CALIFORNIA COASTAL COMMISSION

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 Hearing Date:
 1/11/2000

 Commission action
 10000

STAFF REPORT: AMENDMENT

AMENDMENT APPLICATION NUMBER: 5-96-212-A1

APPLICANT:

City of Hermosa Beach

PROJECT LOCATION: Lower Pier Avenue (Between Hermosa Avenue and City Pier), City of Hermosa Beach, Los Angeles County

DESCRIPTION OF PROJECT PREVIOUSLY APPROVED:

Improvement and realignment of Lower Pier Avenue to include widening sidewalks from 12' to 22', two 12' wide traffic lanes, diagonal, special paving design, lights, landscaping and directional signs. Project will reduce on-street parking by 24 spaces on Lower Pier Avenue and add 34 spaces on Hermosa Avenue and 13th Street. Project also includes addition of approximately 18,000 sq. ft. Pier Plaza at the street end of the pier, exterior reinforcement of existing pilings, structural reinforcement of the pier deck and new pier deck finish with outdoor seating.

DESCRIPTION OF AMENDMENT:

Remove 24 on-street parking spaces on lower Pier Avenue; re-stripe of 56 spaces along 13th Street resulting in the loss of 39 on-street parking spaces from 13th street. The 63 spaces removed will be replaced within the new City parking structure.

SUMMARY OF STAFF RECOMMENDATION:

The staff recommends that the Commission determine that the proposed development, along with the proposed amendment, is consistent with the public access and development policies of the Coastal Act because there will be no net loss in public shortterm parking or public access to the beach.

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LOCAL APPROVAL RECEIVED:

Approval in Concept – City of Hermosa Beach

SUBSTANTIVE FILE DOCUMENTS:

- 1. City of Hermosa Beach Certified Land Use Plan
- 2. Coastal Development Permits 5-82-251, 5-92-177, 5-96-282, 5-97-011, and 5-96-212.
- 3. Final Environmental Impact Report for The Hermosa Inn & Parking Structure Project (SCH#96051009).
- 4. City of Hermosa Beach Downtown Circulation and Parking Initial Study, April 1996.

PROCEDURAL NOTE: The Commission's regulations provide for referral of permit amendment requests to the Commission if:

1) The Executive Director determines that the proposed amendment is a material change,

2) Objection is made to the Executive Director's determination of immateriality, or,

3) The proposed amendment affects conditions required for the purpose of protecting a coastal resource or coastal access.

If the applicant or objector so requests, the Commission shall make an independent determination as to whether the proposed amendment is material (14 Cal. Admin. Code 13166).

In this case, the Executive Director has determined that the proposed project is a material change to the Commission's previous permit approval.

STAFF RECOMMENDATION

Staff recommends that the Commission <u>APPROVE</u> the amendment with no special conditions.

MOTION

I move that the Commission approve CDP # 5-96-212-A1 pursuant to the staff recommendation.

Staff recommends a <u>YES</u> vote. This will result in adoption of the following resolution and findings. The motion passes only by affirmative vote of a majority of the Commissioners present.

RESOLUTION

I. <u>APPROVAL</u>

The Commission hereby <u>grants</u> an amendment to the permit for the proposed development on the grounds that the proposed development with the proposed amendment, as submitted, is consistent with the 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. STAFF NOTE

All Standard and Special Conditions imposed by the Commission on the previous permit are still in effect.

III. FINDINGS AND DECLARATIONS:

The Commission hereby finds and declares as follows:

A. PROJECT DESCRIPTION AND BACKGROUND

On November 14, 1996, the Commission conditionally approved Coastal Development Permit 5-96-212 for development consisting of the following:

Improvement and realignment of Lower Pier Avenue to include widening sidewalks from 12' to 22', two 12' wide traffic lanes, diagonal parking, special paving design, lights, landscaping and directional signs. Project will reduce on-street parking by 24 parking spaces on Lower Pier Avenue and add 34 spaces on Hermosa Avenue and 13th Street. Project also includes addition of approximately 18,000 sq. ft. Pier Plaza at the street end of the pier, exterior reinforcement of existing pilings, structural reinforcement of the pier deck and new pier deck finish with outdoor seating.

The applicant proposes to amend Coastal Development Permit No. 5-96-212 to permanently remove 24 parking spaces from lower Pier Avenue. The street area will be used as a public plaza. The applicant also proposes to re-stripe a street near the plaza resulting in a loss of 39 parking spaces from that street. The 63 on-street parking spaces removed will be replaced in a new public parking structure currently under construction.

B. <u>DEVELOPMENT</u>

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.... (4) Providing adequate parking facilities...

Additionally, the City's certified LUP states the following:

Policy: That the City should not allow the elimination of existing on-street parking or off-street parking spaces within the coastal zone. Future residential and commercial construction should provide the actual parking necessary to meet the demand generated.

The proposed project is located in the downtown area of Hermosa Beach adjacent to the beach. The downtown beach/pier area serves as a major visitor destination for recreation. The area is developed with small-scale commercial development, a few older apartment buildings, and a newly constructed hotel, The Strand, which is a paved public ocean front walkway, and some City-owned parking lots. Outside the immediate downtown, the community, including the beachfront, is developed with newer and older duplexes on small lots.

Pier Avenue gives access to the beach and pier from two routes parallel to the coastline, Pacific Coast Highway (California Route One) and Valley/Ardmore. The Pier and beach are publicly owned. Access is limited by the transportation system, which for people in the Los Angeles basin means the automobile. Many of the small cities in Los Angeles County, including Hermosa Beach, were subdivided in the time of street railways and have inadequate provisions for cars. The inadequate provisions for cars include narrow streets and very little parking. The older commercial and residential structures are built out to the lot lines, and provide little or no on-site parking. Reconstruction of these structures and intensification of use within these structures has occurred without provision of parking. At the same time, beach goers have used the streets and the three municipal parking lots to support beach access. The result of all these factors is that there is an inadequate number of private off street parking spaces, and intense competition for on-street spaces. This has resulted in a shortage of parking due to competing parking demands of beachgoers, customers of commercial establishments and the surrounding residential uses some of which are also deficient in parking.

