdiction would be reviewed by the Commission.*"[emphasis added] This guidance does not relate to appeals jurisdiction, it relates to permitting jurisdiction, which are distinctly different topics. The City did not consider that distinction, and erroneously applied the guidance related to permit jurisdiction, to their decision regarding appealability of the development.

4. The Legal Status of 1995 Lot Line Adjustments

The legal status of division of the 270 acre area into various parcels is intertwined with the debate about the appealability of the City's action. As discussed partly above, in 1995 there were two unpermitted, purported lot line adjustments recorded by the landowner(s) that substantially changed the configuration of lot lines within the subject 270 acre area, and resulted in the unauthorized creation of new parcels of land having a greater potential for development than previously existed (see substantive file documents). Pursuant to Section 30600(a) of the Coastal Act⁴, any person wishing to perform or undertake non-exempt development in the coastal zone must obtain a coastal development permit, in addition to any other permit required by law. "Development" is defined, in relevant part, by Section 30106 as:

"Development" means... change in the density or intensity of the use of land, including, but not limited to, subdivision pursuant to the Subdivision Map Act (commencing with Section 66410 of the Government Code), and any other division of land, including lot splits, except where the land division is brought about in connection with the purchase of such land by a public agency for public recreational use... [underlining added for emphasis]

Divisions of land are, as noted above, specifically included in the definition of "development" under the Coastal Act. Section 25.07.006(D) of the City's certified Local Coastal Program ("LCP"), which defines "development" for the purposes of the LCP, mirrors the definition of development in the Coastal Act and includes such land divisions. Lot line adjustments are a division of land and, thus, constitute development under the Coastal Act. La Fe, Inc. v. Los Angeles County (1999) 73 Cal. App. 4th 231, 240. Furthermore, lot line adjustments can reconfigure parcels to facilitate development, thus changing the density of intensity of use of a parcel. Id. In this sense as well, LLAs are development pursuant to the Coastal Act. Therefore, LLAs No.s 95-01 and 95-04 constitute development under the Coastal Act and LCP and require a coastal development permit.

These 1995 lot line adjustments, which required a coastal development permit, were all done without the benefit of any coastal development permit. Thus, any separation of the lots resulting from those 1995 lot line adjustments must be disregarded for the purposes of Coastal Act review, and the configuration of the lots preceding those lot line adjustments, and the effect of the proposed lot line adjustment on that pre-1995 lot line adjustment lot configuration, must be considered. The City's action is appealable because the City's action results in a division of land that changes the shape of, and intensity of use of, parcel(s) of land that is/are within 100 feet of a stream.

The lot line adjustments that complicate this appeals determination occurred in late 1995. In October 1995, a lot line adjustment, LL 95-04 (see substantive file documents), was recorded that purported to make a relatively small adjustment to the boundary of the subject 270 acre property at its northwesterly corner near Barracuda Way, wherein about ¼ acre of the 270 acre property was taken out of the 270 acre property and added into an adjacent small lot developed with a residence. However, the drawings and descriptions of land boundaries that were part of that recorded lot line adjustment also added another lot line that did not previously exist which had the effect of dividing the 270 acre parcel (minus the ¼ acre) into two parcels that were about 153 acres and 117 acres (see substantive file documents). Subsequently, in November 1995, a second lot line adjustment was recorded, LL 95-01⁵ (see substantive file documents), that consolidated several small parcels near Coast Highway, and moved lot lines around so that the 117 acre area grew to about 121 acres, which was subsequently divided into an approximately 46 acre area and

⁴ The Coastal Act is codified in sections 30000 to 30900 of the California Public Resources Code ("PRC"). All further section references are to the PRC, and thus, to the Coastal Act, unless otherwise indicated.

⁵ This lot line adjustment makes reference to and perpetuates the existence of the lot line 'created' by lot line adjustment LL 95-04.

a 75 acre area. Dividing these large parcels into smaller ones allows for greater development potential on the resultant lots than might otherwise be had with the single, larger lot. These lot line adjustments are divisions of land and increase the intensity of use of the property. They therefore qualify as development and require a coastal development permit. See Pub. Resources Code § 30106; *La Fe, Inc. v. Los Angeles County*, supra, 73 Cal.App.4th at p. 240. Since these lot line adjustments were never approved by a coastal development permit, those lots are not recognized under the Coastal Act and cannot be used in the determination of the appealability of the City's action⁶. Instead, the appealability of the City's action, and the effect of the development itself, must be viewed in the context of the lot configuration as it existed prior to those lot line adjustments. With the pre-existing lot configuration, the City's action is clearly appealable.

If the lot configuration contained in the unpermitted lot line adjustments had been permitted, the appealability of the City's action would not be different. As noted above, there is a blue line stream, Stream Segment B discussed above, that is within Lot 1 of LLA 95-01 that is being reconfigured as a result of the proposed lot line adjustment. However, without those prior lot line adjustments being recognized, and based on information available to Commission staff at this time, the area occupied by the mobile home park occupies part of two larger parcels of land (an approximately 35 acre parcel and an approximately 235 acre parcel) that combined are hundreds of acres in size (i.e. about 270 acres)(Exhibits 2a-2c). The appeals area as depicted on the post-cert map on the basis of Stream Segment A extends into the pre-lot line adjustment 235 acre parcel (Exhibit 2a-2c and 7).

In effect, the land division that is the subject of the latest lot line adjustment would separate the land occupied by the mobilehome park from the larger parcels leaving multiple remainder parcels (Exhibit 2a). Because the appeals area extends into a parcel that would be reconfigured as a result of the proposed lot line adjustment, the City's action on the coastal permit authorizing the transfer of the parking area from Parcel 1 of LLA 95-01 to the adjacent hotel parcel, and the division of the mobilehome park area from the 270 acre area and its resultant creation of remainder parcels, is an action that is appealable to the Commission.

The Commission has had an extensive history of contact with the City and property owner(s) with regard to the appealability of a property division, as well as contact about concerns with the land division. This contact includes emails, letters, phone calls, and public hearings, all of which are documented in the findings and record for the prior dispute resolution hearings held in February 2010 (5-10-014-EDD) and in June 2010 (5-10-117-EDD), and in the findings and record for the appeals that were heard in March 2010 (A-5-LGB-10-039) and September 2010 (A-5-LGB-10-174), the records of which are incorporated here by reference.

3. The Development is Partly within the Commission's Area of Retained Jurisdiction

Aside from the appealability issue, the Commission asserts that the proposed development is partly located in the Commission's area of retained jurisdiction and that a coastal development permit is required from the Commission to authorize the development. Using the *Post LCP Certification Permit and Appeal Jurisdiction, City of Laguna Beach Map* ("post-cert map") adopted by the Commission on September 16, 1993, the subject 270 acre area is depicted as being partly within the City of Laguna Beach's coastal permit jurisdiction, and partly within an area of deferred certification (ADC) where the Commission retains direct coastal permitting authority (i.e. the area the City called "the Coastal Commission Post Certification Development Permit Jurisdiction Area") (Exhibit 7)⁷. The area of land where the applicants are proposing to adjust the lot line, between the

⁶ Those lot line adjustments are the subject of an ongoing enforcement investigation by the Commission (see substantive file documents).

⁷ In reviewing its files for the Commission's dispute resolution hearing on the appealability of local coastal development permit 09-36 (see 5-10-014-EDD), Commission staff discovered that the Laguna Beach post-cert map may inaccurately depict the area of deferred certification in the vicinity of the mobile home park.

hotel and the mobile home park, would be within the area the post-cert map says is City jurisdiction. However, significant portions of the remainder of that lot area (i.e. remainder lot) would be in the ADC. Commission staff maintains that the creation of the remainder lot would still require a coastal development permit directly from the Commission. Therefore, the City's approval only covers part of the land division and the applicant will need to apply to the Commission for a coastal permit to cover the remainder of the land division that is located in the ADC.

B. COMMISSION DETERMINATION OF APPEALABILITY AND THE FILING OF APPEALS

The Commission finds that City approval of CDP Application No. 10-57 is an action on a coastal development permit application that is appealable to the Commission.

The Coastal Act establishes the Commission's appeals jurisdiction and makes a certified local government's approval of a CDP appealable to the Commission whenever the local CDP authorizes one of the types of development specifically listed, including, but not limited to, development "located ... within 100 feet of any wetland, estuary, or stream." Cal. Pub. Res. Code ("PRC") § 30603(a)(2). Section 25.07.006 of the City's zoning code, which is part of the City's LCP, contains a definition of the Commission's appeals jurisdiction that mirrors the language of PRC Section 30603(a).

The land division authorized by the City would separate the mobilehome park area from the subject 270 acre property. The *Post LCP Certification Permit and Appeal Jurisdiction, City of Laguna Beach* Map ("post-cert map") adopted by the Commission on September 16, 1993 identifies a stream and an appeals area within the approximately 270 acre property that is involved in the land division that is the subject of the pending coastal development permit application before the City. Furthermore, there is a blue line stream within a parcel that is being reconfigured. Therefore, the City's approval of the coastal development permit is appealable to the Commission.

When the Commission certified the Land Use Plan (LUP) for southern Laguna Beach in 1992, the Commission identified Hobo Canyon (a.k.a. Mayer Group/Mahboudi-Fardi and Esslinger Property) as an area raising Coastal Act concerns that were not adequately addressed in the LUP. The Commission therefore carved Hobo Canyon out as an area of deferred certification to which the LUP did not apply. The following are examples from the findings which make clear that the entire Hobo Canyon site was to be deferred:

On page 16 of the Revised Findings adopted November 17, 1992 for Laguna Beach Land Use Plan Amendment 1-92, the findings state:

"At the Hobo Canyon area (also known as the Mayer/Mahboudi-Fardi parcel or the Esslinger Family Parcel), the issue at the time of the County's LCP certification was vehicular access to the property, arising from intensity and location of development. The issue at the Hobo Canyon site remains the same and so certification for this area will also be deferred."

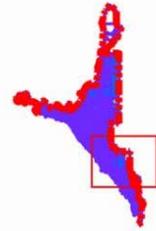
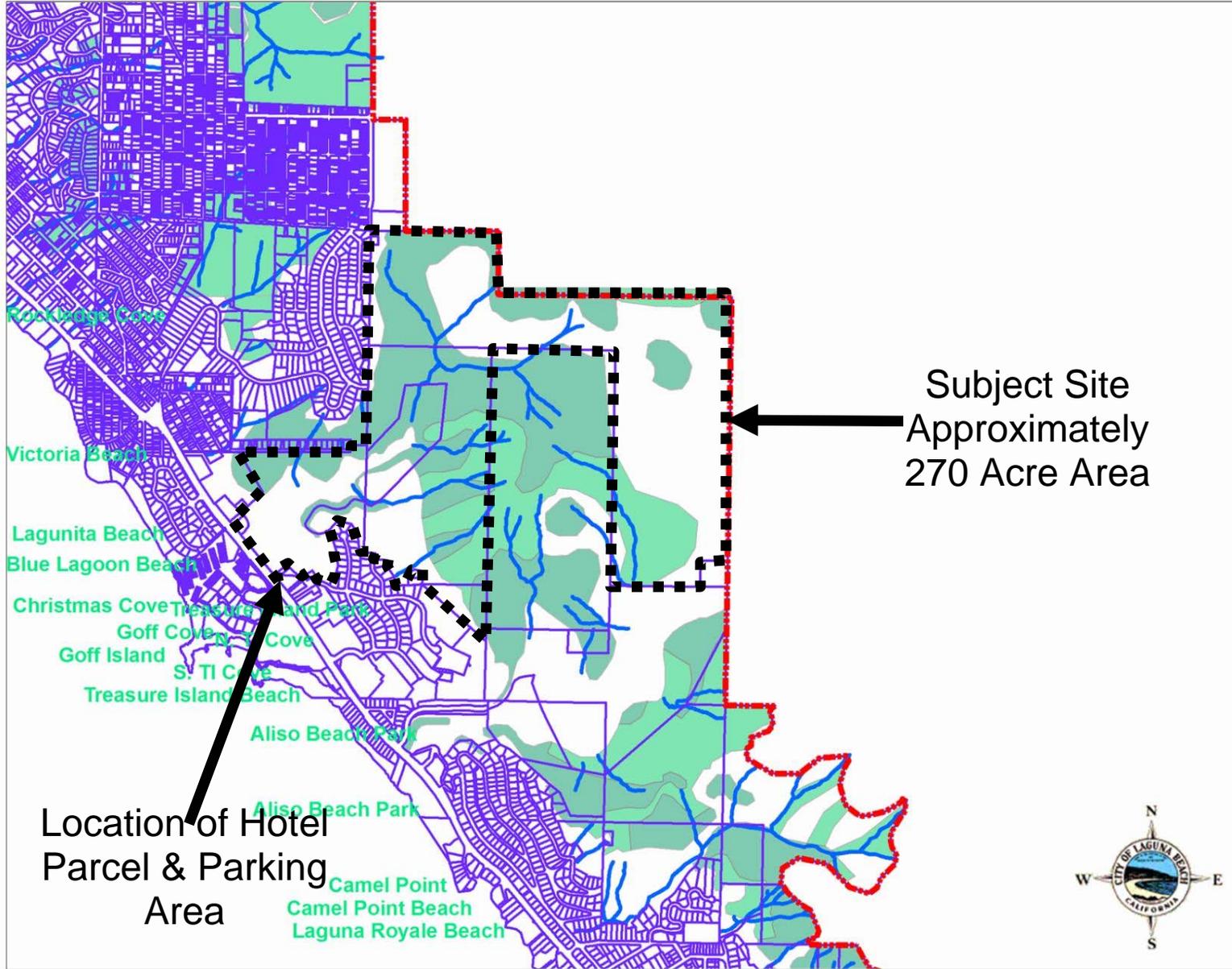
Similar statements are made elsewhere in the report, and in the accompanying findings for the Implementation Plan amendment (1-92). There is also an exhibit, Exhibit H, attached to the findings that lists the areas of deferred certification and shows on a map the boundaries of the Hobo Canyon/ Mayer Group/Mahboudi-Fardi area, which includes the entire mobile home park.

The LUP expressly referred to the mobile home park as being within the Hobo Canyon area of deferred certification. The City has not subsequently submitted an LCP amendment to apply the LCP to Hobo Canyon. The post-cert map for the City of Laguna Beach that the Commission approved in 1993, however, depicts significant portions of the mobile home park as being within the City's coastal development permit jurisdiction. Commission staff is still investigating this matter, but, in finding that the City's action to approve a coastal development permit for the project would be appealable, the Commission does not waive any arguments that the project is located within the Hobo Canyon area of deferred certification and that the Commission therefore has permit jurisdiction over the entire project for that reason.

