

CALIFORNIA COASTAL COMMISSION

SOUTH CENTRAL COAST AREA
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**STAFF REPORT: APPEAL
DE NOVO**

LOCAL GOVERNMENT: City of Santa Barbara

DECISION: Approval with Conditions

APPEAL NO.: A-4-SBC-99-200

APPLICANT: S.B. Beach Properties, L.P. and City of Santa
Redevelopment Agency

PROJECT LOCATION: 20-120, State Street, 15 East Mason Street, 125 State Street,
and State Street right-of-way between the Mission Creek
Bridge and the Union Pacific Railroad right-of-way, City of
Santa Barbara (areas A, B, and C)

PROJECT DESCRIPTION: Redevelopment of three blocks of properties at the
intersection of State Street and Mason Street with a total of 17,532 square feet of
commercial retail uses and 81 time-share units (each with a lock-out unit providing a
maximum of a 162 time-share units), 210 parking spaces (including a two-story 145-space
parking structure), Visitor Information Center, and narrowing of State Street to
accommodate increased pedestrian access. (areas A, B, and C)

APPELLANT: Citizens Planning Association; League of Women Voters; Cars are Basic

SUBSTANTIVE FILE DOCUMENTS: City of Santa Barbara Local Coastal Program;
Coastal Development Permit CDP99-0013

Staff Note: The initial de novo hearing on this matter was held at the Commission's
January 13, 2000 Commission meeting. At that hearing a number of issues were raised
regarding the loss of lower cost overnight accommodations, impacts on traffic, the relation

of the project to possible flood control improvements to Mission Creek, parking demands, and control of polluted runoff. The Commission after hearing testimony continued the matter.

Summary of Staff Recommendation: Approval with Conditions

The Staff recommends that the Commission, after public hearing, approve the project with special conditions regarding the provision of lower cost over-night accommodations; the protection of parking accommodations; increased setback from the Mission Creek Estuary; the control of urban runoff; the incorporation of the City of Santa Barbara's Special Conditions attached to CDP99-0013; and Coastal Development Permit requirements for future land use changes.

Staff Note: Appeals Jurisdiction

The entire proposed project is situated on three separate areas referred to as areas A, B, and C. Area A is situated on the west side of State Street and separated from areas B and C, which are situated on the east side of State Street. For the reasons indicated below, only the development on area A is subject to the Commission's appeals jurisdiction.

On September 23, 1998, the Commission staff sent a letter to the City of Santa Barbara (Attached as Exhibit 6) discussing the fact that the La Entrada project includes development on three parcels, but that only area A falls within the Commission's appeal jurisdiction. In this letter, the Commission staff stated that on appeal of this project, the Commission would only review the development proposed for area A. The staff has examined this issue further and determined that ordinarily the Commission's jurisdiction on de novo hearings extends to all of the development proposed in the coastal development permit that was approved by the local government.

However, in light of the staff's previous advice and the applicant's reliance on that advice in processing the permit as it did, and for purposes of this appeal only, the staff recommends that the Commission adhere to the representation made in the September 23, 1998 letter and only review the impacts of development on area A. Consequently, the analysis in this report focuses on that portion of the project (area A). Other elements of this project located on parcels B and C are described in this staff report for informational purposes only.

The proposed project is located seaward of the U.S. Highway 101, with portions of the project (area A) located seaward of the line demarking the Commission's appeals jurisdiction. (Coastal Act Section 30603[a][1] and [a][2]) (See additional comments below.)

I. Staff Recommendation

MOTION: *I move that the Commission approve Coastal Development Permit No. A-4-SBC-99-200, with conditions, pursuant to the staff recommendation.*

STAFF RECOMMENDATION OF APPROVAL:

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

RESOLUTION TO APPROVE THE PERMIT:

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

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 on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. **Compliance.** All development must occur in strict compliance with the proposal as 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 term or 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 development during construction, 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. Low Cost Visitor Accommodation Mitigation

Prior to the issuance of a building permit for any development on area A authorized by this Coastal Development Permit, the applicant shall provide mitigation for the loss of existing low cost overnight visitor-serving accommodations by paying \$1,000,243.00 (One million two hundred and forty-three dollars) to the California Coastal Commission, which shall be deposited by the Executive director in an appropriate account. These funds and any interest that they may earn shall be used to provide for development of low cost over-night visitor accommodations within the Santa Barbara area or surrounding areas.

2. Provision of Hotel Units

Prior to the issuance of Coastal Development Permit for this project, the applicant shall prepare for the review and approval of the Executive Director revised plans which provide the 27 time-share units located on area A shall be operated as follows:

- a. Twenty (20) of the proposed time-share units on area A as identified by the applicants shall be approved as time-share units and be subdivided pursuant to the tentative subdivision map to accommodate the sale and operation as time-share units.
- b. Seven (7) of the proposed time-share units on area A, as identified by the applicants shall not be subdivided for sale and operation as time-share units. These seven units shall be operated for hotel use and available for public use. At the election of the applicants, it is understood that the actual interior configuration of the seven units may be redesigned to operated as 14 hotel rooms rather than in their current configuration as primary suite and lockout units.
- c. Any time-share units located on area A which are not in use by the time-share estate owners or his/her authorized guests or invitees or authorized time-share

exchange agents, shall be available for public use as a hotel configuration as a primary suites and a lockout unit.

d. Prior to issuance of the Coastal Development Permit on area A, the applicants shall prepare and submit for the review and approval of the Executive Director and shall implement an operational plan which will maximize the rental of the hotel units and the vacant time-share units to the general public. The project shall be operated in accordance with the approved operational plan.

3. Parking Facilities

To ensure that all parking demands generated by the proposed development on area A are fully met, all parking facilities authorized by this Coastal Development permit, as described in the adopted findings and Exhibit 10 attached thereto, shall be maintained for the life of the project. Any modification of the parking facilities or their operation as described in the adopted findings, and the exhibits attached thereto, shall require an amendment to this Coastal Development Permit.

4. Mission Creek Estuary Setback

Prior to the issuance of the Coastal Development Permit for this project, the applicant shall submit revised final building plans showing the reconfiguration of the parking structure attached to the California Hotel on area A which provides a minimum twenty-five (25) foot set-back from the proposed widened alignment of lower Mission Creek Estuary as depicted in Exhibit 20 attached to these findings.

5. Drainage and Polluted Runoff Control Plan

Prior to the issuance of the Coastal Development Permit, the applicant shall submit for the review and approval of the Executive Director, a drainage and polluted runoff control plan for the development on area A designed by a licensed engineer which minimizes the volume, velocity and pollutant load of stormwater leaving the developed site. The plan shall include but not be limited to the following criteria:

- a) Post-development peak runoff rates and average volumes shall not exceed pre-development conditions.
- b) Runoff from all roofs, parking areas, driveways and other impervious surfaces shall be collected and directed through a system of vegetated and/or gravel filter strips or other media filter devices. The filter elements shall be designed to 1) trap sediment, particulates and other solids and 2) remove or mitigate contaminants through infiltration and/or biological uptake. The drainage system shall also be

designed to convey and discharge runoff in excess of this standard from the building site in non-erosive manner.

- c) The plan shall include provisions for maintaining the drainage and filtration systems so that they are functional throughout the life of the approved development. Such maintenance shall include the following: (1) the drainage and filtration system shall be inspected, cleaned and repaired prior to the onset of the storm season, no later than September 30th each year and (2) should any of the project's surface or subsurface drainage/filtration structures fail or result in increased erosion, the applicant/landowner or successor-in-interest shall be responsible for any necessary repairs to the drainage/filtration system and restoration of the eroded area.

5. City of Santa Barbara Conditions

All of the special conditions imposed on this project by the City of Santa Barbara as part of its local approval, and as contained in Exhibits 9 and 10 attached to these findings, shall be incorporated by reference to this Coastal Development Permit. Any modification of these conditions which effect the development authorized on area A by this Coastal Development Permit will require a modification of this Coastal Development Permit. For purposes of condition compliance, the City shall be responsible for review of the materials/documents required to be submitted for all special conditions as part of its local approval, and as contained in Exhibits 9 and 10 attached to these findings. The Commission shall be responsible for reviewing and determining compliance with Special Conditions #1 through #4 incorporated into this project as part of this Coastal Development Permit.

6. Change of Use

Any change of the land uses approved as part of this Coastal Development Permit shall require an amendment to this Coastal Development Permit.

IV. Project Description

The entire proposed project consists of the redevelopment of three blocks of properties at the intersection of State Street and Mason Street with a total of 17,532 square feet of commercial retail uses and 81 time-share units (each with a lock-out unit providing a potential maximum of a 162 time-share units), 210 parking spaces (including a two-story 145-space parking structure), Visitor Information Center, and narrowing of portions of State Street to accommodate enlarged pedestrian access. (See Exhibits 1 through 4.)