In order to balance these parking conflicts and provide for commercial revitalization, the City has proposed and Commission has approved two permits and an LUP amendment to improve the management of parking in the downtown and to encourage re-development. Those approvals were: 1) a coastal development permit authorizing a preferential parking program for much of the City; 2) an LUP amendment to reduce parking requirements for downtown commercial uses; and 3) a coastal development permit authorizing the construction of a 400-car parking structure in the down town.

1) Preferential Parking Program

In 1982, the Commission conditionally approved a permit (5-82-251) for the implementation of a preferential parking and remote beach parking program. That program is still in effect. The program provides 533 parking spaces at seven locations throughout the City. These spaces provide free public parking for long-term use. The program also and restricted long-term parking or reserved parking on certain streets for local residents. This program was designed to use time limits and financial incentives to redirect long term parking outside of down town, reducing the impacts of peak beach days on commercial and residential uses.

2) LUP Amendment 1-94

In 1994, the Commission approved an LUP amendment that allowed new development to use existing on street parking and commercial parking lots in lieu of providing on-site parking. The amendment was predicated on the existence of down town commercial lots that had been built with the assistance of owners of the non-conforming structures, and the documentation that on many days, there existed a surplus of spaces in the down town area (Exhibit 4.) The background information also noted the high occurrence of shared parking and of use of alternative modes of transportation to the downtown, such walking and using bicycles. The exceptions to parking requirements within the Downtown Commercial District granted in the amended LUP granting was permitted only as limited by a build-out cap, a total of 96,250 sq. ft. of new development allowed under these standards. Although roughly related to the surplus public parking spaces, the cap was designed so that the program would be self-limiting in case any of the assumptions on which the program was designed were mistaken. By imposing a cap, the Commission limited the effects of any mistake by limiting the amount of development that could occur. The cap would be triggered when 96,250-sq. ft. of new development even if all of the "surplus" spaces were not committed.

The City and the Commission have now approved over 96,250 square feet of business improvements and expansions, approval which included a hotel (Exhibit 6, 5-96-282.) All of this development received one or another parking "break" in calculating the amount of required parking authorized in the amendment (Exhibit 4.) "Breaks" included a lower parking generation ratio (65%) and exceptions for smaller structures.) Under the provisions of the amended LUP, all new projects are now subject to the City's standard parking requirements. Now that the cap has been reached, the Commission must certify a new LUP amendment based on a new parking study before approving any additional development based on the program. Instead the Commission must find that the development itself provides sufficient parking and that it will have no individual or cumulative impacts on public accuses. The amendment does not rule out extension of the system if an LUP is amendment is certified, but does request the certification of another LUP amendment to do this before development with reduced parking can be found consistent with certified LUP.

It is important to note that while the "special standards" for down town were drafted for small commercial structures in nonconforming buildings, much of the square footage approved represents approval of the hotel. Even though the hotel has is now provided with 100 spaces, in the structure, the calculation that the hotel needs only 100 spaces is based on application of a "break" a reduction in room to parking spaces ratio it was calculated that the hotel would need. When the applicant applied for the hotel permit (5-96-282), the City had approved a total of 40,679-sg. ft. of new development. The proposed 71,400-sq. ft. hotel resulted in the building threshold of 96,250-sq. ft. to be exceeded by 15,592-sq. ft. (40,679 + 71,400 - 96,250). If the hotel had been parked by Commission guidelines, it would have required 163 spaces. City zoning would have required more. Although the proposed hotel exceeded the threshold, the Commission approved the hotel pursuant to the less restrictive parking criteria. Even so it required 100 parking spaces to be provided in the future parking structure (now opened). The basis for the Commission allowing the less restrictive parking requirements on a project that exceeded the cap, in part, was that the Commission considered the entire hotel as one project that could not be separated into two components. Secondly the Commission considered that the hotel, a visitor serving use, was a priority use.

3) 400-Car Parking Structure

In April 1997, the Commission approved a four-level parking structure (currently under construction) to provide 300 public parking spaces, plus 100 spaces to support a future hotel development located nearby on The Strand (CDP#5-96-282). The parking spaces were to be used to provide parking for a new hotel, to provide additional spaces for a previously approved 7,000 Sq. ft. commercial development, to provide additional parking within the parking structure and to replace loss of on street parking spaces.

4) <u>Summary of Current Existing Downtown Parking on 13th lot B, Pier Avenue and On the Lot C Site.</u>

This chart compares (1) the number of public parking spaces that were available in the area affected by this permit <u>before</u> the proposed project (and the construction of the parking structure) with (2) the number of spaces that will exist <u>after</u> the permanent closure of lower Pier Avenue, the re-striping and completion of the parking structure. Some of these spaces are committed to certain uses, which will be described below in chart 2.

LOCATION	No. of Spaces Prior to Pier Avenue closure without Parking structure	No. of Spaces After Street Closure and Construction of Parking Structure				
Lot C/ Structure site	135	400				
Lower Pier Avenue	24	0				
On-street north side of 13 th	29	12				

CHART 1 IMMEDIATE AREA PARKING

street		
On-street south side of 13 th	22	0
street		
Lot B	44	44
Total	254	456

Many of the spaces in parking structure have already been considered in by the Commission approving development projects considered before the parking structure was complete. Therefore, these spaces are committed to existing or previously approved uses. Even so, the parking structure can accommodate these previously committed uses as well as replacement of the parking spaces removed from Pier Avenue and 13th Street as proposed in this project. The chart below summarizes the number of parking spaces in the new 400-car parking structure that have already been committed or are proposed to be used to mitigate the impacts of this project:

CHART 2 AVAILABILITY OF SPACES IN PARKING STRUCTURE TO SERVE PROPOSED PROJECT

USE	ALLOCATION			
Hotel	100			
7,000 sq. ft. of commercial use in Structure	18			
Replacement of Lot C: 135 public parking spaces displaced to construct the structure	135			
Available for Replacement of loss of 63 on- street parking spaces proposed in present amendment	63			
Total presently allocated, counting present project	316			

The City has commented on this chart. City officials agree that 100 spaces of the structure are committed to the hotel (for its exclusive use) and that 135 are needed as replacement for the parking lot on which the structure was constructed (Lot C.) However, City officials disagree that 18 spaces are committed for the new commercial uses that were approved by as part of the structure. The reason they disagree is that (1) the Commission imposed no condition on the parking structure to reserve any specific spaces for the commercial uses and (2) in the findings, the Commission merely found that there would be enough spaces in the structure to serve the commercial development. The findings, the City states, do not go on to say that therefore the 18 spaces needed by this development will be used to reduce the parking available in the structure to support other new development. (Exhibit 5, page 3, and page 9 of findings)

According to the City's Certified Coastal Land Use Plan, parking cannot be eliminated and residential and commercial parking must not interfere with access to beach parking. The Commission's responsibility with respect to parking in approving any development is to determine that enough parking will be supplied so that access to the beach will not be reduced. The Commission finds that finding that only that parking was available in its

approval of 7,000 square feet of development in the parking structure will not preclude its consideration of the demands of previously permitted uses in approving any future uses. The Commission notes, however, that under the terms of the certified LUP as amended, new development must supply adequate parking on site, or must pay an in lieu fee. The parking supply available will be subject to a new LUP amendment that the Commission will consider in the future. At that time all demands on the downtown system can be examined.