C. CONCLUSION

Public Resources Code Section 30603(a)(2) confers the Commission with appellate jurisdiction over development that is within 100 feet of any stream. The Commission finds that, because CDP application 10-57 seeks authorization for development within 100 feet of a stream identified on the City's post-cert map, and within 100 feet of a blue line stream identified on USGS topographic quadrangle maps for the area, approval of that application is appealable to the Commission pursuant to Section 30603(a)(2) of the Coastal Act.

City of Laguna Beach



Legend

- City Limits
- Parcels
- Significant Drainage Course Cr
- Very High Value Habitat
- High Value Habitat

Subject Site
Approximately
270 Acre Area

Location of Hotel
Parcel & Parking
Area



1:19,634

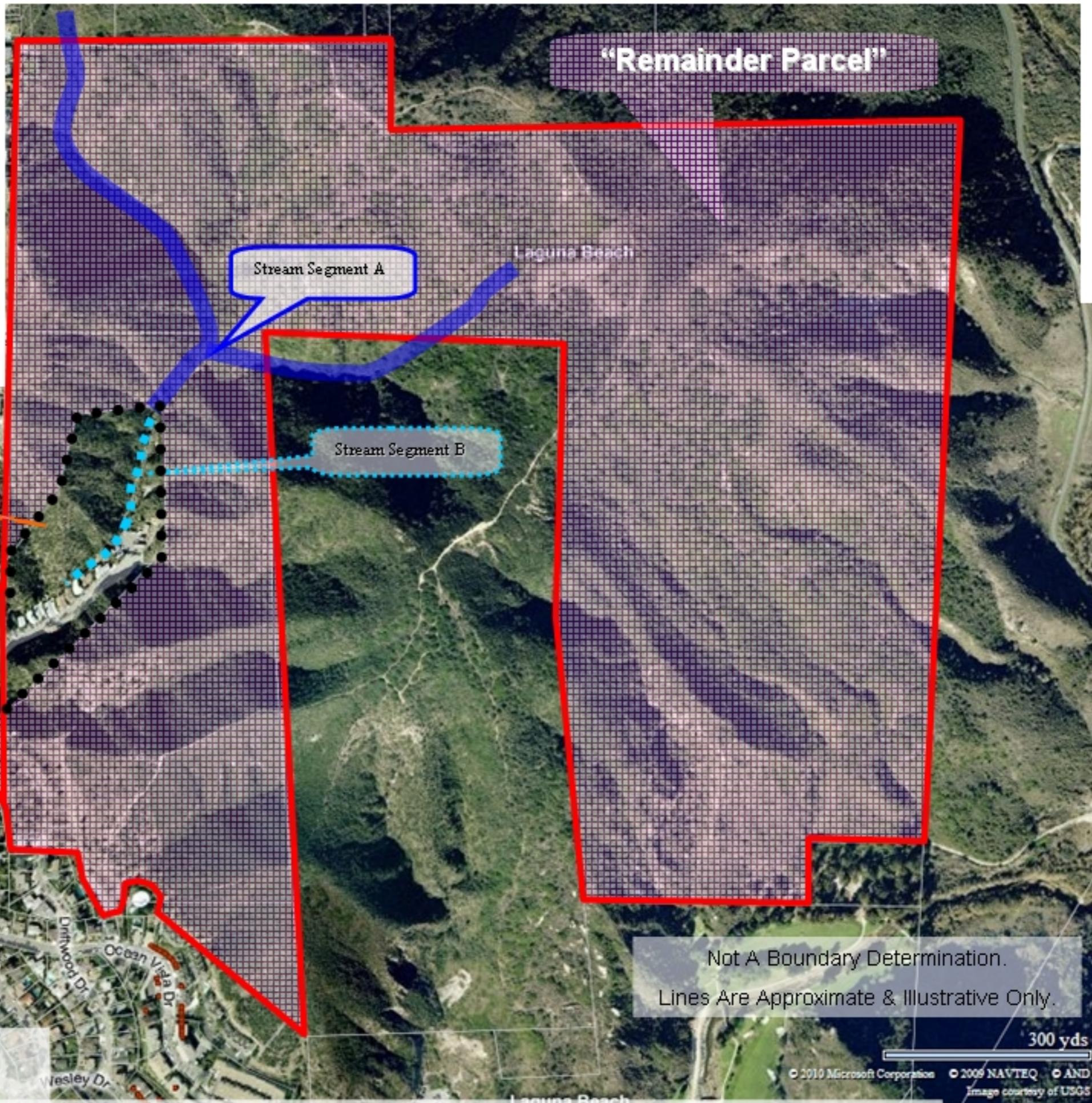
0.6 0 0.31 0.6 Miles

This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

THIS MAP IS NOT TO BE USED FOR NAVIGATION

Key

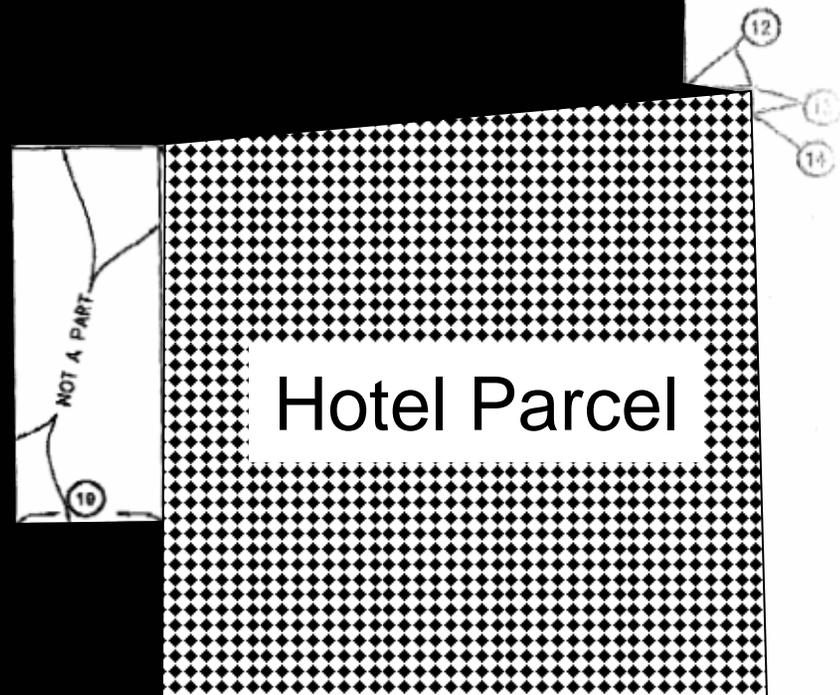
-  = Approx. parcel boundaries of 270 acre area prior to 1995 lot line adjustments
-  = Remainder parcel that would be created by legalizing Lot 1 of LLA 95-01
-  = Boundary of Parcel 1 of LL 95-01
-  = Hotel Parcel
-  = Stream Segment A (on Post-Cert and Blue Line)
-  = Stream Segment B (Blue Line)



Subject Site Showing Approximate Parcel Boundaries Pre-1995 Lot Line Adjustment & Location of Appeals Area

Before LLA

Mobile Home
Park Area

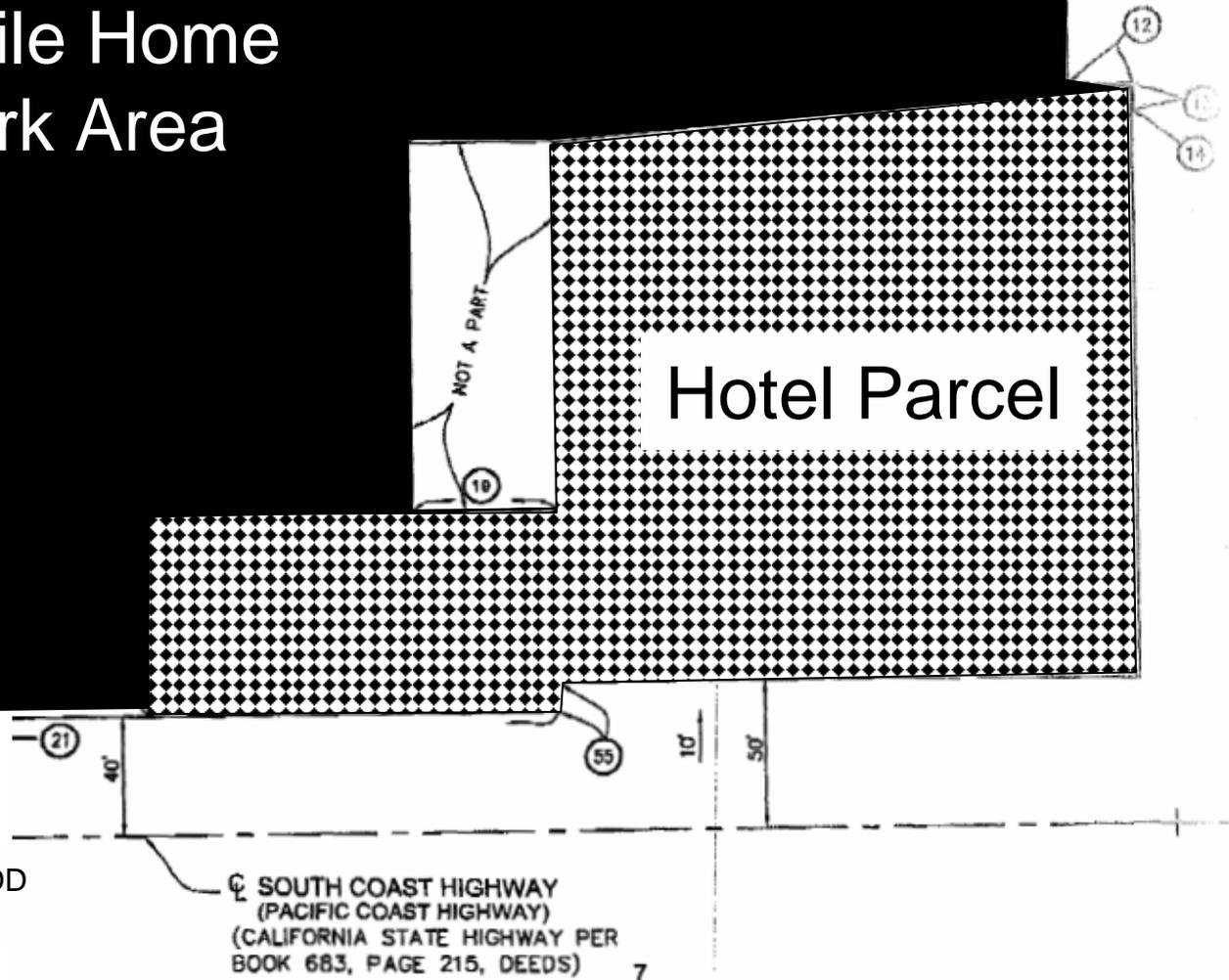


5-11-012-EDD
Exhibit 2b

SOUTH COAST HIGHWAY
(PACIFIC COAST HIGHWAY)
(CALIFORNIA STATE HIGHWAY PER
BOOK 683, PAGE 215, DEEDS)

After LLA

Mobile Home
Park Area



5-11-012-EDD
Exhibit 2c

From: Penny Elia [greenp1@cox.net]

Sent: Friday, January 14, 2011 8:11 AM

To: John CM Pietig; John CD Montgomery

Cc: kellyboyd2006@gmail.com; Elizabeth Pearson; Toni Iseman; Egly Jane; Verna Rollinger; Karl Schwing; Sherilyn Sarb; Andrew Willis; Martha CC Anderson

Subject: LLA 10-08 and CDP 10-57 (30802 & 30806 Coast Hwy.) Agenda Item #8 - 1/18/11

Based on the agenda bill for the above-referenced agenda item, there appears to be an issue with appealability to the Coastal Commission despite two previous dispute resolution hearings that resulted in the Coastal Commission retaining jurisdiction. The previous agenda bill (see below) noted that this lot line adjustment was appealable, yet only days later the City is now stating that it is not considered by staff to be appealable development. What has changed?

The agenda bill also states that, "The permitting jurisdiction is not a City issue." If it's not a City issue then why is the City determining jurisdiction? Further, if this isn't a City issue and the Coastal Commission doesn't have jurisdiction in the City's estimation, then who will be issuing this permit? A very confusing bit of language without logic.

It would appear that the City is losing sight of the fact that this lot line adjustment is relying on an old unpermitted lot line adjustment as its basis. However, this fact, along with all the other arguments that have been put forth for well over a year now have been ignored by the City.

We do not agree with the City that this item is not appealable and request a determination of appealability from the Executive Director of the Coastal Commission.

We also request as we did in the email below, that the City prepare the appropriate copies of the record for submittal to the Coastal Commission so that de novo hearing preparations may begin. It has been four months since substantial issue was found and surely enough time has elapsed for the City to comply with the Coastal Commission's repeated requests for copies of the record.

Thank you -

Penny Elia
Sierra Club

Begin forwarded message:

From: Penny Elia <greenp1@cox.net>

Date: January 4, 2011 3:22:42 PM PST

To: kellyboyd2006@gmail.com, Elizabeth Pearson <elizabethpearson2@cox.net>, Toni Iseman <tiseman2@aol.com>, Egly Jane <jhegly@aol.com>, Verna Rollinger <vernarollinger@cox.net>

Cc: John CM Pietig <jpietig@lagunabeachcity.net>, Martha CC Anderson <manderson@lagunabeachcity.net>, Scott CD Drapkin <sdrapkin@lagunabeachcity.net>, Karl Schwing <kschwing@coastal.ca.gov>, Sherilyn Sarb <ssarb@coastal.ca.gov>, Andrew Willis <awillis@coastal.ca.gov>, John CD Montgomery <jmontgomery@lagunabeachcity.net>

Subject: LLA 10-08 and CDP 10-57 (30802 & 30806 Coast Hwy.) Consent #13 - 1/4/11

As the members of the City Council are well aware, the Coastal Commission has held multiple hearings related to this area that includes two unpermitted lot line adjustments. Substantial issue was found at both Coastal Commission appeal hearings and preparation for a de novo hearing can begin once the City submits a copy of the record to the Commission. It is unclear at this time as to why the City has not submitted the copy given that the last Coastal Commission hearing was quite a few months ago. Please see attached request for a copy of the record dated September 17, 2010.

