# CALIFORNIA COASTAL COMMISSION

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Filed: 4-27-98 49th Day: 6-15-98

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Staff: Staff Penort:

JLR/LB 7 5 5-7-98

Staff Report:

Hearing Date: June 9-12, 1998

Commission Action:

#### STAFF REPORT: REGULAR CALENDAR

APPLICATION NO.: 5-98-152

APPLICANT: Olary Yim

PROJECT LOCATION: 802 Hermosa Avenue, Hermosa Beach

PROJECT DESCRIPTION: Expand an existing 1-story, 533 sq. ft., retail store to include a first floor addition of 608 sq. ft. and a 360 sq. ft. mezzanine.

Lot area: 1,467 sq. ft.
Building coverage: 1,131 " "
Pavement coverage: 306 " "
Landscape coverage: 30 " "

Parking spaces: Two Zoning: C-2

Plan designation: General Commercial

Project density: N/A Ht abv fin grade: 28'

LOCAL APPROVALS RECEIVED: Approval in Concept-City of Hermosa Beach

SUBSTANTIVE FILE DOCUMENTS: 1. City of Hermosa Beach Amended Certified Land Use Plan (1-94)

2. Coastal Development Permits 5-93-113, 5-94-130, 5-94-217, 5-94-264, 5-94-282, 5-95-049, 5-95-077, 5-96-043, 5-93-075, 5-96-046, 5-96-152 and 5-97-066.

#### SUMMARY OF STAFF RECOMMENDATION:

Staff is recommending <u>DENIAL</u> because the proposed intensification of use does not provide additional parking consistent with the provisions of the Certified Land Use Plan and the public access and development provisions of Sections 30211, 30212.5 and 30252 of the Coastal Act. Although the City and Commission have agreed to two programs to provide parking for minor projects that can not provide on-site parking, the City has reached the limits established in those programs.

PC

### STAFF RECOMMENDATION:

The staff recommends that the Commission adopt the following resolution:

#### I. Denial

The Commission hereby denies a permit for the proposed development on the grounds that the development will not be in conformity with the provisions of Chapter 3 of the California Coastal Act of 1976, will 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 have significant adverse impacts on the environment within the meaning of the California Environmental Quality Act.

### II. Findings and Declarations:

The Commission hereby finds and declares as follows:

### A. Project Description and Location:

The applicant proposes to expand an existing 1-story, 533 sq. ft., retail store to include a first floor addition of 608 sq. ft. and a 360 sq. ft. mezzanine. The lot size is 1,467 sq. ft. and contains two parking spaces. There is no space available on the lot to accommodate additional parking.

The proposed project is located in the Downtown Commercial District of the City of Hermosa Beach. The subject site is approximately one block inland of the Strand, a public walkway that parallels the adjacent public beach.

In 1982, the Commission certified the Land Use Plan (LUP) for the City of Hermosa Beach. The Commission has not certified the zoning ordinances for the City's Local Implementation Plan (LIP). In 1994, the Commission approved an LUP amendment which specifically addressed parking requirements in the downtown area.

Consistent with the Coastal Act, the LUP addresses the need for adequate parking to maintain beach access and requires that intensification of uses be accompanied with adequate parking. The reason adequate parking is required is that any additional demand for street parking spaces will compete with development for beach parking spaces i.e., on-street spaces or spaces located within the public parking lots. Adequate parking to serve new development is a public access issue because the downtown public parking lots are heavily used at certain times of the year and can not accommodate the parking needs generated by existing development.

According to the standards provided in the City's certified LUP, the proposed retail expansion requires four additional parking spaces. That calculation is based on a parking provision that requires one parking space for each 250 sq. ft. of commercial use.

The LUP offers two methods for small projects that are unable to provide the required parking to develop. The first method limits the cumulative total of

square feet that could be constructed under the program. That limit has been reached. The second method, an in-lieu fee program, depends on the availability of unused spaces in the downtown parking lots. There are no surplus spaces in those lots. Therefore, this project is not eligible for either alternate City parking program.

### B. <u>Public Access/Development</u>:

The following Coastal Act policies are relevant:

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 30212.5 of the Coastal Act states:

Wherever appropriate and feasible, public facilities, including parking areas or facilities, shall be distributed throughout an area so as to mitigate against the impacts, social and otherwise, of overcrowding or overuse by the public of any single area.

Section 30252 of the Coastal Act states:

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

The above policies protect the public's ability to access the beach and ocean by requiring new development to be accompanied with adequate parking. The downtown beach/pier area is a major visitor destination for recreational purposes. Visitor access to the beach is dependent on public parking. Street parking supplies a significant amount of the spaces to serve the beach.