In terms of the Commission's approval of this permit, there is evidence that the parking spaces lost by the amendment of the project can be replaced in the parking structure. Even after subtracting the spaces supplied to "make up" for creation of the Pier Avenue Plaza, and even after subtracting the 18 spaces that are in dispute, after this project, parking available in the downtown will be increased by 84 spaces, net (400-316).

The spaces lost on the street and on previously existing lots were committed to existing beach-goers and commercial use. These spaces are not included in the 84 spaces available. Similarly, previous spaces allocated in previous permits noted above, including the hotel and commercial permits, are not counted in the 84 spaces. These 84 spaces may be available to support beach access, or for future commercial development in the Downtown area pending additional City beach parking studies. The City's proposed Pier Avenue project as amended does not diminish beach and commercial parking.

Therefore, the Commission finds that the proposed project will provide adequate parking facilities consistent with the development provisions of Section 30252 of the Coastal Act. The Commission further finds that the proposed development will not reduce on street parking consistent with the parking provisions of the City's certified Land Use Plan.

C. <u>PUBLIC ACCESS/RECREATION/</u>

In addition to protection of parking for beach access, the Commission is required to protect visitors from development that blocks public access and to encourage development that provides public areas for recreational purposes. The City contends that the proposed Pier Avenue Plaza provides a public area for recreational purposes as well as allowing visitor-serving uses, such as food service, to provide amenities such as out door dining.

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 militate against the impacts, social and otherwise, of overcrowding or overuse by the public of any single area.

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 of its setting.

Additionally, the City's certified LUP states the following:

A. Statement of Philosophy

Hermosa Beach shall maintain its current high level of recreational access to the coast and its recreational facilities and be consistent with maintaining the beach in its most natural state. (See Appendix C, Page C-12, Table VIII).

- B. Goals and Objectives
- 1. Maximum access 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.
- 2. Low cost visitor recreational facilities will be maintained and encouraged where feasible.
- 3. The City shall protect its coastal resources for recreational activities.

The Lower Pier Streetscape improvements were completed in the summer of 1997. Those improvements are intended "to beautify the downtown and attract residents, shoppers and beach goers". The City installed special pavement and hydraulically operated "bollards" at each end of the street. When the bollards are extruded, which they have been since completion of the project, vehicular access is prevented. The City intends to retain the street bollards (a vertical 3-foot post located at the street ends). Following is a more detailed project description excerpted from a City letter:

The original plans called for a through street with street parking and expanded sidewalk areas containing new landscaping, street bollards, special paving and street furniture. The project was built as designed with a through street and onstreet parking but the City Council decided to eliminate the street use once they observed how attractive and pedestrian friendly the new space was without auto traffic. The City did not deviate from the plans approved by the Coastal Commission, as you mention in your letter, but made a decision to close the street after the project was constructed by simply keeping the street bollards in place. They were always part of the design. If you visit the area you will note that the onstreet parking is demarcated, but the area is exclusively operated as a pedestrian plaza. The City, can, if desired, lower the bollards and utilize the plaza as a street; however, the downtown plaza is one of our major revitalization successes and accommodates year-round activity from pedestrians <u>and beach-goers</u>.

The City contends that additional pedestrian friendly areas will actually improve beach access by providing areas where visitors can walk and sit. The City contends that the project as amended to include a greater pedestrian component. It will facilitate use of the beach via the downtown area. Pedestrian access to the beach will be enhanced at 13th Street and 14th Street with new streetscape and landscape improvements. Lower and Upper Pier Avenues will be enhanced with similar improvements and provide a pedestrian corridor to the newly renovated Pier, and by allowing outdoor seating and food service. Automobiles visiting downtown will be routed into the structure. The renovations of Pier Avenue as a plaza will not impact downtown circulation or parking and will afford beach-goers with an improved beach related amenity.

The proposed development, as submitted, will enhance and encourage pedestrian and vehicular access to both the public beach and the public pier. The proposed public plaza area will both physically and visually enhance beach access from the downtown area. The proposed plaza use will not block beach access and will not reduce beach parking. Therefore, the Commission finds that the proposed project has been designed to encourage public access consistent with the relevant public access provisions of Chapter 3 of the Coastal Act. The Commission further finds that the proposed project, as designed, will protect coastal resources for recreational activities, consistent with public recreation/access and the visual quality provisions of the City's certified Land Use Plan.

D. COMMUNITY CHARACTER AND VISUAL RESOURCES.

The Commission is responsible for protecting the visual experience of visitors to the coast. The following policy is applicable:

Section 30251.

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.

As noted above, Hermosa Beach is a community of small lots with small frontages that was subdivided before the development of the automobile. The streets easily become cluttered with cars. Cars circling to search for parking impact views as well as the convenience of the public. The Commission finds that the removal of the cars for the principal gateway to the pier provides an easier and visually less cluttered entry to the Pier. As proposed, the project is consistent with Section 30251 of the Coastal Act.

E. LOCAL COASTAL PROGRAM

The Coastal Act 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.

On September 1981, the Commission certified, with suggested modifications, the Land Use Plan portion of the Hermosa Beach Local Coastal Program. The certified LUP contains policies to guide the types, locations and intensity of future development in the Hermosa Beach Coastal Zone. Among these policies are those specified in the preceding section regarding public access and public recreation. The proposed development, as submitted, is consistent with the policies of the certified LUP. 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 a Local Coastal Program implementation program consistent with the policies of Chapter 3 of the Coastal Act as required by Section 30604(a).