These developments would occur on three separate areas (areas A, B, and C). The proposed developments on area A consists of the conversion of 96 hotel units to 27 time-share units, renovation of 5,000 square feet of retail commercial, and the construction of a new 17 car parking structure.

V. Appeal Procedures

The Coastal Act provides for appeals to the Coastal Commission after certification of Local Coastal Programs (LCPs) of a local government's actions on Coastal Development Permits.

Developments approved by cities or counties may be appealed if they are located within the mapped appealable areas, such as those located between the sea and the first public road paralleling the sea, within 300 feet of the inland extent of any beach or of the mean high-tide line of the sea where there is no beach, whichever is greater, on state tidelands, or along or within 100 feet of natural watercourses. (Coastal Act Section 30603[a]) Any development approved by a County that is not designated as a principal permitted use within a zoning district may also be appealed to the Commission irrespective of its geographic location within the Coastal Zone. (Coastal Act Section 30603[a][4]) Finally, developments which constitute major public works or major energy facilities may be appealed to the Commission. (Coastal Act Section 30603[a][5])

The proposed project is located seaward of the U.S. Highway 101, with portions of the project (**area A**) located seaward of the line demarking the Commission's appeals jurisdiction. (Coastal Act Section 30603[a][1] and [a][2])

The grounds for appeal for development approved by the local government and subject to appeal to the Commission shall be limited to an allegation that the development does not conform to the standards set forth in the certified Local Coastal Program or the public access policies set forth in Division 20 of the Public Resources Code. (Coastal Act Section 30603[a][4]). Section 30625(b) of the Coastal Act requires the Commission to hear an appeal unless the Commission determines that no substantial issue is raised by the appeal.

When a substantial issue is found to exist, the Commission will proceed to a full public *de novo* hearing on the merits of the project that may occur at a subsequent hearing. When the Commission conducts a *de novo* hearing on the merits of the permit application, the applicable test for the Commission to consider is whether the proposed development is in conformity with the certified Local Coastal Program and the public access and public recreation policies of the Coastal Act. When a *de novo* hearing is held, testimony may be taken from all interested persons at the *de novo* hearing.

VI. Local Government Action and Filing of Appeal

The City of Santa Barbara approved a Coastal Development Permit (CDP99-0013) for the project on August 17, 1999 after considering an appeal by Citizens Planning Association, League of Women Voters, and Cars are Basic, and issued a Notice of Final Action for the Coastal Development Permit on August 18, 1999.

The Commission received the Notice of Final Action on the project on August 19, 1999, and received this appeal of the City's action on September 2, 1999. The appeal was filed on September 2, 1999, and was therefore filed within the 10 working day appeal period of the Commission's receipt of the Notice of Final Action as provided by the Commission's administrative regulations.

Pursuant to Section 30261 of the Coastal Act, an appeal hearing must be set within 49 days from the date an appeal of a locally issued Coastal Development Permit is filed. In accordance with the California Code of Regulations, on September 3, 1999 staff requested all relevant documents and materials regarding the subject permit from the City to enable staff to analyze the appeal and prepare a recommendation as to whether a substantial issue exists.

The Commission opened and continued the hearing at the October 1999 Commission meeting pursuant to Section 13112 of the California Code of Regulations. All of the administrative materials have been transmitted to the Commission and reviewed by staff. On November 4, 1999, after a public hearing, the Commission voted 11 to 0 to find that the City of Santa Barbara's approval of Coastal Development Permit CDP99-0013, with conditions, raised a substantial issue with respect to its consistency with the applicable provisions of the City of Santa Barbara's certified Local Coastal Program and the public access policies of the California Coastal Act. The Commission held a *de novo* hearing on the appeal on January 13, 2000, and postponed taking action on the matter.

VII. Findings and Declarations De Novo Hearing

1. Project description

The entire proposed project consists of the redevelopment of three blocks of properties at the intersection of State Street and Mason Street with a total of 17,532 square feet of commercial retail uses and 81 time-share units (each with a lock-out unit providing a maximum of a 162 time-share units), 210 parking spaces (including a two-story 145-space parking structure), Visitor Information Center, and narrowing of State Street to accommodate enlarged pedestrian access. Only the developments on area A (conversion of 96 hotel units to 27 time-share units, renovation of 5,000 square feet of retail commercial,

and the construction of a new 17 car parking structure) are the subject of this review. (See Exhibits 1 through 4.)

2. Issues Raised by the Appellant

The Appellant has alleged the project is inconsistent with the Santa Barbara City Local Coastal Program because the development: (1) fails to protect public views from and to the coastal area; (2) will cause a major increase in traffic and congestion within the Waterfront area that will adversely affect public access to the beach; (3) fails to provide adequate parking in the proposed project area; (4) will negatively impact parking and circulation in the adjoining neighborhoods; and (5) fails to address the resources protection policies of the City's certified LCP with respect to the protection of Mission Creek; and (6) improperly replaces low-cost residential units with expensive time-share units and high intensity development. (See Exhibits 7 and 8.)

3. Local Government Action and Filing of Appeal

The Santa Barbara City Council approved a Coastal Development Permit for the project on August 17, 1999 after hearing an appeal of the Citizens Planning Association, League of Women Voters, and Cars are Basic, and issued the Notice of Final Action for a Coastal Development Permit on August 18, 1999. The project was approved by the City Council with a set of standard conditions, including conditions dealing with drainage, water extraction, landscaping, lighting, employee public transportation, parking lot maintenance, bicycle parking, management of the time-share units, public off-street parking, public use of common open areas, delivery traffic management, mix of visitor serving commercial uses, provision of shuttle service to public transportation centers, and public street and other infrastructure improvements. (See Exhibits 9 and 10.)

The Commission received the Notice of Final Action on the project on August 19, 1999, and received this appeal of the City's action on September 2, 1999. The appeal was filed on September 2, 1999, and was therefore filed within the 10 working day appeal period of the Commission's receipt of the Notice of Final Action as provided by the Commission's administrative regulations.

4. Commission Action on Substantial Issue

On November 4, 1999, after a public hearing, the Commission voted 11 to 0 to find that the City of Santa Barbara's approval of Coastal Development Permit CDP99-0013, with conditions, raised a substantial issue with respect to its consistency with the applicable provisions of the City of Santa Barbara's certified Local Coastal Program and the public access policies of the California Coastal Act.

5. Coastal Issue Analysis

Section 30603(b)(1) of the Coastal Act stipulates that:

The grounds for an appeal pursuant to subdivision (a) shall be limited to an allegation that the development does not conform to the standards set forth in the certified Local Coastal Program or the public access policies set forth in this division.

As noted above, in light of the staff's previous advice and the applicant's reliance on that advice in processing the permit as it did, and for purposes of this appeal only, the staff recommends that the Commission adhere to the representation made in the Commission staff's September 23, 1998 letter and only review the impacts of development on area A.

a. Area of Coastal Commission Appeals Jurisdiction

The proposed project would be located in three distinct project areas along lower State Street (referred to as areas A, B, and C) which are comprised of separate legal parcels separated by public streets. The City of Santa Barbara issued a single Coastal Development Permit for the entire project, and the appellants have appealed that decision to the Commission. (See Exhibits 2 and 3.)

Prior to the issuance of the local Coastal Development Permit the City sought a boundary determination from the Commission staff to determine which portions of the project may fall within the appeals jurisdiction of the Commission and which portions of the project fall beyond the Commission's appeals jurisdiction. (See Exhibit 11.) The Commission staff prepared a boundary determination (BD 37-98) which determined that of the three distinct project areas (A, B, and C), only a portion of project area A of the project area lies within the Commission's appeals jurisdiction. (See Exhibits 3 and 6.)

Project area A is currently occupied by the four-story California Hotel and adjacent parking lot. The existing hotel contains a variety of commercial uses on the ground floor, and 96 hotel rooms and common hallways on the second, third and fourth floors. The improvements in project area A include a new three-story addition on the south side of the existing hotel (with a new lobby, parlor and commercial retail space on the ground floor, swimming pool, outdoor patio and snack bar/food service on the second floor, and time-share units on the third floor). A total of 27 single time-share units (with a total capacity of 54 time-shares with lock-outs) will be provided in the California Hotel on project site A.

Consequently, only the proposed development on project area A is addressed in the following coastal issue analysis.

b. Public Views

The appellant alleges that the City approved the project in a manner inconsistent with the public view protection standards of the City's certified Local Coastal Program. Specifically, that the proposed development because of its size and height would obstruct public views of the mountains and the beach.

LCP Policy 9-1 provides, in relevant part, that:

Existing views to, from, and along the ocean and scenic coastal areas shall be protected, preserved and enhanced. This may be accomplished by one or more of the following:

- (a) Acquisition of land for parks and open space;
- (b) Requiring view easements or corridors in new developments;
- (c) Specific development restrictions such as additional height limits, building orientation, and setback requirements for new development;
- (d) Developing a system to evaluate view impairment of new development in the review process.