Build-out and subdivision patterns often make it impossible for existing structures to provide on-site parking for intensification of uses. Because it is often infeasible to provide parking on-site, the Commission has certified two programs for developers to mitigate the adverse impacts of an increase in parking demand by providing parking off-site. Those methods are:

- a) Identify and allocate surplus downtown public parking lot spaces within a limited total building cap of 96,250 sq. ft.
- b) Require payment of an in-lieu fee if there are surplus spaces in the downtown parking lots

Note: The two above methods were certified by the Commission in an LUP amendment. A City zoning ordinance allows a reduction in required parking based on an approved Parking Plan. However, that method was not submitted as part of the LUP amendment.

### a) Building Cap

In the Commission's 1994 approval of an LUP amendment, the Commission allowed new development to use existing commercial parking lots in lieu of providing on-site parking. This exception to parking requirements was permitted within a limited build-out cap (i.e. until the surplus public parking spaces were used up by needs of new development). The amended LUP also limited new development taking advantage of this program within the Downtown Commercial District to a total of 96,250 sq. ft. That cap has now been reached because of numerous business improvements and expansions during the past three years. Under the provisions of the amended LUP, all new projects are now subject to the City's standard parking requirements.

### b) In-lieu Parking Fee Program

The City's current in-lieu program has two components. Payment of the in-lieu fees can either be paid by a private party or paid from a transfer of City "set aside funds" based upon City Council approval. Regarding the proposed development, the City's approval did not require in-lieu fees for reasons discussed below.

The City's certified LUP allows the City to require in-lieu fees only if sufficient parking within the downtown area exists to accommodate the parking demand of new development. If there are spaces available, according to the provisions of the amended LUP, development may be approved if the applicant provides in-lieu fund transfers or in-lieu fees into a City fund for improvements and/or construction of parking facilities within the District and/or for acquisition of property to be utilized for parking. The in-lieu fee is based on the cost of constructing a parking space in a parking structure.

The City's approval did not require in-lieu fees. The City contends in a 1996 traffic report that there are adequate parking facilities in the surrounding area. However, the report acknowledges that the surplus is temporary. The spaces are only available because a hotel recently approved is not yet constructed. Although the City has demonstrated that the downtown commercial district which is currently constructed has adequate parking, the City has not demonstrated that there is adequate parking for the proposed development. The only reason adequate parking is currently available is because projects that have been approved by the Commission have not yet been built.

In this instance, the City determined that because the project was small in scale, it was not appropriate to assess parking fees. However, the Commission finds that all significant adverse impacts must be mitigated. As discussed above, the City's in lieu fee program depends on the availability of unused spaces in the downtown parking lots. Given there are no spaces in those lots, the proposed project will result in significant adverse impacts.

The proposed project will also result in significant adverse impacts because of potential future build-out capacity in the downtown district. In 1994, the City had a build-out of 350,776 sq. ft. of commercial development. A City study indicated there was an existing surplus of 250 parking spaces that could accommodate 96,250 sq. ft. of new development based on 65% of current zoning

requirements. That build-out was also consistent with an economic market analysis that estimated the amount of expected business expansion up to the year 2004 would be in the range of 59,900 sq. ft. to 132,400 sq. ft.

In 1994, the Commission certified an LUP amendment that limited the construction of new development that does not provide parking to a cap of 96,259 sq. ft. That cap is now exceeded. In 1997, the Commission approved a 380 car parking structure which will accommodate new development. However, that structure has not commenced construction.

The 350,776 sq. ft. of development represents 47% of what was built-out at a Floor Area Ratio (FAR) of 0.53:1. At a FAR of 1:1 the gross building area for Downtown would be 663,229 sq. ft. and at a FAR of 1.5:1 the entire Downtown area could contain 994,844 sq. ft. of new development.

There are no current parking studies to evaluate parking requirements for future build-out of the Downtown. The downtown beach/pier area currently serves as a major visitor destination point for recreational purposes. Given this resource, it is important that parking requirements for the proposed project and future development be evaluated so as to protect, preserve and enhance public access to these recreational facilities. The Commission finds that approval of the project, as submitted, will set a precedent to allow future development to proceed without providing adequate parking.

As noted above, the parking structure approved by the Commission in early 1997 has not commenced construction. After constructing the parking structure, the City will reassess parking supply and demand. There may be additional opportunities for small projects to go forward at that time.