There are several areas of concern related to this new request for a lot line adjustment. In an effort to keep this brief



since most of our areas of concern have been covered extensively in the past, here are two issues for your consideration:

1. Please note on page 1 of the City's Resolution, finding #6 states that "the lot line adjustment does not include any lots or parcels created illegally." As City staff and the City Council know, the lot line adjustment being requested is directly related to an already existing unpermitted lot line adjustment. The lot line adjustment being proposed appears to assume the validity of lot line adjustments that the City approved in 1995. Those lot line adjustments were never issued a CDP.

2.

While we are pleased to see that City staff has finally agreed upon the existence of a mapped U.S. Department of Water Resources-designated "Blueline Stream" on the subject property (which has incurred unpermitted alteration) and also found this item to be appealable to the Coastal Commission, it remains a concern that staff implies on page 2 of the City's Resolution that there is a question as to the area of deferred certification.

We ask that the City Council not only postpone this item, but also encourage your staff to prepare the appropriate copies of the record for submittal to the Coastal Commission so that the de novo hearing preparations may begin.

Thank you for your consideration of this information.

Penny Elia
Sierra Club

EXHIBIT#3
Page 2 of 2
Application Number: 5-11-012-EDD
 California Coastal Commission

CALIFORNIA COASTAL COMMISSION

South Coast Area Office
200 Oceangate, Suite 1000
Long Beach, CA 90802-4302
(562) 590-5071



January 14, 2011

John Montgomery
City of Laguna Beach
505 Forest Avenue
Laguna Beach, CA 92651

Re: **EXECUTIVE DIRECTOR'S DETERMINATION ON APPEALABILITY**
Coastal Development Permit Application No. 10-57/LLA 10-08
30802 & 30806 South Coast Highway, Laguna Beach, CA,
APNs 056-240-57, -64, -65, -66 & 656-191-11, -12, -28, -38, -39, -40
Laguna Terrace Park LLC & Ohana Laguna Reef LLC

Dear Mr. Montgomery:

On Friday, January 14, 2011, the Executive Director received a copy of an email to you, from a member of the public, raising objections to the City's determination that its action on Coastal Development Permit Application No. 10-57/LLA 10-08 would not be appealable to the Coastal Commission. The proposed project is a lot line adjustment (LLA) between parcels located at 30802 & 30806 South Coast Highway, Laguna Beach, CA. Commission staff has reviewed the City's agenda bill for the City's hearing on January 18th, which confirms the City's present position that its action would not be appealable. The email requests that you seek a determination on appealability from the Executive Director of the Coastal Commission

The proposal before the City is to adjust a common property line between the two subject properties. Based on information available, the Executive Director's determination is that City approval of the pending CDP application would be appealable to the Commission. As described more fully below, there are streams in the vicinity of the proposed development (a division of land), which establish the appeals area in this case; and the appeals area extends into a parcel that would be reconfigured as a result of the proposed division of land. Thus, the development proposal is appealable to the Commission.

The Coastal Act establishes the Commission's appeals jurisdiction and makes a certified local government's approval of a CDP appealable to the Commission whenever the local CDP authorizes one of the types of development specifically listed, including, but not limited to, development "located ... within 100 feet of any wetland, estuary, or stream." Cal. Pub. Res. Code ("PRC") § 30603(a)(2). Section 25.07.006 of the City's zoning code, which is part of the City's LCP, contains a definition of the Commission's appeals jurisdiction that mirrors the language of PRC Section 30603(a).

The land division before the City would adjust the location of the boundary of a parcel that was purportedly created through Lot Line Adjustment 95-01, which has not been permitted by any coastal development permit. Therefore, the lot boundaries that we are using in coming to our determination are those which precede the unpermitted lot line adjustment.

Executive Director Determination on Appealability
CDP Application No. 10-57
Page 2 of 2

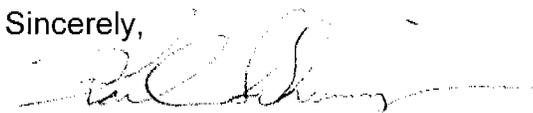
The Post LCP Certification Permit and Appeal Jurisdiction, City of Laguna Beach Map ("post-cert map") adopted by the Commission on September 16, 1993, identifies a stream and an appeals area within the property that is involved in the land division proposed by the applicants. Furthermore, there is a blue-line stream, which extends further seaward of the appeals area shown on the post-cert map, which also serves as a basis for appealability. Therefore, the City's action on this application would be appealable to the Commission.

Should the City decide to agree with this Executive Director's determination, Commission staff recommends that the City revise and re-issue any public hearing notices to reflect the Executive Director's appeals determination. Please be sure that you send a copy of all public hearing notices on this matter to the Commission's Long Beach office. Furthermore, the City's eventual Notice of Final Action should indicate that any approval of this CDP application is appealable to the Coastal Commission.

If the City staff disagrees with this Executive Director's determination, please let us know no later than January 19, 2011, so that we can schedule a hearing on the matter with the Commission at the next available Commission hearing. If the City staff disagrees with this Executive Director's determination, Commission staff recommends that the City postpone taking any final action on the coastal development permit application until the Commission resolves the appealability issue, to the extent legal deadlines that apply to the City's pending discretionary action will allow.

Thank you for your attention to these matters. If you have any questions, please contact me at (562) 590-5071.

Sincerely,



Karl Schwing
Supervisor, Regulation and Planning
Orange County Area

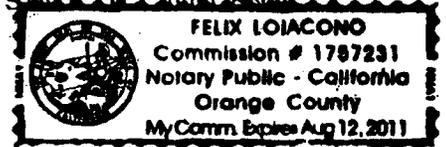
Cc: John Pietig, City Manager, City of Laguna Beach (via email only)
Laguna Terrace Park LLC, Property Owner
Ohana Laguna Reef LLC, Property Owner

NOTARY ACKNOWLEDGMENTS

STATE OF CALIFORNIA)SS
COUNTY OF Orange

ON THIS 8 DAY OF Sept 2010 BEFORE ME,
Felix Loiacono A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY
APPEARED IBRAL BASHIR WHO PROVED TO ME ON THE BASIS OF SATISFACTORY
EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN
INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN
HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON
THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S)
ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA
THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.



WITNESS MY HAND AND OFFICIAL SIGNATURES:

SIGNATURE: Felix Loiacono

PRINT NAME OF NOTARY: Felix Loiacono

MY PRINCIPAL PLACE OF BUSINESS: Orange COUNTY.

MY COMMISSION EXPIRES: 8/12/11

COMMISSION NUMBER: 1757231

STATE OF CALIFORNIA)SS
COUNTY OF _____

ON THIS _____ DAY OF _____ 20__ BEFORE ME,
_____ A NOTARY PUBLIC IN AND FOR SAID STATE, PERSONALLY
APPEARED _____ WHO PROVED TO ME ON THE BASIS OF SATISFACTORY
EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN
INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN
HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON
THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S)
ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA
THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SIGNATURES:

SIGNATURE: _____

PRINT NAME OF NOTARY: _____

MY PRINCIPAL PLACE OF BUSINESS: _____ COUNTY.

MY COMMISSION EXPIRES: ___/___/___

COMMISSION NUMBER: _____

EXHIBIT A
LOT LINE ADJUSTMENT - LLA 10 - 08
(Legal Description)

LEGAL DESCRIPTIONS FOR PROPOSED PARCELS

PARCEL 1 (30802 COAST HIGHWAY)

PARCEL 1 IN THE CITY OF LAGUNA BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA OF LOT LINE ADJUSTMENT LL 95-01 RECORDED NOVEMBER 22, 1995 AS INSTRUMENT NO. 95-520276 OF OFFICIAL RECORDS OF SAID COUNTY

EXCEPT THEREFROM THE PORTION THEREOF DESCRIBED AS FOLLOWS: BEGINNING AT AN ANGLE POINT IN THE BOUNDARY OF SAID PARCEL 1 AT THE MOST SOUTHEASTERLY END OF THAT COURSE IN SAID BOUNDARY DESCRIBED AS BEING ALONG THE NORTHEASTERLY RIGHT OF WAY LINE OF PACIFIC COAST HIGHWAY 80 FEET WIDE AND HAVING A BEARING OF NORTH 40°18'00" WEST AND A LENGTH OF 610.81 FEET; THENCE ALONG THE BOUNDARY OF SAID PARCEL 1 NORTH 49°42'00" EAST 70.00 FEET TO AN ANGLE POINT IN SAID BOUNDARY; THENCE ALONG SAID BOUNDARY AND THE NORTHWESTERLY PROLONGATION THEREOF NORTH 40°18'00" WEST 132.00 FEET; THENCE SOUTH 49°42'00" WEST 70.00 FEET TO THE SOUTHWESTERLY BOUNDARY OF SAID PARCEL 1; THENCE ALONG SAID SOUTHWESTERLY BOUNDARY SOUTH 40°18'00" EAST 132.00 FEET TO THE POINT OF BEGINNING.

CONTAINING: 45.44 ACRES, MORE OR LESS

PARCEL 2 (30806 COAST HIGHWAY)

THAT PORTION OF SECTION 31, TOWNSHIP 7 SOUTH, RANGE 8 WEST, SAN BERNARDINO MERIDIAN, IN THE CITY OF LAGUNA BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA ACCORDING TO THE OFFICIAL PLAT FILED IN THE DISTRICT LAND OFFICE MARCH 29, 1879, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE CENTERLINE OF THE CALIFORNIA STATE HIGHWAY, AS SHOWN ON A MAP OF TRACT NO. 1017 RECORDED IN BOOK 33, PAGES 26 TO 28, INCLUSIVE, OF MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA, DISTANT THEREON SOUTH 40°18'00" EAST, 983.32 FEET FROM THE INTERSECTION OF SAID CENTERLINE WITH THE NORTHEASTERLY EXTENSION OF THE SOUTHEASTERLY LINE OF LOT 64 OF SAID TRACT NO. 1017, SAID POINT OF BEGINNING BEING NORTH 40°18'00" WEST 10.83 FEET FROM THE SOUTHEASTERLY END OF A TANGENT OF THE CALIFORNIA STATE HIGHWAY, 1771.43 FEET IN LENGTH, AS DESCRIBED IN A DEED RECORDED OCTOBER 23, 1926, IN BOOK 683, PAGE 215 OF DEEDS OF SAID ORANGE COUNTY; THENCE NORTH 49°42'00" EAST ALONG A LINE MEASURED AT RIGHT ANGLES TO SAID HIGHWAY TANGENT 50.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE CONTINUING NORTH 49°42'00" EAST 93.24 FEET TO POINT "A"; THENCE CONTINUING NORTH 49°42'00" EAST 110.00 FEET; THENCE NORTH 45°19'05" WEST 185.71 FEET; THENCE SOUTH 49°42'00" WEST 110.00 FEET TO POINT "B"; THENCE CONTINUING SOUTH 49°42'00" WEST 77.00 FEET TO A POINT NORTH 49°42'00" EAST 50.00 FEET FROM THE CENTERLINE OF SAID HIGHWAY TANGENT; THENCE SOUTH 40°18'00" EAST 185.00 FEET TO THE TRUE POINT OF BEGINNING.

TOGETHER WITH THE PORTION OF PARCEL 1 IN THE CITY OF LAGUNA BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA OF LOT LINE ADJUSTMENT LL 95-01 RECORDED NOVEMBER 22, 1995 AS INSTRUMENT NO. 95-520276 OF OFFICIAL RECORDS OF SAID COUNTY DESCRIBED AS FOLLOWS: BEGINNING AT AN ANGLE POINT IN THE BOUNDARY OF SAID PARCEL 1 AT THE MOST SOUTHEASTERLY END OF THAT COURSE IN SAID BOUNDARY DESCRIBED AS BEING ALONG THE NORTHEASTERLY RIGHT OF WAY LINE OF PACIFIC COAST HIGHWAY 80 FEET WIDE AND HAVING A BEARING OF NORTH 40°18'00" WEST AND A LENGTH OF 610.81 FEET; THENCE ALONG THE BOUNDARY OF SAID PARCEL 1 NORTH 49°42'00" EAST 70.00 FEET TO AN ANGLE POINT IN SAID BOUNDARY; THENCE ALONG SAID BOUNDARY AND THE NORTHWESTERLY PROLONGATION THEREOF NORTH 40°18'00" WEST 132.00 FEET; THENCE SOUTH 49°42'00" WEST 70.00 FEET TO THE SOUTHWESTERLY BOUNDARY OF SAID PARCEL 1; THENCE ALONG SAID SOUTHWESTERLY BOUNDARY SOUTH 40°18'00" EAST 132.00 FEET TO THE POINT OF BEGINNING.