LCP Policy 12.2 provides that:

New developments within the City's Waterfront Area shall be evaluated as to a project's impact upon the area's:

Openness
Lack of Congestion
Naturalness
Rhythm

The proposed addition to the existing California Hotel in project area A would be a three-story, 30-foot high addition located on the south side of the existing 4 story hotel. The height limit in the HRC-II zone district in which the project is located is 45 feet. The proposed addition is therefore well below the height allowed in this district, as well as below the height of the existing adjacent hotel. Further, because of the location of the addition immediately to the south of the California Hotel, the addition will not significantly intrude into views of either the ocean (south) or the mountains (north) from lower State Street or Cabrillo Boulevard, or Stearns Wharf. The extension of the California Hotel on the south east face which is within the 20 foot setback area is flush with and consistent with the existing building arcade, and is therefore consistent with the City's variance provisions for building set-backs. (See Exhibit 4.)

The view blockage issues raised by the appellants with respect to the proposed developments in project areas B and C are located on separate parcels beyond the purview of the Commission because these developments are not on property located within the Commission's appeals jurisdiction. However, as a point of information, the City did perform a detailed visual analysis of the visual impacts of development on parcels B and C. This analysis indicated that the views affected by the developments on parcels C and B are landward views of the mountains, and do not affect seaward coastal views. Further, that the mountain views affected by the proposed development on area C are principally from the area directly in front of the California Hotel. As a result of this analysis, the City modified the original design to create view corridors through area C via a public plaza and paseo. However, the major public views of the mountains are from along Cabrillo Boulevard and are not adversely affected by the project.

In summary, the proposed development on area A, which is the portion of the project subject to the Commission's appeals jurisdiction, does not entail development that adversely affects public views of either the coast or the mountains.

The Commission therefore finds that the proposed development on area A, as conditioned, is consistent with the protection of public view standards of the City's certified Local Coastal Program.

c. Traffic

The Appellant has alleged that the City approved the project in a manner inconsistent with the traffic and congestion standards of LCP. Specifically, they allege that the proposed development would add significantly to the already heavily congested waterfront area by the intensification of development and by narrowing portions of State Street for pedestrian traffic.

LCP Policy 12.2 provides that:

New developments within the City's Waterfront Area shall be evaluated as to a project's impact upon the area's:

Openness
Lack of Congestion
Naturalness
Rhythm

The entire project (areas A, B, and C) includes approximately 17,000 square feet of retail development, and approximately 62,000 square feet of time-share development. The development area A, which is the area within the Commission's appeals jurisdiction, includes approximately 5,000 square feet of retail and approximately 34,000 square feet of time-share development within the California Hotel. Additionally, area A would be developed with 9,749 square feet of parking area.

This proposed land-use changes for the entire project (areas A, B, and C) would reduce the existing retail commercial space by 20,000 square feet, and increase the hotel/time-share square footage by approximately 60,000 square feet. On area A, which is the area within the Commission appeals jurisdiction, the amount of retail would remain the same, while the hotel use would be eliminated completely, and the time-share use would increase by approximately 34,000 square feet.

The traffic analysis prepared for the entire proposed project indicates that the level of traffic for the entire project would be slightly reduced as a result of the change in the mix of land uses proposed as part of the project. Specifically, the traffic analysis found that the existing land use which would be removed as a result of the project would generate approximately 3,068 daily trips on Sundays (historically the peak traffic generating period), of which about 336 occur during the Sunday peak hour. The entire proposed project is projected to generate approximately 2,209 daily trips on Sunday, of which about 245 trips are projected to occur during the Sunday peak hour.

Consequently, the net new trip generation estimate for the entire project would be reduced by 859 daily trips on Sunday, and by 91 Sunday peak hour trips.

This evaluation is based upon the estimated traffic volumes associated with the current uses in the entire project area (areas A, B, and C), plus the traffic that would be generated by the California Hotel if it were operating. The amount of retail development on the entire project site is about one-half the amount of existing retail development. As noted, above the amount of retail development on area A (5,000 square feet), which is the portion of project within the Commission's appeals jurisdiction remains essentially the same. In addition, trip generation rates for time-share units are lower than for standard hotel units (such as the existing California Hotel). The City's traffic analysis notes that:

Retail generates approximately 11 vehicle trips per 1,000 square feet during the evening peak travel hour. The time-share units (measured in units similar to hotel rooms) are estimated to generate less than one trip per 1,000 square feet [an eleven-fold decrease from retail]. The change in land use category explains how the project can reduce the amount of retail space by nearly 20,000 square feet [over the square footage of existing buildings] and increase the amount of hotel/time-share

space by over 60,000 square feet [a three-fold increase], and still have a reduction in peak hour traffic trips. (See Exhibit 12.)

In the late 1970 and 80's the City narrowed State Street in the Downtown area from four traffic to two traffic lanes and widened sidewalks to create a pedestrian retail environment. The proposed project includes the continuation of the State Street Plaza design down to Cabrillo Boulevard. The Plaza design includes reducing the four traffic travel lanes to two between the Union Railroad line and Mason Street and between Mason Street and Cabrillo Boulevard (a distance of approximately 580 feet), and right-turn lane pockets at the intersections that also serve the State Street shuttle service, and queuing lanes. Additionally, the State Street Plaza design includes widened sidewalks, bike lanes, mid-block crossing that are pedestrian activated, and landscaping.

The City's traffic analysis identifies the principal cause of vehicular congestion within the project area to be the intersection of State Street and Cabrillo Boulevard, not an inadequate number or width of lanes along lower State Street. Currently the intersection of State Street and Cabrillo Boulevard operates at Level of Service (LOS) C during the weekday peak hours and at LOS E during the summer weekend peak hours. The significant number of pedestrian at this location and the fact that State Street dead end at this point are major factors that contribute to the high level of season service. The City traffic analysis noted that a travel lane has free flow capacity of 1,600 to 1,800 vehicles per hour, while the intersection at State and Cabrillo Boulevard has the capacity to handle between 600 and 900 vehicles per hour. As noted above, the limitation of the State Street and Cabrillo Boulevard intersection is a function of its physical dimensions, termination at the foot of Stearns Wharf, and the heavy pedestrian traffic in the area.

The reconfiguration of lower State Street, however, will retain stacking, passing and turn lanes for Mason Street and Cabrillo Boulevard intersections. The three stacking and passing lanes are 225 feet long and preserve the existing stacking capacity at the State Street and Cabrillo Boulevard intersection. These extra lanes provide adequate space for cars waiting to turn at the State Street and Cabrillo Boulevard intersection and therefore ensure that a back-up on to State Street will not occur. The proposed continuation of the State Street Plaza design is therefore consistent with the current capacity of the State Street and Cabrillo Boulevard intersection and would not contribute to the vehicular congestion of this intersection. (See Exhibit 4.)

The proposal to reduce the number of lanes along a portion of State Street is intended to encourage pedestrian access of the waterfront area, and represents an extension of the treatment of the upper portion of Street which is one lane in either direction, with a heavy emphasis on pedestrian amenities such as landscaping and street furniture.

This treatment is consistent with the City Circulation Element (incorporated into the City's Local Coastal Program as LCP Amendment 3-97) which contains a number of policies encouraging pedestrian and other non-motorized or alternative means of transportation throughout the City. Some of the relevant policies and implementation strategies include the following:

- 2.1.2 Expand and enhance the infrastructure for and promote the use of the bicycle as an alternative form of travel to the automobile.
- 5.1.1 Establish an annual sidewalk expansion and improvement program with a designated source of funding . . .
- 5.1.2 Identify and link major activity centers and destinations with walkways. This will consist of the following:
 - *providing improved access for pedestrian (for example, between such areas as the Eastside, Westside, Mesa, Lower State, Upper State and Waterfront areas, major attractions, recreation, cultural, and commercial areas.).
- 5.6.1 Where necessary, allow all-way crossings or adjust signal timing to allow more time for pedestrians to cross the street. Priority should be given to area with high pedestrian activity as identified in the Sidewalk Inventory Study. Possible areas include Cabrillo Boulevard/State Street . . .

In furtherance of these policies, the City has also undertaken a number of capital improvement projects to facilitate access to the City's waterfront area. These major projects include the following:

- * Extension of the four lane Garden Street to Cabrillo Boulevard
- * Extension of the two lane Calle Caesar Chavez to Cabrillo Boulevard
- * Initiating shuttle service between the upper downtown area of State Street and Cabrillo Boulevard (every 10 minutes)
- * Providing new public parking facilities in the waterfront area
- * Renovating the Railroad Depot
- * Installation of on-street bike lanes on State Street
- * Improvement of Montecito Street and Castillo Street, and

* Improvements to the U.S. 101 off-ramp improvements at Milpas.

(See Exhibits 16 and 17.)