E. CALIFORNIA ENVIRONMENTAL QUALITY ACT

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

An alternative to the proposed project would be to retain parking on 13thstret and on the Pier Avenue. This is feasible, but would result in a less visually pleasing environment. Moreover, the parking removed can be replaced in the parking structure with no net loss in parking available.

As submitted, there are no other feasible alternatives or mitigation measures available, which would substantially lessen any significant adverse impact, which the activity would have on the environment. Therefore, the Commission finds that the proposed project is consistent with the policies of the Coastal Act to conform to CEQA.

F. <u>UNPERMITTED DEVELOPMENT</u>.

Prior to submitting the subject permit application, the applicant constructed the Pier Avenue improvements as described in the report above, and then neglected to lower the bollards, determining that the project would be more attractive without cars. Members of the public complained to the Commission that this was development and did require a permit or an amendment to the permit. The applicant then submitted an application to amend the project to retain the area as a plaza. Pending consideration, the applicant proposed to leave the bollards in place because as it was stated "oil from the cars" would ruin the decorative pavement. Since no permanent damage would occur from during the interval between submittal of the application and its consideration, the applicant was permitted to delay lowering the bollards until the Commission could consider the application for an amendment.

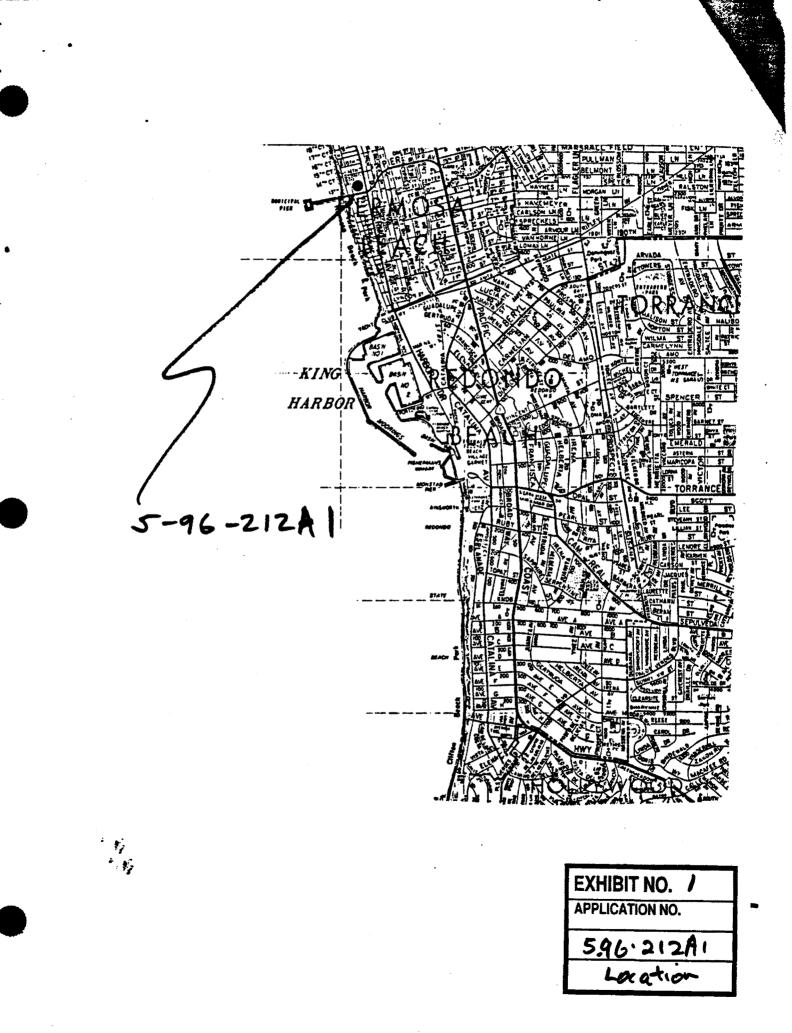
In addition to this unpermitted development, the applicant constructed its parking structure prior to issuance of the approved permit for the parking structure. The permit has not yet been issued because the applicant has not submitted evidence to comply with all the Commission's special conditions. The parking structure has been constructed and was opened on December 14, 1999. The history of this is that after the City received its approval, the City further investigated some of the terms and conditions. The City determined that from its point of view, the interim shuttle would be equally effective and cheaper to operate if operated during fewer hours, and if the businesses with the greatest number of employees were targeted for measures to supply interim parking for employees. After discovering that staff could not authorize this change, the City submitted an application for this change. However the City failed to provide all the material that the staff requested in order to process the application. The staff perceived this as being asked to accept a reduction in mitigation measure without justification. The City felt the information was unnecessary and the staff was refusing to analyze and report the amendment request. Since loans had been taken out, the City proceeded with construction, operating the shuttle as it had proposed. There is no written evidence in the file of the applicant's concurrence with the Commission's other conditions imposed on the structure.

