

CALIFORNIA COASTAL COMMISSION

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STAFF REPORT: REGULAR CALENDAR

Application No.: **5-13-0717**

Applicant: **1429 Hermosa, LLC**

Project Location: 1429 Hermosa Ave. Hermosa Beach, CA
(Los Angeles County)

Project Description: Construction of a 29,557 sq. ft., 3-story, 30 ft. high, boutique hotel with 30 rooms. 37 parking spaces and 24/7 valet will be provided. 670 cubic yards of grading is proposed.

Lot Area (4 tied lots)	11,516 square feet
Building Coverage	10,533 square feet
Pavement Coverage	583 square feet
Landscaping	380 square feet
Unimproved	20 square feet
Parking Spaces	37
Zoning	C-2 (Restricted Commercial)
Plan Designation	General Commercial
Height above existing grade	30 feet

Staff Recommendation: Approval with conditions.

SUMMARY OF STAFF RECOMMENDATION

The applicant, 1429 Hermosa LLC, proposes in this coastal development permit application #5-13-0717, the construction of a 30 room boutique hotel. Major issues before the Commission are related to parking, water quality, and lower cost overnight accommodations.

The development of a hotel in this area would fulfill “visitor-serving” use priorities, however the hotel will not offer lower-cost overnight accommodations. The applicant has agreed to pay a mitigation fee in-lieu of providing lower cost rooms, at \$34,188.88 per room for 25% of the proposed number of rooms, therefore **special condition No. 8** is imposed. This provision is consistent with past Commission action on similar development proposals and with Section 30213 of the Coastal Act which states: *Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred.*

The construction of the parking garage driveway will remove 1 public metered parking spot from 15th Street and the proposed parking garage provides for 37 parking spaces onsite, instead of the required 38 spaces. Therefore, the applicant will purchase from the City of Hermosa Beach 2 in-lieu parking fees totaling \$57,800 as mitigation for the 2 parking spots, as required by **special condition No. 1**. The fee will be deposited into an established, Commission-approved fund that will be used for future construction of public parking opportunities near the beach in Downtown Hermosa Beach. All costs associated with the relocation of on-street parking spaces, meters, and signage are at the expense of the applicant. A 24-hour Valet service and alternative transportation program will be provided to hotel guests and employees. The multifunction rooms proposed onsite in the hotel will be available to hotel guests only and will not create additional public parking demand in the area.

The hotel and pavement will cover approximately 96% of the lot area (**Exhibit 2**). This size of the hotel leaves little room for storm water to infiltrate on site. The geotechnical report and subsequent letters from soil engineers indicate that the site is subject to a high water table and infiltration of onsite runoff is not recommended due to a high liquefaction potential. In-lieu of infiltration, the hotel’s building design will treat 40% of the average annual rainfall runoff from all impervious surfaces, as required by the City of Hermosa Beach, through a filtration device and an underground cistern. The cistern will provide water for a small amount of irrigation onsite. The management and maintenance plans, including BMPs and implementation plans, for these systems will be reviewed by Commission staff before the issuance of the permit, as conditioned by **special condition No. 4**.

Staff is recommending **APPROVAL** of the proposed project with 12 special conditions regarding: 1) parking; 2) compliance with construction responsibilities and debris removal measures; 3) public access; 4) water quality; 5) dewatering; 6) compliance with local conditions; 7) general occupancy; 8) lower cost overnight accommodations; 9) future development; 10) drought tolerant and native landscaping; 11) deed restriction; and 12) plans conforming to geologic recommendations. The proposed development has been conditioned to assure the proposed project is consistent with the resource protection policies of the Coastal Act.

Section 30600(c) of the Coastal Act provides for the issuance of coastal development permits directly by the Commission in regions where the local government having jurisdiction does not have a certified Local Coastal Program for the relevant area. The City of Hermosa Beach does not have a certified LCP. Therefore, the Coastal Commission is the permit issuing entity and the standard of review is Chapter 3 of the Coastal Act.

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EXHIBITS

Exhibit 1 – Area Map
Exhibit 2 – Site Plan
Exhibit 3 – Elevations
Exhibit 4 – Hermosa Zoning Map
Exhibit 5 – Hermosa Public Parking Map

I. MOTION AND RESOLUTION

Motion:

I move that the Commission approve Coastal Development Permit No. 5-13-0717 pursuant to the staff recommendation.

Staff recommends a **YES** vote. Passage of this motion will result in approval of the permit as conditioned and adoption of the following resolution and findings. The motion passes only by affirmative vote of a majority of the Commissioners present.

Resolution:

The Commission hereby approves Coastal Development Permit 5-13-0717 for the proposed development and adopts the findings set forth below on grounds that the development as conditioned will be in conformity with the policies of Chapter 3 of the Coastal Act and will not prejudice the ability of the local government having jurisdiction over the area to prepare a Local Coastal Program conforming to the provisions of Chapter 3. Approval of the permit complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or 2) there are no further feasible mitigation measures or alternatives that will substantially lessen any significant adverse impacts of the development on the environment.

II. STANDARD CONDITIONS

This permit is granted subject to the following standard conditions:

1. **Notice of Receipt and Acknowledgment.** The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. **Expiration.** If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. **Interpretation.** Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
4. **Assignment.** The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
5. **Terms and Conditions Run with the Land.** These terms and conditions shall be

perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

III. SPECIAL CONDITIONS

1. PARKING AND TRANSPORTATION PLANS

A. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall provide for review and approval by the Executive Director, a transportation incentive program as follows:

- (1) The applicant shall actively encourage employee participation in a Ride Sharing/Carpooling program.
- (2) A public transit fare reimbursement program shall be implemented by the applicant. The system shall be in effect for at least a 30-year period. The applicant shall provide for a minimum of 50% reimbursement to 100% of the employees of the development for public transit fare to and from work.
- (3) The applicant shall provide a bicycle parking area, free of charge, on the property.
- (4) The applicant shall implement a publicity program, the contents of which is subject to the review and approval of the Executive Director, that indicates how the future occupants of the development will be made aware of the provisions of this special condition. The publicity program shall be implemented during the first month of occupancy of the new development and annually thereafter.
- (5) The applicant shall provide shuttle service between LAX airport and the project site for all guests.

The permittee shall undertake the development in accordance with the approved program. Any proposed changes to the approved program shall be reported to the Executive Director. No changes to the program shall occur without a Coastal Commission approved amendment to this coastal development permit unless the Executive Director determines that no amendment is required.

A minimum of 37 parking spaces shall be provided and maintained on the site to serve the approved 29,557 square-foot commercial, visitor-serving hotel. All available parking shall be shared among and equally available to all of the patrons, employees, and other users of the buildings, and no parking spaces shall be assigned for exclusive use, with exception of required ADA parking. Valet service shall be provided at all times. Any proposed changes, including but not limited to, change in the number of parking spaces, hotel rooms or operation of the hotel, or change in use shall be submitted to the Executive Director. No such change shall occur without a Commission amendment to this permit unless the Executive Director determines that no amendment is legally necessary, pursuant to the requirements of the Coastal Act and the California Code of Regulations.

B. PRIOR TO THE ISSUANCE OF A COASTAL DEVELOPMENT PERMIT the applicant shall submit evidence of a written agreement between the applicant and the City of Hermosa Beach to purchase two (2) in-lieu parking fees (currently \$28,900 each) through a program in which the funds are used solely for the purpose of acquisition and/or construction of new public parking spaces within the coastal zone of Hermosa Beach and is administered by the Hermosa Beach City Council and the Downtown Business Area Enhancement District Commission, or its successor agency.

After payment of the 2 in-lieu parking fees has been collected by the City, the applicant shall submit a copy of the receipt of purchase to the Executive Director.

**2. CONSTRUCTION PLANS AND STORAGE OF CONSTRUCTION MATERIALS,
MECHANIZED EQUIPMENT AND REMOVAL OF CONSTRUCTION DEBRIS**

The permittee shall comply with the following construction-related requirements:

- (a) No construction materials, debris, or waste shall be placed or stored where it may enter a storm drain or be subject to wave erosion and dispersion;
- (b) Any and all debris resulting from construction activities shall be removed from the project site within 24 hours of completion of construction;
- (c) Best Management Practices (BMPs) and Good Housekeeping Practices (GHPs) designed to prevent spillage and/or runoff of construction-related materials, and to contain sediment or contaminants associated with construction activity, shall be implemented prior to the on-set of such activity. BMPs and GHPs which shall be implemented include, but are not limited to: stormdrain inlets must be protected with sandbags or berms, all stockpiles must be covered, and a pre-construction meeting should be held for all personnel to review procedural and BMP/GHP guidelines. Selected BMPs shall be maintained in a functional condition throughout the duration of the project.
- (d) Construction debris and sediment shall be properly contained and secured on site with BMPs, to prevent the unintended transport of sediment and other debris into coastal waters by wind, rain or tracking. Construction debris and sediment shall be removed from construction areas as necessary to prevent the accumulation of sediment and other debris which may be discharged into coastal waters. Debris shall be disposed at a debris disposal site outside the coastal zone.

PRIOR TO THE ISSUANCE OF A COASTAL DEVELOPMENT PERMIT, the permittee shall submit a Construction plan to the Executive Director for review and approval. The construction plan shall identify the specific location of all construction areas, all staging areas, and all construction access corridors in site plan view. Construction and staging zones shall be limited to the minimum area required to implement that approved project, and to minimize construction encroachment on the

beach, among other ways by using either 1429 Hermosa Ave. or nearby developed sites for staging and storing construction equipment and materials.