The entire proposed project itself includes a number of features to improve both the level and the quality of the pedestrian access to the water front, including, expanded sidewalks, a Visitor Information Center, three public plazas along the State Street Plaza, public paseos within the plaza, and on-street and off-street parking facilities. The proposed extension of the State Street Plaza through the project area, while outside the boundaries of area A, which is the area subject to the Commission's appeals jurisdiction, is fully consistent with the circulation policies, the general access policies of the City's certified Local Coastal Program, as well as the access policies of the California Coastal Act.

The appellants have raised several more specific questions regarding design features of the project which could allegedly adversely affect traffic flow, and therefore public access to the beach or adjoining local neighborhoods, these include the Mason Street entry/exit to the proposed parking structure on area A, the effect of allowing left turns off of State Street on to Mason Street, and the effect of Amtrak service across State Street.

Mason Street Entry/Exit: The appellants have alleged that the entry/exit off Mason Street to the parking structure which is to be constructed area A to service the California Hotel must intrude into the area now occupied by an existing structure located at 15 West Mason Street. The appellants have further alleged that the construction of the entry exit off Mason Street will therefore require the demolition of the structure at 15 West Mason which has not been permitted by the City as part of this project. A review of the plans approved by the City and included in the administrative record for the appeal indicates the entry/exit is to be under the existing second floor of the California Hotel and does not extend beyond the limits of area A or extend into the footprint of the adjacent building located at 15 West Mason Street.

Left Turn Lanes from State Street: The appellants have alleged that the proposal to provide left turns off of State Street on to Mason Street from both north and south bound State Street lane will adversely affect traffic flow on State Street and divert significant traffic onto adjacent surface streets in the adjacent residential neighborhoods. The City currently allows left turns off State Street from both north and south bound lanes onto Mason Street. The City's traffic analysis indicated that the rate of left turns off of State Street to Mason Street currently is quite low, between 10 and 15 vehicles per hour. The City also found that the narrowing of State Street would not change the level of left turn activity, and therefore would not adversely affect traffic along State Street, or in adjoining neighborhoods. Finally, it should be noted that the continuation of the left turn access off of State Street to Mason Street was supported by commercial businesses whose business are not served by through streets from the north side of U.S. Highway 101.

Amtrak Service: The appellants have alleged that the traffic analysis did not consider the effects of Amtrak trains blocking traffic as they stopped to pick-up and unload passengers at the nearby train station located immediately to the west of State Street. In the past, some passenger trains would block State Street as they stopped at the Santa Barbara Train Station to pick-up or unload passengers causing temporary disruption of car traffic. However, the City recently completed the renovation of the Santa Barbara Train Station after receiving a Coastal Development Permit from the Commission (A-4-96-SB-029). As part of the renovation, the train loading platform was extended to the west beyond the train station building specifically to move stopped trains off of State Street. As a result, trains are no longer stopped across State Street, and do not block traffic during the pick-up or unloading of passengers.

The Commission therefore finds that the proposed project, as conditioned, is in conformance with the traffic congestion standards and Circulation Element of the City's certified Local Coastal Program.

d. Parking

The Appellants have alleged that the City approved the project in a manner inconsistent with the parking standards of the City's LCP. Specifically, they allege that the proposed development would add significantly to the already heavy parking demands in the City's waterfront area.

LCP Policy 3.3 provides that:

New development proposals within the coastal zone which could generate new recreational user residents or visitors shall provide adequate off-street parking to serve the present and future needs of development.

LCP Policy 11.5 provides that:

All new development in the waterfront area, excepting Stearns Wharf, shall provide adequate off-street parking to fully meet their peak needs. Parking needs for individual developments shall be evaluated on a site-specific basis and at a minimum be consistent with City Ordinance Requirements.

The proposed project would provide a total of 210 parking spaces to serve the retail commercial and time-share units for the entire project on areas A, B, and C. Of these 210 parking spaces, 17 would be provided in project area A (within the Commission's appeals jurisdiction), 48 in project area B, and 145 in project area C (both outside the Commission's appeals jurisdiction). The parking lots in areas A and B would be for the exclusive use of the time-share guests. The proposed two-story parking structure in area C (with 145 spaces) would be operated as a shared parking supply between the public commercial and private time-share units. The time-share space will be reserved based upon occupancy, with 48 of the spaces reserved at a minimum at all times for time-share

occupancy. The remaining available public parking spaces on area C will be operated on as a quasi-public parking facility on a first-come, first serve basis, and with the same free parking periods and pricing structure as the City's other public parking facilities. (An additional 47 car public parking lot, which is not part of this project has been previously permitted for a site across the street from the proposed project.)

The entire project would provide one parking space for each of the potential time-share units in the project, with 17 of these spaces located on area A within the appeals jurisdiction of the Commission. Because each of the 81 time-share units (27 of which are located in the Californian Hotel in project area A) can, with the lock-out capacity, function as two individual units, there is a potential total of 162 time-share units for the entire project, and 54 potential time-shares for area A. The applicant therefore proposes to provide 162 parking spaces for the time-share component of the entire project, 17 of which would be located on area A in a new parking structure attached to the California Hotel.

The total number of parking spaces required by the City's Zoning Ordinance Section 28.90 for the time share units and the retail commercial (based on 162 time-share units and 17,532 square feet of retail commercial) is 162 spaces for the time-share units and 70 spaces for the commercial uses, for a total of 247 parking spaces. The parking requirements for the proposed development (27 time-share units, with a potential for 54 lock-out units, and 5,363 square feet of commercial development) on area A is 54 spaces for the time-share units and 26 spaces for the retail commercial space, for a total of 80 parking spaces. However, the City's Local Coastal Program Policy 11.5 and Zoning Ordinance 28.92.026(A.1) specifically provides that these parking requirements can be adjusted based upon actual projected needs.

The parking analysis for the project indicates that the time-share units will rarely, if ever, use the entire 162 parking spaces provided. Time-share operations studies indicate that an average of 30% of the 81 suites will be used in the two-unit configuration at any given time, with the remaining 70% used as single unit suites. Under this projected scenario, the average parking demand generated by the time-share portion of the entire project would be 105 spaces, or 57 spaces less than the total number provided. The City's required 210 parking spaces is therefore adequate to meet the project parking demands of the entire project, and consistent with the parking requirements of the City's Local Coastal Program.

As noted above, only the development in project area A is within the appeals jurisdiction of the Commission and therefore subject to its review as part of this appeal. Project area A will be developed with 5,368 square feet of retail commercial space, and 27 time-share units, with potential to be converted to 54 units with the lock-out capacity. The parking demands created by the proposed retail commercial uses and 54 time-share units in project area A are projected to be 14 spaces for the retail commercial and 35 spaces for the time-share, for a total of 49 spaces. These parking demands will be met by the 17 on-site parking spaces, as well as the additional parking across State Street in project areas B and

C (48 and 145 parking spaces respectively). As noted above these parking spaces provide adequate parking for the time share-units (even under full double occupancy) and for the commercial retail parking.

Because of the size, configuration and existing development on area A, the parking requirements for the proposed uses on area A (27 time-share, with a potential for 54 lock-out units and approximately 5,000 square feet of retail commercial development within the existing California Hotel structure), cannot be met on area A. It should be noted further that this would be the case with virtually any proposed uses made of the California Hotel structure under the City's current parking requirements. From a planning perspective, the most appropriate location for the additional parking spaces required to meet the City parking requirements for the proposed uses of the California Hotel is off-site, but within walking distance of area A. The applicants have proposed meeting parking requirements that are not possible to be met on area A immediately across State Street on area C within 500 feet of the project site, which is consistent with the City's parking standards.

However, if the parking spaces proposed across State Street outside of the Commission's appeals area on parcels B and C are converted, eliminated, or required to meet additional retail, commercial, or other parking demands generated in the future by new development beyond the Commission's appeals jurisdiction, the parking demands generated by the development on area A within the Commission's appeals jurisdiction (including time-share and retail commercial) may be inadequate for the life of the development on area A. To ensure that the proposed parking facilities and their operation will be available during the life of the development on area A, it is necessary to add a special condition to the project which assures such that the project parking demand will continue to be met.

Special Condition #3 stipulates that the parking facilities described in these findings and the attached exhibits shall not be modified without first obtaining an amendment to this Coastal Development Permit. Additionally, Special Condition #6 incorporates the City's special conditions regarding the operation of the parking garage as a quasi-public facility.

In requiring assurances that the parking demand generated by the proposed development on area A are met and maintained for the life of the project, the Commission is not asserting jurisdiction to review development on area C, but is only allowing off-site mitigation to provide adequate parking to service the development on area A which falls within the Commission's appeals jurisdiction.

The Commission therefore finds that the proposed project, as conditioned, is in conformance with the parking standards of the City's certified Local Coastal Program, as well as the public access policies of the California Coastal Act.

e. Parking and Circulation in Adjoining Neighborhoods

The Appellants have alleged that the City approved the project in a manner inconsistent with the neighborhood protection policies of the City's LCP. Specifically, they allege that the proposed narrowing of State Street, provision of left turns onto Mason Street from State Street, and the Visitor Information Center would add significantly to parking and traffic congestion in the adjoining neighborhoods.