### c) Conclusion

The retail store is located one block from the beach, so customers do compete with beach goers for parking spaces. The proposed retail store is not a food store which would support beach use. The City's 1994 study took walk up traffic into account in reducing parking standards in the downtown. The Commission set a cap for calculating relaxed parking due to walk up traffic at 96,250 sq. ft. That cap has now been exceeded. The Commission finds that a significant adverse impact will be established if development is allowed to proceed without adequate parking provisions which, cumulatively, would create adverse impacts for the limited number of public beach parking spaces.

Therefore, the Commission finds the proposed project, as proposed will interfere with public access to the shoreline, inconsistent with Sections 30210 - 30212.5 of the Coastal Act. The Commission further finds that the proposed retail store will not provide adequate parking consistent with Section 30252(4) of the Coastal Act.

## C. Local Coastal Program

Section 30604, in part, states:

(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.

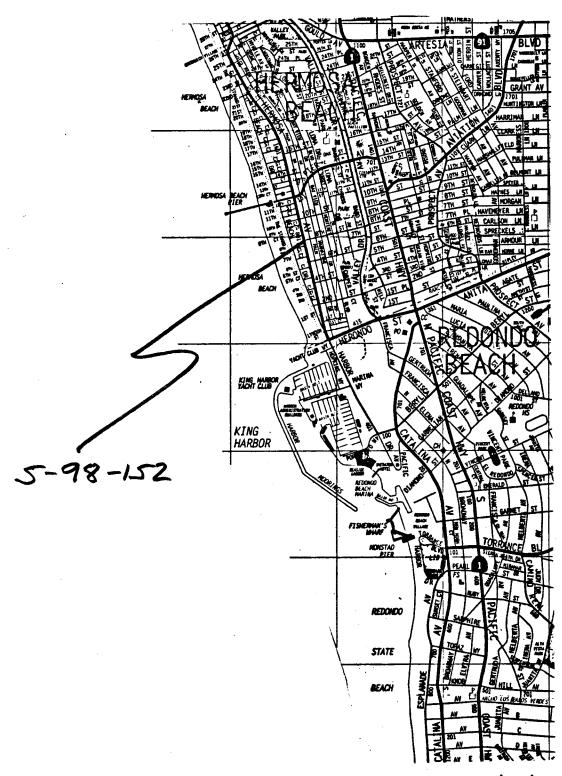
In April 1982, the Commission certified, with suggested modifications, the Land Use Plan portion of the Hermosa Beach Local Coastal Program. In 1994, the Commission approved an LUP amendment which specifically addressed parking requirements in the downtown area.

The proposed development, as submitted, is not consistent with the parking policies of the certified LUP. The amended LUP has two methods to mitigate parking impacts. The proposed project conforms with neither of those methods. A City zoning ordinance allows a reduction in required parking based on an approved Parking Plan. However, that method was not approved in the amended LUP.

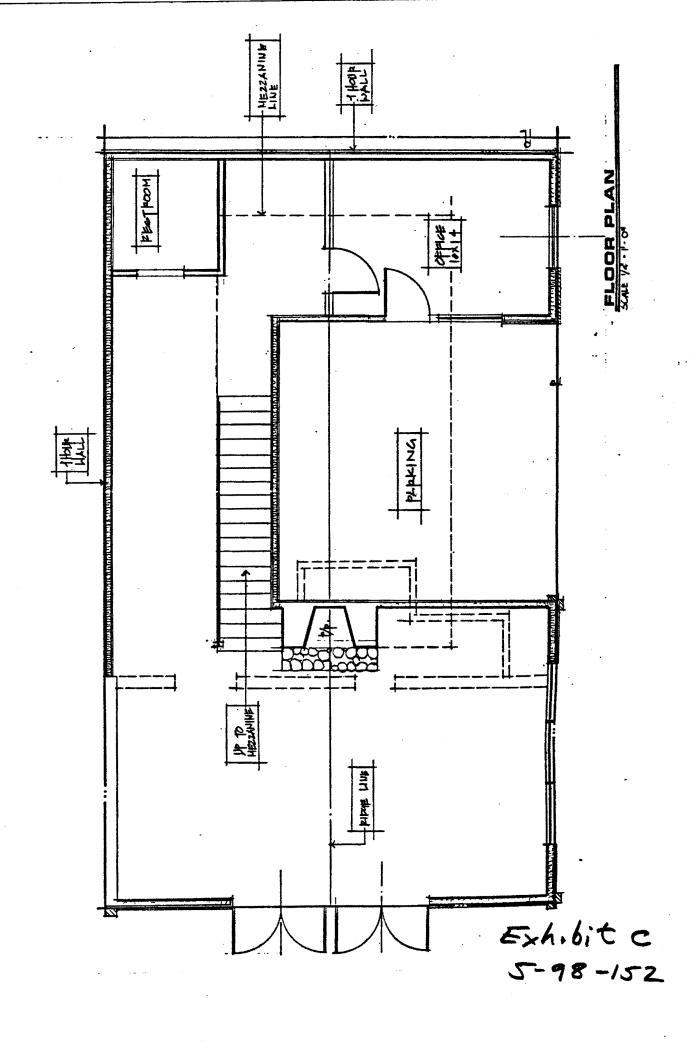
Approving an exception, even for a small project, would prejudice the LCP's ability to limit or discourage development when parking reserves are used up. As discussed above, the proposed project, which provides no additional parking, will adversely impact coastal beach parking. The Commission, therefore, finds that the proposed project will not be consistent with the Chapter 3 policies of the Coastal Act and will prejudice the ability of the City to prepare a Local Coastal Program Implementation program consistent with the policies of Chapter 3 of the Coastal Act as required by Section 30604(a).