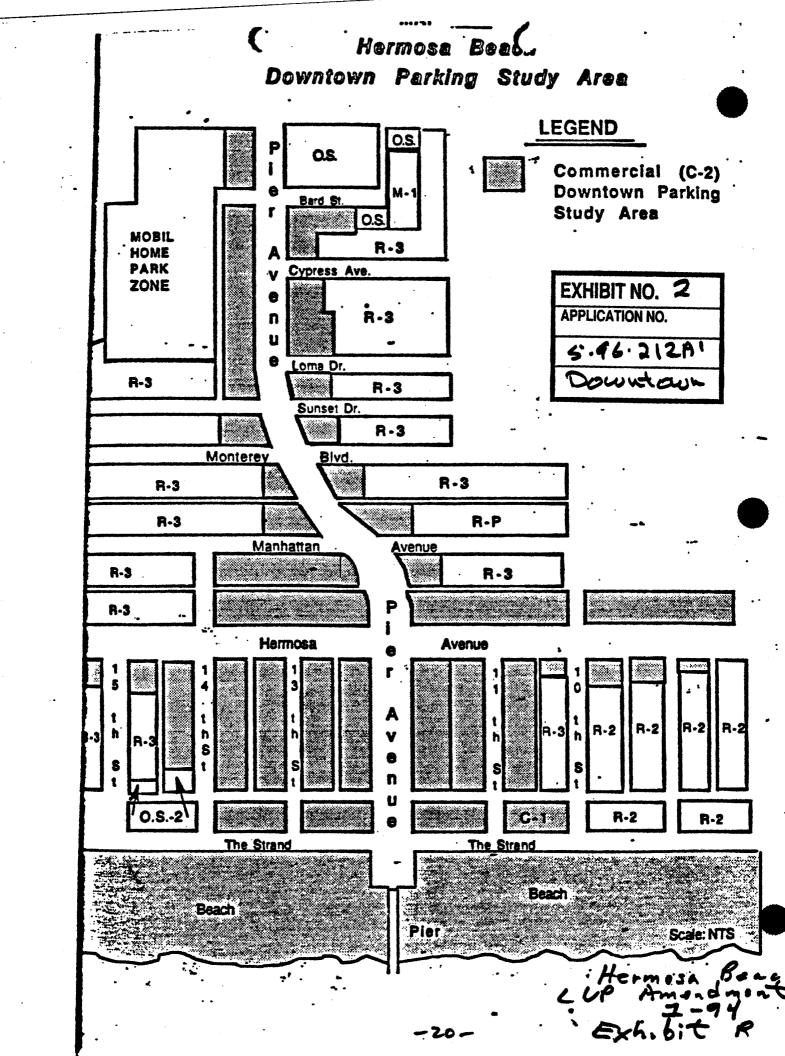
This permit amendment request assumes the structure is a given. However, the description of the parking structure, which opened to the public on December 14, 1999 does not represent a determination with respect to an development that may have taken

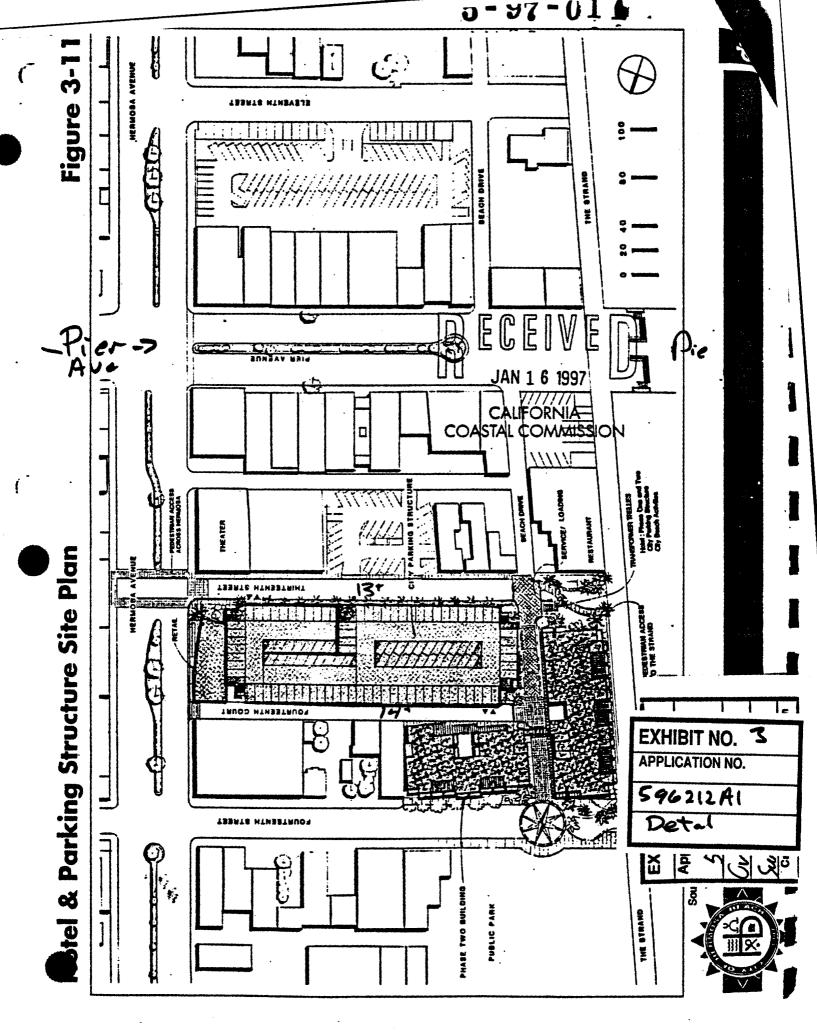
place with the issuance of a permit or that was not compliant with the Commission's action. Furthermore it does not represent concurrence with any amendment request that has been submitted but is incomplete.

Although development has taken place prior to Commission action on this coastal development permit, consideration of the application by the Commission is based solely upon Chapter 3 policies of the Coastal Act. Approval of the permit does not constitute a waiver of any legal action with regard to the alleged violation nor does it constitute an admission as to the legality of any development undertaken on the subject site without a coastal development permit.

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City of Hermosa Beach Major LUP Amendment 1-94 Page 3 LUP - a mondent

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state goals specified in Section 30001.5 of the Coastal Act; that the amended Land Use Plan contains a specific access component as required by Section 30500(a) of the Coastal Act; that the amended Land Use Plan is consistent with applicable decisions of the Commission that shall guide local government actions pursuant to Section 30625(c) of the Coastal Act; and that the certification of the amended Land Use Plan meets the requirements of Section 21080.5(d)(2)(i) of the California Environmental Quality Act, as there are no further feasible mitigation measures of feasible alternatives which could substantially lessen significant adverse impacts on the environment. The suggested modifications to the submittal are necessary to achieve the basic state goals set forth in Section 30001.5 of the Coastal Act.

III. SUGGESTED MODIFICATIONS

The Commission suggests the following modifications to the City of Hermosa Beach LUP amendment request which are necessary to ensure that the amended LUP meets the requirements of, and is in conformity with, the policies of Chapter 3 (commencing with Section 30200) of the California Coastal Act. If the City Council of Hermosa Beach adopts and transmits its revisions to the LUP amendment by formal resolution in conformity with the suggested modifications within six months of this Commission action, then the Executive Director shall so notify the Commission along with a finding that the City Council's resolution conforms with the Executive Director's conclusion, the LUP amendment will become effective.