As noted above the projected traffic levels as a result of the proposed project are projected to be less than the existing levels because of the elimination of approximately 20,000 square feet of existing retail commercial in the entire project area (areas A, B, and C) and the reduced traffic generated from conversion from hotel to time-share use on in the California on area A. Currently left turns are allowed travelling both north and south on State Street onto Mason Street. The City's traffic analysis indicates that approximately 15 to 16 cars per hour currently make these left turns. The situation would not change as a result of this element of the project, and this level of traffic use would not substantially effect the traffic pattern in the adjoining neighborhoods, which do not offer attractive opportunities for through traffic. Further, the modification to State Street is intended to facilitate pedestrian access and use of the City's waterfront area by widening sidewalks and providing pedestrian oriented amenities such as the public plazas along the State Street frontage.

The proposed Visitor Serving Center would be located in project area C that is outside the area of the Commission's appeals jurisdiction. However, as previously noted, the parking previously proposed as part of this project is adequate and no parking or traffic impacts to adjoining neighborhoods is expected to occur. Additionally, Special Condition #6 incorporates the City's special conditions regarding the operation of the parking garage as a quasi-public facility. (See additional findings above under section c. Traffic.)

The Commission therefore finds that the approval of the project, as conditioned, is in conformance the parking and circulation requirements of the City's certified Local Coastal Program, as well as the public access policies of the California Coastal Act.

f. Resource Protection Policies

The Appellant has alleged that the City approved the project in a manner inconsistent with the resource protection policies of the City's LCP. Specifically, it is alleged that the proposed development adversely impacts the biological resources of the nearby Mission Creek Estuary.

LCP Policy 6.8 provides that:

The riparian resources, biological productivity, and water quality of the City's coastal zone creeks shall be maintained, preserved, and where feasible, restored.

LCP Policy 6.10 provides that:

The City shall require a setback buffer for native vegetation between the top of the bank and any proposed project. This setback will vary depending upon the conditions of the site and the environmental impact of the proposed project.

Action:

The City shall conduct site specific investigations of Arroyo Burro Creek, Mission Creek, Sycamore Creek, and the Central Drainage Channel within the Coastal Zone to determine the required setback to be instituted in future development.

The Mission Creek Ordinance (SBMC 28.87.250), which has been incorporated into the Phase III LCP Implementation Ordinance provides further that:

Development shall not be permitted within twenty-five feet (25) feet of the top bank of Mission Creek.

Project area A is situated within the vicinity of the upper end of the Mission Creek Estuary. The proposed project includes an addition to the existing California Hotel. This addition consists of a three-story structure that would be located immediately adjacent to the south side of the Californian Hotel, and be connected with it. The California Hotel does not directly abut the Mission Creek Estuary, but is separated by adjacent buildings. The proposed addition is situated away from the Mission Creek Estuary and would in effect be surrounded by existing urban structures. Further, no part of the existing or proposed building is within twenty-five feet of the existing configuration of the Mission Creek Estuary.

However, since the Commission's January 13 public hearing on the project the U.S. Army Corps of Engineers has submitted a consistency determination to provide flood protection along the lower reaches of Mission Creek, including the Mission Creek Estuary. The preferred Alternative 12 Mission Creek alignment widens the existing Mission Creek and Estuary below U.S. Highway 101 from approximately 30 to 60 feet. The proposed flood control facility within the Coastal Zone between U.S. 101 and Cabrillo Boulevard would consist primarily of vertical walls, with two small areas that include short walls with vegetated riprap above the walls immediately opposite the Entrada de Santa Barbara project. This widened and realigned portion of the Mission Creek estuary would bring the originally proposed parking structure addition to the California Hotel to within a few feet

of the widened and realigned channel and estuary. (See Exhibit 19.) To accommodate this potential flood control project and to meet the required 25 foot creek set-back specified in the zoning ordinance of the City's Local Coastal Program, the applicants have submitted a revised preliminary project design which modifies the proposed parking structure addition to the California Hotel to provide a 25 foot creek set-back from the potentially widened and realigned Mission Creek and Estuary channel. This revision is consistent with the specific creek setback requirements of the City's Local Coastal Program and would allow for the development of riparian vegetation between the realigned and widened Mission Creek Estuary.

Special Condition #4 requires the applicant to submit final revised building plans providing the required 25-foot creek setback prior to issuance of the Coastal Development Permit. (See Exhibit 20.)

Regarding the potential for urban run-off, the proposed addition to the California Hotel would be constructed over an existing parking lot and would generate no more urban run-off than the existing parking lot, though it might reduce the incidence of accumulated oil and grease being washed into city streets and drains discharging to the Mission Creek Estuary as a result of constructing a covered parking structure.

The Mission Creek Estuary supports a variety of faunal resources, and provides habitat for a number of sensitive species, including two federal listed species, the Tidewater goby (*Eucyclogobius newberryi*) and the Southern steelhead trout (*Oncorhynchus newberryi*). The Tidewater goby is restricted to California estuaries, where it is a year-round resident. It is therefore particularly vulnerable to waste discharges, including non-point source pollutants such as urban run-off. Coastal estuaries are used by migrating adults and emigrating juvenile (smolts) Southern steelhead trout to acclimate to fresh and salt water during their movement between marine and freshwater environments; they also provide important rearing habitat where the estuary may constitute the largest areal extent of aquatic habitat in smaller coastal stream systems. Water quality in southern California estuaries have been degraded by a variety of waste discharges, and as a result frequently is not adequate to support steelhead, particularly rearing juveniles. Restoration of this type of habitat will require comprehensive non-point waste discharge plans in urban areas.

The City approval of the project contains a special condition (#B 1 i.) which requires the development and incorporation of best management practices through the project area (referred to as areas A, B, and C) to ensure the protection and preservation of Mission Creek. (See Exhibit 10, page 8.) Special Condition #6 incorporates the City's Special Condition requiring the development and incorporation of best management practices into the project. To ensure that the development on area A which is immediately adjacent to the Mission Creek Estuary does not contribute significant pollutants through urban runoff to the adjacent estuary, Special Condition #4 requires the applicant s to prepare an urban runoff control plan, with specific elements, for the review and approval of the Executive Director prior to issuance of the Coastal Development Permit.

The Commission therefore finds that the proposed project, as conditioned, is consistent with the resources protection policies of the City's certified Local Coastal Program.

g. Lower Cost Visitor Serving Over-night Accommodations

The Appellants have alleged that the City approved the project in a manner inconsistent with the lower-cost over-night accommodations protection policies of the City's LCP. Specifically, they allege that the proposed development will displace lower-cost over-night accommodations in the Californian Hotel with time-share units.

LCP Policy 4.4 provides that:

New hotel/motel development within the coastal zone shall, where feasible, provide a range of rooms and room prices in order to serve all income ranges. Likewise, lower cost restaurants, or restaurants which provide a wide range of prices, are encouraged.

LCP Policy 4.5 further specifically, provides that:

Removal or conversion of existing lower cost visitor-serving uses in areas designed HRC-I, HRC-II, and Hotel/Residential shall be prohibited unless the use will be replaced by a facility offering comparable visitor-serving opportunities.

The proposed project involves the conversion of the four-story California Hotel (located in project area A within the Commissions appeals jurisdiction) from a hotel to a time-share operation. Currently the California Hotel contains 6,241 square feet of visitor serving commercial uses on the ground floor and 96 hotel rooms on the second, third, and fourth floors. The proposed project involves retaining the visitor serving commercial uses on the ground floor, constructing a three-story addition on the south side of the hotel, and converting 96 hotel rooms to 27 time-share units, with lock-out capability resulting in a potential of 54 time-share units.

The California Hotel, is eligible for designation as a structure of historic merit, and has offered lower-cost room rentals which have served both residential and visitor serving purposes. Room rentals in the past have ranged from \$200 per week, to \$75 for weekday and \$125 weekends immediately before being closed. The conversion of the Californian will entail a substantial renovation of the rooms. The structure has been deemed unsafe for occupancy by the City based upon state standards and as a result, occupation of the structure has been terminated, including the restaurant. Presently the owners of the California Hotel area under a requirement to seismically retrofit the structure to meet City and State earthquake standards. remodeling and up-grading of the facilities. These improvements, along with the conversion to time-share units will essentially remove the over-night accommodations from the category lower cost facilities.

The conversion of the Californian Hotel to a time-share operation will effectively remove units from the City's stock of affordable over-night accommodations and must be evaluated pursuant to the lower-cost visitor serving accommodation provisions of the City's Local Coastal Program.