CONTAINING: 1.04 ACRES, MORE OR LESS

EXHIBIT B
LOT LINE ADJUSTMENT - LLA 10 - 08
 (Map)

Owners	Existing Parcels AP Number	Proposed Parcels Reference Number
LAUGUNA TERRACE PARK, LLC	656-191-28 & 38 / 056-240-64	1
OHANA LAGUNA REEF, LLC	656-191-11 & 12	2

LEGEND OF SYMBOLS

- EXISTING PROPERTY LINE TO REMAIN
- REVISED PROPERTY LINE PER THIS MAP
- - - - PROPERTY LINE TO BE ADJUSTED

NOTE:
 SEE PAGE 8 FOR TABLE OF COURSES

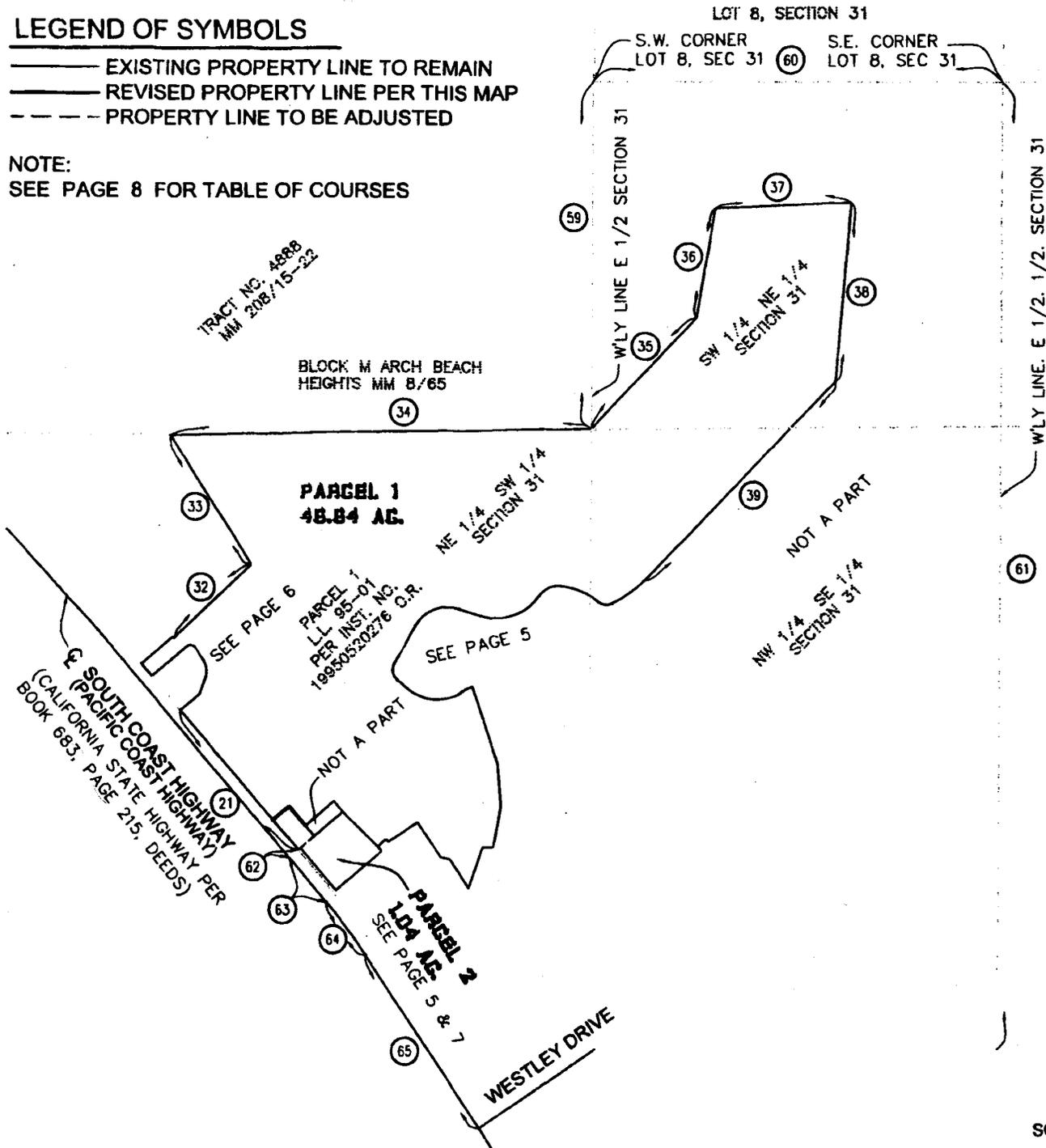


EXHIBIT B
LOT LINE ADJUSTMENT - LLA 10 - 08
 (Map)

LEGEND OF SYMBOLS

- EXISTING PROPERTY LINE TO REMAIN
- REVISED PROPERTY LINE PER THIS MAP
- - - - PROPERTY LINE TO BE ADJUSTED

NOTE:
 SEE PAGE 8 FOR TABLE OF COURSES

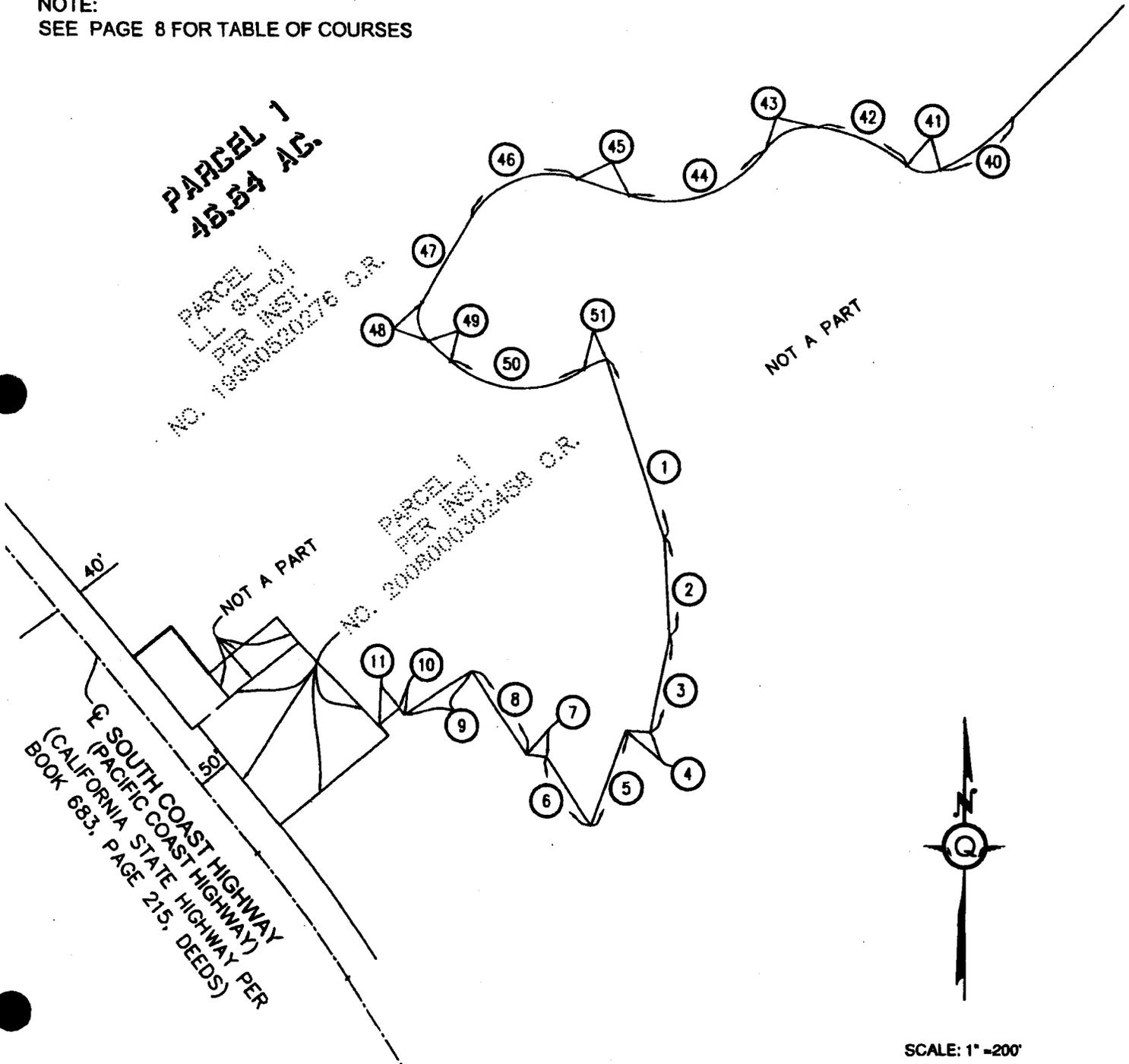
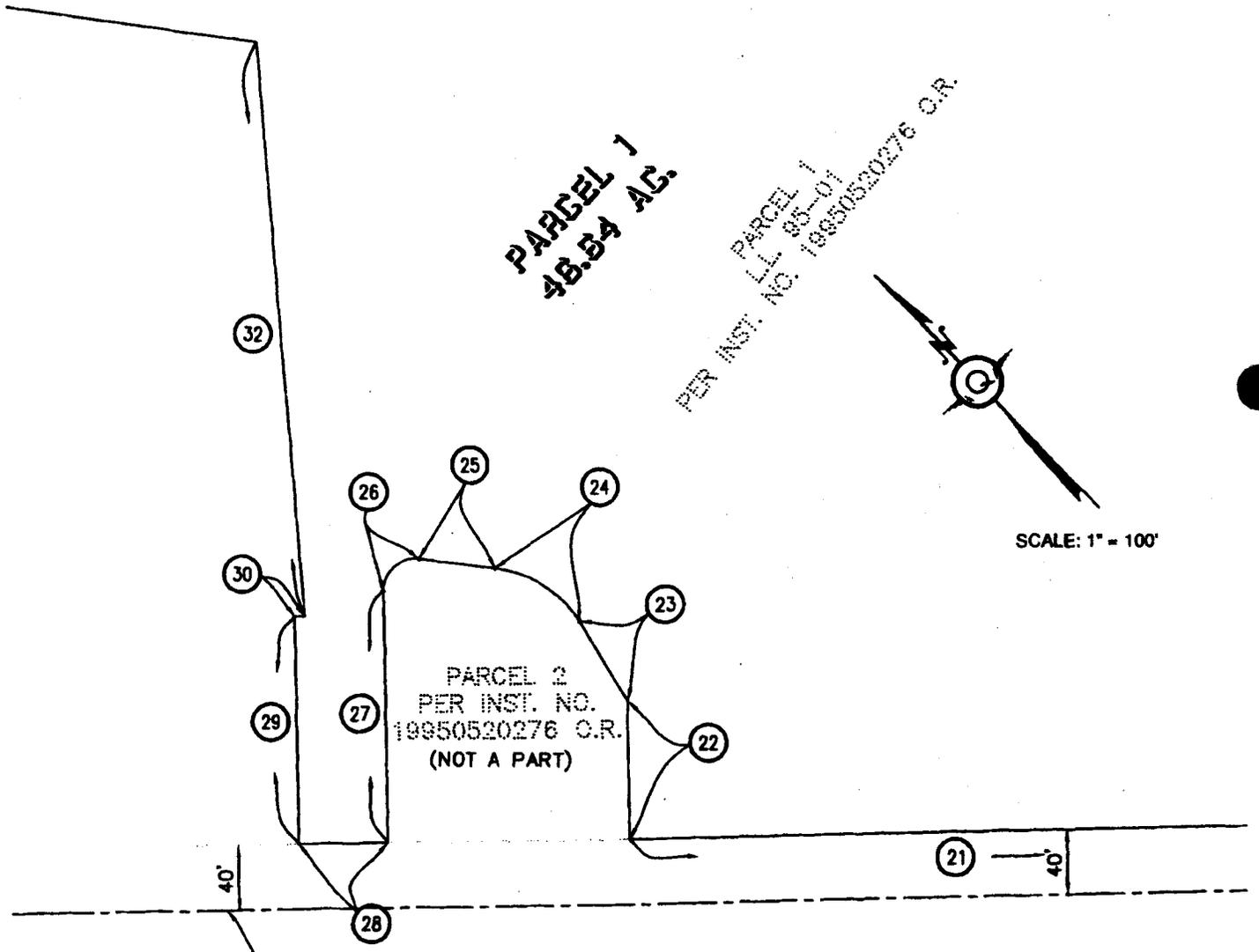


EXHIBIT B
LOT LINE ADJUSTMENT - LLA 10 - 08
 (Map)

LEGEND OF SYMBOLS

- EXISTING PROPERTY LINE TO REMAIN
- REVISED PROPERTY LINE PER THIS MAP
- - - - PROPERTY LINE TO BE ADJUSTED

NOTE:
 SEE PAGE 8 FOR TABLE OF COURSES



☪ SOUTH COAST HIGHWAY
 (PACIFIC COAST HIGHWAY)
 (CALIFORNIA STATE HIGHWAY PER
 BOOK 683, PAGE 215, DEEDS)

EXHIBIT B
LOT LINE ADJUSTMENT - LLA 10 - 08
 (Map)

LEGEND OF SYMBOLS

- EXISTING PROPERTY LINE TO REMAIN
- REVISED PROPERTY LINE PER THIS MAP
- PROPERTY LINE TO BE ADJUSTED

NOTE:
 SEE PAGE 8 FOR TABLE OF COURSES

PARCEL 1
48.64 AC.

PARCEL 1
 LL 85-01
 PER INST. NO. 19850520276 C.R.

SCALE: 1" = 50'

MH
 ZONING

NOT A PART

PARCEL 2, 1.04 AC.
 CN ZONING

NE'LY R/W LINE OF
 SOUTH COAST HIGHWAY

☉ SOUTH COAST HIGHWAY
 (PACIFIC COAST HIGHWAY)
 (CALIFORNIA STATE HIGHWAY PER
 BOOK 683, PAGE 215, DEEDS)

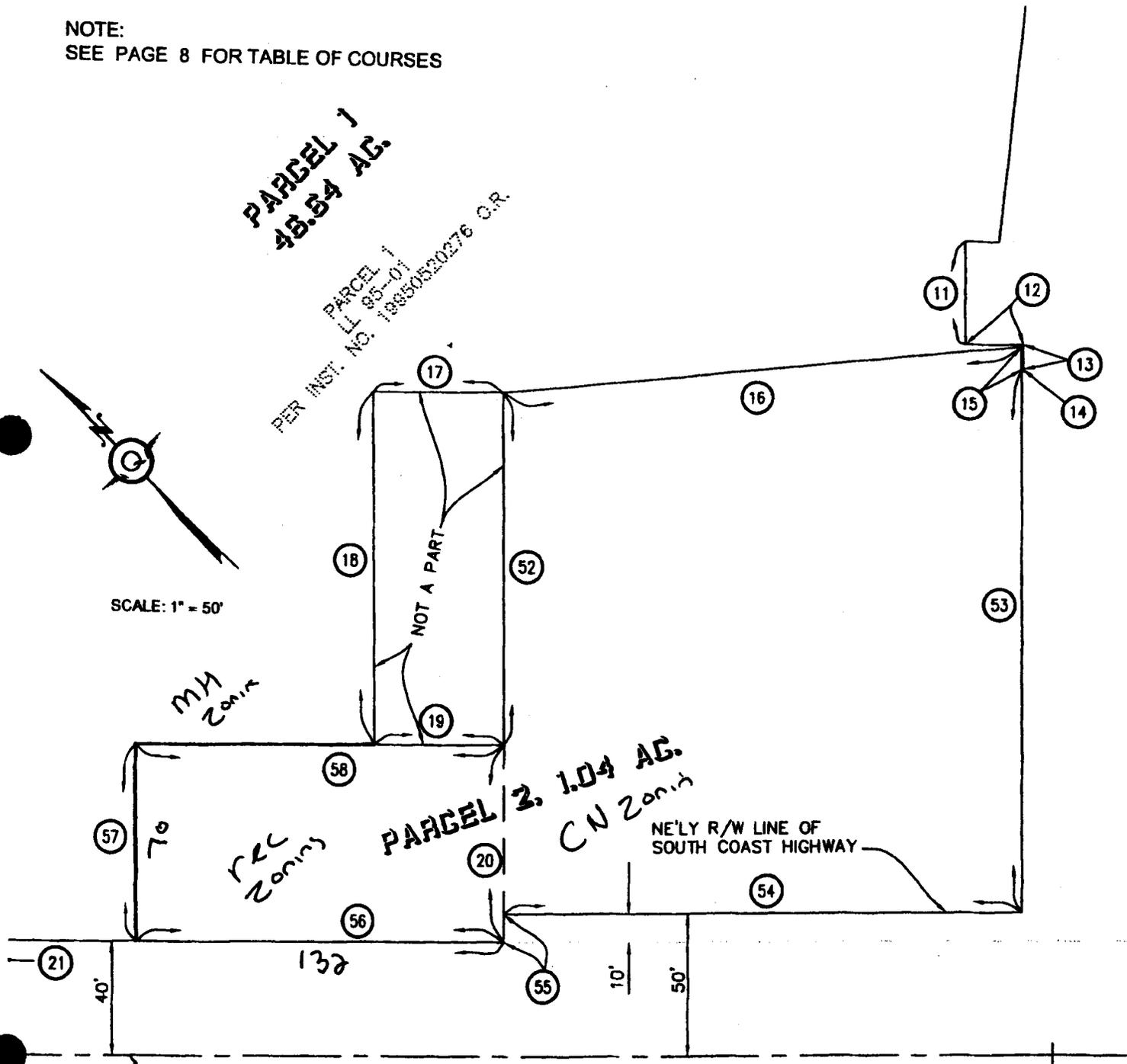


EXHIBIT B
LOT LINE ADJUSTMENT - LLA 10 - 08
 (Map)