The Construction Plan shall also identify the type and location of erosion control/water quality best management practices that will be implemented during construction to protect coastal water quality, including the following:

- (a) Silt fences, or the equivalent, shall be installed at the perimeter of the construction site to prevent construction related runoff and/or sediment from discharging onto the nearby beach.
- (b) Equipment washing, refueling, and/or servicing shall not take place on the project site. All construction equipment shall be inspected and maintained at an offsite location to prevent leaks and spills of hazardous materials at the project site.
- (c) The construction site shall maintain good construction housekeeping controls and procedures (for example, clean up all leaks, drips, and other spills immediately; keep materials covered and out of the rain, including covering exposed piles of soil and waste; dispose of all waste properly, place trash in receptacles onsite for that purpose and cover open trash cans when not in use).
- (d) All erosion and sediment controls shall be in place prior to the commencement of construction as well as at the end of each work day.
- (e) During construction of the proposed project, no runoff, site drainage or **dewatering** shall be directed from the site into any street or drainage unless specifically authorized by the California Regional Water Quality Control Board.

A copy of the approved Construction Plan shall be kept at the construction job site at all times and all persons involved with the construction shall be briefed of its content and meaning prior to the commencement of construction. The Permittee shall notify Commission staff at least 3 working days in advance of commencement of the construction, and immediately upon completion of construction. The Permittee shall undertake construction in accordance with the approved Construction Plan. Any proposed changes to the approved Construction Plan shall not occur without a Commission amendment this coastal development permit unless the Executive Director determines that no amendment is necessary.

3. PUBLIC ACCESS

The permittee shall ensure that public access to the nearby beach and coastal access off of 15th Street are not prohibited by the construction or operation of the development. Public parking along Hermosa Ave and 15th Street shall not be used for valet overflow, nor shall the parking spaces otherwise be blocked from access by the public.

4. WATER QUALITY MANAGEMENT PLAN

A. Water Quality Goals

PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall submit for the review and approval of the Executive Director, a Water Quality Management Plan (WQMP) for the post-construction project site, prepared by a licensed water quality professional, and shall include plans, descriptions, and supporting calculations. The WQMP shall incorporate structural and non-structural Best Management Practices (BMPs) designed to reduce, to the maximum extent practicable, the volume, velocity and pollutant load of stormwater and dry weather flows leaving the developed site. In addition to the specifications above, the plan shall be in substantial conformance with the following requirements:

- Post-development peak runoff rates and average volumes shall not exceed pre-development conditions.
- Appropriate structural and non-structural BMPs shall be designed to treat or filter the runoff from all surfaces and activities on the development site.
- Post-construction structural BMPs (or suites of BMPs) should be designed to treat or filter the amount of stormwater runoff produced by all storms up to and including the 85th percentile, 24-hour storm event for volume-based BMPs, and/or the 85th percentile, 1-hour storm event, with an appropriate safety factor (i.e., 2 or greater), for flow-based BMPs.
- Runoff from all roofs and parking areas shall be collected and directed through a system structural BMPs of vegetated areas and/or gravel filter strips or other vegetated or media filter devices. The filter elements shall be designed to 1) trap sediment, particulates and other solids and 2) remove or mitigate contaminants through infiltration and/or biological uptake. The drainage system shall also be designed to convey and discharge runoff in excess of this standard from the building site in a non-erosive manner.

B. Impermeable Surfaces

- The WQMP shall provide for the treatment of runoff from the parking garage using appropriate structural and non-structural BMPs. At a minimum this must include a filter designed specifically to minimize vehicular contaminants (oil, grease, automotive fluids, heavy metals), sediments, and floatables and particulate debris.
- The applicant shall regularly sweep the parking garage on a weekly basis, in order to prevent dispersal of pollutants that might collect on those surfaces.
- The detergents and cleaning components used on site shall comply with the following criteria: they shall be phosphate-free, biodegradable, and non-toxic to marine wildlife; amounts used shall be minimized to the maximum extent practicable; no fluids containing ammonia, sodium hypochlorite, chlorinated solvents, petroleum distillates, or lye shall be used;
- The applicant shall not spray down or wash down the parking garage or surrounding sidewalks unless the water used is directed through the sanitary sewer system or a filtered drain. No car washing shall be permitted in the parking garage.
- All BMPs shall be operated, monitored, and maintained for the life of the project and at a minimum, all structural BMPs shall be inspected, cleaned-out, and where

necessary, repaired at the following minimum frequencies: (1) prior to October 15th each year; (2) during each month between October 15th and April 15th of each year and, (3) at least twice during the dry season.

- Debris and other water pollutants removed from structural BMP(s) during clean-out shall be contained and disposed of in a proper manner;
- It is the applicant's responsibility to maintain the drainage system and the associated structures and BMPs according to manufacturer's specification.

The permittee shall undertake development in accordance with the final plan. Any proposed changes to the final plan shall be reported to the Executive Director. No changes to the final plan shall occur without a Commission amendment to this coastal development permit unless the Executive Director determines that no amendment is legally required.

5. DEWATERING OF GROUNDWATER

PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall provide, for the review and approval by the Executive Director, a written agreement providing that any required dewatering of the site due to groundwater intrusion, or percolating surface water, during construction or post-construction will require filters to be installed on all dewatering pumps and sump pumps. Such dewatering shall comply with the State of California Regional Water Quality Control Board or the Sanitary District discharge requirements.

6. COMPLIANCE WITH LOCAL CONDITIONS APPROVAL

All conditions imposed by the City under legal authority other than the Coastal Act continue to apply.

7. GENERAL OCCUPANCY REQUIREMENT

All hotel facilities shall be open to the general public. No timeshare or other fractional ownership or long-term occupancy of units is permitted without an amendment to this permit. Rooms may not be rented to any individual, family, or other related group for more than 29 consecutive days or in accordance with any local government limitations on length of hotel stay.

8. LOWER COST OVERNIGHT ACCOMMODATIONS MITIGATION FEE

PRIOR TO THE ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall pay a mitigation fee in-lieu of providing 25% (7.5 rooms) of the proposed 30 hotel rooms as lower cost overnight accommodations.

- A. The required total in-lieu fee of \$256,416.60 ($\$34,188.88 \times 7.5 = \$256,416.60$) shall be deposited into an interest-bearing account, to be established and managed by one of the following entities approved by the Executive Director of the Coastal Commission: Los Angeles County Department of Beaches and Harbors, Hostelling International USA, California Coastal Conservancy, California Department of Parks and Recreation, or a similar entity. The purpose of the account shall be to establish lower cost overnight visitor accommodations, such as RV park sites, hostel beds, tent campsites, cabins or campground

units, at appropriate locations within the coastal area of Hermosa Beach or the greater Los Angeles County coastal area, with priority given to additional RV sites at Dockweiler State Beach, a hostel in Long Beach, or a similar project identified by the City of Hermosa Beach. The entire fee and accrued interest shall be used for the above stated purpose, in consultation with the Executive Director, within ten years of the fee being deposited into the account. All development funded by this account will require review and approval by the Executive Director of the Coastal Commission and a coastal development permit if in the coastal zone. If any portion of the fee remains ten years after it is deposited, it shall be donated to one or more of the State Park units or non-profit entities providing lower cost visitor amenities in a Southern California coastal zone jurisdiction or other organization acceptable to the Executive Director. Alternative mitigation may include completion of a specific project that is comparable in cost to the amount of the in-lieu fee and makes a substantial contribution to the availability of lower cost overnight visitor accommodations in Hermosa Beach and/or the coastal area of Los Angeles County, subject to the review and written approval of the Executive Director.

- B. Prior to expenditure of any funds contained in this account, the Executive Director shall review and approve, in writing, the proposed use of the funds as being consistent with the intent and purpose of this condition. In addition, the entity accepting the in-lieu fee funds required by this condition shall enter into a memorandum of understanding (MOU) with the Commission, which shall include, but not be limited to, the following: 1) a description of how the funds will be used to create lower cost accommodations in the coastal zone; 2) a requirement that the entity accepting the funds must preserve these newly created lower cost accommodations in perpetuity; 3) the terms provided in subsection A of this condition; and 4) an agreement that the entity accepting the funds will obtain all necessary regulatory permits and approvals, including but not limited to, a coastal development permit for development of the lower cost accommodations required by this condition.

9. FUTURE DEVELOPMENT

This permit is only for the development described in coastal development permit No. 5-13-0717. Pursuant to Title 14 California Code of Regulations section 13253(b)(6), the exemptions otherwise provided in Public Resources Code section 30610 (b) shall not apply to the development governed by the coastal development permit No. 5-13-0717. Accordingly, any future improvements to the structure authorized by this permit, including but not limited to changes in square footage or height of the hotel, conversion of common space, lobbies, or storage areas to guest rooms and vice versa, number of on-site parking spaces, and repair and maintenance identified as requiring a permit in Public Resources section 30610(d) and Title 14 California Code of Regulations sections 13252(a)-(b), shall require an amendment to Permit No. 5-13-0717 from the Commission or shall require an additional coastal development permit from the Commission or from the applicable certified local government.