The site of the California Hotel is zoned HRC-II (Hotel Recreational Commercial) which is intended to provide for visitor-serving and/or commercial recreational uses specific to the City's coastal zone. While the California Hotel may have provided at times affordable housing opportunities, the site is not designated for such use in the City's Local Coastal Program, and the hotel has not been operated as a residential establishment. However the conversion of the California Hotel to time-share units would have the effect of eliminating lower-cost over-night accommodations used for visitor serving purposes.

As noted above, the California Hotel has offered lower-cost room rentals, largely because of the structures advanced age and deteriorated condition. The proposed improvements, along with the conversion to time-share units will essentially remove the over-night accommodations from the category lower cost facilities.

The intent of the City's LCP Policies 4.4 and 4.5 is to ensure that there is a balanced mix of visitor serving and recreational facilities within the coastal zone, so as to provide coastal recreational and access opportunities to all economic sectors of the public. Access to coastal recreational facilities is also enhanced when there are overnight accommodations for all economic sections of the public. However, the Coastal Act Section 30213 expressly states that "The Commission shall not: (1) require that overnight room rentals be fixed at an amount certain for any privately owned and operated hotel, motel, or similar visitor-serving facility . . ."

Within the coastal zone of the City of Santa Barbara there are a wide variety of recreational and visitor serving accommodations. These overnight accommodations are concentrated along Cabrillo Boulevard, or other major arterials. According to the City's certified Local Coastal Program Land Use Plan in 1980 there were approximately thirty-five hotels and motels in the City's coastal zone, providing 965 overnight accommodations. Since that time there has been on hotel constructed with 300 room, and one hotel approved for 125 rooms. The cost of overnight accommodations noted in the City's Local Coastal Program Land Use Plan (which was developed in 1980) ranged from \$10 to \$50 per night. This range has dramatically increased as a result of inflation, with room costs ranging from \$50 to \$200 per night. Many of these structures are older facilities, which have or will undergo renovation, either to upgrade the amenities offered, or to meet current building codes, including seismic building standards. As more recycling of these facilities occurs, the stock of lower cost overnight accommodations will be reduced, since it is not economically possible to replace or renovate these facilities without passing on the construction costs to guests. The City has recognized the need to replace lost lower cost overnight visitor serving accommodations its LCP Policies. 4.4 and 4.5. Additionally, the City's LCP Land

Use Plan contains the following discussion regarding the preservation of lower-cost visitor-serving over-night accommodations:

In addition to visitor serving uses, preservation of lower cost lodging and restaurants is important. Preservation of lower cost uses can be achieved in part, by: (1) ensuring that an adequate supply of lodging and restaurant opportunities is available so that demand does not result in exclusive prices; and (2) maintaining and encouraging a range of price and type of lodging units available. Ensuring an adequate supply of overnight lodging and restaurants will require control of conversion of visitor-serving use to other uses, and encouragement of new visitor serving uses in appropriate areas as demand increases. Similarly, for development of new overnight accommodations, a possible condition of development should require a range of accommodations so that moderate and lower cost price lodging continues to be available in Santa Barbara's coastal zone.

In approving the conversion of the California Hotel to a time-share operation, the City did not adequately consider the lower-cost overnight accommodation opportunities historically provided by the hotel, the need to replace the loss of the 96 hotel units with moderate or lower cost lodging opportunities. Both the Commission and the City have approved two hotels within the vicinity within the last 15 years (with 300 and 150 rooms) which provide accommodations at the upper end of the hotel room rental rates (i.e., between \$150 and \$500 per night). The conversion of the California Hotel to a time-share operation will effectively eliminate all 96 of the lower-cost overnight accommodation units from the market within the City's Coastal Zone. It is therefore necessary to condition the proposed project to mitigate for the loss of these lower-cost overnight visitor-serving accommodations.

Where construction costs effectively prohibit the retention of existing lower-cost overnight visitor-serving accommodations, the Commission has imposed a per unit mitigation fee to be used to provide alternative lower-cost overnight visitor serving accommodations. See for example, Coastal Development Permits A-3-MCO-98-083 (Highlands Inn Investors II Ltd.) and 5-90-828 (Maguire Thomas Partners). In assessing a mitigation fee per unit the Commission has used an amount of \$8,000 per unit based upon the methodology developed by the City of Santa Monica in 1989. That methodology considers land, improvement, operating and financing costs, return on equity, development constraints, and the average room rate for lower-cost overnight accommodations. (See Exhibits 13, 14, and 15.)

The costs of providing affordable overnight visitor serving accommodations in the Santa Barbara area is comparable to those in Santa Monica, based upon average room rate for lower-cost overnight accommodations and development costs. The imposition of an \$8,000 per unit mitigation fee is therefore consistent with and adequate to offset the loss of

the 96 hotel units in the California Hotel through conversion to time-share. However, 10 years have elapsed since the study upon which this mitigation fee was based, and inflation has had the effect of eroding the purchasing power of this per unit mitigation amount. Consequently, additional amount must be added to this base mitigation fee to accomplish its basic purpose. The total percentage increase in the U.S. Consumer Price Index for the Southern California area for the period from 1989 through 1999 is 30.24%. The increase in the base mitigation fee of \$768,000.00 (96 units x \$8,000) is therefore \$232,243.00 ($0.3024 \times 768,000$), and the total mitigation fee is \$1,000,243.00 (\$768,000 + \$232,243). This figure represents a fee of \$10,419.00 per unit conversion.

To ensure the protection and provision of adequate lower-cost overnight visitor-serving accommodations, therefore, it is necessary to add a special condition, which imposes a mitigation fee on the conversion of the 96 hotel units. Special Condition #1 specifically requires that:

Prior to the issuance of a building permit for any development on area A authorized by this Coastal Development Permit, the applicant shall provide mitigation for the loss of existing low cost over-night visitor-serving accommodations by paying \$1,000,243.00 (One million two hundred and forty-three dollars) to the California Coastal Commission, which shall be deposited by the Executive director in an appropriate account. These funds and any interest which they may earn shall be used to provide for development of low cost over-night visitor accommodations within the Santa Barbara area or surrounding areas.

Special Condition #2 provides that:

Prior to the issuance of Coastal Development Permit for this project, the applicant shall prepare for the review and approval of the Executive Director revised plans which provide the 27 time-share units located on area A shall be operated as follows:

- i. Twenty (20) of the proposed time-share units on area A as identified by the applicants shall be approved as time-share units and be subdivided pursuant to the tentative subdivision map to accommodate the sale and operation as time-share units.
- ii. Seven (7) of the proposed time-share unit on area A, as identified by the applicants shall not be subdivided for sale and operation as time-share units. These seven units shall be operated for hotel use and available for public use. At the election of the applicants, it is understood that the actual interior configuration of the seven units may be redesigned to operated as 14 hotel rooms rather than in their current configuration as primary suite and lockout units.
- iii. Any time-share units located on area A which is not in use by the time-share estate owners or his/her authorized guests or invitees or authorized time-share

exchange agents, shall be available for public use as a hotel configuration as a primary suites and a lockout unit.

iv. Prior to issuance of the Coastal Development Permit of area A, the applicants shall prepare and submit for the review and approval of the Executive Director and shall implement an operational plan which will maximize the rental of the Transient/Hotel units and the vacant time-share units to the general public. The project shall be operated in accordance with the approved operational plan.

The applicant has indicated their willingness to off-set the loss of the 96 lower cost overnight accommodations historically provided by the California Hotel the provisions of Special Conditions #1 and #2.

To further off-set the loss of the overnight affordable visitor serving accommodations historically provided by the California Hotel it is necessary to provide a plan for the overnight rental of timeshare units which are not occupied by the owners to the maximum extent possible. Special Condition #2 requires that the applicant submit a plan, which maximizes the availability of the timeshare units as rental units, and thus ensures their availability to a wide economic segment of the visitor-serving public.

Questions have been raised as to whether the amount of the proposed mitigation fee should be increased, based on the expectation that the project will generate sufficient profits to allow for payment of a larger fee. If the Commission wishes to require a higher mitigation fee, it must find that the resulting fee is roughly proportional to the impacts of the proposed development. *Dolan v. City of Tigard* (1994) 512 U.S. 374; *Ehrlich v City of Culver City* (1996) 12 Cal. 4th 854. In other words, the Commission must find that the amount of the fee roughly corresponds to the cost of providing mitigation for the loss of lower-cost overnight accommodations. The evidence before the Commission shows based on the methodology developed by the City of Santa Monica and the appropriate adjustment for inflation, that the mitigation fee of \$1,000,243.00 is appropriate to fund replacement of the lower-cost overnight accommodations that are being lost.