LINE TABLE		
LINE	BEARING	LENGTH
1	S18°23'56"E	271.88'
2	S04°16'07"E	141.78'
3	S10°17'43"W	140.80'
4	N87°05'00"W	35.12'
5	S19°30'00"W	145.02'
6	N34°03'30"W	116.96'
8	N34°03'30"W	141.30'
9	S55°56'30"W	116.61'
10	N40°18'00"W	12.00'
11	S49°42'00"W	37.00'
12	S40°18'00"E	20.00'
13	S49°42'00"W	8.91'
14	N40°18'00"W	0.20'
15	N49°42'00"E	8.17'
16	N45°19'05"W	185.71'
17	N40°18'00"W	46.17'
18	S49°42'00"W	127.00'
19	S40°18'00"E	46.17'
20	S49°42'00"W	70.00'
21	N40°18'00"W	610.81'
22	N49°42'00"E	85.00'
23	N19°24'00"E	57.42'
25	N32°40'00"W	47.66'
27	S49°42'00"W	155.14'
28	N40°18'00"W	54.97'
29	N49°42'00"E	140.00'
30	S40°18'00"E	6.36'
32	N46°10'00"E	360.28'
33	N31°26'20"W	515.42'
34	N89°00'40"E	1413.55'
35	N43°05'00"E	515.25'
36	N09°45'00"E	377.51'
37	N87°45'00"E	458.00'
38	S05°15'00"W	612.00'
39	S43°35'00"W	930.00'
45	N72°30'00"W	78.00'
47	S29°10'00"W	144.00'
49	S48°54'00"E	44.00'
52	S49°42'00"W	127.00'
53	N49°42'00"E	195.03'
54	N40°18'00"W	185.00'
55	S49°42'00"W	10.00'
56	S40°18'00"E	132.00'
57	N49°42'00"E	70.00'
58	S40°18'00"E	132.00'
59	N00°16'58"E	1178.05'
60	S89°37'53"E	1370.88'
61	S00°27'51"W	3254.75'
62	S49°42'00"W	40.00'
63	S40°18'00"E	195.83'
65	S34°03'30"E	689.41'
66	N49°40'19"E	11.00'
67	S40°18'00"E	103.36'
68	S55°55'21"W	32.20'
69	S40°18'00"E	79.67'
70	N49°40'19"E	17.00'

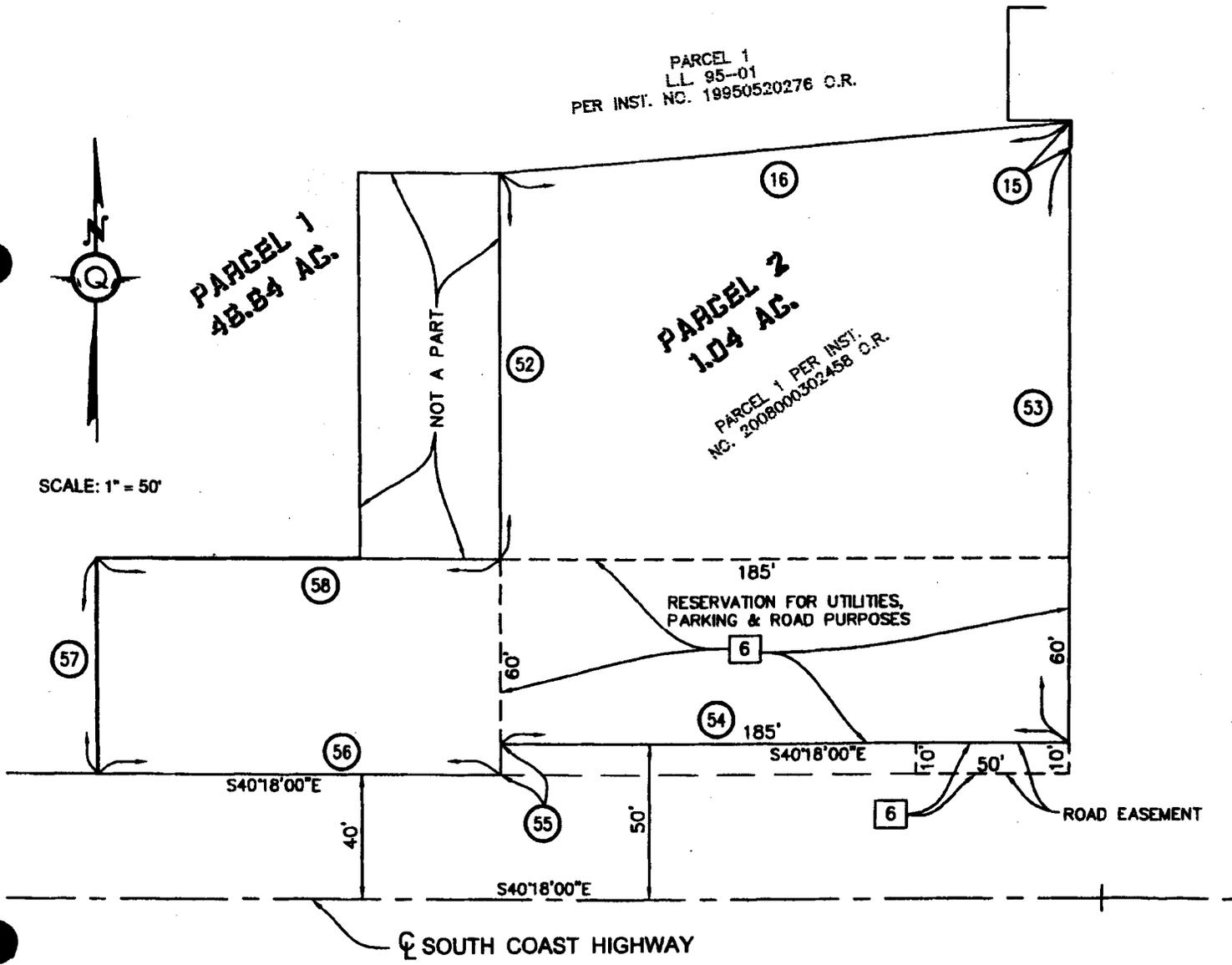
CURVE TABLE			
CURVE	DELTA	RADIUS	LENGTH
7	9°13'33"	180.00'	28.98'
24	52°04'00"	70.00'	63.61'
26	97°38'00"	20.00'	34.08'
40	21°15'27"	350.00'	129.85'
41	63°51'00"	45.00'	50.15'
42	32°03'39"	250.00'	139.89'
43	62°46'00"	80.00'	87.64'
44	73°38'12"	170.00'	218.48'
46	78°20'00"	125.00'	170.90'
48	78°04'00"	45.00'	61.31'
50	77°38'15"	150.00'	203.25'
51	22°47'41"	90.00'	35.81'
64	06°14'30"	2000.00'	217.88'
71	89°59'49"	27.00'	42.41'
72	23°09'06"	27.00'	10.91'
73	113°08'24"	60.00'	118.48'

SITE PLAN

LOT LINE ADJUSTMENT - LLA 10 - 08

Owners	Existing Parcels AP Number	Proposed Parcels Reference Number
LAUGUNA TERRACE PARK, LLC	656-191-28 & 38 / 056-240-64	1
OHANA LAGUNA REEF, LLC	656-191-11 & 12	2

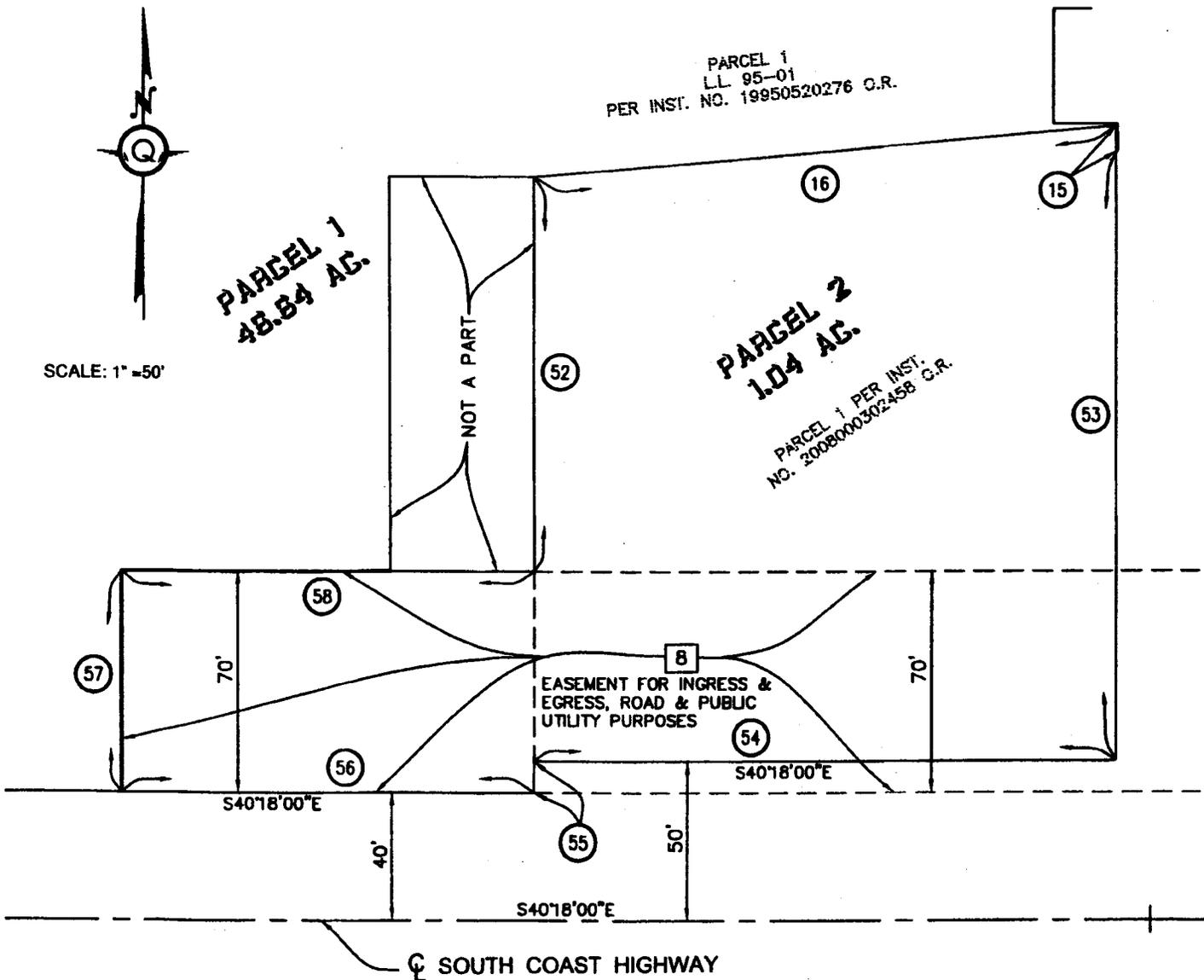
ITEM 6 PER FIRST AMERICAN TITLE INSURANCE COMPANY ORDER NO. NCS-450835-SA1 DATED 7-27-10 AN EASEMENT IN FAVOR OF LUDY P. & ELIZABETH CURCIO FOR UTILITIES, PARKING & ROAD PURPOSES RECORDED 9-15-60 IN BOOK 5417, PAGE 431 O.R.



SITE PLAN

LOT LINE ADJUSTMENT - LLA 10 - 08

ITEM **8** PER FIRST AMERICAN TITLE INSURANCE COMPANY ORDER NO. NCS-450835-SA1 DATED 7-27-10
 AN EASEMENT FOR INGRESS & EGRESS, ROAD & PUBLIC UTILITY PURPOSES RECORDED
 1-25-61, IN BOOK 5605, PAGE 113 O.R.