10. LANDSCAPING: DROUGHT TOLERANT, NON-INVASIVE PLANTS

Vegetated landscaped areas onsite shall only consist of drought tolerant plants native to coastal Los Angeles County and appropriate to the habitat type. Native plants shall be from local stock wherever possible. No plant species listed as problematic and/or invasive by the California Native Plant Society (<http://www.CNPS.org/>), the California Invasive

Plant Council (formerly the California Exotic Pest Plant Council) (<http://www.cal-ipc.org/>), or as may be identified from time to time by the State of California shall be employed or allowed to naturalize or persist on the site. No plant species listed as a “noxious weed” by the State of California or the U.S. Federal Government shall be utilized within the property. All plants shall be low-water-use plants as identified by California Department of Water Resources (<http://www.water.ca.gov/wateruseefficiency/docs/wucols00.pdf>).

11. DEED RESTRICTION

PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall submit to the Executive Director for review and approval documentation demonstrating that the landowner has executed and recorded against the parcel(s) governed by this permit a deed restriction, in a form and content acceptable to the Executive Director: (1) indicating that, pursuant to this permit, the California Coastal Commission has authorized development on the subject property, subject to terms and conditions that restrict the use and enjoyment of that property; and (2) imposing the special conditions of this permit as covenants, conditions and restrictions on the use and enjoyment of the Property. The deed restriction shall include a legal description of the entire parcel or parcels governed by this permit. The deed restriction shall also indicate that, in the event of an extinguishment or termination of the deed restriction for any reason, the terms and conditions of this permit shall continue to restrict the use and enjoyment of the subject property so long as either this permit or the development it authorizes, or any part, modification, or amendment thereof, remains in existence on or with respect to the subject property.

12. PLANS CONFORMING TO GEOLOGIC RECOMMENDATION

Because of the potential for liquefaction onsite, all final recommendations contained in the Engineering Geologic Investigation (No. 19168); Addendum I (No. 19168); and subsequent letter dated January 9, 2014 by Geotechnologies, Inc. and submitted to the Commission regarding the proposed development shall be incorporated into all final design and construction including foundation, grading and drainage. All plans must be reviewed and approved by the consultants.

PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall submit, for review and approval by the Executive Director, evidence of the consultants' review and approval of all project plans. The final plans approved by the consultant shall be in substantial conformance with the plans approved by the Commission relative to construction, foundation, grading and drainage. Any substantial changes in the proposed development approved by the Commission which may be required by the consultant or by the City of Hermosa Beach shall require an amendment to the permit or a new coastal permit.

IV. FINDINGS AND DECLARATIONS:

A. PROJECT DESCRIPTION AND BACKGROUND

The subject site is located at 1429 Hermosa Avenue, within the City of Hermosa Beach, Los Angeles County (**Exhibit 1**). The vacant 4 lots totaling 11,516 square feet are located approximately 500 feet from the beach and the site is within the downtown district of Hermosa Beach. The 11,516 square foot lot is approximately 500 feet from the beach and is within the downtown district of Hermosa Beach. The site is directly adjacent to commercial uses along its northern and southern borders, and a multi-family residential uses border the western and eastern edges of the property.

The applicant proposes to construct a three-story, 30-foot high, 29,557 square-foot hotel (**Exhibit 3**). The proposed project would include 30 guest rooms situated on the second and third floors of the building, with a parking garage, lobby and a 416 sq. ft. multi-function room on the first floor. The second floor would also hold a 336 sq. ft. business center and the third floor will host a 475 sq. ft. outdoor patio area. The proposed parking garage would provide 37 on-site parking spaces. Access to the parking garage would be from 15th Street, and exiting the garage will be on 15th Court (an alley). Grading will consist of 670 cubic yards of cut, to be exported to a site outside of the coastal zone. The site is zoned C-2 (Restricted Commercial) and the Land Use Plan designation is General Commercial (**Exhibit 4**).

B. DEVELOPMENT

Section 30222 of the Coastal Act states:

The use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.

Section 30250 of the Coastal Act states:

(a) New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources. In addition, land divisions, other than leases for agricultural uses, outside existing developed areas shall be permitted only where 50 percent of the usable parcels in the area have been developed and the created parcels would be no smaller than the average size of surrounding parcels.

Section 30253 (a) of the Coastal Act states:

New development shall minimize risk to life and property in areas of high geologic, flood, and fire hazard.

The geological conditions of the subject site are unique in that there exists an unusually high water table and the underlying soils are potentially liquefiable during a seismic event. Borings excavated in 2006 have shown the water table to be as high as 9-12 feet under the existing grade (Geo report). The hotel will have a traditional slab foundation with footings, however the geotechnical engineers have recommended that the hotel operations avoid onsite infiltration of storm water. The proposed project is also conditioned to abide by the recommendations made by the geotechnical consultants to ensure the development is safe from hazards.

The development is located within an existing developed area and will be compatible with the character and scale of the surrounding area and has been designed to assure structural integrity. Therefore, the Commission finds that the development, as proposed conforms with Sections 30222, 30250 and 30253(a) of the Coastal Act.

C. PUBLIC ACCESS

Section 30210 of the Coastal Act states:

In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

Section 30211 of the Coastal Act states:

Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.

Section 30252(4) of the Coastal Act states:

The location and amount of new development should maintain and enhance public access to the coast by ... (4) providing adequate parking facilities or providing substitute means of serving the development with public transportation.

In the South Bay, the cities of Manhattan Beach, Hermosa Beach and Redondo Beach provide limited on-street parking and limited public transportation options. The downtown beach pier area in Hermosa Beach is a major visitor destination for recreational purposes. The amount of public access to the beach is, in practice, therefore largely limited by the amount of on-street parking. For this reason, the Commission has generally required that development in near-beach areas provide adequate parking on-site, rather than reducing parking requirements by the presumed number of on-street parking spaces available, as is allowed in some areas of the City.

During the peak weekday periods, especially in the summer season, local, on-street parking may be limited, and during peak weekend periods throughout the year on-street parking can be scarce. The City's public Municipal parking structure which contains 300 public parking spaces is

located one block South of the subject site, and another public parking lot of 20 spaces is available one block South East (**Exhibit 5**).

The Commission certified the City of Hermosa Beach Land Use Plan in 1982. The City of Hermosa Beach submitted LUP amendment HRM-MAJ-2-03 to change the parking standard within the City's certified LUP for parking in the Downtown District. The amendment, approved by the Commission in June 2004, established the in-lieu fee program as such:

In order to mitigate the impacts of increased parking demand that is created by new development, but is not compensated for by requiring additional parking spaces, the City Council shall provide an in-lieu fund transfer or an in-lieu fund fee as described in section 17,440,040 of the Zoning Ordinance No. 80-643 and Resolution Nos. 80-4307 and 99-6001 to an improvement fund earmarked specifically for creating parking, in an amount determined to be sufficient to off-set the increase in required parking spaces caused by the expansion, intensification, or new construction not provided onsite. If the City Council determines that the private party is responsible for the in-lieu fee, the private party shall pay said fee.

The City shall not accept a fee in-lieu of providing onsite parking unless the Community Development Director assures that sufficient parking exists to accommodate the parking demand of new development without causing a significant adverse impact on parking that is available to the beach-going public. [The improvement fund to mitigate increased parking demand shall be geared to a threshold limit of increased parking demand. The threshold limit was established at 100 parking spaced in 1982 [...] The City shall continue tallying the number of spaces (of the 100) that have been allocated based on receipt of in-lieu fees, and the City shall not accept any fees in-lieu of parking beyond the threshold limit. The City shall provide an annual accounting of the in-lieu parking program.

Based on the current parking standards in the CCC Regional Guidelines, hotels require 2 spaces, plus 1 space for each hotel room up to 30 rooms. The current parking standard in the LUP requires 1 space per 250 square feet of office or retail space in the downtown area; the combined business center and multi-function room in the hotel total 752 sq. ft. Based on the above, the total parking spaces required by the proposed development is 38 parking spaces. The applicant is proposing to supply a total of 37 on-site parking spaces available within the ground level parking garage. Additionally, the construction of the driveway will remove one public metered spot from the street.

To mitigate for the parking deficit of 1 parking space onsite, and for the removal of 1 public metered street parking space, the applicant has agreed to purchase in-lieu fees from the City at an amount of \$28,900 per space for a total of \$57,800. The established in-lieu fee program fund collects fees for the sole purpose of construction of new parking spaces to enhance public access opportunities in the downtown area. Approximately 35 new parking spaces were created Downtown in 2002 from this program. Currently, there are 38 in-lieu fees pending a new

Downtown parking project, and approximately 16 more are expected this year, according to the City Planning Department. The use of new in-lieu fees also requires the City to make a finding that there are at least two parking spaces available to meet the unmet project parking demand.

In order not to interfere with beach parking, the Commission has imposed **Special Condition No. 1**, which requires the applicant to provide and maintain a minimum of 37 on-site parking spaces for the proposed development and requires an amendment to this permit for any change in the number of parking spaces, or change in use of the proposed building complex. It also requires that the parking will not be assigned and will be available to all building employees and guests of 1429 Hermosa Avenue and 24 hour valet service in order to ensure maximum parking efficiency during peak and non-peak occupancy periods. A total of 2 in-lieu parking fee certificates are required to be purchased from the City by the applicant to compensate for the on-site deficit and loss of an existing on-street parking space. **Special Condition Nos. 1 and 3** ensure open public access to the nearby beach and that on-street parking areas near the hotel are for the public and not to be used for valet overflow.

Special Condition No. 7 ensures that all hotel rooms shall be available to the general public and not privatized by long-term occupancy or otherwise restricted from public use.