In the following suggested modifications, the Commission's suggested additions are indicated by <u>underscoring</u>, and suggested deletions are indicated by *sitikedifs*. The LUP policies and programs, as submitted by the City, are provided to the Commission in straight type.

<u>Certification of the Land Use Plan amendment is subject to the following</u> <u>Suggested Modifications (beginning on page 5 of the City's certified LUP):</u>

Section 2.

Program: The City shall establish parking requirements in the Downtown Enhancement District (DED) identical to the requirement set forth in other areas of the City's coastal zone. However, in recognition of 76/ fécéghizé the unique parking needs and constraints in the downtown district, the City may grant exceptions to the parking requirements for new buildings, expansions, and/or intensification of uses within the downtown district sWd17/Bé/Téss fWdM/féquiféd/éTséWWéfé/IM/fWé/fity/ if the City can assure that there is parking available within the DED to support beach access and the proposed development. The City may approve exceptions for commercial development up to a total of 96.250 sq. ft. of new commercial development if the findings outlined below are made. After 96.250 sq. ft. of new commercial development has received Coastal Development Permits (CDP), these exceptions cannot be granted unless the Coastal Commission certifies an amendment to the Land Use Plan.

591212 A1 Exh.b. 14 PI

Policy:

<u>New development, including expansions and intensifications of use, shall</u> provide parking consistent with requirements elsewhere in the City unless the following findings are made. If the following findings are made, the exceptions described in Section 2 may be granted.

1. Findings

Before granting the exceptions below. the Planning Director shall certify:

- (a) That fewer than 96.250 sq. ft. of commercial development. including new buildings. expansions and/or intensification of uses. in the DED has received a CDP since November 1. 1994.
- (b) That there is currently adequate parking to support the development and provide adequate beach parking.
- (c) That the City Council has approved an interim parking study for the DED that shows the occupancy of the parking spaces in the DED is 90% or less during daylight hours on summer weekends.
- (d) That no more than 24.063 sq. ft. of commercial development in the DED has received CDP's since the last interim parking study was approved by the City Council.

2. Exceptions

i. When parking is required, for projects on lots exceeding 10,000 sg. ft. and/or 1:1 F.A.R.. parking in excess of that existing on the site at the time of the proposal shall be provided at 65% of the current parking requirement. It/sMdII/be/65%/6f/tMe/reddirement/ds/set/fortM/for 6tMer/dreds/witMIM/tMe/CIty

ii. Projects/on/smaller/lots/within/the/downtown/district/ Because of the physical constraints to providing parking and the desire to promote a pedestrian orientation in the Downtown Enhancement District. for projects on lots less than 10.000 sg. ft. and less than 1:1 F.A.R.. no parking other than the parking existing on the site at the time of the proposal shall be required. SMall/not/be/reddired/to/provide/any/parking/when the/floot/area/to/beilding/ratio/is/proposed/to/be/lil/of/less/

Program: 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 DBAEDC or its successor agency or the private party, shall provide an in-lieu fund transfer or an in-lieu fee to an improvement fund eagmarked 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 on site.

If the DBAEDC determines that the private party is responsible for the in-lieu fee, the private party shall pay said fee as requested by the DBAEDC.

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City of Hermosa Beach Major LUP Amendment 1-94 Page 5

Program: <u>The City shall not accept a fee in lieu of providing on site parking</u> <u>unless the Planning Director assures that sufficient parking exists to</u> <u>accommodate the parking demand of new development</u>. The improvement fund to mitigate increased parking demand shall be geared to a threshold limit of increased parking demand. The threshold limit shall be established at 100 parking spaces.

Program: Parking Validation

All new commercial development on any lot within the Downtown Enhancement District shall require participation by the business owner(s) in the parking validation program. Existing development of less than 500 sg. ft. may expand or increase in intensity of use up to 15% without participating in the validation program. The validation program shall provide validations for no less than two hours unless all required parking is provided on site without any parking exceptions specified in Section 2 above or any other parking variances or exceptions.

IV. FINDINGS

The following findings support the Commission's resolution for DENIAL of the LUP amendment as submitted, and APPROVAL of the LUP amendment <u>if it is</u> <u>modified</u> as indicated in Section III (the Suggested Modifications) above. The Commission hereby finds and declares as follows:

A. AMENDMENT DESCRIPTION AND BACKGROUND

On August 19, 1981, the Commission certified, with suggested modifications, the City of Hermosa Beach Land Use Plan (LUP). Those modifications regarding parking/access and shoreline structures have been accepted and agreed to by the City of Hermosa Beach. The previously certified LUP required one parking space per 250 sq. ft. of commercial area for projects located in the downtown Vehicle Parking District (VPD). The proposed LUP amendment will reduce parking requirements in the City's Downtown Commercial District. Attached as Exhibit C is the City's resolution specifically describing those changes. Very briefly, the proposed policies provide that:

1. Commercial development on lots that are less than 10,000 sq. feet that are developed to less than 1:1 floor area to building area would require no additional parking for intensification or expansion, as long as the building remains less than 1:1 Floor Area Ratio (F.A.R.).

2. Parking standards for larger structures shall not be imposed for the first 1:1 F.A.R., and then, in Downtown, the additional parking shall be started, but at a rate 65% of that required in other areas of the City.

3. Developers that need parking can provide a fee in lieu of parking. There is a new policy that allows the parking district management to donate in lieu fee credits at the discretion of the management of the parking district. C.G6212 A

Exh.h.t4 P3 Coastal Commission Land Use Amendment Supplementary Report Page Three

resulting required on-site parking and/or in-lieu parking fees would be a burden which developers in the area will not bear. (The estimated in-lieu parking fees of \$6000 per parking space would total \$3,168,000 for the Downtown at a buildout of 1.5:1).

Potential Downtown Commercial Growth

A recently completed market study indicates that growth will be limited from 59,909 to 132,407 square feet of development largely in the areas of apparel, gifts, specialty foods and restaurants. Growth in each of these areas will be limited to between 3,000 to 6,000 square feet of gross leaseable area which can easily be accommodated in the existing building stock.

Therefore the most likely scenario for Downtown development is substantial building rehabilitation and limited infill resulting in only moderate increased parking demand . Under these conditions the existing parking demand in Downtown will be accommodated. The City has recently conducted at parking study for the Downtown which indicates that there are 1.650 parking spaces available to Downtown users. Thus both beach-goers and shoppers in the Downtown can be accommodated given the current parking supply and current and future parking demand in the area.