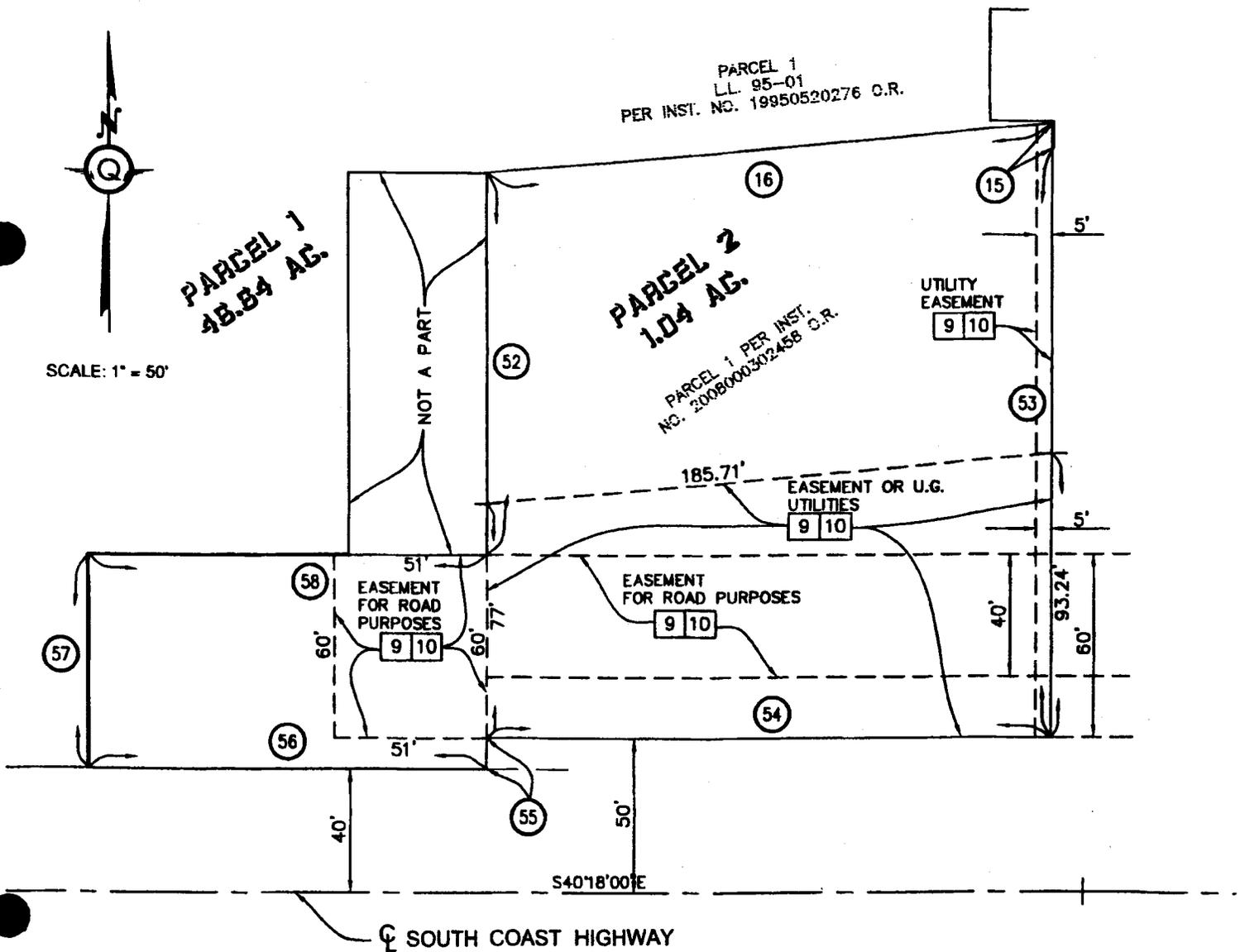


SITE PLAN

LOT LINE ADJUSTMENT - LLA 10 - 08

ITEM 9 | 10

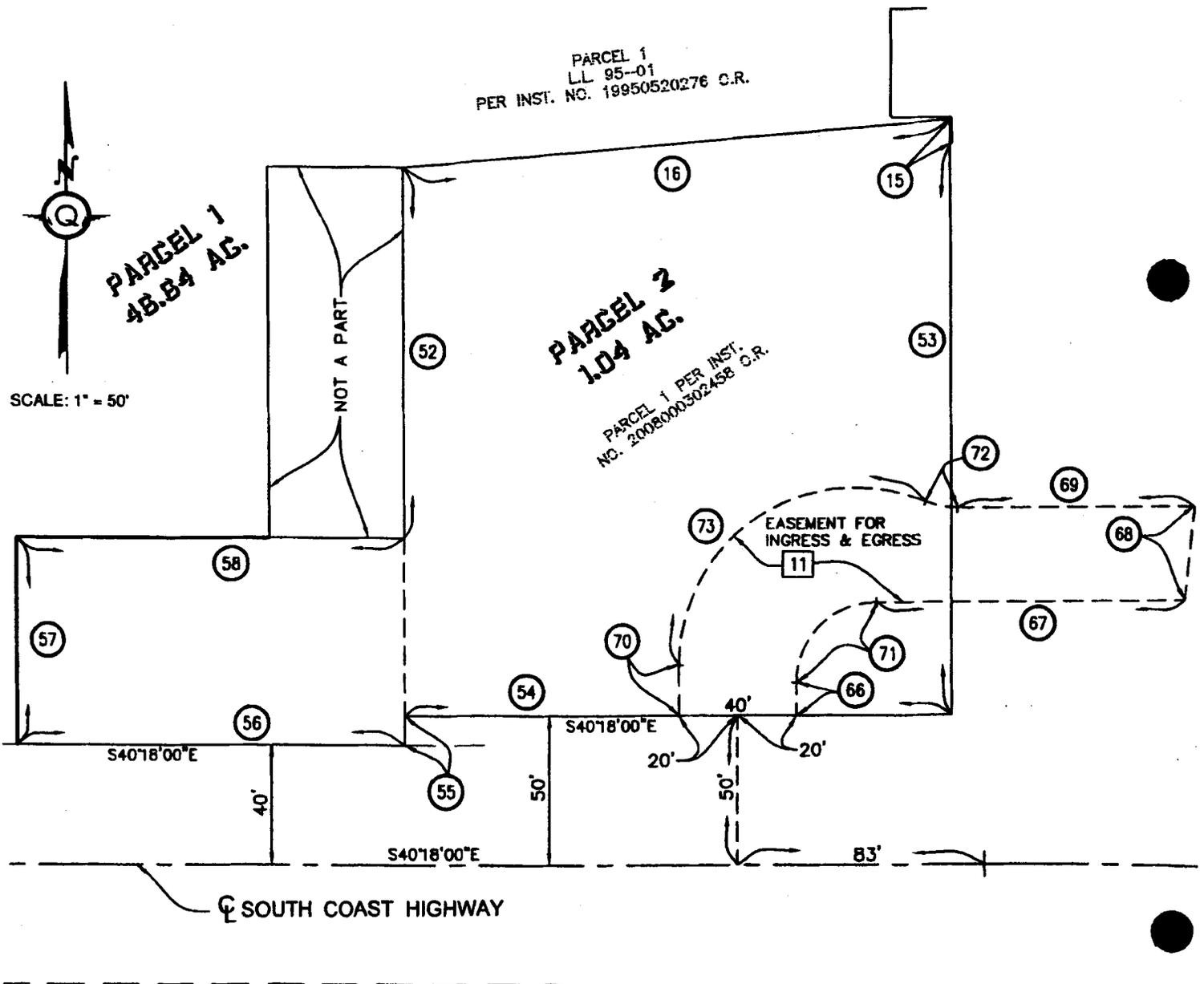
PER FIRST AMERICAN TITLE INSURANCE COMPANY ORDER NO. NCS-450835-SA1 DATED 7-27-10
 AN EASEMENT IN FAVOR OF PAUL H. ESSLINGER & MARIE M. ESSLINGER FOR ROAD, PUBLIC
 UTILITIES & PARKING RECORDED 2-16-77 IN BOOK 12072, PAGE 1920 O.R.



SITE PLAN

LOT LINE ADJUSTMENT - LLA 10 - 08

ITEM **11** PER FIRST AMERICAN TITLE INSURANCE COMPANY ORDER NO. NCS-450835-SA1 DATED 7-27-10
 AN EASEMENT FOR INGRESS & EGRESS PURPOSES RECORDED 6-1-81 IN BOOK 14081, PAGE
 1895 O.R.



PARCEL 1
 LL 95-01
 PER INST. NO. 19950520276 C.R.

PARCEL 1
48.84 AC.

PARCEL 2
1.04 AC.

PARCEL 1 PER INST.
 NO. 2002000302458 C.R.

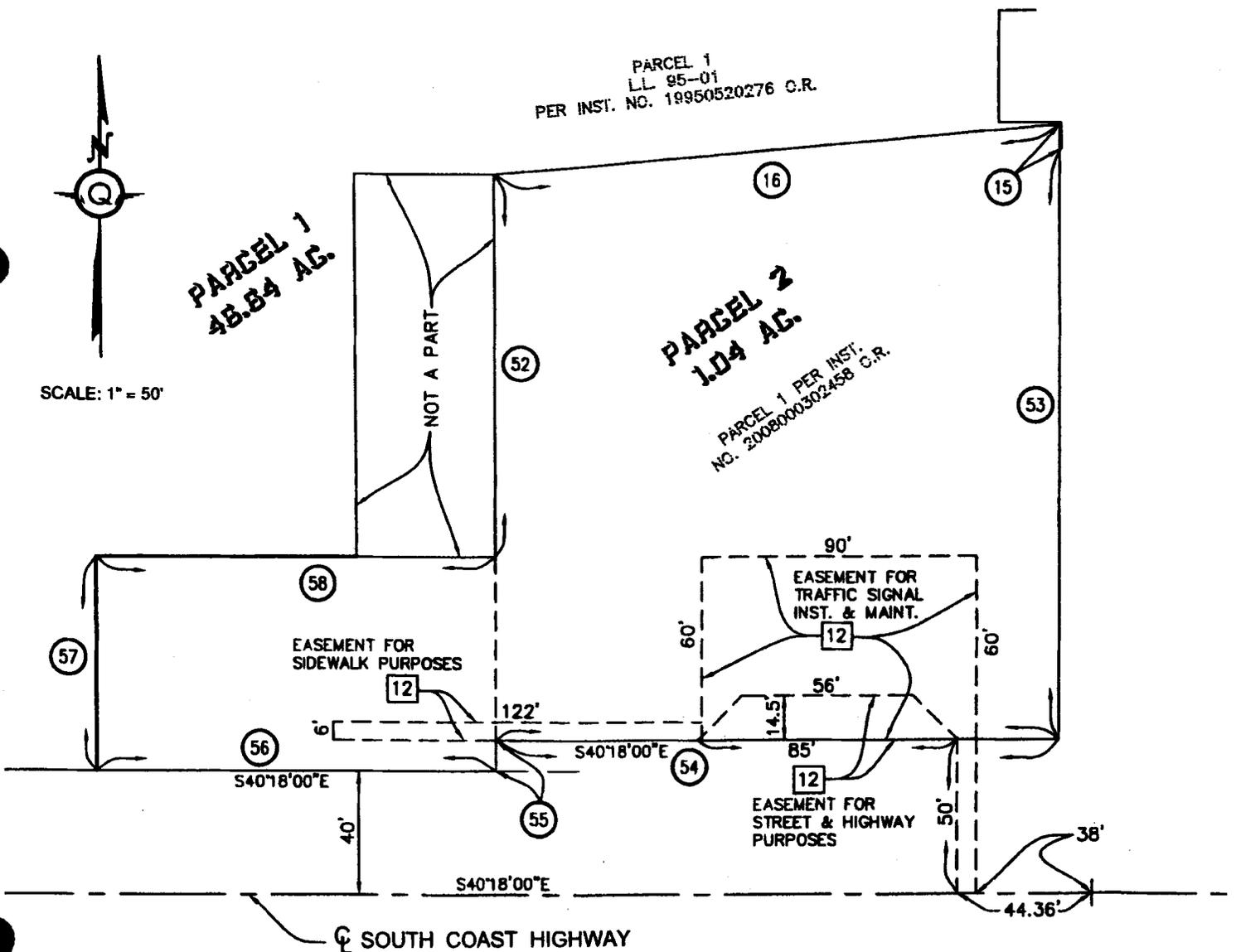
EASEMENT FOR
 INGRESS & EGRESS

☐ SOUTH COAST HIGHWAY

SITE PLAN

LOT LINE ADJUSTMENT - LLA 10 - 08

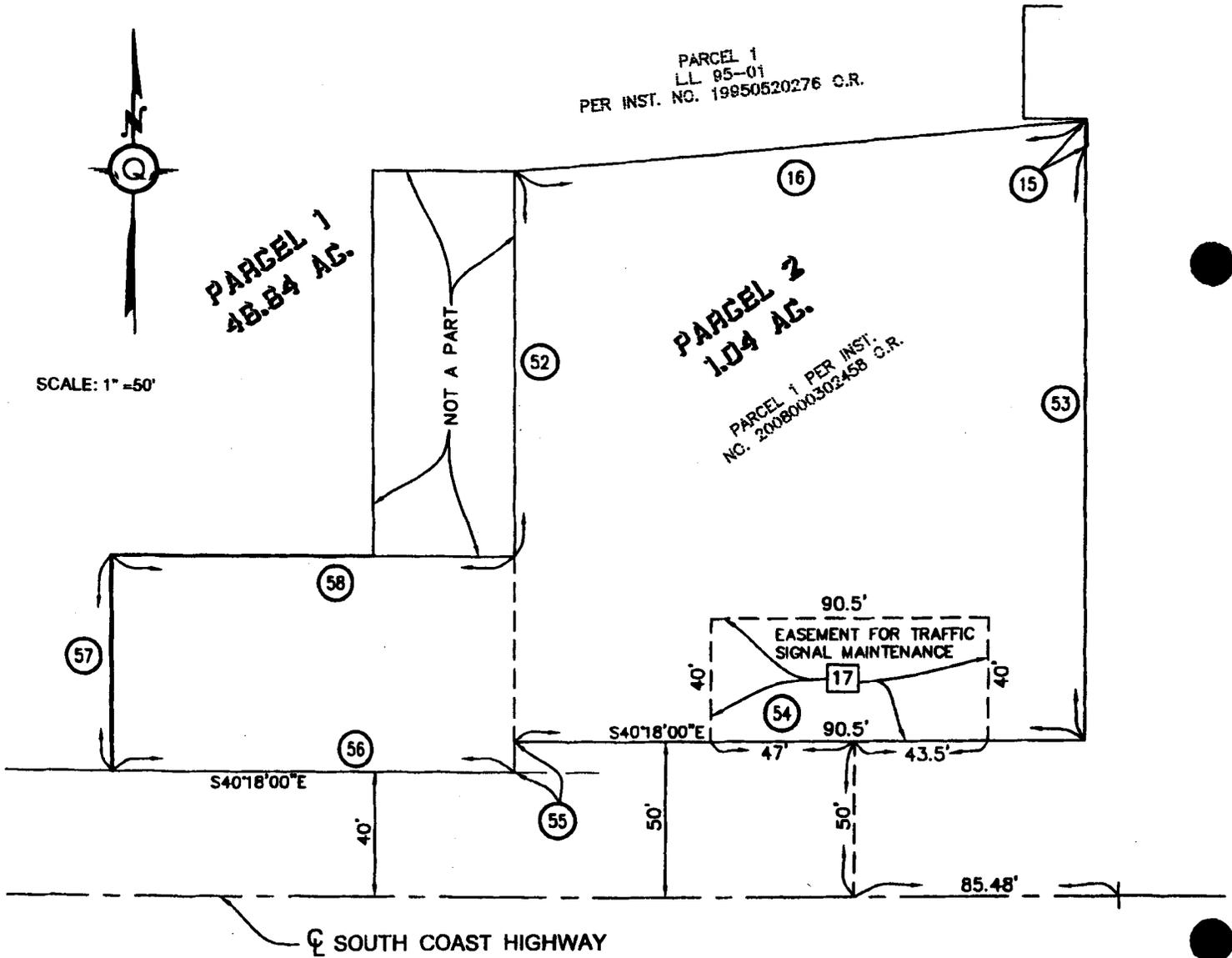
ITEM 12 PER FIRST AMERICAN TITLE INSURANCE COMPANY ORDER NO. NCS-450835-SA1 DATED 7-27-10 AN EASEMENT STREET & HIGHWAY PURPOSES, SIDEWALK AND TRAFFIC SIGNAL INSTALLATION PURPOSES RECORDED 6-1-81 IN BOOK 10481, PAGE 1903 O.R.