The Commission also imposes **Special Condition No. 9**, which limits the uses and development for the proposed project and requires an amendment to this permit or a new coastal development permit for any changes to the development, including, but not limited to the parking provisions, land use, or intensification of use.

As conditioned, the proposed development will not have any new adverse impacts on public access to the coast or to nearby recreational facilities. Thus, as conditioned, the proposed development conforms with Sections 30210, 30211 and 30252(4) of the Coastal Act.

D. LOWER COST VISITOR SERVING FACILITIES

Section 30213 of the Coastal Act states:

Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred.

Historically, the Commission has approved new hotel developments along the coastline because they are visitor-serving facilities. These hotels, however, are often exclusive because of their high room rates, particularly in recent years. Often, the Commission has secured public amenities when approving these hotels (e.g., public accessways, public parking, and open space dedications) to address the Coastal Act priorities for public access and visitor support facilities. The Commission has also required mitigation for the use of land that would have been available for lower cost and visitor serving facilities (e.g. NPB-MAJ-1-06A). The expectation of the Commission, based upon several recent decisions, is that developers of sites suitable for overnight accommodations will provide facilities which serve the public with a range of incomes [HNB-MAJ-2-06-(Huntington Beach-Timeshares); A-6-PSD-8-04/101 (San Diego-Lane Field); A-5-RPV-2-324 (Rancho Palos Verdes-Long Point); RDB-MAJ-2-08 (Redondo Beach); SBV-MAJ-2-08 (Ventura); 5-98-156-A17 (Long

Beach-Pike Hotel); LOB-MAJ-1-10 (Long Beach-Golden Shore)]. If the development does not provide for a range of affordability on-site, the Commission has required off-site mitigation, such as payment of an in-lieu mitigation fee, to fund construction of lower cost overnight accommodations such as youth hostels and campgrounds.

In light of the trend in the market place to provide luxury hotels, as well as the demolition of existing lower cost motels along the coast, the Commission is faced with the responsibility to protect and to provide lower-cost overnight accommodations as required by Section 30213 of the Coastal Act. Research conducted as part of the Commission's 2006 workshop on hotel-condominiums showed that only 7.9% of the overnight accommodations in nine popular coastal counties were considered lower-cost (Coastal Commission Hotel-Condominium Workshop, August 9, 2006). Although statewide demand for lower-cost accommodations in the coastal zone is difficult to quantify, there is no question that camping and hostel opportunities are in high demand in coastal areas, and that there is an on-going need to provide more lower-cost opportunities along California's coast. For example, the Santa Monica hostel occupancy rate was 96% in 2005, with the hostel being full more than half of the year, and the California Department of State Parks estimates that demand for camping increased 13% between 2000 and 2005 with nine of the ten most popular State Park campgrounds being on the coast. In Long Beach, there is a particular need for a youth hostel that would serve domestic and international travelers that arrive in Los Angeles and commonly take advantage of the light rail public transportation system to get to the coast.

Lodging opportunities for more budget-conscious visitors to the coast are increasingly limited. As the trend to demolish or convert low-cost hotels/motels continues, and only new luxury hotels are being built, persons of low and moderate incomes will make up fewer of the guests staying overnight in the coastal zone. Without low-cost lodging facilities, a large segment of the population will be excluded from overnight stays at the coast. By forcing this economic group to lodge elsewhere (or to stay at home), there will be an adverse impact on the public's ability to access the beach and coastal recreational areas. Therefore, by protecting and providing low-cost lodging for the price-sensitive visitor, a larger segment of the population will have the opportunity to visit the coast. Access to coastal recreational facilities, such as the beaches, harbor, piers, and other coastal points of interest, is enhanced when lower cost overnight lodging facilities exist to serve a broad segment of the population.

In order to protect and provide for lower-cost visitor-serving facilities, the Commission has imposed in-lieu mitigation fees on development projects that remove existing facilities and/or propose only new high cost overnight accommodations, or change the land use to something other than overnight accommodations. By requiring such mitigation a method is provided to assure that at least some lower-cost overnight accommodations will be protected and/or provided.

Defining Lower Cost

In a constantly changing market, it sometimes can be difficult to define what price point constitutes low cost and high cost accommodations for a given area. In its previous actions, the Commission has addressed what are appropriate terms for defining low cost and high cost hotels (Coastal Development Permit Nos. 5-04-291, 5-88-062, 5-84-866, 5-81-554, 5-94-172, 5-06-328, 5 A-253-80,

and A-69-76, A-6-IMB-07-131, 3-07-002, 3-07-003). More recent Commission actions have utilized a formula that can be used to determine low and high cost overnight accommodations for a specific part of the coast (SBV-MAJ-2-08). The formula is based on California hotel and motel accommodations (single room, up to double occupancy), and does not incorporate hostels, RV parks, campgrounds or other alternative accommodations into the equation, as these facilities do not provide the same level of accommodation as hotels and motels. Hostels, RV parks and campgrounds are inherently lower cost, and are the type of facilities that a mitigation fee for the loss of existing lower cost over-night accommodations or the failure to provide new lower cost facilities would support.

The formula compares the average daily rate of lower cost hotels in a specific coastal zone area (e.g., city or bay) with the average daily rates of hotels and motels across the entire State of California. Under this formula, low-cost is defined as the average room rate for all hotels within a specific area that have a room rate less than the statewide average room rate.

To determine the statewide average daily room rate, Commission staff surveyed average daily room rates for all hotels in California. Statewide average daily room rates are collected monthly by Smith Travel Research., and are available on the California Travel and Tourism Commission's website: <http://www.visitcalifornia.com>, under the heading "California Lodging Reports." Smith Travel Research data is widely used by public and private organizations. To be most meaningful, peak season (summer) rates were utilized for the formula. To ensure that the lower cost hotels and motels surveyed meet an acceptable level of quality, including safety and cleanliness, only AAA rated properties were included in the survey. According to the AAA website, "to apply for (AAA) evaluation, properties must first meet 27 essential requirements based on member expectations – cleanliness, comfort, security and safety." AAA assigns hotels ratings of one through five diamonds.

The statewide average daily room rate in California in 2008 for the months of July and August was \$133.00. [Note: The most recent data available was for last winter (February 2014), when the statewide average daily room rate was \$131.85. For the Los Angeles and Long Beach area, the average daily room rate was \$139.24 for February 2014.] The data shows that the *annual* average room rate in California peaked in 2008 at \$123, and then declined in 2009 and 2010 during the economic downturn. In 2012, the statewide *annual* average room rate rebounded to the same *annual* average as 2008 (\$123). In 2013, the *annual* average room rate in California was higher than ever at \$130 as occupancy rates after four consecutive years of average rate increases.¹

Using the formula, a 2008 study for the City of Ventura defined low cost accommodations as those charging less than \$104.50 per night, or approximately 25% below the statewide 2008 average daily room rate of \$133.00 (SBV-MAJ-2-08). In Ventura, high cost accommodations are defined as those hotels with daily room rates 25% higher than the statewide average which equates to \$166.00. Rates then between \$104.50 and \$166.00 would be considered moderately priced for the City of Ventura. A similar study for Hermosa Beach has not been conducted.

Mitigation Requirement

The Commission has found in past actions that the loss of existing, low cost hotel units should, under most circumstances, be mitigated at a 1:1 ratio lost to new units provided. For high cost overnight

¹ Source: 2014 Smith Travel Research, Inc.

visitor accommodations where low cost alternatives are not included onsite, a mitigation fee of \$30,000 per room is required for 25% of the high cost rooms constructed.

Although the actual provision of lower-cost accommodations in conjunction with a specific project is preferable, in past action, the Commission has also found that when this approach is not feasible, then the requirement of in-lieu fees to provide new lower-cost opportunities constitutes adequate mitigation for the loss or reduction of lower cost overnight accommodations. Recent Commission decisions for individual development projects (6-92-203-A4/KSL, A-6-ENC-07-51, Oceanside LCPA 1-07, and Redondo Beach LCPA 2-08) have required the payment of an in-lieu fee of \$30,000 paid for each required replacement room as a part of the mitigation package.

The \$30,000 per room in-lieu fee amount was established based on figures provided by Hostelling International in a letter dated October 26, 2007. The figures provided are based on two models for a 100-bed, 15,000 square foot hostel facility in the coastal zone, and utilize experience from the existing 153-bed Hostel International San Diego Downtown Hostel. Both models include construction costs for the rehabilitation of an existing structure and factor in both “hard” and “soft” construction and start-up costs, but do not include costs associated with ongoing operations. “Hard” costs include, among other things, the costs of purchasing the building and land and construction costs. “Soft” costs include closing costs, architectural and engineering contracts, construction management, permitting fees, legal fees, furniture and other equipment costs.

Based on these figures, the total cost per bed ranged from \$18,300 for a leased facility to \$44,989 for a facility on purchased land. This model is not based on an actual project, and therefore the actual cost of the land/building could vary significantly, and therefore the higher cost scenario could represent an inflated estimate. In order to take this into account, the Commission finds that a cost per bed located between the two model results is most supportable and conservative. More recent conversations with representatives from the Hostelling International USA have also supported the idea that the 2007 estimated cost per room would be applicable to the Los Angeles region as well, with inflation taken into account.

