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CALIFORNIA COASTAL COMMISSION

South Coast Area Office
200 Oceangate, Suite 1000
Newport Beach, CA 90802-4302
(949) 590-5071



Filed: May 26, 1998
49th Day: July 14, 1998
180th Day: November 22, 1998
Staff: John T. Auyong-LB
Staff Report: September 24, 1998
Hearing Date: October 13-16, 1998
Commission Action:

STAFF REPORT: REGULAR CALENDAR**APPLICATION NUMBER: 5-98-149****APPLICANT: Frederic J. Pratt****PROJECT LOCATION: 1806 West Balboa Boulevard, Newport Beach, Orange County**

PROJECT DESCRIPTION: Expansion of an existing 21 unit motel with 13 on-site parking spaces by converting an adjacent existing duplex into five hotel rooms with three additional parking spaces, and consolidation of the three lots upon which the existing motel is located. No changes to the existing motel are proposed.

LOCAL APPROVALS RECEIVED: City of Newport Beach General Plan Amendment 98-1(A), Local Coastal Program Amendment No. 871, Use Permit No. 3629, Approval-in-Concept No. 1002-98

SUBSTANTIVE FILE DOCUMENTS: City of Newport Beach Certified Land Use Plan

ISSUES TO BE RESOLVED - SUMMARY OF STAFF RECOMMENDATION:

The primary issue to be resolved is the mitigation of the two space parking deficiency, which would result from the proposed project. Staff recommends that the Commission approve the proposed project with special conditions regarding: 1) that the applicant reduce the number of proposed rooms in order to address the parking deficiency, and 2) that the applicant be put on notice that future improvements will require an amendment to this permit. It is anticipated that the applicant will not agree with the recommended condition because, at the City level, the applicant indicated that he was of the opinion that inadequate on-site parking was not a problem.

Further, the City of Newport Beach is proposing an amendment to their certified land use plan ("LUP") to rezone the subject site from Two Family Residential to Retail and Service Commercial use. Proposed LUP Amendment 1-98B is scheduled for the same hearing as this subject permit. Action on the proposed LUP amendment should occur prior to action on the subject permit application.

STAFF RECOMMENDATION:

The staff recommends that the Commission adopt the following resolution:

I. APPROVAL WITH CONDITIONS

The Commission hereby **GRANTS** a permit, subject to the conditions below, for the proposed development on the grounds that the development 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 will not have any significant adverse effects on the environment within the meaning of the California Environmental Quality Act.

II. 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 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. **Compliance.** 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. **Interpretation.** Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.
5. **Inspections.** The Commission staff shall be allowed to inspect the site and the project during its development, subject to 24-hour advance notice.
6. **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.
7. **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. Reduction in the Number of Motel Rooms. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicant shall submit, for the review and approval of the Executive Director, revised plans which demonstrate that the existing duplex will be converted into only three (3) motel rooms. The applicant shall construct the development in accordance with the revised plans approved by the Executive Director.
2. Future Development. This coastal development permit 5-98-149 approves only the conversion of a duplex to motel rooms with 3 on-site parking spaces, located at 1806 West Balboa Boulevard in the City of Newport Beach, County of Orange as expressly described and conditioned herein. Any future development as defined in Section 30106 of the Coastal Act, including but not limited to a change in the intensity of use, shall require an amendment to this permit from the Coastal Commission or a new coastal development permit.

IV. FINDINGS AND DECLARATIONS

The Commission hereby finds and declares:

A. PROJECT DESCRIPTION AND LOCATION

The applicant is proposing to expand an existing, pre-coastal, three-story 21 room motel at 1800 West Balboa Boulevard in the City of Newport Beach. The expansion would consist of the conversion of the existing adjacent two-story duplex at 1806 West Balboa Boulevard into five motel rooms with three on-site parking spaces. No changes are proposed to the existing motel structure.

The City is also requiring the applicant to consolidate the three lots upon which the existing motel is located. These three legal lots are one parcel for tax purposes. The existing duplex is located on a fourth separate lot, which the City did not require to be merged into the others. Each of the four lots is 25' wide by 100' deep, with the narrow ends fronting on Balboa Boulevard.

B. PUBLIC ACCESS / PARKING

Section 30252 of the Coastal Act states, in relevant part:

The location and amount of new development should maintain and enhance public access to the coast by: . . . (4) providing adequate parking facilities . . .

The subject site is not located between the sea and first public road, but it is located within 300 feet of the beach and Newport Harbor. Specifically, the subject site is located: 1) one block north of the Balboa Peninsula beach, 2) half a block south of Newport Harbor, 3) two blocks east of the Newport municipal pier, a popular visitor-serving destination, and the adjacent McFadden Place visitor-serving commercial area and municipal parking lot, and 4) across the street from the west

side of a municipal parking lot. In addition to curbside parking, public parking exists in the median of Balboa Boulevard in front of the subject site.

When a development does not provide adequate on-site parking, users of that development who cannot find an on-site parking space are forced to occupy off-site public parking that could be used by visitors to the coastal zone. A lack of public parking discourages visitors from coming to the beach and other visitor-serving areas, resulting in adverse public access impacts. Thus, all development must provide adequate on-site parking to minimize adverse impacts on public access. This is especially so of the proposed development given its proximity to visitor-serving areas.

1. Parking Standards/Deficiencies

In past Commission actions, the Commission has routinely used specific parking standards, particularly in the area of the proposed development. The Commission has also consistently found that one parking space per motel room, plus two spaces per dwelling unit (e.g., for the motel manager) is adequate to satisfy the demand of motels. The proposed development would contain five motel rooms and no dwelling units. The proposed five motel rooms would thus require five parking spaces, based on the Commission's regularly used parking standards. Only three on-site parking spaces are provided, resulting in a deficiency of two-parking spaces.