SITE PLAN

LOT LINE ADJUSTMENT - LLA 10 - 08

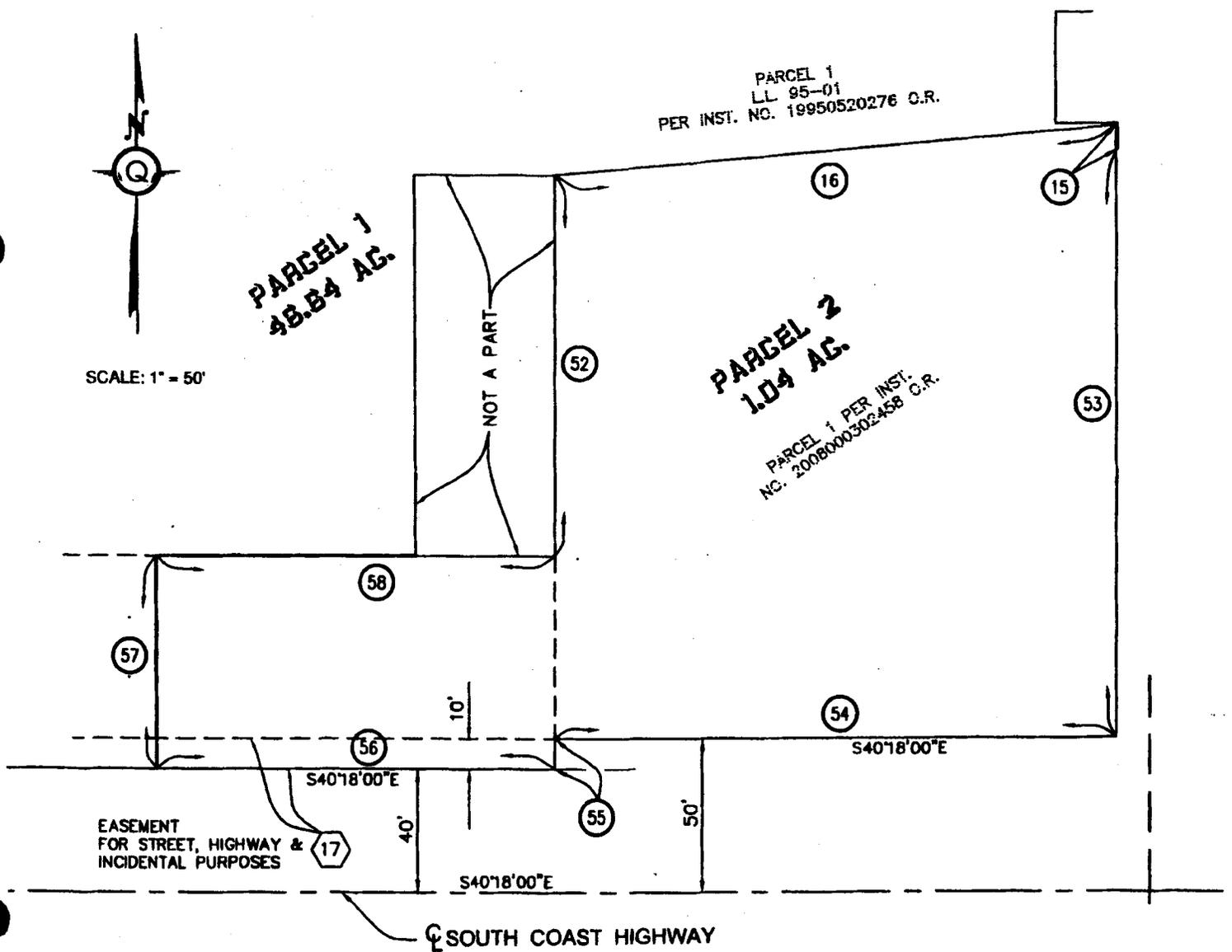
ITEM 17 PER FIRST AMERICAN TITLE INSURANCE COMPANY ORDER NO. NCS-450835-SA1 DATED 7-27-10 AN EASEMENT FOR TRAFFIC SIGNAL MAINTENANCE PURPOSES RECORDED 5-20-03 AS INSTRUMENT 2003000581890 O.R.



SITE PLAN

LOT LINE ADJUSTMENT - LLA 10 - 08

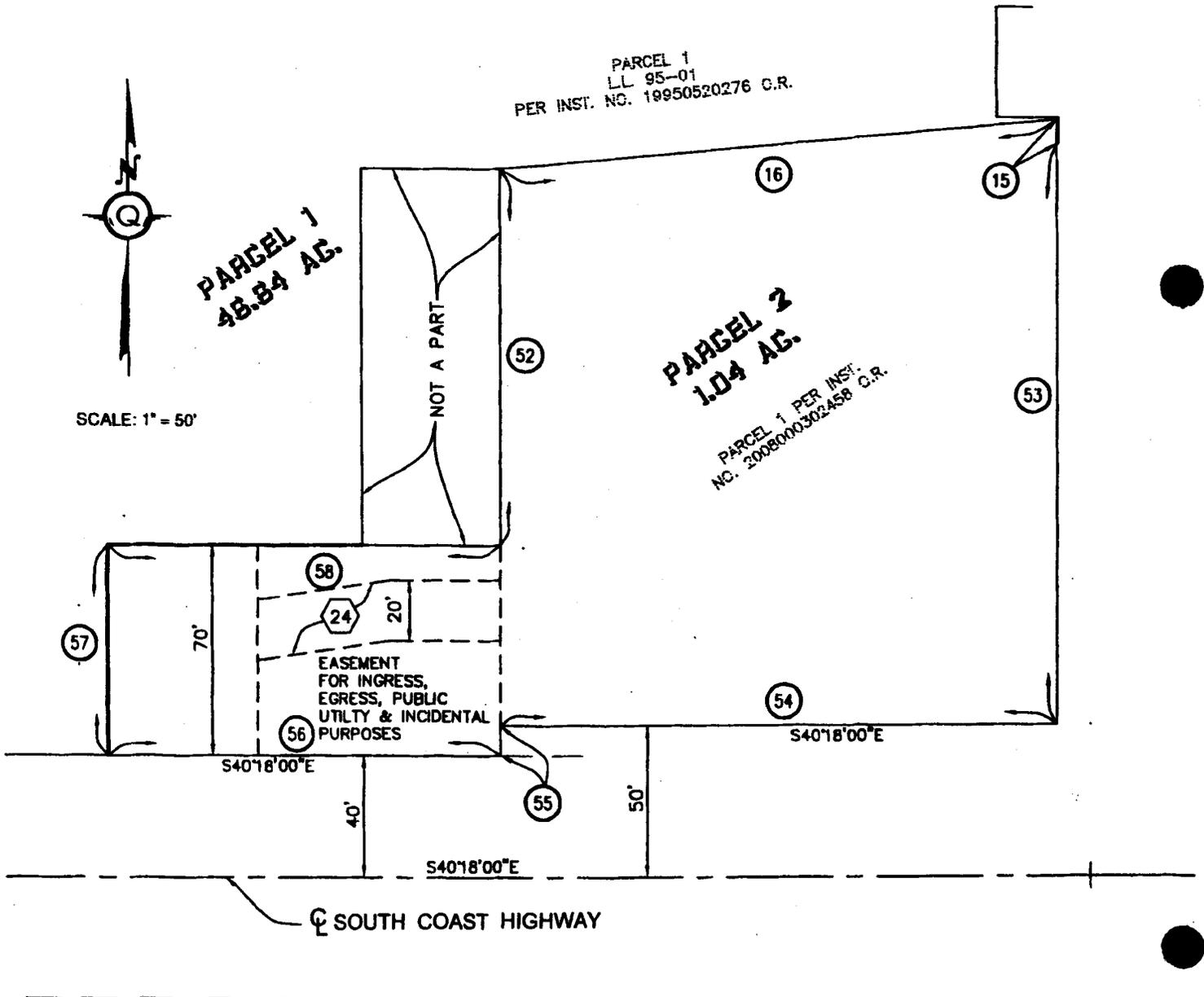
ITEM 17 PER FIRST AMERICAN TITLE INSURANCE COMPANY ORDER NO. NCS-439501-SA1 DATED 4-28-10 AN EASEMENT IN FAVOR OF COUNTY OF ORANGE FOR STREET, HIGHWAY & INCIDENTAL PURPOSES RECORDED 4-7-61 IN BOOK 5682, PAGE 637 O.R.



SITE PLAN

LOT LINE ADJUSTMENT - LLA 10 - 08

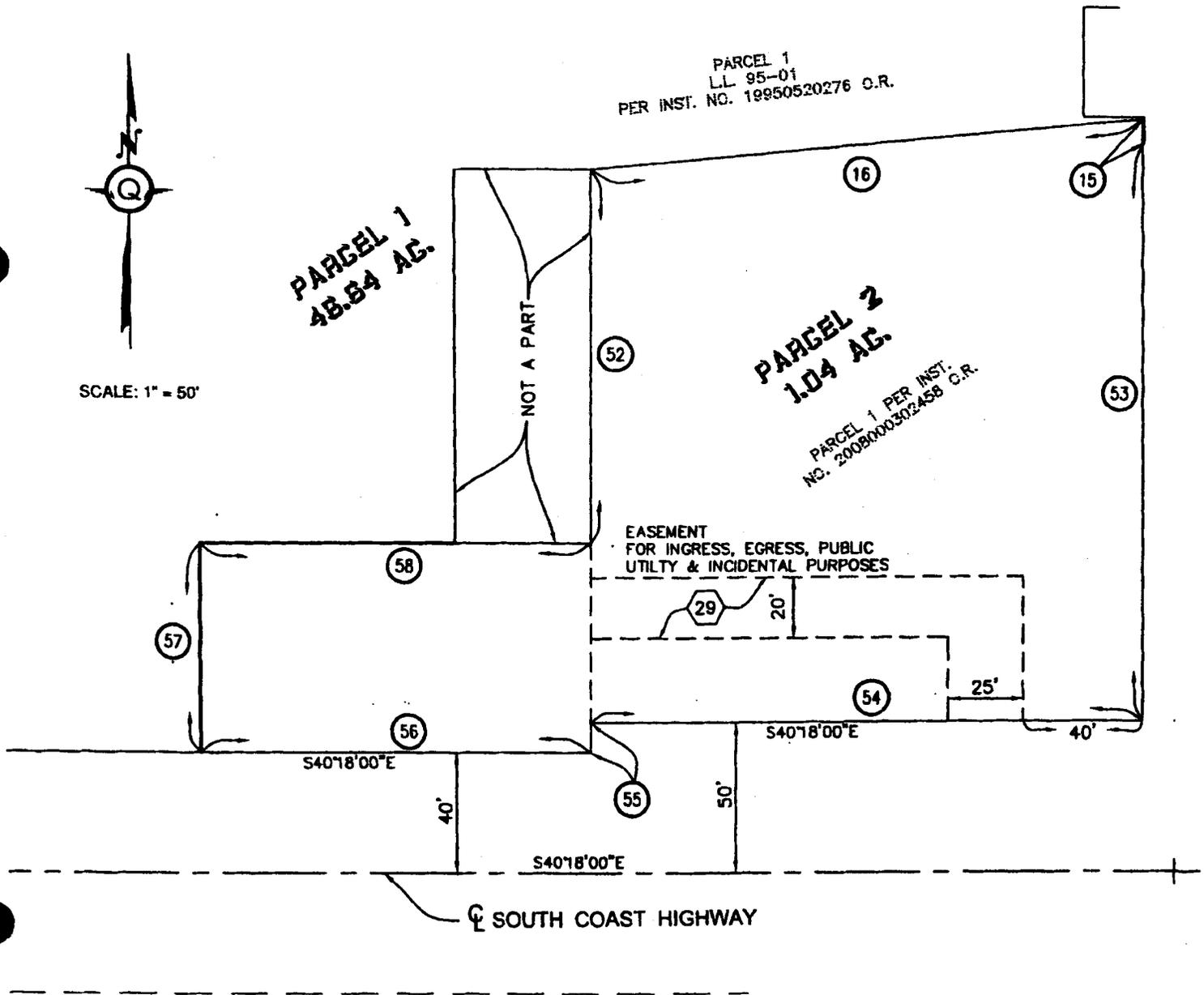
ITEM 24 PER FIRST AMERICAN TITLE INSURANCE COMPANY ORDER NO. NCS-439501-SA1 DATED 4-28-10 AN EASEMENT IN FAVOR OF MARIE M. ESSLINGER FOR INGRESS, EGRESS, PUBLIC UTILITY & INCIDENTAL PURPOSES RECORDED 4-26-84 AS INSTRUMENT NO. 84-172916 O.R.