Therefore, consistent with recent past commission actions, an in-lieu fee requirement of \$30,000 per room shall apply to 25% of the proposed 30 rooms (or 7.5 rooms), plus an added amount to compensate for inflation since 2007 (Consumer Price Index). Staff calculated the added rate of inflation to \$30,000 since October 26, 2007, when the Hostelling International study was done. According to the U.S. Bureau of Labor Statistics CPI Inflation Calculator, \$30,000 in 2007 has the buying power of \$34,188.88, thus requiring the applicant to pay mitigation for 7.5 hotel rooms (30 rooms total x 25% = 7.5 rooms) for a total of: \$256,416.60 (\$34,188.88 x 7.5 = \$256,416.60). Thus, as conditioned, the proposed development conforms with Section 30213 of the Coastal Act.

Special Condition No. 8 requires the applicant to deposit the in-lieu mitigation fee into an interest-bearing account prior to the issuance of the permit. The in-lieu fee shall be used to provide funding grants to public agencies or non-profit organizations for the provision of lower cost overnight visitor accommodations within or in close proximity to the coastal zone, including but not limited to RV park sites, hostel accommodations, campground accommodations, cabins, or low cost hotel or motel accommodations. Preferably, the funds would be used to support the establishment of lower cost overnight visitor accommodations like additional RV park sites, a hostel in the coastal area of Long

Beach, or elsewhere in the Los Angeles County coastal zone. The in lieu fee is necessary to mitigate adverse impacts to public recreation caused by the loss of opportunities to provide for lower-cost overnight accommodations in the Hermosa Beach shoreline area. Only as conditioned can the proposed development be found to be consistent with Section 30213 of the Coastal Act.

E. SCENIC AND VISUAL RESOURCES

Section 30251 of the Coastal Act states:

The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas. New development in highly scenic areas such as those designated in the California Coastline Preservation and Recreation Plan prepared by the Department of Parks and Recreation and by local government shall be subordinate to the character of its setting.

The proposed development is a 30-foot high structure, consistent with the height of surrounding buildings in the area and is compatible with the character and scale of surrounding development located within the downtown district of Hermosa Beach. The Commission highly encourages visitor serving commercial uses in this area. Hermosa Beach already has several small restaurants and bars in the area to serve expected visitors and the addition of a hotel is ideal. It The development will have no adverse impact on public coastal views. Therefore, the Commission finds that the development, as proposed conforms with Section 30251 of the Coastal Act.

F. WATER QUALITY

Section 30230 of the Coastal Act states:

Marine resources shall be maintained, enhanced, and, where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.

Section 30231 of the Coastal Act states:

The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface waterflow,

encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

The geological conditions of the subject site are unique in that there exists an unusually high water table and the underlying soils are potentially liquefiable during a seismic event. Borings excavated in 2006 have shown the water table to be as high as 9-12 feet under the existing grade (*Geotechnologies Inc.* Report: 19168). The hotel will have a traditional slab foundation with footings, however the geotechnical engineers have recommended that the hotel operations avoid onsite infiltration of storm water and dewatering may occur during the construction period only. In-lieu of infiltration, the hotel's building design will treat a minimum of 40% of the average annual rainfall runoff from all impervious surfaces onsite, as required by the City of Hermosa Beach for new development, through a filtration device and partially retain a percentage in an underground cistern. The cistern will provide water for a small amount of irrigation onsite. Any overflow from the cistern and filtration device of clean, filtered water will be directed to the City's storm drain system. As proposed, the construction and operation of the hotel will likely not result in liquefaction of the underlying soils, therefore **Special Condition No. 12** conditioning the applicant to abide by the recommendations set forth in the geotechnical report and subsequent letters is imposed to ensure the structure's economic life.

The storm water, post-filtered, will run down 15th St. and enter the nearest storm drain. The proposed development would result in the discharge of storm water into the storm water conveyance system. As the water travels down the street, the amount of pollutants carried through the system would increase proportionally. Therefore, the project has the potential to affect the water quality of the coastal waters in Hermosa Beach.

The proposed hotel building is new development, which affords an opportunity to improve water quality. Much of the pollutants entering the ocean come from land-based development. The Commission finds that it is necessary to minimize to the extent feasible within its jurisdiction the cumulative adverse impacts on water quality resulting from incremental increases in impervious surface associated with additional development. Reductions in the amount of pollutants in the existing runoff would be one step to begin to reduce cumulative adverse impacts to coastal water quality. As such, appropriate measures must be taken to assure that adverse effects on water quality are minimized.

The proposed development has a potential for a discharge of polluted runoff from the project site into coastal waters. Due to this, the Commission has imposed **Special Condition No. 2**, which requires the applicant to comply with construction requirements related to storage of construction materials, mechanized equipment and removal of construction debris, **Special Condition No. 5** ensuring the protection of coastal waters and ground water during dewatering processes, and **Special Condition No. 4**, which requires the applicant to submit water quality management plan prior to issuance of the permit.

Other sources of polluted runoff could include runoff from the large amount of impervious surface in the proposed project and over-watering, which sometimes occurs from installation of landscaping with a high water demand. Plants with a high-water demand are typically not well-suited to the Mediterranean climate of southern California, and therefore often require intense fertilization and application of pesticides/herbicides as a maintenance regime, in addition to

regular irrigation. Thus, this type of landscaping can add pollutants to both dry weather and stormwater runoff. Therefore, the use of drought tolerant plants or low-maintenance landscaping is a preferred alternative.

The term “drought tolerant” is equivalent to the terms “low water use” and “ultra low water use” as defined and used by "A Guide to Estimating Irrigation Water Needs of Landscape Plantings in California" prepared by University of California Cooperative Extension and the California Department of Water Resources dated August 2000 and is available for review at <http://www.owue.water.ca.gov/landscape/pubs/pubs.cfm>.

Invasive plants can invade an area and displace native plants, impeding restoration and preservation efforts. Seed dispersal can occur via water transport and drainage, wind, and via avian and mammalian species. Invasive plants are generally those identified by the California Invasive Plant Council (<http://www.cal-ipc.org>) and California Native Plant Society (www.CNPS.org) in their publications.

Therefore the Commission has imposed **Special Condition No. 10** requiring the applicant to submit a final landscaping plan. The plan requires the applicant to plant non-invasive, drought tolerant vegetation on the site. Non-invasive, drought tolerant plants are used because they require little to no watering once they are established (1-3 years), they have deep root systems that tend to stabilize the soil, and are spreading plants that tend to minimize erosion impacts of rain and water run-off.

As conditioned, the Commission finds that the proposed development conforms with Sections 30230 and 30231 of the Coastal Act regarding the protection of water quality to promote the biological productivity of coastal waters and to protect human health.

G. DEED RESTRICTION

To ensure that any prospective future owners of the property are made aware of the applicability of the conditions of this permit, the Commission imposes **Special Condition No. 13**, which requires that the property owner record a deed restriction against the property, referencing all of the above Special Conditions of this permit and imposing them as covenants, conditions and restrictions on the use and enjoyment of the Property. Thus, as conditioned, this permit ensures that any prospective future owner will receive actual notice of the restrictions and/or obligations imposed on the use and enjoyment of the land in connection with the authorized development, including the risks of the development and/or hazards to which the site is subject, and the Commission’s immunity from liability.

H. LOCAL COASTAL PROGRAM

Section 30604 (a) of the Coastal Act states:

Prior to certification of the Local Coastal Program, a Coastal Development Permit shall be issued if the issuing agency, or the Commission on appeal, finds that the proposed development is in conformity with the provisions of Chapter 3 (commencing with Section 30200) of this division and that the permitted development will not prejudice the ability of the local government to

prepare a local coastal program that is in conformity with the provisions of Chapter 3 (commencing with Section 30200).

The Commission conditionally certified the City of Hermosa Beach Land Use Plan on August 19, 1981. The Land Use Plan (LUP) was effectively certified with suggested modifications on April 21, 1982. The modifications were accepted and the LUP is certified. The City submitted a final draft of its zoning and implementation ordinances (LIP) and a revision to their LUP in 2000. The amendment and Implementation ordinance was scheduled for public hearing and Commission action at the October 8, 2001 meeting, but the City withdrew. Therefore, these have not been certified and the standard of review for development in Hermosa Beach is still the Coastal Act.

After initial certification, the Commission processed two amendments that allowed mixed commercial uses in downtown and reduced parking standards to reflect the high number of downtown restaurants and the number of public parking lots. The City determined that enough area has been identified for visitor serving uses and decided to encourage business use, as well as visitor-serving, uses in the downtown. The Commission supported this decision due to the high numbers of existing visitor serving uses in the Hermosa Beach downtown area. The proposed project meets the basic zoning requirements of the C-2 zone (Restricted Commercial) and fulfills another visitor-serving use in the Downtown area.

As conditioned, the proposed development is consistent with Chapter 3 of the Coastal Act and with the certified Land Use Plan for the area. Approval of the project, as conditioned, will not prejudice the ability of the local government to prepare an LCP that is in conformity with the provisions of Chapter 3 of the Coastal Act.

I. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Section 13096 of the Commission's regulations requires Commission approval of Coastal Development Permit applications to be supported by a finding showing the application, as conditioned by any conditions of approval, to be consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available, which would substantially lessen any significant adverse effect which the activity may have on the environment.