Looking at the project as a whole, taking into account the existing pre-coastal motel, which is not being changed, the parking deficiency would remain the same. The existing motel has 21 rooms but no dwelling units, restaurants, or other ancillary facilities. Therefore, the existing motel requires 21 parking spaces. Only 13, however, are provided, resulting in an 8 space parking deficiency. As a result of the proposed expansion, the motel would contain 26 rooms and 16 parking spaces, resulting in a 10 space deficiency. However, since: 1) there is no change in intensity of use the existing motel; 2) no additions are proposed for the existing motel, and 3) it is pre-coastal, the 8 space parking deficiency can be grandfathered. Therefore, the overall deficiency of 10 spaces is reduced to 2 spaces.

The Commission has consistently found that two parking spaces are adequate to satisfy the parking demand generated by individual dwelling units. The existing duplex should thus provide 4 on-site parking spaces. However, only 2 parking spaces currently exist on-site. Therefore, the existing duplex is deficient by 2 parking spaces. However, because the duplex is changing use from residential to visitor-serving commercial, which results in new development, the duplex's existing deficiency cannot be grandfathered.

2. Alternatives

The 2 space parking deficiency would result in significant adverse effects on public access, given the proposed development's proximity to visitor-serving uses. While the proposed development is a high-priority visitor-serving use itself, it should nonetheless provide adequate on-site parking so that users of the other visitor-serving uses are not precluded from finding public parking spaces.

The applicant, in a letter to the City, asserts that the lack of on-site parking would not be a problem because, for example, the motel often is not at full capacity, and guests often times carpool or do not arrive by private car. (see Exhibit C) However, to ensure that adverse public effects do not result, the Commission has consistently applied a conservative view in applying parking standards. It is not an impossibility for the motel to be at full capacity with guests in each room arriving in a separate car. If the guests cannot find a parking space on-site, they will be forced to park on the street or in the municipal lot, usurping public parking which would be used by beachgoers. Therefore, the two space deficiency must be addressed.

Because of the narrow width of the lot, the narrow street-side setback, and the fact that the existing structures are not proposed to be demolished, additional non-tandem parking spaces could not be accommodated on-site. Therefore, providing two additional non-tandem parking spaces on-site to address the deficiency is not feasible.

One possible option is to provide two additional on-site tandem parking spaces. However, this option likely would not work without valet parking. It is unlikely that most guests would know each other enough to give each other their car keys to move a tandem parked car. Because of the small number of rooms, the turnover of cars would probably not be great enough to justify the expense of hiring a valet service to move cars. Therefore, this alternative is not the preferred alternative.

Another option is leasing two off-site parking spaces at another location within reasonable walking distance of the site, typically 300-500 feet away. However, many uses on the Balboa Peninsula do not themselves have enough parking, so it is not likely that the applicant will find an off-site parking location within reasonable distance. Further, guests will not want to walk very far in an unfamiliar neighborhood, especially at night. Therefore, this alternative is also not the preferred alternative.

A third option is a reduction in the number of rooms. This could be accomplished in two ways. The applicant could reduce the number of rooms in the existing motel; e.g., perhaps combining rooms on the third floor into larger, suite-type rooms. Alternatively, the applicant could reduce the number of rooms in the existing adjacent duplex proposed to be converted into additional motel rooms. Since the applicant is not proposing any changes to the existing motel but is proposing a major conversion of the adjacent duplex, it would be preferable that the reduction in rooms occur as part of the proposed conversion of the duplex into additional rooms.

Therefore, the Commission finds that the intensity of the proposed project must be reduced by two rooms in order to address the parking deficiency. Thus, the Commission is conditioning the permit for the submission of revised plans which shows that the proposed project has only three motel rooms, rather than five. Further, future development could result in an intensification of use. Therefore, the Commission finds that it is necessary to place a condition informing the current permittee and future owners of the subject site that an amendment to this permit would be required for future development to allow for the review of the future development's potential adverse impacts to public access. Thus, as conditioned, the Commission finds that the proposed development is consistent with Section 30252 of the Coastal Act.

C. VISITOR-SERVING USES

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.

The proposed project involves the conversion of an existing residential development in the form of a duplex to visitor-serving commercial recreational facilities in the form of an expansion for an existing motel. The resultant facility will not only be visitor-serving in nature but it will also be lower-cost. Thus, the subject site is going from a lower priority use to a higher priority use. Therefore, the Commission finds that the proposed project is consistent with Section 30222 of the Coastal Act.

D. LOCAL COASTAL PROGRAM

Section 30604(a) of the Coastal Act provides that the Commission shall issue a Coastal Development Permit only if the project will not prejudice the ability of the local government having jurisdiction to prepare a local coastal program ("LCP") which conforms with the Chapter Three policies of the Coastal Act.

The City of Newport Beach Land Use Plan (LUP) was originally certified on May 19, 1982. The LUP zones the subject site, as well as the site upon which the existing motel is located, for residential use. However, the City has amended the LUP to change the designation from residential to Retail & Service Commercial use. The Commission is scheduled to act on the proposed LUP amendment at the same hearing as the subject permit application. If the Commission approves the proposed LUP amendment, then the proposed project would be consistent with the LUP.