It should be noted that at least one potential site for lower-cost over-night accommodations has been identified by the City within one block of the California Hotel: the existing Neal Hotel located at 217 State Street. This is a three-story structure which is zoned HR-2, but is currently used for a combination of restaurant/bar on the lower flower and corporate offices on the upper two levels. The Commission staff has been advised by the City of Santa Barbara that the Redevelopment Agency of the City of Santa Barbara has met with the officers of the Neal Hotel since the Commission's January 13, 1999 hearing to explore the feasibility of renovating the Neal Hotel property as affordable overnight hotel accommodations. To date these discussion have led to the development of a draft Memorandum of Understanding between the staff of the Redevelopment Agency and the Owner of the Neal Hotel, the purpose of which is to set forth the general terms of a grant application to the Coastal Commission for a project providing lower cost overnight

accommodations using mitigation funds required by this Coastal Development Permit. Additionally the owners of the Neal Hotel have prepared preliminary plans for the renovated Neal Hotel which would provide 52 rooms with bathrooms. These rooms would be modest to small in size in order to ensure their affordability. (Forty of these rooms would be 315 square feet, and 12 would be 200 square feet.) (See Exhibit 18.)

The Commission therefore finds that the proposed project, as conditioned, is consistent with the lower-cost visitor serving policies of the City's certified Local Coastal Program, as well as the public access policies of the California Coastal Act.

h. Public Access

Section 30603(b)(1) of the Coastal Act stipulates that:

The grounds for an appeal pursuant to subdivision (a) shall be limited to an allegation that the development does not conform to the standards set forth in the certified Local Coastal Program or the public access policies set forth in this division.

Coastal Act Section 30210 provides that:

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

Coastal Act Section 30213 provides that:

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

As noted above, the proposed project involves the conversion of the California Hotel (located on project area A within the Commission's appeals jurisdiction) from a hotel to a time-share operation. Currently the California Hotel contains 6,241 square feet of visitor serving commercial uses on the ground floor and 96 hotel rooms on the second, third, and fourth floors. The proposed project involves retaining the visitor serving commercial uses on the ground floor, addition a two story addition on the south side of the hotel, and converting 96 hotel room to 27 time share units, with lock-out capability resulting a potential of 54 time share units. The proposed project also the construction of 210 parking spaces (17 on area A and the remainder on areas B and C), the construction of a visitor serving center, the narrowing of portions of lower State Street, and the widening of pedestrian sidewalks within the project area.

The proposed project would also provide additional visitor serving amenities that would facilitate access to the beach, including a visitor serving center, wider pedestrian walkways, several public open space plazas, and a parking facility which would provide additional public parking opportunities. Further, as noted in the above findings regarding traffic and parking, the proposed project would not adversely impact existing vehicular access as a result of eliminating portions of two vehicular lanes along State Street. Both the parking and traffic studies conducted for the project and reviewed by the City support the conclusion that public access to the existing public parking structures in the vicinity of the waterfront and the commercial and public waterfront facilities and amenities would not be adversely affected by the proposed development.

Finally, as noted above, the California Hotel, has offered lower-cost room rentals, largely because of the structure's advanced age and deteriorated condition, which have provided lower cost access opportunities to the Santa Barbara waterfront area. The conversion of the California Hotel to a time-share operation will effectively eliminate all 96 of the lower-cost overnight accommodation units from the market within the City's Coastal Zone. To ensure that the full range of access opportunities will be provided along the Santa Barbara waterfront, it is necessary to add a special condition, which imposes a mitigation fee on the conversion of the 96 hotel units. Such fees are to be used to provide alternative affordable overnight visitor-serving accommodations. (See additional findings above.)

The Commission therefore finds that the proposed project, as conditioned, is in conformance with the public access standards of the California Coastal Act, as well as the City's certified Local Coastal Program.

6. CEQA

The proposed site lies within the City of Santa Barbara Coastal Zone, and a portion within the Commission's appeals jurisdiction because it is located on potential state tidelands. The Commission has certified the Local Coastal Program for the City of Santa Barbara (Land Use Plan and Implementation Ordinances) which contain policies for regulating development and protection of coastal resources, including the protection of environmentally sensitive habitats, recreational and visitor-serving facilities, coastal hazards, and public access.

Section 13096 of the Commission's administrative regulations requires Commission approval of a Coastal Development application 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 impacts, which the activity would have on the environment.

As conditioned, the proposed project incorporates the least environmentally damaging feasible alternatives to carrying out the project, and will fully mitigate any temporary adverse impacts associated with the project.

The proposed development, as conditioned, would not cause significant adverse environmental impacts, which would not be adequately mitigated by the conditions imposed by the Commission. Therefore, the Commission finds that the proposed project, as conditioned to mitigate any identified effects, is the least environmentally damaging feasible alternative, and can be found consistent with requirements of CEQA and with the policies of the Coastal Act.

MHC/

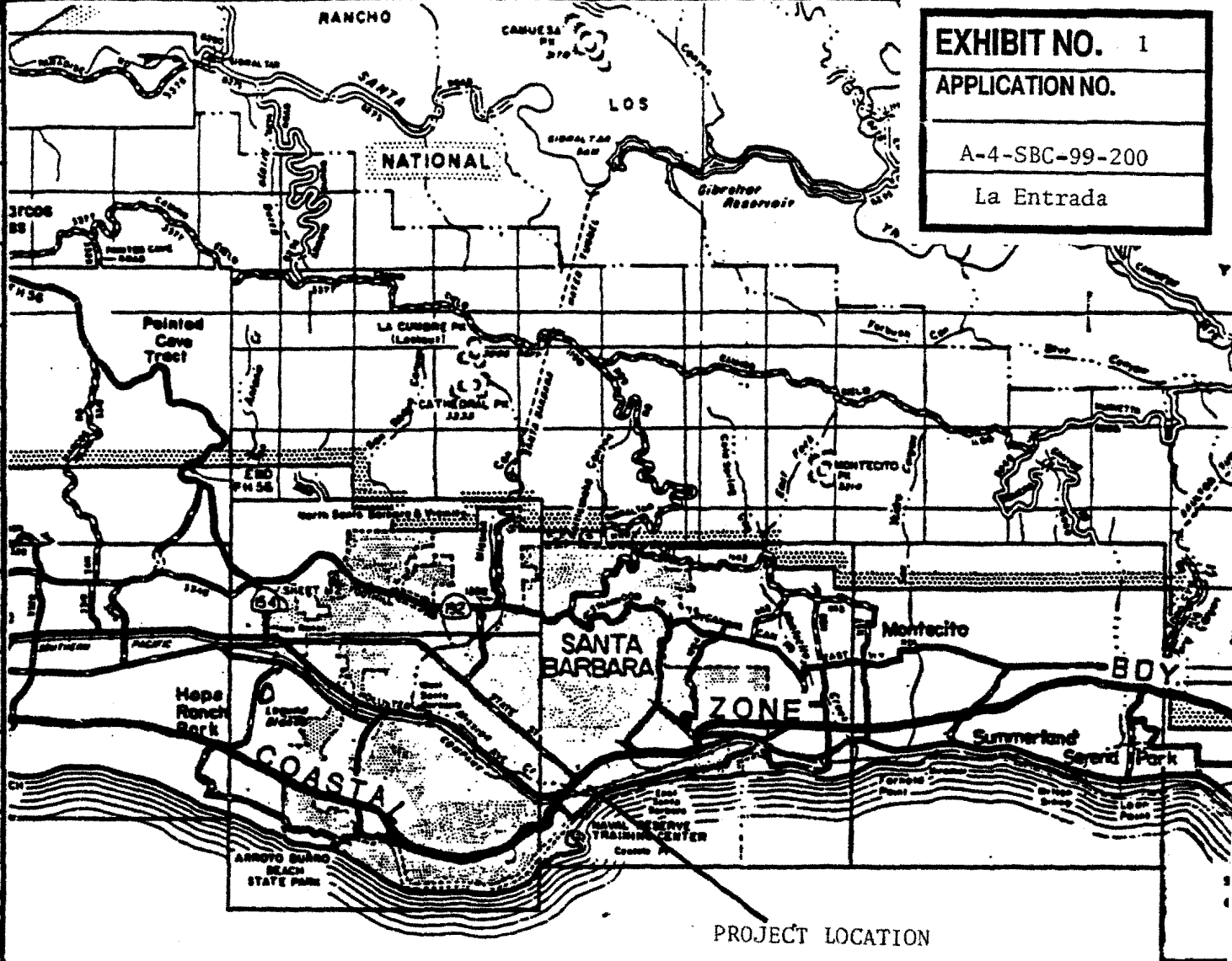
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EXHIBIT NO. 1

APPLICATION NO.