Downtown Revitalization

The City has recently enacted an Unreinforced Masonry Building Ordinance to encourage seismic retrofit of unreinforced masonry structures. Several municipal ordinances have been adopted to encourage building rehabilitation including reconsideration of the definition of "nonconforming structures" following damage or a change in use, and the elimination of building setbacks at the second floor which would generally result in substantial and costly building modifications to carry building loads from floor to floor.

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5-97-011 Page 7

Findings on Structure PARKING Structure that in order to ensure that the shuttle program adequately mitigates the loss \cdot of nearby beach parking during the summer weekend periods the City, in addition to the hours proposed, must operate the shuttle during the summer weekends continuously with an approximately 12 minute headway from 11:00 a.m. to 6:00 p.m. The shuttle must run from the designated remote lots, through the downtown area (Pier Avenue), to the beach, as generally depicted in Exhibit #5 of the staff report. Furthermore, to ensure that employees of the downtown area and the general public are aware of the shuttle program the City must implement a publicity program that informs the public of the location of the remote parking sites, include the availability and hours operation of the shuttle system, and designate the location of the shuttle stops with appropriate on-street signage. The City shall also submit final design plans to ensure that the project is consistent with the City's preliminary plans and project description as approved by this permit. The Commission, finds that only as conditioned will the proposed project be consistent with Section 30252 of the Coastal Act and with the City's certified LUP.

C. <u>Development</u>

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 City's certified LUP requires one space per 385 square feet for retail and office space. Based on this requirement the 7,000 square feet of mix retail and office space will require 18 parking spaces.

In the City's Land Use Plan-amendment 1-94, as modified by the Commission and accepted by the City, the LUP allows projects within the City's downtown area a parking adjustment to account for local walk-in traffic by persons who are already parked elsewhere. The LUP states:

New development, including expansions and intensifications of use, shall provide parking consistent with requirements elsewhere in the City unless the following findings are made. If the following findings are made, the exceptions described in Section 2 may be granted.

1. **Findings**

Before granting the exceptions below, the Planning Director shall certify:

- (a) That fewer than 96,250 square feet of commercial development, including new buildings, expansions and/or intensification of uses, in the DED has received a CDP since November 1, 1994
- (b) That there is currently adequate parking to support the development and provide adequate beach parking.
- (c) That the City council has approved an interim parking study for the DED that shows the occupancy of the parking spaces in the DED is 90% or less during daylight hours on summer weekends. $5 \cdot 76212$ A (

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5-97-011 Page 8

- (d) That no more than 24,063 square feet of commercial development in the DED has received CDP's since the last interim parking study was approved by the City Council.
- 2. <u>Exceptions</u>

i. When parking is required, for projects on lots exceeding 10,000 square feet and/or 1:1 F.A.R, parking in excess of that existing on the site at the time of the proposal shall be provided at 65% of the current parking requirement.

ii. Because of the physical constraints to providing parking and the desire to promote a pedestrian orientation in the Downtown Enhancement District, for projects on lots less than 10,000 square feet and less than 1:1 F.A.R., no parking other than the parking existing on the site at the time of the proposal shall be required.

The parking standard for the downtown area was developed according to a parking study completed by the City. The 65% figure was based on a City survey which found that only 65% of commercial customers drove to the downtown area. The following is some background information as submitted by the City for the LUP amendment 1-94:

The existing regulations that require parking for all new development or intensification of uses makes it costly, if not impossible, for property owners to improve or enhance their existing properties. However, in reducing parking requirements on small lots, the city realizes that some limits need to be established to assure that over-development, or lack of parking is not the result. as such, the standard of a 1:1 floor area to lot area ratio is used as a maximum. This method simply uses an easily recognizable standard--the amount of commercial land area--as the maximum amount of development prior to absolutely requiring added parking supply.

This part of the proposal(the small lot exemption up to a 1:1 F.A.R.) is similar to the parking standard used by the city of Manhattan Beach for its similarly situated coastal downtown district. The basic premise is that a certain scale of development can be accommodated by existing "collective" parking facilities spread throughout a district. Further contributing factors that apply in both cities are as follows: (a) both commercial districts are surrounded by medium and high density residential districts making walking and biking to commercial destinations a realistic and feasible alternative to automobiles, and; (b) many of the commercial activities (restaurants, beach rentals, beachwear clothing shops) are interdependent with the use of the public beach and the Strand. As such, suburban parking standards which assume most customers drive, and that separate uses are exclusive, should not apply.

Based on the above, it logically follows that when parking is required (for the area over a 1:1 F.A.R. or development on larger lots) the standard that apply to other commercial areas should not apply in the coastal downtown district. Therefore, based on surveys of the City's downtown which found that about 65% of respondents drove to the area, it is proposed that parking be required at 65% of the standard which applies elsewhere in the city. This is further supported by studies on mixed use

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commercial shopping centers which generally show that only 40-75% of required parking is needed when different uses with different peak time demands share the same parking.²

Because the project is located within the Downtown Enhancement District (DED) the project would only be required to provide 65% of the required parking if all the necessary LUP DED findings are made. Based on City's Downtown Enhancement District's parking adjustment factor of 65%, the 7,000 square feet of retail/office use would require 12 parking spaces. However, the Commission finds that the project does not qualify for the DED reduced parking standard because with the City's recent approval of the Seaview Hotel (coastal development permit #5-96-282) the DED exceeds the threshold of a total of 96,250 square feet for commercial development. Therefore, the project does not meet all of the required findings to allow the downtown parking adjustment. However, the threshold was established based on the City's existing parking supply for the downtown area and the amount of surplus parking during a typical summer weekend. The amount of additional public parking that will be added within the downtown district with the construction of the parking structure is 380 spaces. Based on the City's calculations the 380 spaces could accommodate approximately an additional 146,300 square feet of new commercial development based on 65% of current zoning requirements. 🤌

Since additional parking is being added to the downtown district the threshold for commercial development would be increased, thus, allowing additional development to occur without adversely impacting the public parking within the downtown area. Although the proposed commercial development does not qualify for the parking break the proposed parking structure will have more than an adequate amount of available parking to support the parking demand generated by the proposed retail/office space as calculated at the City's standard parking ratio.