Nevertheless, the LUP is guidance and the standard of review is consistency with the Chapter 3 policies of the Coastal Act. As submitted, the proposed project is consistent with the visitor-serving commercial recreation policy of Chapter 3 of the Coastal Act. As conditioned, the proposed development is consistent with the public access policies of Chapter Three of the Coastal Act. Therefore, the Commission finds that approval of the proposed development, as conditioned, would not prejudice the City's ability to prepare a local coastal program consistent with the Chapter Three policies of the Coastal Act.

E. CALIFORNIA ENVIRONMENTAL QUALITY ACT

Section 13096 of Title 14 of the California Code of Regulations requires Commission approval of Coastal Development Permits to be supported by a finding showing the permit, as conditioned, 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.

The proposed development is located in an urban area. Development already exists on the subject site. All infrastructure necessary to serve the site exists in the area. The proposed project has been conditioned in order to be found consistent with the public access policies of Chapter Three of the Coastal Act. Mitigation measures requiring: 1) that the applicant to reduce the number of proposed rooms in order to address the parking deficiency, and 2) that the applicant be put on notice that future improvements will require an amendment to this permit, will minimize all significant adverse impacts.

As conditioned, there are no feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact, which the activity may have on the environment. Therefore, the Commission finds that the proposed project, as conditioned, can be found consistent with the requirements of the Coastal Act to conform to CEQA.



