PETE WILSON, Governor

CALIFORNIA COASTAL COMMISSION

SOUTH COAST AREA 245 W. BROADWAY, STE. 380 P.O. BOX 1450 LONG BEACH, CA 90802-4416 (310) 590-5071

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Staff Report: 11/2/95
Hearing Date: 12/12-15/95

Commission Action:

STAFF REPORT: REGULAR CALENDAR

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APPLICATION NO.: 5-96-062

APPLICANT: Project New Hope

AGENT: Sherman Stacey

PROJECT LOCATION: 1637 Appian Way, Santa Monica

PROJECT DESCRIPTION: Construction of a 25-unit, 3-story, 30-foot high, as measured from average natural grade, affordable housing project, serving HIV positive/AIDS challenged individuals, with 25 subterranean parking spaces.

Lot area:

29,017 sq. ft.

Building coverage:

9,487 sq. ft. 7,544 sq. ft.

Landscape coverage: Parking spaces:

25

Plan designation:

RVC/Beach Overlay District

Building Height

30 ft. as measured from average natural grade

LOCAL APPROVALS RECEIVED: Approval In Concept; Reduced Parking Permit 95-001

SUBSTANTIVE FILE DOCUMENTS: CDPs 5-88-062 (CWD Taiyo Broadway Ocean Associates), 5-88-063 (Century West Development), 5-89-941 (Maguire Thomas Partners), 5-89-240 (Michael Construction Enterprises), 5-90-928 (Maguire Thomas Partners), 5-90-017(Janss Corp.)

SUMMARY OF STAFF RECOMMENDATION:

Staff recommends approval with no special conditions.

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STAFF RECOMMENDATION:

The staff recommends that the Commission adopt the following resolution:

I. Approval.

The Commission hereby grants a permit for the proposed development on the grounds that the development, as conditioned, will be in conformity with the provisions of Chapter 3 of the California Coastal Act of 1976, 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 of the Coastal Act and is in conformance with the public access and public recreation policies of Chapter 3 of the Coastal Act, and will not have any significant adverse impacts on the environment within the meaning of the California Environmental Quality Act.

II. Standard Conditions.

- 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 this permit is reported to the Commission. 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. <u>Compliance</u>. All development must occur in strict compliance with the proposal as set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.
- 4. <u>Interpretation</u>. Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
- 5. <u>Inspections</u>. The Commission staff shall be allowed to inspect the site and the project during its development, subject to 24-hour advance notice.
- 6. <u>Assignment</u>. 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.
- 7. <u>Terms and Conditions Run with the Land</u>. 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.

IV. <u>Findings and Declarations.</u>

The Commission hereby finds and declares as follows:

A. Project Description and Background

The applicant proposes to construct a 25-unit, 3-story, 30-foot high, as measured from average natural grade, affordable housing project serving HIV positive/AIDS challenged individuals, with 25 subterranean parking spaces. One unit will be reserved for an on-site manager.

The proposed project is located on a sloping irregularly shaped lot measuring 29,139 square feet in area. The lot is located on the northeast corner of Appian Way and Seaside Terrace, in the City of Santa Monica (see Exhibit 2).

The property is currently vacant. The property previously contained a 11-unit, 2-story, 9,400 square foot apartment building. The apartment building was demolished in 1993 due to severe damage caused by the Northridge earthquake that occurred on January 16, 1994.

The site is almost entirely bounded by public streets—Seaside Terrace to the south, Appian way to the west, Highway 163 along the northeast corner, and Ocean Avenue to the east. Surrounding development in the area consists of one to three-story multiple-family buildings and a retail building to the south, a public parking lot to the west, a pumping station facility to the north, and a five story institutional office building to the east.

The property is located within the City's Beach Overlay District. The boundary of the Beach Overlay District is the area west of Ocean Avenue and Neilson Way (excluding the Pier area) extending from the City's northern boundary line to the southern boundary line. The Beach Overlay District was created with the passage of a voter initiative (Proposition S). The initiative prohibits hotel and motel development, and restaurants over 2,000 square feet, in the Beach Overlay District. The initiative was not certified by the Coastal Commission.

In 1987 the Commission certified, with modifications, a LUP for the entire coastal area of the City of Santa Monica. The City, however, did not accept the LUP as certified. Then in 1992 the City resubmitted the LUP. The Commission certified the LUP with suggested modifications. The certified LUP, however, excluded all areas within the Beach Overlay District. The Commission deferred certification of this area because the Commission found that Proposition S discouraged visitor-serving uses along the beach, resulting in an adverse impact on coastal access.

The proposed project is located just west of Ocean Avenue outside of the LUP certified area, and within the area of deferred certification.

B. <u>Development</u>

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 30255 of the Coastal Act states:

Coastal-dependent developments shall have priority over other developments on or near the shoreline. . .

The Coastal Act requires that public coastal recreational facilities shall have priority over other types of development on any private land suitable for such use. Sections 30221 and 30222 gives priority land use to visitor-serving commercial and public recreational facilities on public and private oceanfront and upland areas where necessary.

In acting on the 1992 LUP submittal, the Commission found that the LUP, which incorporated the provisions of Proposition S, discouraged visitor serving uses along the beach, resulting in an adverse impact on coastal access and recreation, and the LUP did not adequately mitigate these and other adverse impacts, therefore, the Commission could not find the LUP consistent with Section 30221 and 30222 of the Coastal Act.

The passage of Proposition S places further limits on developing visitor serving uses that were not there in 1987 when the Commission approved the 1987 LUP with suggested modifications.