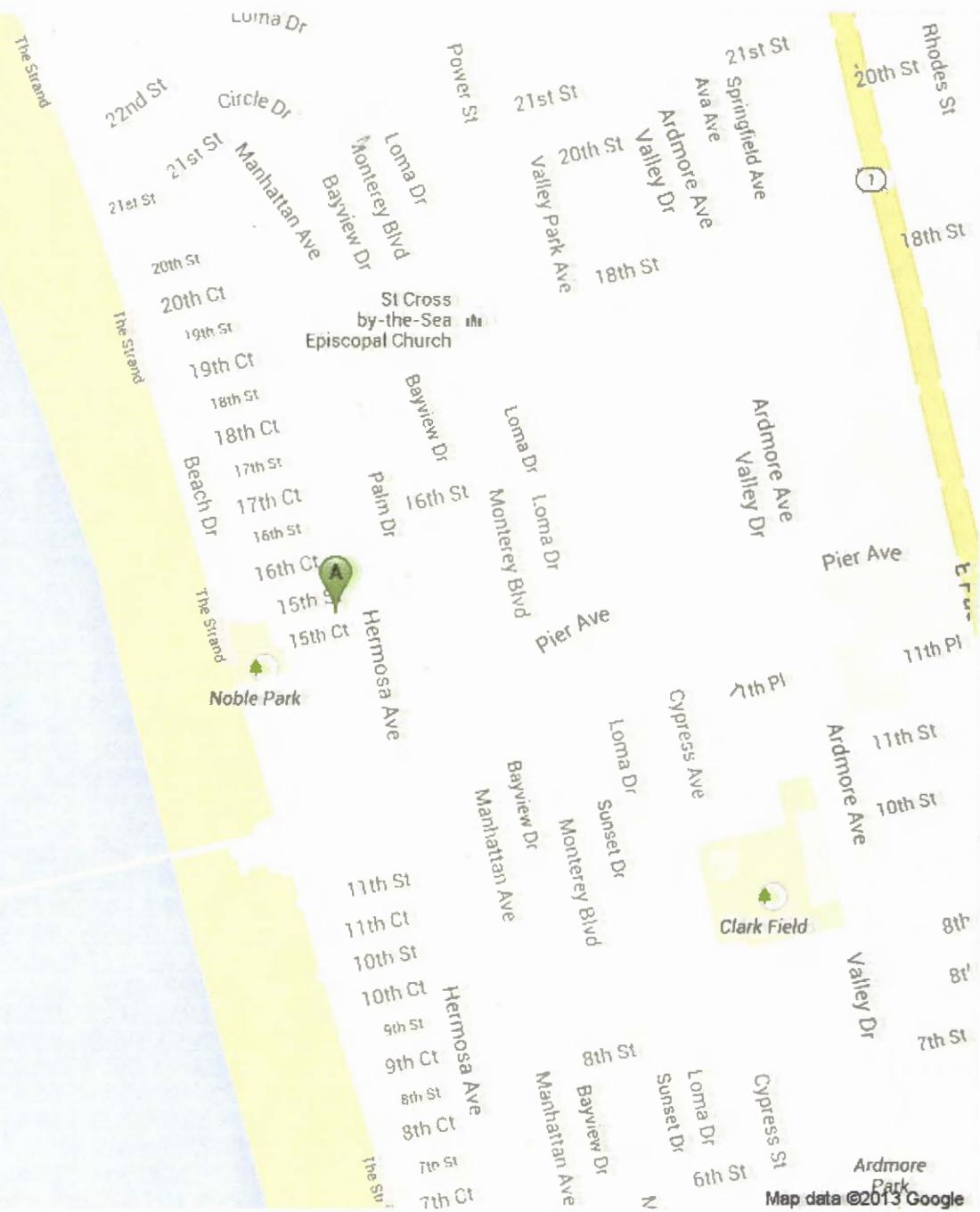
As conditioned, there are no feasible alternatives or additional feasible mitigation measures available that would substantially lessen any significant adverse effect that the activity may have on the environment. Therefore, the Commission finds that the proposed project, as conditioned to mitigate the identified impacts, is the least environmentally damaging feasible alternative and can be found consistent with the requirements of the Coastal Act to conform to CEQA.

APPENDIX A

SUBSTANTIVE FILE DOCUMENTS:

1. City of Hermosa Beach Land Use Plan, certified by the Commission on 4/21/82.

2. Amendment to City of Hermosa Beach Land Use Plan (HRM-MAJ-2-03), showing establishment of in-lieu parking fee program.
 3. City of Hermosa Beach Approval and Resolution No. 13-6865
 4. Mitigated Negative Declaration, SCH No. 2013031049
 5. Parking Management Plan (1-12-3996-1) prepared by J.R. Parking Consultants
 6. Engineering Geologic Investigation (No. 19168); Addendum I (No. 19168); and subsequent letter dated January 9, 2014 by Geotechnologies, Inc.
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RECEIVED
South Coast Region

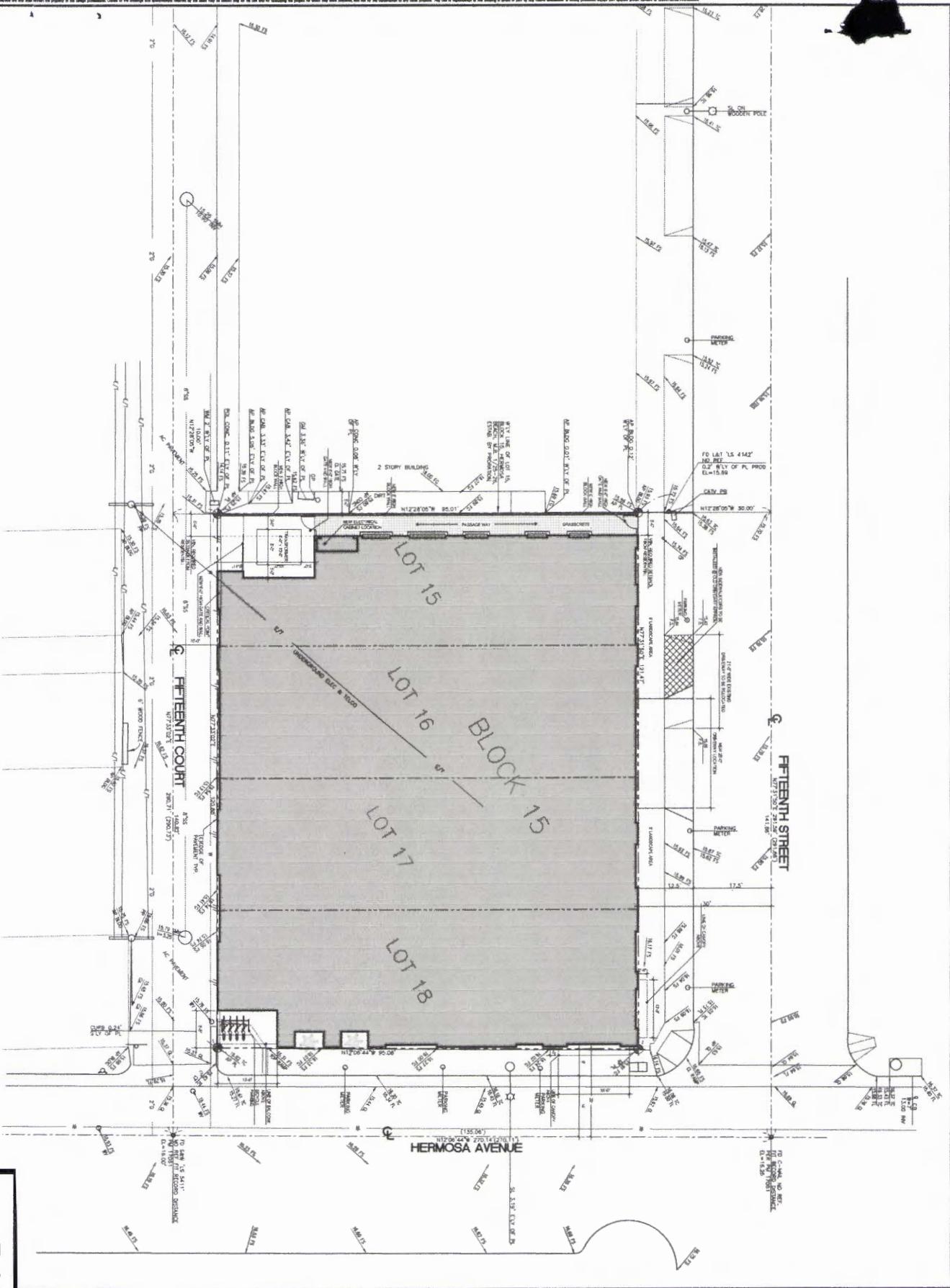
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CALIFORNIA
COASTAL COMMISSION

Exhibit 1



California Coastal
Commission



SITE PLAN
SCALE: 1/8" = 20'