NEWPORT
BEACH

RECEIVED

APR 16 1998

CALIFORNIA
COASTAL COMMISSION

5-98-149

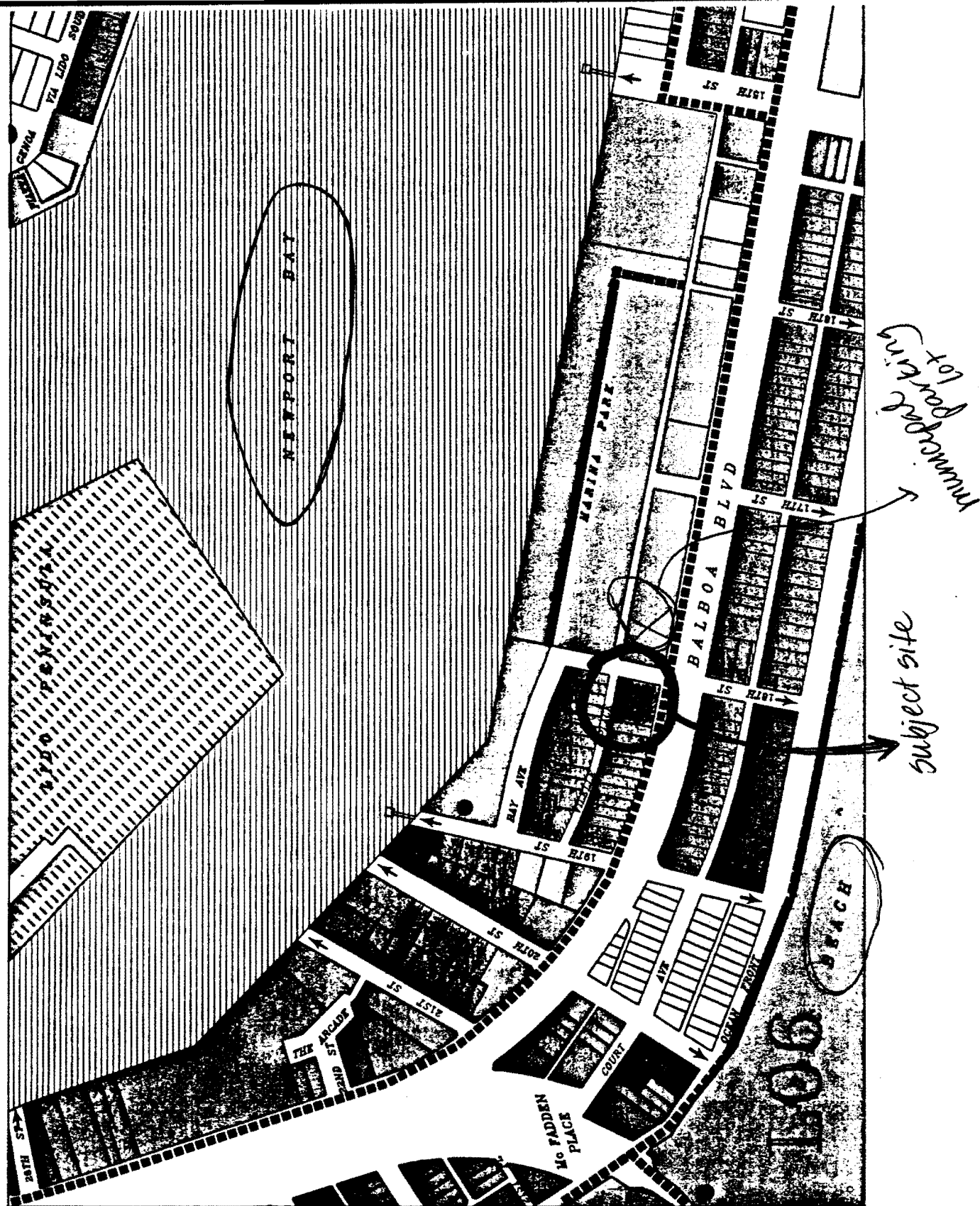
PACIFIC 5-98-149
COASTAL COMMISSION
LOCATION MAPS
EXHIBIT # A
PAGE 1 OF 3

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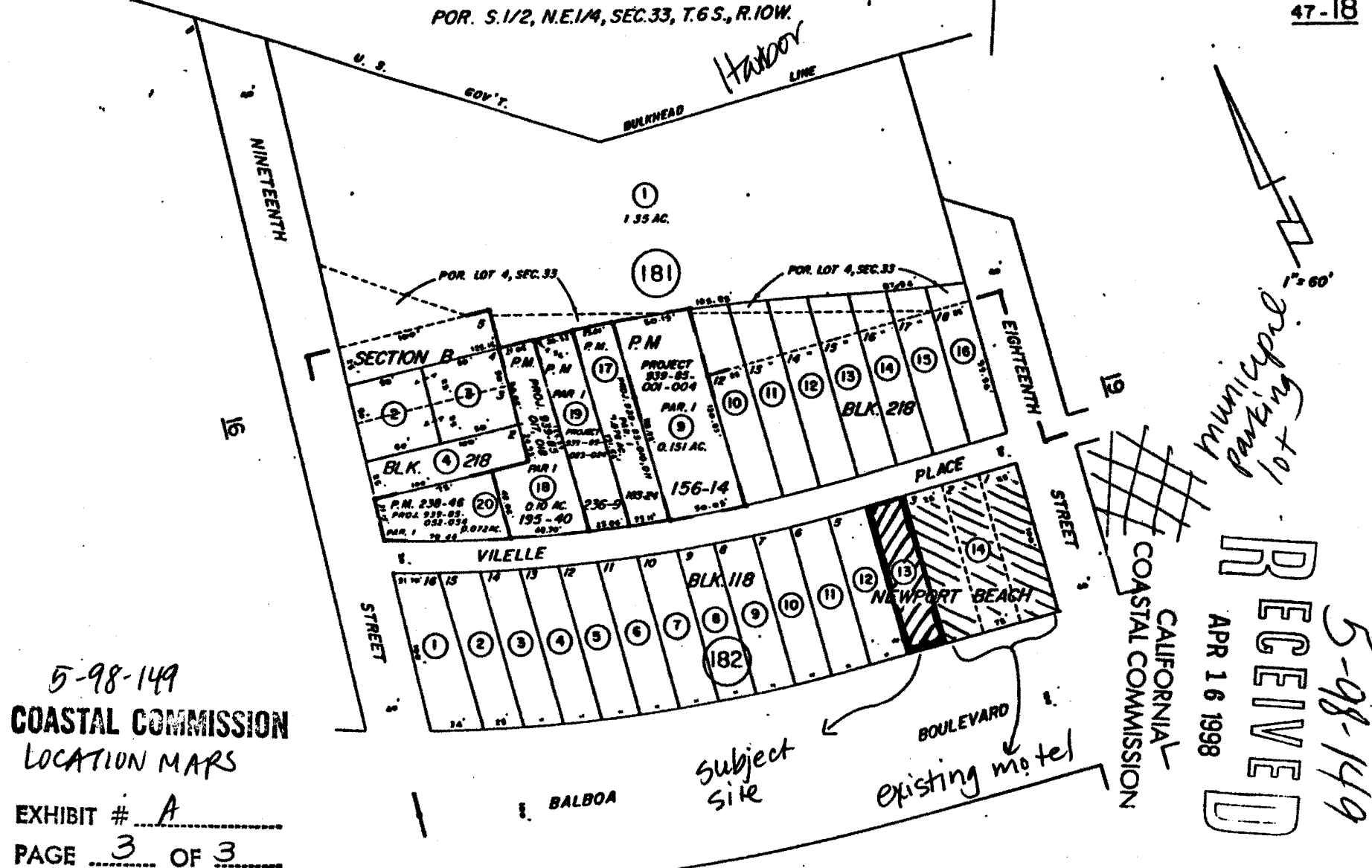
COASTAL COMMISSION
LOCATION MAPS

EXHIBIT # A

PAGE 2 OF 3



POR. S. 1/2, N.E. 1/4, SEC. 33, T. 6 S., R. 10 W.