To mitigate the effects of Proposition S the Commission has considered denial of residential development along the beach and encourage more visitor serving uses. In past Commission permit action the City has contended that public facilities can encourage beach recreation just as well as restaurants, hotels and nightclubs, therefore, Proposition S does not necessarily prohibit the City from providing and enhancing visitor-serving facilities and access. This may be true, however, allowing recycling of residential uses with no provisions for visitor serving facilities and access precludes the development of recreation and access facilities within the area. It may be necessary to provide additional public facilities on this beach in order to protect and enhance public access to the shoreline. The City's options on methods to increase recreational support facilities include increasing privately operated facilities or exploring an alternate program that allows homeowners and residences who might benefit from the absence of commercial support facilities, nightclubs, restaurants and hotels to provide a public facility network. Until an alternative is selected, however, there will continue to be residential projects proposed in the north beach area where residential uses have been routinely approved in the past.

The subject property is located just east of the Santa Monica Pier. This area, because of its proximity to the Pier and State beach parking lots, would normally be suitable for visitor-serving commercial development. However, the applicant notes that the proposed site is not a beach fronting parcel and is inland of the alley (Appian Way) which runs behind the visitor commercial development along the Promenade.

One of the basic Coastal Act goals is to maximize public recreation and access to the beaches. The development of single and multiple family development

within areas that are along or in close proximity to the beach is clearly not maximizing public recreation and access. The proposed residential development is not a priority use and allowing this area to continue to develop with low-priority uses will have adverse individual and cumulative impacts on coastal access and public opportunities for coastal recreation.

However, in this particular case, approval of residential development will not adversely impact coastal access or recreational opportunities. First, the applicant has the right to continue the previously existing residential use on this parcel. The subject parcel recently contained an II-unit multiple-family residential structure. The structure was demolished by the City in 1993 due to earthquake damage. Under the disaster replacement provisions of the Coastal Act and the City's earthquake recovery ordinance the II-unit residential structure could be rebuilt and therefore, residential use perpetuated on the site. Since the applicant can rebuild and continue the previous low priority residential use on the parcel continuing residential use of the property would not significantly adversely impact coastal recreational opportunities. Second, the proposed property is not a beach fronting property and is adjacent to an area that is developed with multiple-residential structures.

Although residential use is not a priority use under the Coastal Act the proposed residential use is consistent with the character of the surrounding area and is compatible with existing development. The fact that the site can be improved with a low priority residential use under the disaster replacement provisions and that the site is not within the visitor-serving area along the Promenade, the proposed project will not significantly impact coastal access and recreation. The Commission, therefore, finds that as proposed the project will be consistent with Sections 30221, 30222, and 30255 of the Coastal Act.

C. Parking

Section 30252 of the Coastal Act states in part:

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. . .

The applicant proposes to provide 25 parking spaces for the 25-unit project. The Commission has required residential development to provide 2 parking spaces per unit, plus one guest parking per every four units. Based on this parking ratio the 25-unit project would require 56 parking spaces. However, because the project will be a low-moderate income housing project for individuals that are physically disabled (HIV positive/AIDS), it is expected that few tenants will own automobiles.

The Commission, in past permit actions, has found that under certain circumstances the parking demand generated for residential projects that provide low-income housing is less than that generated by market-rate units. The City, in their approval of the project found that very few of the tenants are expected to own automobiles. In testimony to the City the applicant indicated that a 22-unit apartment building in West Hollywood for low income

persons who were disabled due to HIV/AIDS utilize only 14 of the 28 required parking spaces. In granting a parking variance for this project the City of Santa Monica recognized that certain groups of people demand less parking as it sets lower parking requirements for senior housing and low income housing. Furthermore, the City found that with the location of bus stops, service routes, shopping areas, and medical facilities within close proximity to the project the impact due to the project's reduction in parking would ensure greater use of public transportation. In this case the Commission concurs with the City's findings regarding the parking demand of the project. The Commission, therefore, finds that the proposed project will not adversely impact access and will be consistent with Section 30252 of the Coastal Act.

D. Local Coastal Program

(a) 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.

In August 1992, the Commission certified, with suggested modifications, the land use plan portion of the City of Santa Monica's Local Coastal Program, excluding the area west of Ocean Avenue and Neilson way (Beach Overlay District), and the Santa Monica Pier. On September 15, 1992, the City of Santa Monica accepted the LUP with suggested modifications.

The area within the Beach Overlay District was excluded from certification due to Proposition S discouraging visitor serving uses along the beach resulting in an adverse impact on coastal access and recreation. In deferring this area the Commission found that, although Proposition S and its limitations on development were a result of a voters initiative, the policies of the LUP were inadequate to achieve the basic Coastal Act goal of maximizing public access and recreation to the State beach and did not ensure that development would not interfere with the public's right of access to the sea.

The subject site, because of its proximity to the State beach and Santa Monica Pier, is suitable for visitor-serving commercial development. However, because the applicant, under the disaster replacement provision of the Coastal Act, has a right to rebuild market rate residential development, which is a low priority use, and the fact that the site is adjacent to residential development, staff is recommending approval of development of the site with the proposed low-income residential use. As proposed the project will not adversely impact coastal resources or access. The Commission, therefore, finds that the proposed project will be consistent with the Chapter 3 policies of the Coastal Act and will not prejudice the ability of the City to prepare Land Use Plan policies for the Beach Overlay District (deferred area) and a Local Coastal Program implementation program consistent with the policies of Chapter 3 of the Coastal Act as required by Section 30604(a).

E. CEOA

Section 13096(a) of the Commission's administrative 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)(i) 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 impact which the activity may have on the environment.

There are no negative impacts caused by the proposed development which have not been adequately mitigated. Therefore, the proposed project is found consistent with CEQA and the policies of the Coastal Act.

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