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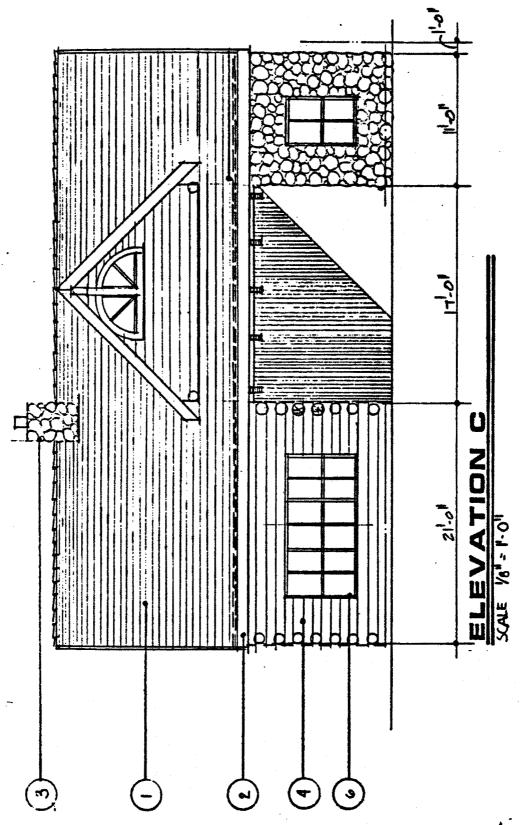
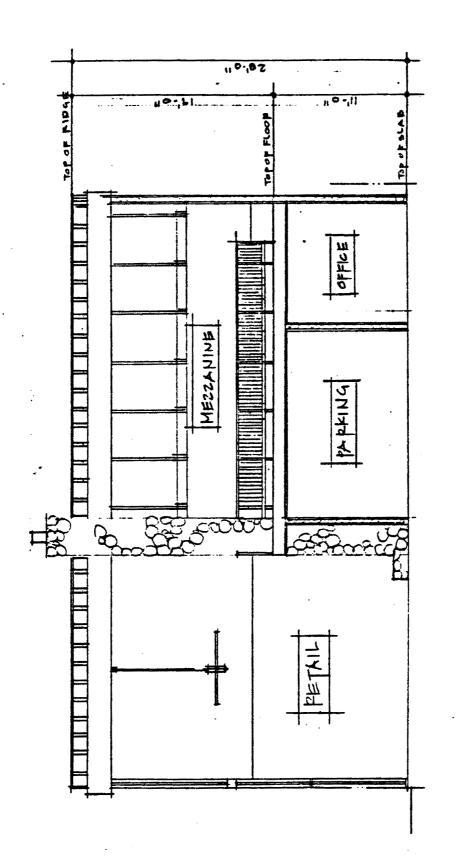


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SECTION YY

Exhibit E 5-98-152

# P.C. RESOLUTION 98-

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF HERMOSA BEACH, CALIFORNIA, APPROVING A PARKING PLAN TO ALLOW AN EXPANSION TO AN EXISTING COMMERCIAL BUILDING FOR RETAIL PURPOSES WITH LESS THAN REQUIRED PARKING, AT 802 HERMOSA AVENUE, LEGALLY DESCRIBED AS THE WESTERLY 50 FEET OF LOT 17, TRACT NO, 1564

Section 1. An application was filed by Olary Yim, the property owner, seeking approval to expand an existing 536 square foot retail building. The applicant is proposing to add 608 square feet of additional retail space, requiring a Parking Plan pursuant to Section 17.44.210 to allow the expansion without providing additional off-street parking.