According to the City the parking rates for the structure have not been established. The City is considering progressive parking rates for the structure to provide lower cost, long-term parking relative to on-street parking rates. Currently the City's meter rates are \$.25 per half-hour. The City's beach parking lots, located along Hermosa Avenue on the north and south side of Pier Avenue, cost \$12 per day during the summer and \$7 per day during non-summer periods. In past Commission permit action the Commission has found that public parking rates directly affect public use of the lots and access to the beach. If rates are set too high they can adversely impact beach access. Because of the proposed structures close proximity to the beach the structure will be used by beach visitors. Therefore, to ensure that the rates will not discourage public beach parking and the rates are consistent with beach parking rates normally charged at surrounding public beach lots a condition is required that the rates charged do not exceed those rates charged at nearby public beach parking lots.

The proposal will supplement available public parking for beach access, which is currently provided by three lots located between Hermosa Avenue and The Strand and, on-street metered spaces and in remote locations that are located over a quarter mile way from the beach. The Commission finds that as conditioned the parking structure will enhance recreational opportunities along the beach, the Strand, Pier and the downtown visitor-serving area by providing more accessible and convenient long-term public parking. Therefore, the Commission finds, that as conditioned the proposed project will be

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STATE OF CALIFORNIA-THE RES	SOURCES AGENCY	+101	TE WILSON, Governor
CALIFORNIA COAST SOUTH COAST AREA 245 W. BROADWAY, STE. 380 P.O. BOX 1450 LONG BEACH, CA 90802-4416 (310) 590-5071	ALIOGAMANSSIONITION CRI 2: Approved as Recommended [] Danied as Recommended [] Approved with Changes [] Danied [] Other STAFF REPORT:	Staff: AJP-LB Staff Report: 2/12/97 Hearing Date: 3/11-14/97 Commission Action:	

APPLICATION NO.: 5-96-282

APPLICANT: Seaview Hotel

AGENT: The Landau Partnership

PROJECT LOCATION: Hermosa Beach

PROJECT DESCRIPTION: Construction of a 30-foot high, 3 story, 96-unit limited-term occupancy condominium hotel consisting of two separate buildings connected by a pedestrian bridge, with 3,050 square feet of meeting rooms with catering kitchen, workout room, laundry, garden spa, valet guest parking service, and public street improvements. The project will be constructed in two phases: Phase I will include one building with 56 units, 1,482 square feet of meeting rooms and 54 on-site parking spaces; Phase II will include a second building with 40 units, 1,568 square feet of meeting rooms. The project includes the provision of 100 off-site spaces leased from the City within the City's 480 parking space parking structure that the City intends to build adjacent to the project site.

> Lot area: Building coverage: Pavement coverage: Landscape coverage: Parking spaces: Zoning: Plan designation: Ht abv fin grade:

.72 acres 23,155 square feet 5,160 square feet 2,651 square feet Phase I: 54; Phase II: 100 C-2, Restricted Commercial General Commercial 30 feet

LOCAL APPROVALS RECEIVED: Approval by Resolution #96-5841: Conditional Use Permit; Development Plan, Parking Plan; Vesting Tentative Tract Map No. 52158

SUBSTANTIVE FILE DOCUMENTS: Coastal Development Permits No. 5-96-212, 5-92-177, 5-84-236, 5-82-251A (City of Hermose Beach); A-3-MAR-96-094; 3-95-48; Final Environmental Impact Report.

SUMMARY OF STAFF RECOMMENDATION:

18.4

Staff recommends that the Commission approve the proposed project with special conditions. To ensure that the project operates as a visitor-serving use as proposed by the applicant special condition is required to limit the occupancy of the units and to require that the applicant submit transient occupancy tax audit to demonstrate compliance with the occupancy restrictions. To ensure that support parking is provided during all phases of the project special conditions are necessary to require the designation of off-site lots and the submittal of lease agreements for those lots. The permit is also conditioned 5.66212 Al

5-96-282 Page 4

- b. The permittee shall not commence construction of the Phase II building until the City of Hermosa Beach has commenced construction on the municipal parking structure on City parking Lot "C".
- c. Prior to issuance of this permit the applicant shall submit, for review and approval by the Executive Director, a draft plan for providing parking to occupants/guests of the project during construction of the Phase II building. The draft plan shall identify all parking lots/spaces that could potentially be used to provide the 54 parking spaces required by condition 4.a. above.
- d. Prior to commencement of construction of Phase II the permittee shall submit, for review and approval by the Executive Director, a final plan for provision of 54 occupant/guest parking spaces during the construction of Phase II. The final plan shall indicate which of the potential parking lots/spaces identified in the approved draft parking plan have been leased, purchased or otherwise acquired for exclusive use of the occupants/guests of the Phase I building. The final plan shall also demonstrate that the 54 spaces will be available for the entire duration of the construction of the Phase II building. The final plan shall plan shall plan shall demonstrate that the 54 parking spaces are accessible to occupants/guests and employees of of the hotel by walking or, if not within walking distance, a free shuttle or valet service. The plan must be reviewed and approved by the City of Hermosa Beach.
- 5. Parking for Occupants/Guests Upon Completion of Both Phases
 - a. Upon completion of the Phase II building, the permittee shall provide a total of 100 parking spaces for exclusive use by occupants/guests of the entire project (54 spaces for the building built during Phase I and 46 spaces for the building built during Phase II).
 - b. Prior to the issuance of the permit the applicant shall submit, for review and approval by the Executive Director, a long term parking agreement signed by the applicant and the City for the leasing of no less than 100 spaces for the exclusive use of the hotel within the City's planned parking structure located on the City owned parking lot (Lot "C") adjacent to the project site. Said agreement shall run for the life of the hotel.
 - c. Prior to commencement of construction of the Phase II building, the permittee shall submit either (1) evidence that the City of Hermosa Beach parking structure at Lot "C" is complete and available for use by the project's occupants/guests, or (2) a plan to provide 100 alternative parking spaces until the City's parking structure becomes available. The parking plan shall be subject to review and approval of the Executive Director. The parking plan shall demonstrate that 100 parking spaces are available for exclusive use of the project. The 100 parking spaces shall be either within walking distance of the project or accessible by a free shuttle or valet service. The plan shall also include evidence that the City has approved the parking plan.
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