SITE PLAN

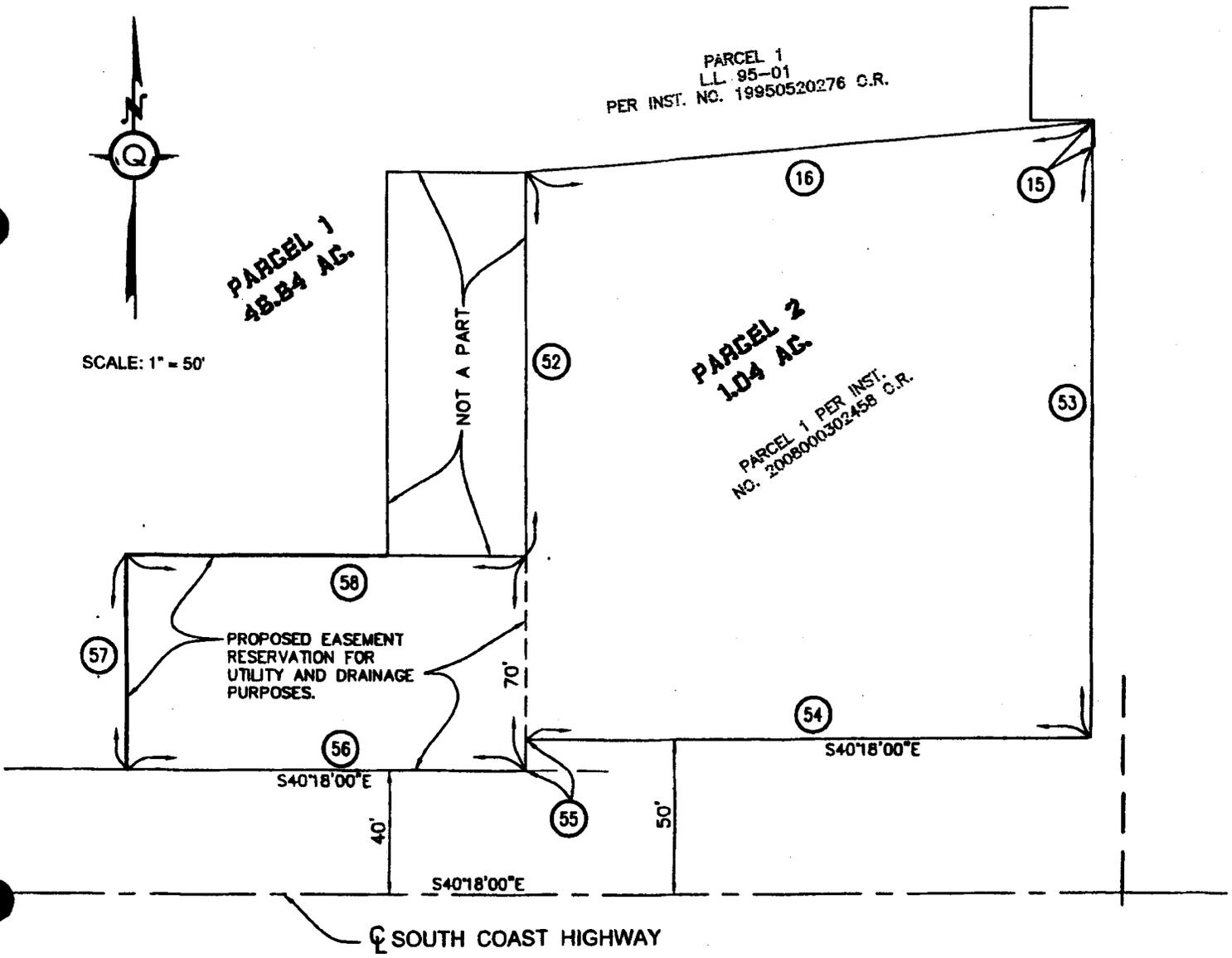
LOT LINE ADJUSTMENT - LLA 10 - 08

ITEM 29 PER FIRST AMERICAN TITLE INSURANCE COMPANY ORDER NO. NCS-439501-SA1 DATED 4-28-10 AN EASEMENT IN FAVOR OF MARIE M. ESSLINGER FOR INGRESS, EGRESS, PUBLIC UTILITY & INCIDENTAL PURPOSES RECORDED 4-26-84 AS INSTRUMENT NO. 84-172918 O.R.



SITE PLAN
LOT LINE ADJUSTMENT - LLA 10 - 08

PROPOSED EASEMENT FOR UTILITY & DRAINAGE PURPOSES



RECEIVED
South Coast Region

JAN 25 2011



CALIFORNIA
COASTAL COMMISSION

**NOTICE OF FINAL LOCAL ACTION
FOR COASTAL DEVELOPMENT PERMITS**

Date: January 19, 2011

The following project is located within the City of Laguna Beach Coastal Zone:

Location: 30802 and 30806 Coast Highway

Coastal Development Project No: CDP 10-57

Project Description: Lot Line Adjustment 10-08 to reallocate an existing parking lot from 30802 Coast Highway to the property at 30806 Coast Highway. The parking lot area consists of 17 parking spaces. There are two parcels involved in the proposed Lot Line Adjustment – a larger parcel consisting of 45.65 acres and a smaller one consisting of 0.828 acres. After the lot adjustment, the parcels would be 45.44 and 1.04 acres, respectively. The adjustment area is 70 feet in depth, 132 feet in width and is approximately 10,000 square feet in area. The adjustment area is generally located along Coast Highway.

Applicant: Laguna Terrace Park, c/o James Lawson

Mailing Address: 30802 Coast Highway, Laguna Beach, CA 92651

On January 18, 2011 a Coastal Development Permit application for the project was

- approved
- approved with conditions
- denied

This action was taken by: City Council
 Design Review Board
 Planning Commission

Findings supporting the local government action and any conditions imposed are found in the attached resolution.

The City considers the project as not appealable to the California Coastal Commission; however, on January 14, 2011, the Executive Director of the California Coastal Commission has made a determination that the project is appealable pursuant to Coastal Act Section 30603. Based on the Coastal Commission's Executive Director's determination, an aggrieved person may appeal this decision to the Coastal Commission within 10 working days following Coastal Commission receipt of this notice. Applicants will be notified by the Coastal Commission if a valid appeal is filed. Appeals must be in writing to the appropriate Coastal Commission district office and in accordance with the California Code of Regulation Section 13111.

The Coastal Commission may be reached by phone at (562) 590-5071 or by writing to 200 Occangate, 10th Floor, Long Beach, CA 90802-4416.

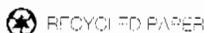
Attach: CDP Resolution No. 11.008

505 FORFSI AVL

LAGUNA BEACH, CA 92651

TEL (949) 497-3311

FAX (949) 497-0771



5-11-012-EDD
Exhibit 6

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RESOLUTION NO. 11.008

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA BEACH, CALIFORNIA, APPROVING LOT LINE ADJUSTMENT 10-08 AND COASTAL DEVELOPMENT PERMIT 10-57 AT 30802 AND 30806 COAST HIGHWAY.

WHEREAS, an application has been filed by the property owners of 30802 and 30806 Coast Highway requesting approval of Lot Line Adjustment 10-08 and Coastal Development Permit 10-57 to modify a common property line in accordance with the provisions of the California Subdivision Map Act and the Laguna Beach Municipal Code; and

WHEREAS, on November 16, 2010, January 4, 2011 and January 18, 2011, the City Council conducted legally noticed public meetings and, after reviewing all documents and testimony, desires to approve the Lot Line Adjustment 10-08 and Coastal Development Permit 10-57;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA BEACH finds and determines as follows:

1. The project site consists of legal building sites as defined in Title 25 of the Municipal Code.
2. The proposal does not create additional lots or building sites.
3. The land distribution is consistent with the minimum lot requirements of the Municipal Code.
4. The lot line adjustment is exempt from the requirements of the California Environmental Quality Act for the sole and limited purpose of the lot line adjustment application. (State CEQA Guidelines section 15305)

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5. The lot line adjustment will not result in the need for additional improvements and/or facilities.

6. The lot line adjustment does not include any lots or parcels created illegally.

7. The lot line adjustment does not impair any existing access or create a need for new access.

8. The project is in conformity with the public access and public recreation policies of Chapter 3 of the California Coastal Act.

9. The lot line adjustment and coastal development permit will not result in a change in the density or intensity of the use of the land.

10. The lot line adjustment will facilitate adequate parking for a lower cost visitor-serving facility, pursuant to Public Resources Code section 30213, which deals with the protection and encouragement of lower cost visitor-serving facilities.

11. One of the parcels of the lot line adjustment is located within both the California Coastal Commission's and the City of Laguna Beach's coastal development permitting jurisdictions.

12. The lot line adjustment and coastal development permit will not create any lots or parcels which "require any new lot lines or portions of new lot lines within the area subject to the [California Coastal] Commission's retained jurisdiction."

13. It generally is required to obtain the approval and issuance by the California Coastal Commission of a Coastal Development Permit for deferred areas, which are located outside of the City's Coastal Development Permitting jurisdictional boundaries. The portion of the property for which the lot lines are proposed to be adjusted lies within the City's Coastal

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Development Permitting jurisdictional boundaries, although other portions of the property lie within a Coastal Commission deferred area. In the event it is determined that the lot line adjustment's proposed "new lot lines or portions of new lot lines" are within the Coastal Commission's retained jurisdiction, then it shall be the responsibility of the applicants to comply with applicable requirements.

14. In accordance with Chapter 25.07 of the Laguna Beach Municipal Code, it is determined that the Lot Line Adjustment is not an appealable development.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAGUNA BEACH does further RESOLVE and ORDER that Lot Line Adjustment 10-08 and Coastal Development Permit 10-57 are hereby approved.

ADOPTED this 18th day of January, 2011.

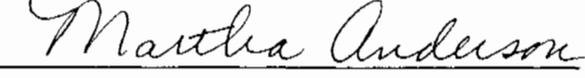

Toni Iseman, Mayor

ATTEST:

City Clerk

I, MARTHA ANDERSON, City Clerk of the City of Laguna Beach, California, do hereby certify that the foregoing Resolution No. 11.008 was duly adopted at a Regular Meeting of the City Council of said City held on January 18, 2011, by the following vote:

- AYES: COUNCILMEMBER(S): Boyd, Egly, Pearson, Iseman
- NOES: COUNCILMEMBER(S): Rollinger
- ABSENT: COUNCILMEMBER(S): None

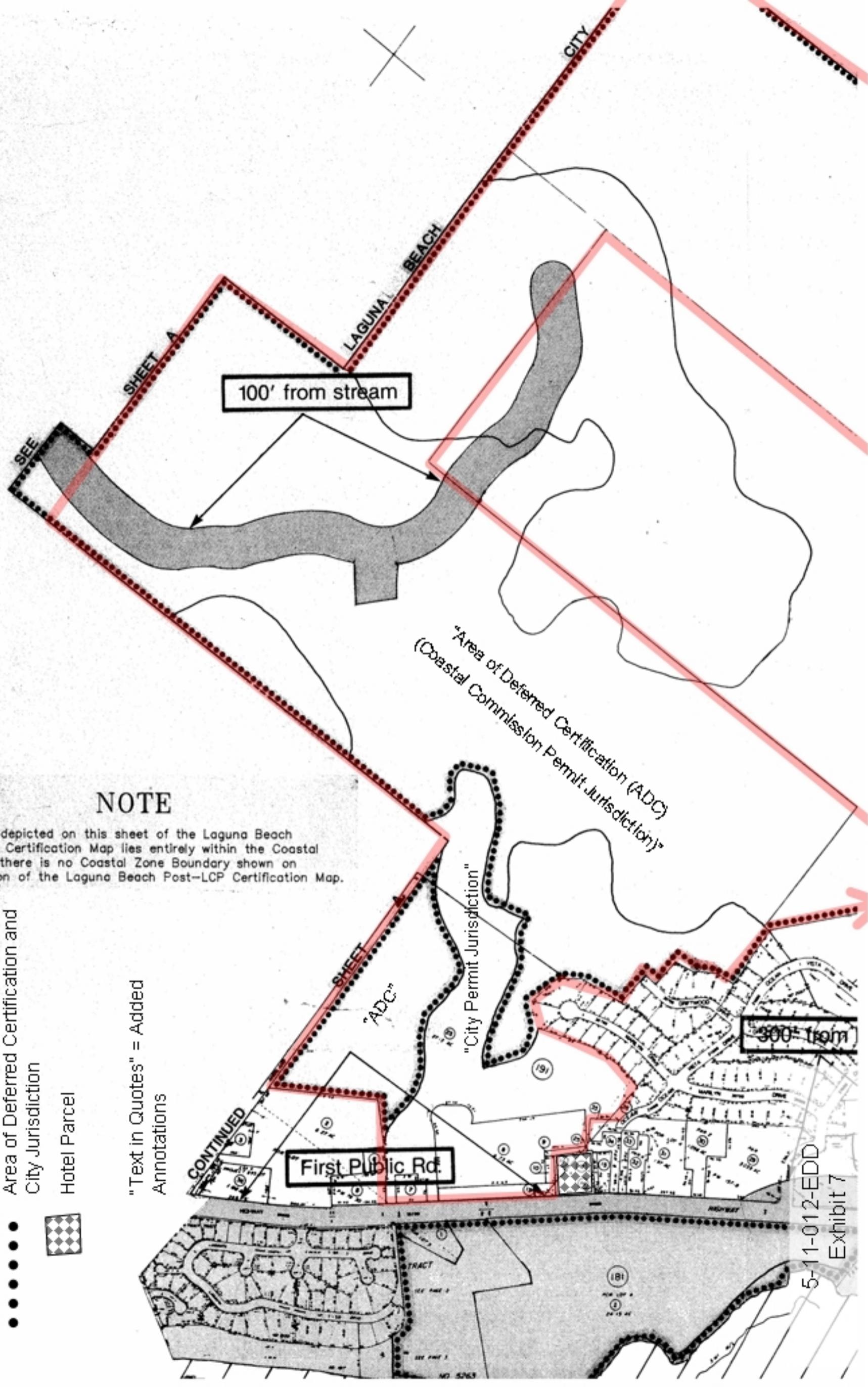

City Clerk of the City of Laguna Beach, CA

- Faint Red Line = Subject Area Including Area Owned by Laguna Terrace Park LLC
- Dotted Line = Boundary between Area of Deferred Certification and City Jurisdiction
- Hotel Parcel

"Text in Quotes" = Added Annotations

NOTE

The area depicted on this sheet of the Laguna Beach Post-LCP Certification Map lies entirely within the Coastal Zone. As such, there is no Coastal Zone Boundary shown on this portion of the Laguna Beach Post-LCP Certification Map.



5-11-012-EDD
Exhibit 7