Section 2. The Planning Commission conducted a duly noticed de novo public hearing to consider the application for a Parking Plan on March 17, 1998, at which testimony and evidence, both written and oral, was presented to and considered by the Planning Commission

Section 3. Based on evidence received at the public hearing, the Planning Commission makes the following factual findings:

- 1. The existing 536 square foot unreinforced masonry one-story building is required to be seismically retrofitted pursuant the Municipal Code. Space for 2 legal parking spaces is available behind the building, although it is currently not clearly delineated.
- 2. The subject lot is a 'half lot' containing only 1467 square feet (29.33' x 50") with the building situated on the front of the lot, on Hermosa Avenue.
- 3. The applicant proposes to expand the existing structure in conjunction with the required seismic retrofit, in order to add 608 square feet to an existing retail clothing and accessory store. Also, two parking spaces will be maintained in a new more efficient configuration, allowing expansion to the rear of the existing structure.
- 4. Calculating the increased parking requirement pursuant 17.44.140 (D) when an existing building is expanded, and based on the requirement for a retail use, the proposed 608 square feet of retail expansion results in an additional off-street parking requirement of 2 spaces.
- 5. Given the existing lot size it is not feasible to allow a moderate expansion to the under-sized building and to provide additional off-street parking on site without a complete redevelopment of the site.
- 6. The subject lot is located within the pedestrian-oriented downtown business district, with short walking distance of on-street and off street public parking facilities.

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- - b) The peak business hours will likely be in the daytime while peak parking demand in the downtown is typically in the evenings and at nights.
  - c) A significant number of any anticipated customers of the retail business will arrive by walking or by bicycle, or will be sharing a parking trip to this destination with other trips in the area whether for shopping, business, a trip to the beach, or nearby employment.
- This project is Categorically Exempt pursuant to Section 15301(e) of the California Environmental Quality Act as it involves an expansion to an existing structure of not more than 10,000 square feet in an area where all public services are available to allow for maximum development permissible under the General Plan.
- Section 5. Based on the foregoing, the Planning Commission hereby approves the Parking Plan, subject to the following Conditions of Approval:
- The proposed expansion and alterations shall be substantially consistent with 1. submitted plans. Modifications to any of the plans shall be reviewed and may be approved by the Community Development Director.

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- 3. The use of the building shall be limited to retail purposes with ancillary office uses, and may not be intensified in any way to increase parking demand without further review and approval of the Planning Commission.
- 4. The proposed mezzanine level is limited to storage use only, and shall be constructed as non-habitable storage space pursuant to the U.B.C.

Section 6. This grant shall not be effective for any purposes until the permittee and the owners of the property involved have filed a the office of the Planning Division of the Community Development Department their affidavits stating that they are aware of, and agree to accept, all of the conditions of this grant.

The Parking Plan shall be recorded, and proof of recordation shall be submitted to the Community Development Department.

Each of the above conditions is separately enforced, and if one of the conditions of approval is found to be invalid by a court of law, all the other conditions shall remain valid and enforceable.

Permittee shall defend, indemnify and hold harmless the City, it agents, officers, and employees from any claim, action, or proceeding against the City or its agents, officers, or employee to attack, set aside, void or annul this permit approval, which action is brought within the applicable time period of Government Code Section 65907. The City shall promptly notify the permittee of any claim, action, or proceeding and the City shall cooperate fully in the defense. If the City fails to promptly notify the permittee of any claim, action or proceeding, or if the City fails to cooperate fully in the defense, the permittee shall no thereafter be responsible to defend, indemnify, or hold harmless the City.

The permittee shall reimburse the City for any court and attorney's fees which the City may be required to pay as a result of any claim or action brought against the City because of this grant. Although the permittee is the real party in interest in an action, the City may, at its sole discretion, participate at its own expense in the defense of the action, but such participation shall not relieve the permittee of any obligation under this condition.

The subject property shall be developed, maintained and operated in full compliance with the conditions of this grant and any law, statute, ordinance or other regulation applicable to any development or activity on the subject property. Failure of the permittee to cease any development or activity not in full compliance shall be a violation of these conditions.

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1	The Planning Commission may review this Conditional conditions or impose any new conditions if deemed new than reighborhand and the rei	Use Permit and may amend the subject cessary to mitigate detrimental effects on
2	the neighborhood resulting from the subject use.	
3	VOTE: AYES: NOES:	
5	ABSENT: ABSTAIN:	
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7	CERTIFICATION	
8	I hereby certify the foregoing Resolution P.C. 98- is a t	rue and complete record of the action
9	taken by the Planning Commission of the City of Hermineeting of March 17, 1998.	osa Beach, California, at their regular
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11	Peter Tucker, Chairman	Sol Blumenfeld, Secretary
12	Date	
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