First American Title Insurance Company

THIS MAP IS FOR INFORMATION ONLY AND IS NOT A PART OF THIS TITLE EVIDENCE

COASTAL COMMISSION
 5-98-149 : Plans

B

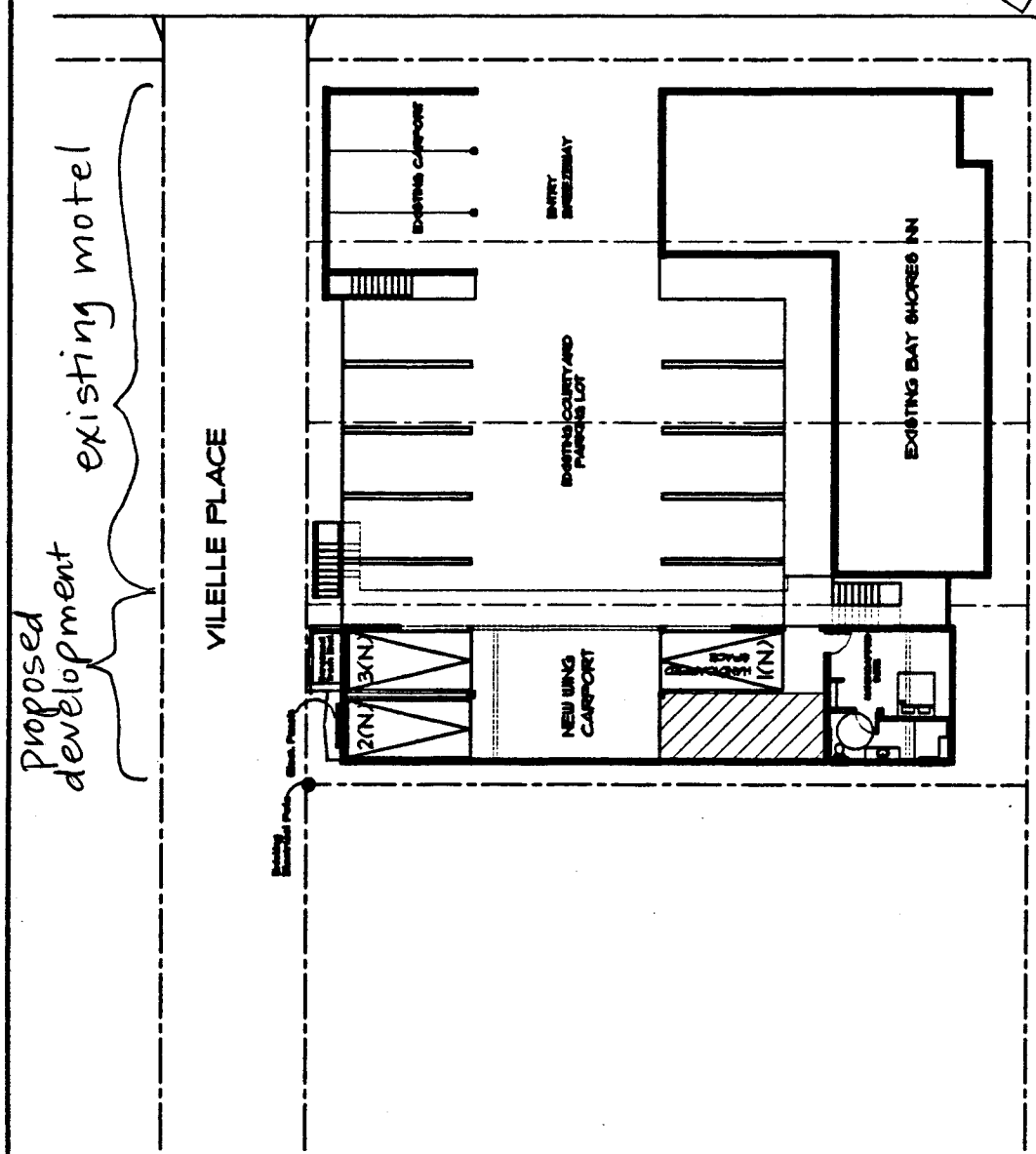
EXHIBIT #

PAGE 1 OF 3

WEST BALBOA BOULEVARD

← to Newport Pier

to beach →



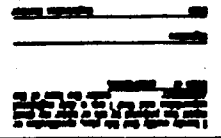
18TH STREET

RECEIVED
 MAY 26 1998
 CALIFORNIA
 COASTAL COMMISSION

Municipal parking
 to lot

to harbor

DOVOLS
 JOHNSON
 & ASSOCIATES



GROUND FLOOR PLAN / SITE PLAN

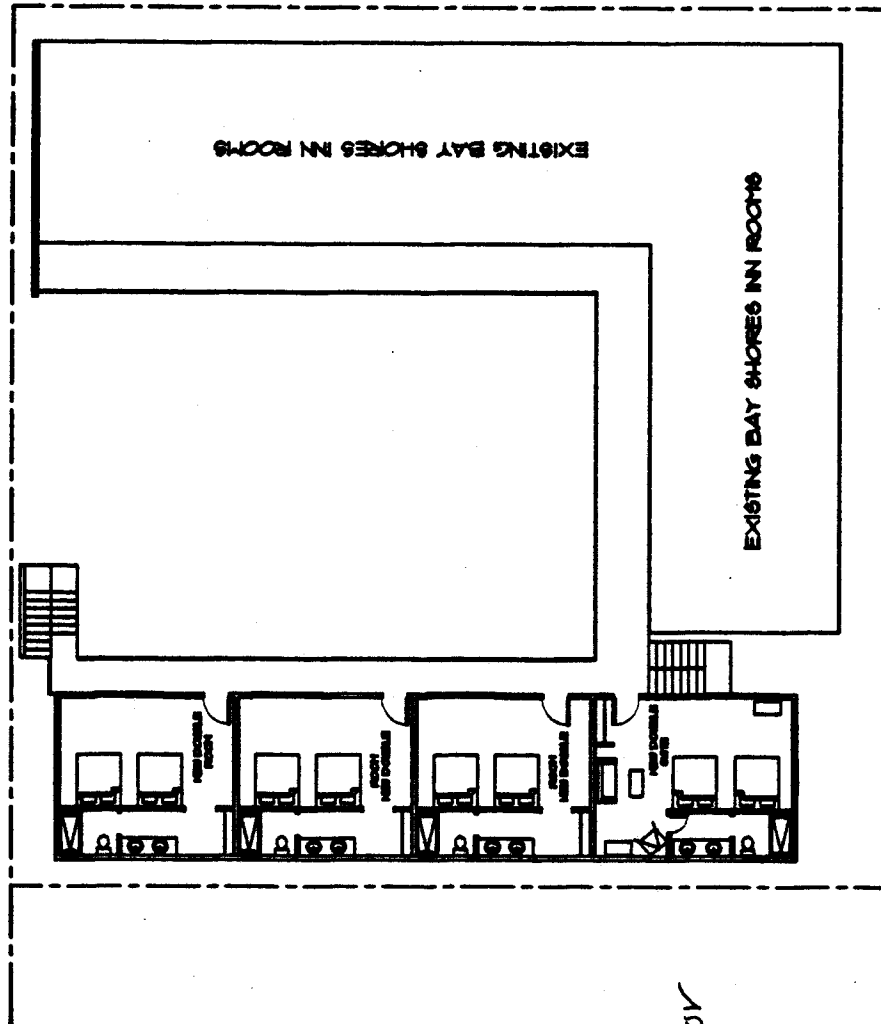
BAY SHORES INN

DATE	10/1/97
BY	DOVOLS
FOR	JOHNSON
PROJECT	5-98-149
SHEET	1 OF 3

A-1

proposed
development

existing
motel



← W. Balboa Boulevard →

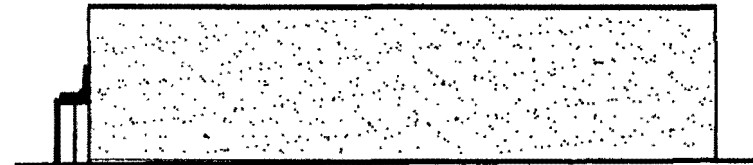
5-98-149
COASTAL COMMISSION
Plans: 2nd Floor