Exhibit 2

SHEET TITLE:
SITE PLAN - PROPOSED

PROJECT TITLE:
**HERMOSA
BOUTIQUE HOTEL**

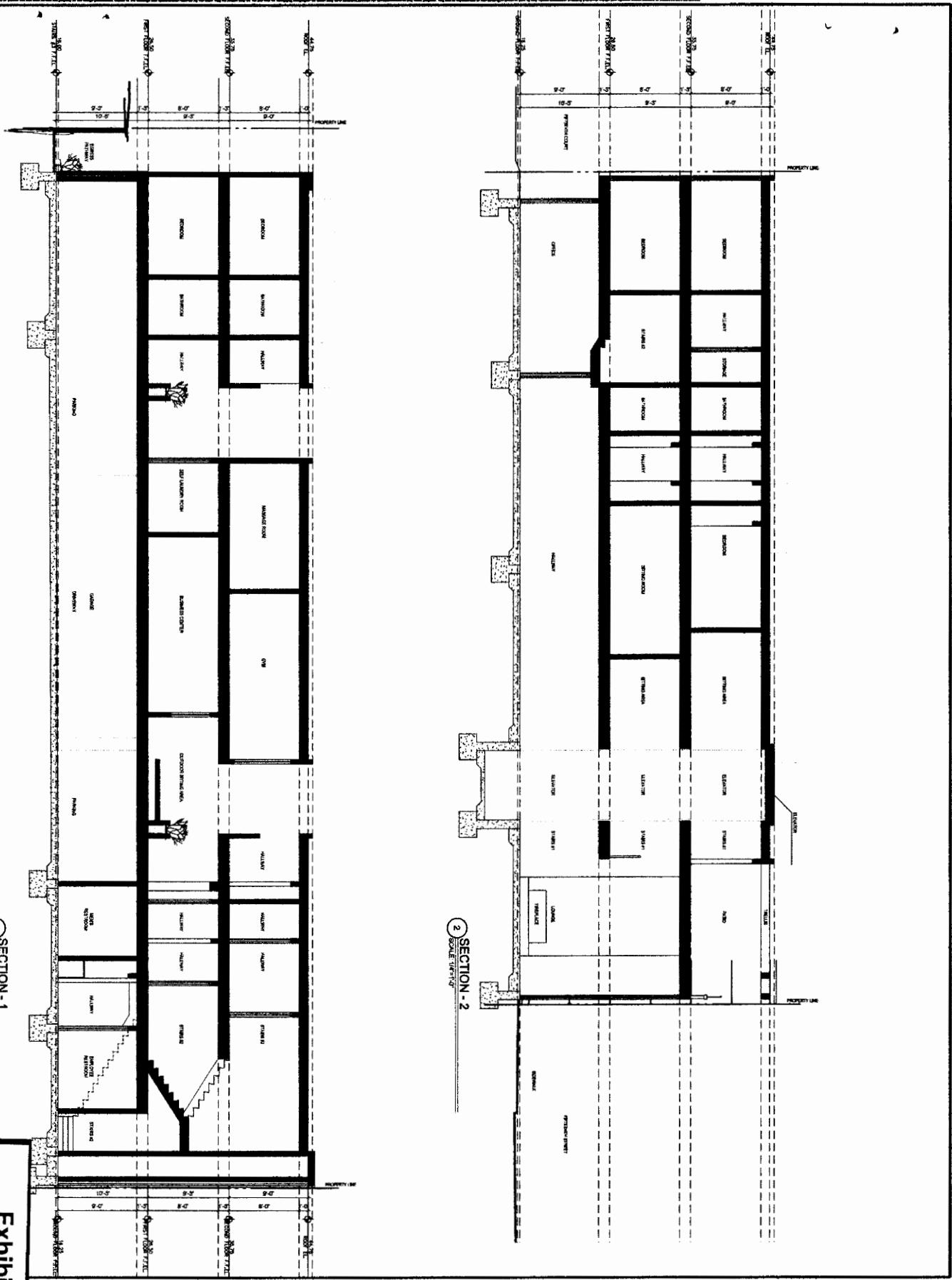
1420 HERMOSA AVENUE
HERMOSA BEACH, CA 90254

CUSTOMER NAME:
**HERMOSA BOUTIQUE
HOTEL, LLC**

RAJU CHHABRIA & RHAM KHOSLA
205 PIER AVENUE, SUITE 201
HERMOSA BEACH, CA 90254

CALIFORNIA COASTAL COMMISSION
SUBMITTAL - 09/05/2013

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BUILDING SECTIONS

**HERMOSA
BOUTIQUE HOTEL**

1420 HERMOSA AVENUE
HERMOSA BEACH, CA 90254

CALIFORNIA COASTAL COMMISSION
SUBMITTAL - 09/05/2013

CLIENT NAME:
**HERMOSA BOUTIQUE
HOTEL, LLC**
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FAX: (310) 205-1201
E-MAIL: INFO@ENVIROTECHNO.COM

Exhibit 3

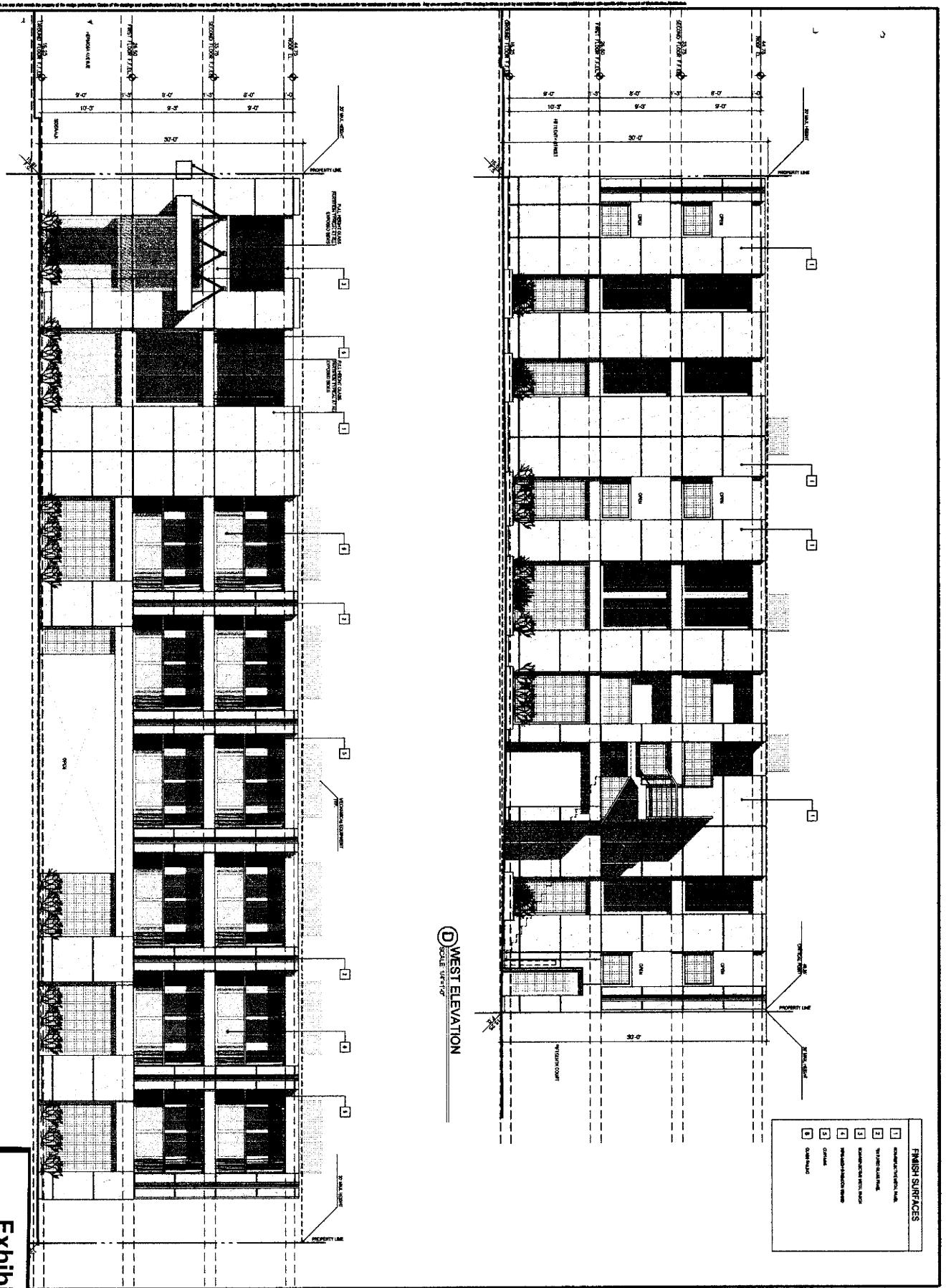


Exhibit 3

SHEET TITLE:
**NORTH ELEVATION AND
WEST ELEVATION**

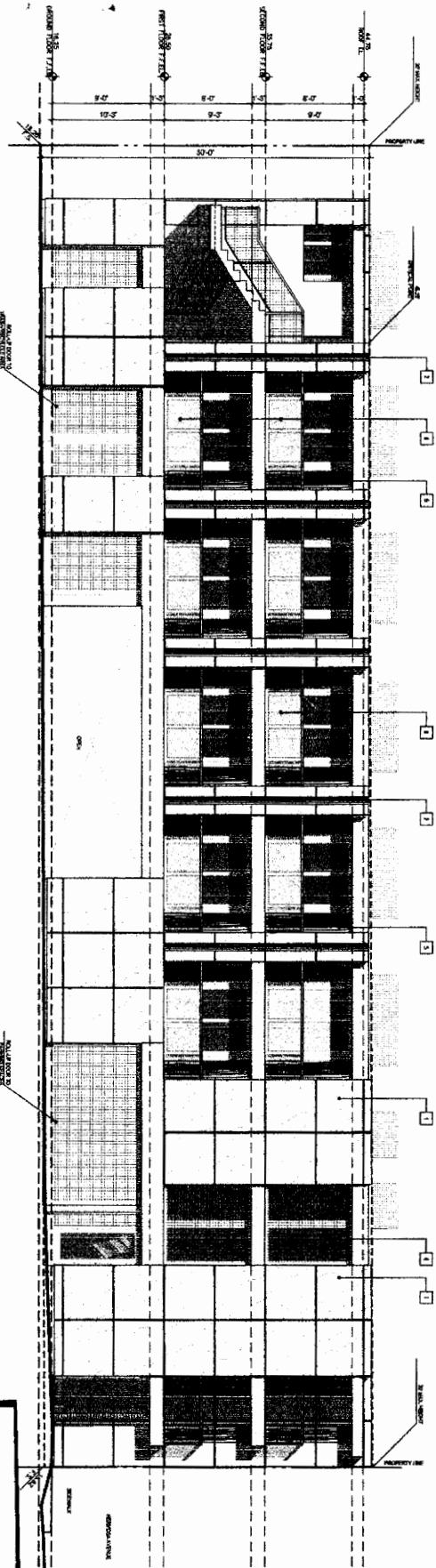
JECT TITLE:
**HERMOSA
BOUTIQUE HOTEL**

**HERMOSA BOUTIQUE
HOTEL, LLC**
RAJU CHHABRIA & RHAVI KHOSLA
205 PIER AVENUE, SUITE 201
HERMOSA BEACH, CA 90254

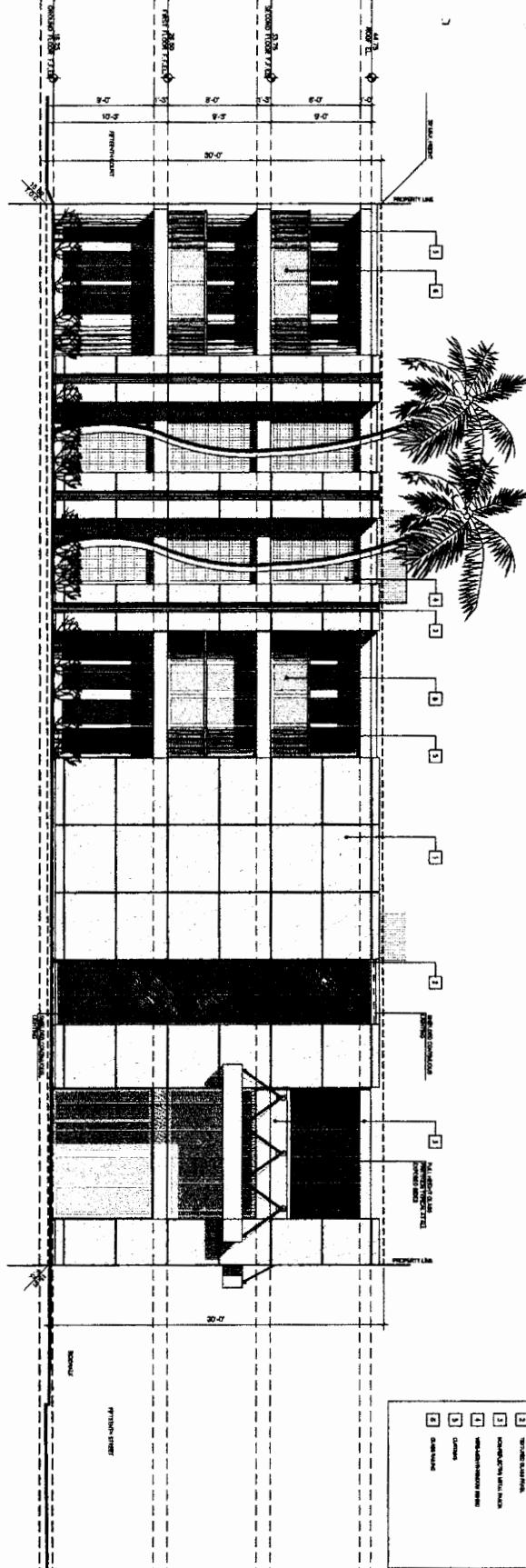


California Coastal
Commission

(A) SOUTH ELEVATION



(B) EAST ELEVATION



SHEET TITLE:
SOUTH ELEVATION AND
EAST ELEVATION

PROJECT TITLE:
HERMOSA
BOUTIQUE HOTEL

1429 HERMOSA AVENUE
HERMOSA BEACH, CA 90254

CLIENT NAME:
HERMOSA BOUTIQUE
HOTEL, LLC
RAJU CHHABRIA & PHAVI KHOSLA
205 PIER AVENUE, SUITE 201
HERMOSA BEACH, CA 90254

CALIFORNIA COASTAL COMMISSION
SUBMITTAL - 09/05/2013



Exhibit 3

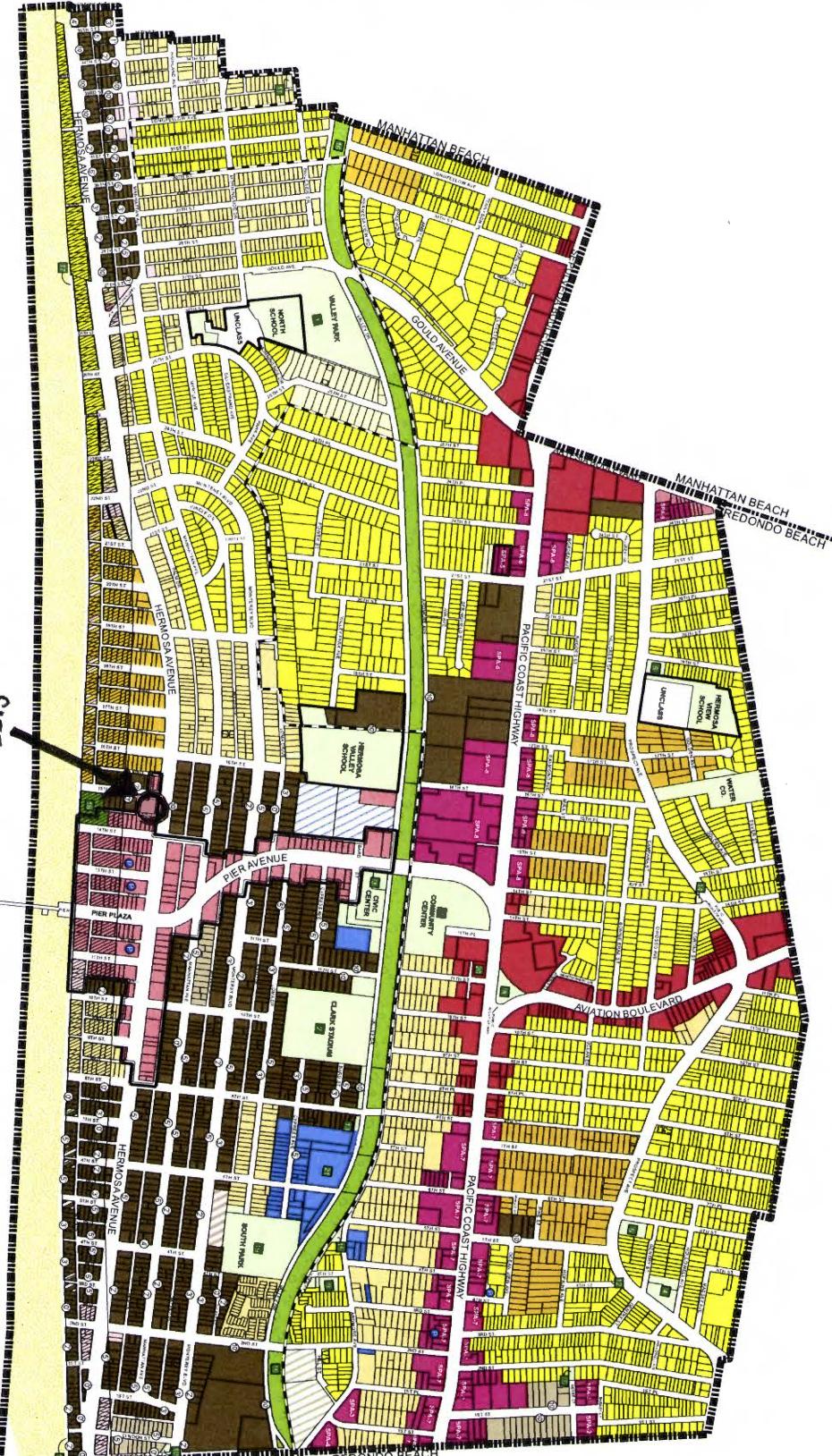
ZONING MAP

CITY OF HERMOSA BEACH



COMMUNITY DEVELOPMENT DEPARTMENT, MAY 8, 2007

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ZONING DESIGNATIONS

- ## ZONING DESIGNATIONS

UNCLASS - UNCLASSIFIED (SCHOOL DISTRICT)

- UNCLASS - UNCLASSIFIED (SCHOOL DISTRICT)

- | | |
|---|---|
|  SCHOOL | ONE-CLASS UNCLASSIFIED SCHOOL DISTRICT
PUBLIC PHENOMENON |
|  BEACH | WALK STREET
BAY |
|  COASTAL BOUNDARY | SEA SHORE PLAIN AREA
MAP MOBILE PARK |
|  BOUNDRY DISTRICT | COASTAL APPLICABLE ZONE
TOWN/CITY BOUNDARY |
|  WALK STREET | |



City of Hermosa Beach

Public Parking Locations

City of Manhattan Beach



Exhibit 5



California Coastal
Commission