EXHIBIT # B
PAGE 2 OF 3

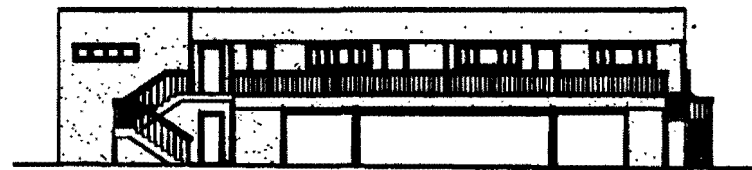
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MAY 26 1998
CALIFORNIA
COASTAL COMMISSION

COASTAL COMMISSION
5-98-149: Plans

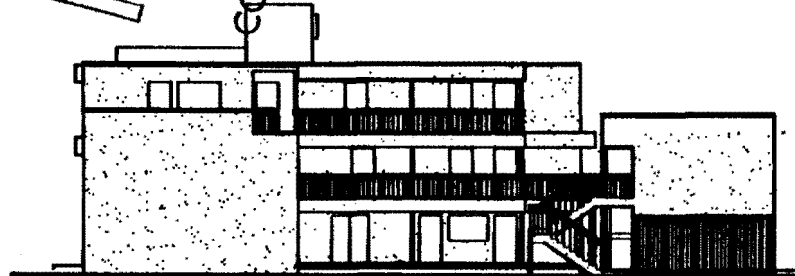
EXHIBIT # B
PAGE 3 OF 3



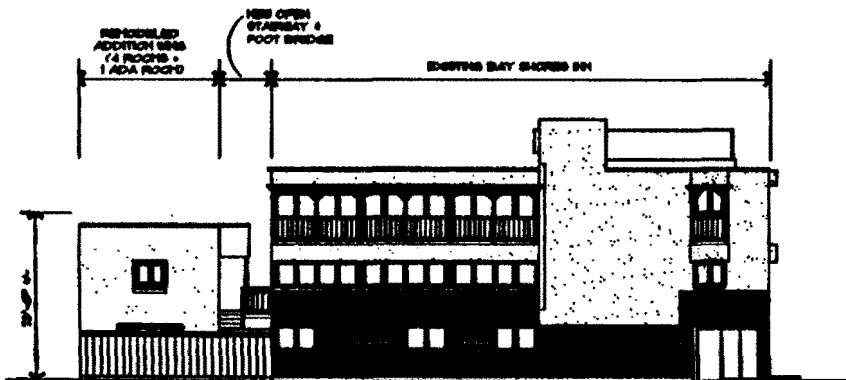
NEW REMODEL WING COURTYARD ELEVATION (looking east)



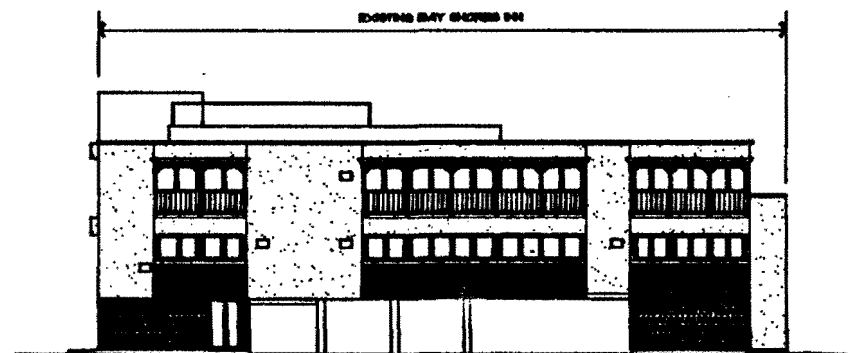
NEW REMODEL WING COURTYARD ELEVATION (looking west)



ALLEY ELEVATION OF COURTYARD (looking south)



WEST BALBOA AVENUE ELEVATION



18TH STREET ELEVATION

DOVOLIS
JOHNSON
& RUGGIERI



BAY SHORES INN
DOVOLIS
JOHNSON
& RUGGIERI
EXTERIOR BUILDING ELEVATIONS

SCALE: 1/4" = 1'-0"
DATE: 1/2/98
BY: [signature]

A-3



Best Western
Bay Shores Inn

September 16, 1998

John Auyong
California Coastal Commission
200 Oceangate, 10th Floor
Long Beach, CA 90802-4302

RECEIVED
SEP 22 1998

CALIFORNIA
COASTAL COMMISSION

Re: Application # 5-98-149

Dear Mr. Auyong:

Thank you for your letter of 9/11/98 regarding the subject application. The following is in response to your request for further information:

1. Private offsite parking: We are located in a primarily residential neighborhood. For this reason, there is simply no private offsite location nearby from which to lease parking spaces. However, we effectively lease spaces for our employees in the adjacent public parking lot by purchasing annual parking permits from the city. Also, we consider that public lot as having "rentable" spaces for our guests, see #2 below. It is not economically feasible to reduce the proposed number of rooms to 3.
2. Our experience has been that we occasionally experience your "worst-case scenario" of having more cars than on-site parking spaces. In this case, our on-site lot will have filled up by approximately dinnertime, by which time the adjacent parking lot will have emptied out. Because we are in a residential section with no retail services such as restaurants, shops or bars, there is no reason for visitors to be in that lot beyond late afternoon. It is almost exclusively used by beach-goers, who are mostly gone by dinnertime (and mostly not in the area at all from September to June). The city has long recognized this, they stop the meters from 6:00pm to 8:00am daily. Our contingency plan for this situation has been a long-standing policy that we "feed" our guests' meters from 8am to 11am (checkout time). This has been most acceptable to our guests who are typically not used to free hotel parking at the beach. Nor in fact are they used to much on-site beach hotel parking at all. Most of our competition has virtually no on-site parking. Our overall plan recently approved by the City of Newport Beach of 16 on-site parking spaces for 25 units gives us the most on-site spaces and the best local parking ratio by far.

Please contact me if you require any further information. Thank you for your assistance with this application.

Sincerely,

Frederic J. Pratt

5-98-149
COASTAL COMMISSION
Applicant's Letters

EXHIBIT # C

PAGE 1 OF 5

1800 W. Balboa Blvd.
Newport Beach, CA 92663
(714) 675-3463

On the Balboa Peninsula in Beautiful Newport Beach



Best Western
Bay Shores Inn

May 16, 1998

John Auyong
California Coastal Commission
200 Oceangate, 10th Floor
Long Beach, CA 90802-4302

RECEIVED
MAY 19 1998
CALIFORNIA
COASTAL COMMISSION

Re: Application # 5-98-149

Dear Mr. Auyong:

Thank you for your letter of 5/13/98 regarding the subject application. The following is in response to your request for further information:

1. City Approvals. All required documents will be forwarded to you under separate cover.
2. Clarification of Description. There are 2 residential units on-site. Subsequent to the change specified in item 3.B) below, we will be converting the subject duplex to 5 hotel units. The combined project, as approved by Newport Beach's recent changes to their General Plan, Zoning and Coastal Plan, and approved Conditional Use Permit, will include 26 rooms with 16 on-site parking spaces.
3. A) There are 13 on-site parking spaces currently serving the existing 21 room hotel. B) In order to accommodate the City's desire for handicapped accessibility, we have modified the subject project's plan to include a handicapped room and a van accessible handicapped parking space to serve the combined project. Therefore we will be adding 3 parking spaces, plus one space which will be for the van's wheelchair requirement. C) There will be no apartments for managers or employees. D) There are 21 existing hotel rooms. E) There are no pools, recreational facilities nor food establishments. A site plan of the combined project (existing property together with the subject project) will be submitted along with the plans specified in item 1.
4. Reduced Plans. These will be submitted along with the plans specified in item 1.
5. Land Use Plan Amendment. On May 11, 1998, the City Council had it's second reading thereby approving the General Plan, Zoning and Coastal Plan changes for the existing and subject properties, to the Retail and Service Commercial designation. The City has indicated it will be proceeding with this submittal to the Coastal Commission for certification. We would respectfully request concurrent processing if necessary, rather than losing an entire month in this process.

Sincerely,


Frederic J. Pratt

1800 W. Balboa Blvd.
Newport Beach, CA 92663
(714) 675-3463

On the Balboa Peninsula in Beautiful Newport Beach

5-98-149
COASTAL COMMISSION
Applicants Letters

EXHIBIT # C

PAGE 2 OF 5



Best Western
Bay Shores Inn

March 23, 1998

The City of Newport Beach
3300 Newport Boulevard
Newport Beach, CA 92658-8915

Re: GPA 98-1 (A)/LCP No. 50/Amendment 871/Use Permit 3629

Gentlemen:

Please accept the following information in order to complete our referenced application.

Description and Justification: For the past 20 years we have been operating and upgrading the Bay Shores Inn at 1800 W. Balboa Blvd., and have recently purchased the adjacent duplex apartment building at 1806 W. Balboa Blvd. Both of these properties are zoned residential, the hotel has been operating under a variance since it was built. This current application will modify the General Plan, the Coastal Plan, and the Zoning in order to conform with the existing hotel usage, as well as permit us to renovate the duplex into 5 additional hotel rooms and incorporate them into the existing hotel operation. It is a goal of the City to support the general plan development of quality tourist accommodations, particularly along the peninsula.

There are no modifications planned for the existing hotel. Plans for the duplex are as follows: The duplex currently consists of two floors including 5 bedrooms and 2 parking spaces. Our plan is to convert it to 5 hotel rooms and 4 parking places, while changing the room entries from Balboa Blvd. to our existing parking area, and changing the parking access from the rear alley, also to our existing parking area. A portion of the ground floor will be converted from existing living space to become the additional 2 parking spaces. The footprint of the duplex and its height will remain the same. The only external modifications will be to enclose the front patios, add a connecting second floor walkway and canopy of similar design as our existing hotel (including a rear stairway for fire safety), and add a trash enclosure at the rear of the building (there is no existing trash facility for the duplex, trash cans merely stand in the alley). There are no existing ancillary facilities or services (food service, meeting rooms, etc.) and there are none proposed. There is neither existing alcoholic beverage service nor in-room mini-bar service, and there is none proposed.

COASTAL COMMISSION

5-98-149

1800 W. Balboa Blvd.
Newport Beach, CA 92663
(714) 675-3463

On the Balboa Peninsula in Beautiful Newport Beach

EXHIBIT # C

PAGE 3 OF 5

We believe that this project will be a substantial upgrade to the community. The 5 bedroom duplex has previously been rented to as many as 10 individuals possessing 6 automobiles. Most tenants have been younger lower income individuals who worked out of the area and contributed little to the community besides noise, parking problems, a trashy carport area, and occasional police calls. On the other hand, our upgrading over the years has developed a clientele willing and able to pay \$150+ per night for lodging. These guests support other local establishments such as restaurants and gift shops, and cause no problems in the neighborhood. With our planned changes to the front and rear access to the building, we will be reducing the duplex's impact on the neighborhood by eliminating all alley usage, and freeing up numerous Balboa Blvd. parking places for the general public. Also, with the addition of 5 rooms, we project paying an additional \$25,000 per year to the City for Transit Occupancy Tax.

Rear Yard Setback: The duplex has an existing 5' rear yard setback to the alley as opposed to the 10' required for our proposed commercial zoning. This setback was required in order to accommodate vehicular access to the rear of the property without causing interference to alley traffic. However, with our plan we have eliminated any vehicular access to the property from the alley. With the existence of a large power pole at the rear property line, and with the zero setback of other residence garages along our side of the alley, our encroachment into the 5' setback for a trash enclosure and second floor fire stairway will not affect alley traffic in any way. Accordingly, we are asking that the Planning Commission and the City Council modify our rear yard setback requirement.

Floor Area and Rooms: Our existing hotel at 1800 W. Balboa Blvd. includes 21 rooms in approximately 8,500 square feet of gross floor area, not including approximately 1,000 square feet of driveway and parking within the building's footprint on the ground floor. The duplex at 1806 W. Balboa Blvd. will include 5 rooms in approximately 2,100 square feet of gross floor area, not including approximately 1,150 square feet of driveway and parking within the building's footprint on the ground floor. The configuration will be 4 deluxe hotel rooms on the second floor, and one fully handicapped accessible room on the ground floor.

Off-street Parking: Our existing hotel at 1800 W. Balboa Blvd. provides 13 off-street parking places for its 21 rooms. The duplex will include 4 off-street parking spaces for its 5 rooms. The overall project will provide 17 off-street spaces for its 26 rooms. We have for 20 years operated 21 rooms very satisfactorily with 13 parking spaces, for several reasons:

1. Our parking demand has proven to be less than one space per room because: A) We have historically operated at 70-75% occupancy, B) We often have families and business travelers arriving in one vehicle needing two or more rooms, C) We often have business travelers who arrive by taxi or are dropped off by employees of the companies they are visiting, and D) We often accommodate our neighbors' house-guests who are dropped off by the neighbors.
2. The probable long-term occupancy of the combined property (26 units) will not generate additional parking demand because we are adding 4 parking spaces for the

5-98-149 Exhibit C: p. 4 of 5

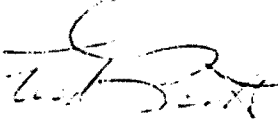
additional 5 rooms, which is a better ratio than we have had in the past. At 80% occupancy we will have no additional parking demand with the 4 spaces provided. Also, we will have freed up a number of on-street parking spaces in front of our property on Balboa Blvd. by ridding the neighborhood of the duplex renters.

3. There is a large municipal parking lot within 35' of our property (across 18th Street to the east), in the event that we are unable to accommodate all our guests with off-street parking. This lot is utilized primarily by beach-goers, so that there are always spaces available for our guests from late afternoon through mid-mornings.
4. Most of our competition provides little or no off-street parking whatsoever. Accordingly, we are asking that the Planning Commission and the City Council modify our off-street parking requirement.

Thank you for your consideration of these requests.

Bay Shores Inn

Sincerely,



Fred Pratt
General Partner

5-98-149
COASTAL COMMISSION
Applicant's Letters
EXHIBIT # C
PAGE 5 OF 5

City of Newport Beach
Planning Commission Minutes
April 9, 1998

INDEX

Street from the subject property and is therefore so located as to be useful in connection with the motel.

- b. That the motels parking demand will be less than the one off-street parking space per guest room the requirement of Section 20.66.030.
- c. That the design of the building is for a motel; therefore, the probable long-term occupancy of the building will not generate additional parking demand.

Conditions:

1. The project shall be maintained in substantial conformance with the approved site plan, floor plan and elevations.
2. A waiver of 9 of the off-street parking spaces required by Chapter 20.66 of the Zoning Code shall be permitted.
3. The approval of this use permit is for a motel only. The introduction of any ancillary facilities, including, but not limited to food and beverage service, conference and meeting facilities, and banquet facilities shall be subject to the approval of an amendment to this use permit.
4. No alcoholic beverages shall be sold, served, or given away for consumption on or off the premises. This condition shall include alcoholic beverage service from a controlled access alcoholic beverage cabinet.
5. Should this business be sold or otherwise come under different ownership, any future owners or assignees shall be notified of the conditions of this approval by either the current business owner, property owner or the leasing company.
6. Coastal Commission approval shall be obtained prior to the issuance of building permits.
7. This use permit shall not become effective unless General Plan Amendment 98-1 (A), Local Coastal Program Land Use Plan Amendment Number 50, and Amendment Number 871 have been approved and adopted by the City Council of the City of Newport Beach.
8. Lots one through three of Newport Beach Section B, Block 118 shall be merged through a lot line adjustment.

5-98-149
COASTAL COMMISSION
Required Lot
Merger D
EXHIBIT # _____
PAGE 1 OF 1