A-4-SBC-99-200

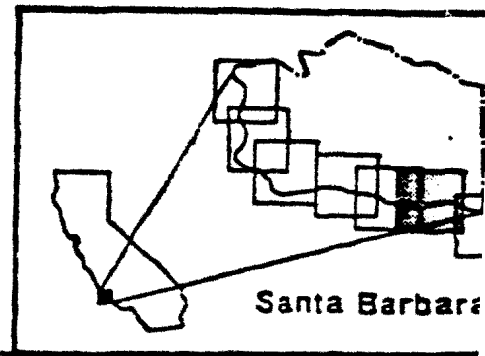
La Entrada



SANTA

BARBARA

PACIFIC



Santa Barbara



California Coastal Commission

LOCATION MAP



County of Santa Barbara

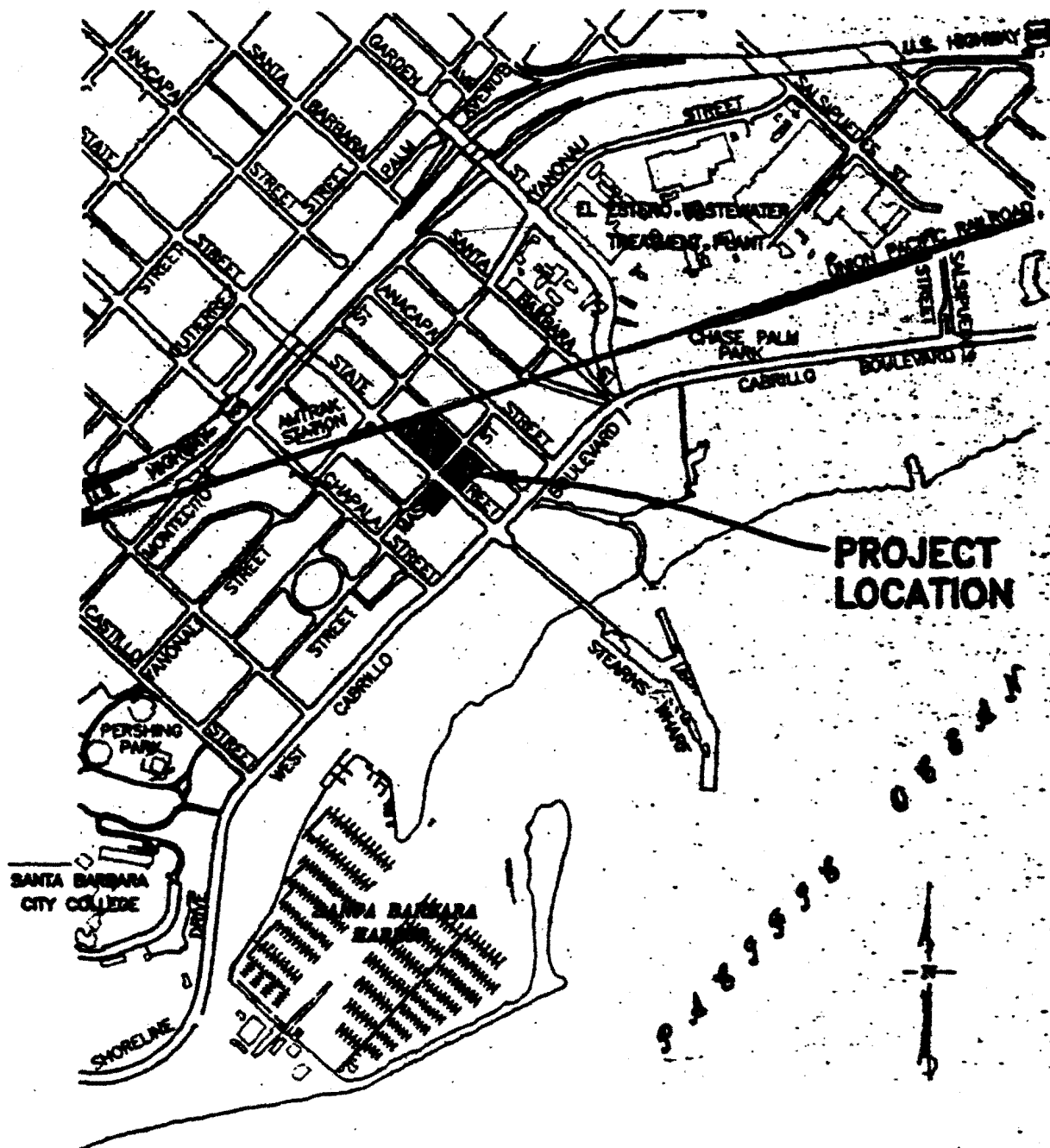
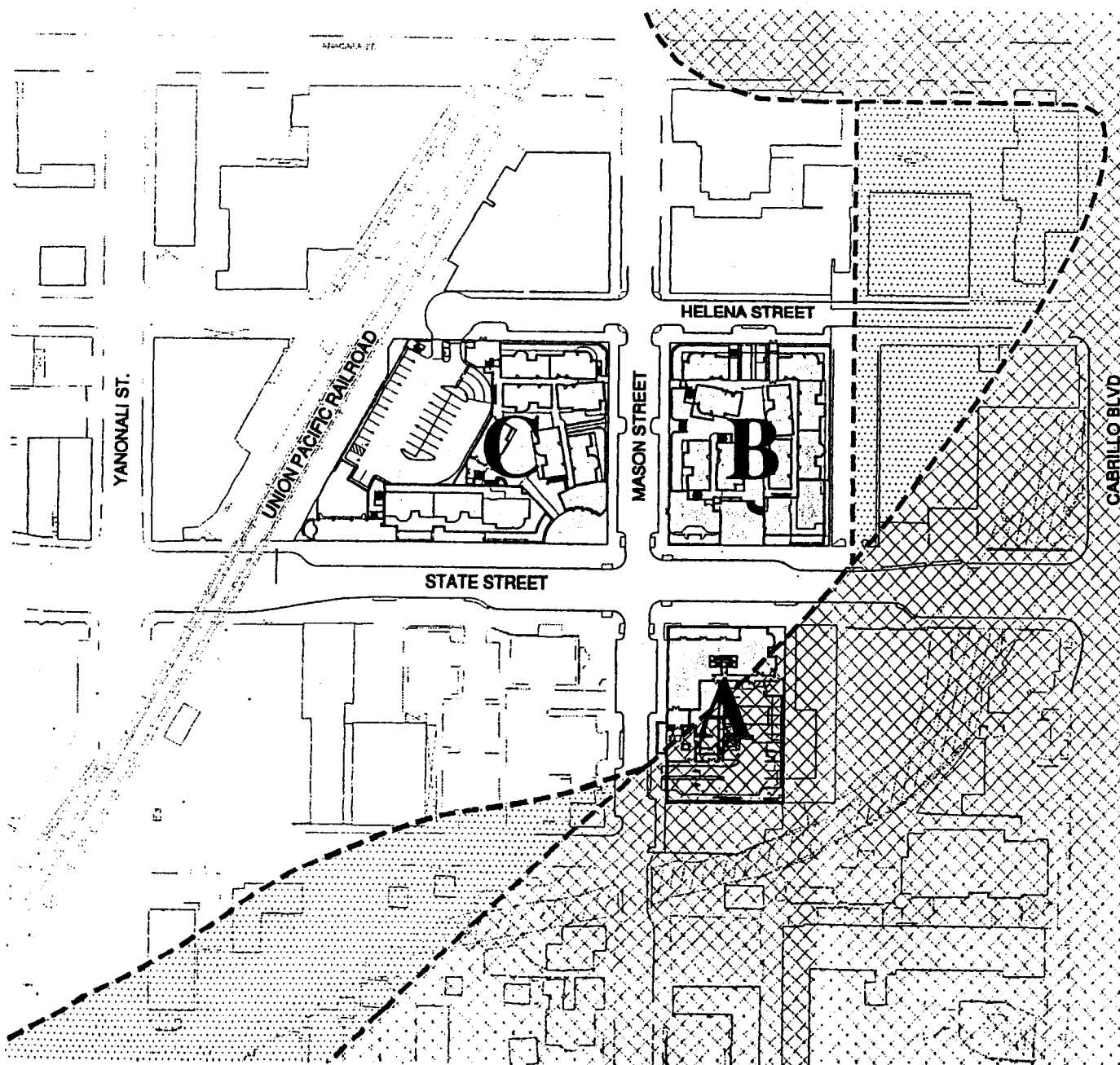


EXHIBIT NO. 2

APPLICATION NO.

A-4-SBC-99-200

La Entrada



ENTRADA de SANTA BARBARA

A Revitalization Proposal

APPEAL JURISDICTION EXHIBIT

EXHIBIT NO. 3
APPLICATION NO.
A-4-SBC-99-200
La Entrada

KEY



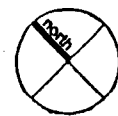
APPEAL JURISDICTION

This area includes lands between the sea and the designated first public road paralleling the sea or 300' from the inland extent of any beach or of the mean high tide line if there is no beach, whichever is the greatest distance. Also included are lands within 100' of streams and wetlands and lands within 300' of the top of the seaward face of any coastal bluff.



APPEAL JURISDICTION (P.R.C. § 30613)

This area includes lands where the Commission has delegated original permit jurisdiction to the local government for areas potentially subject to the public trust but which are filled, developed, and committed to urban uses.



SCALE: 1" = 100'

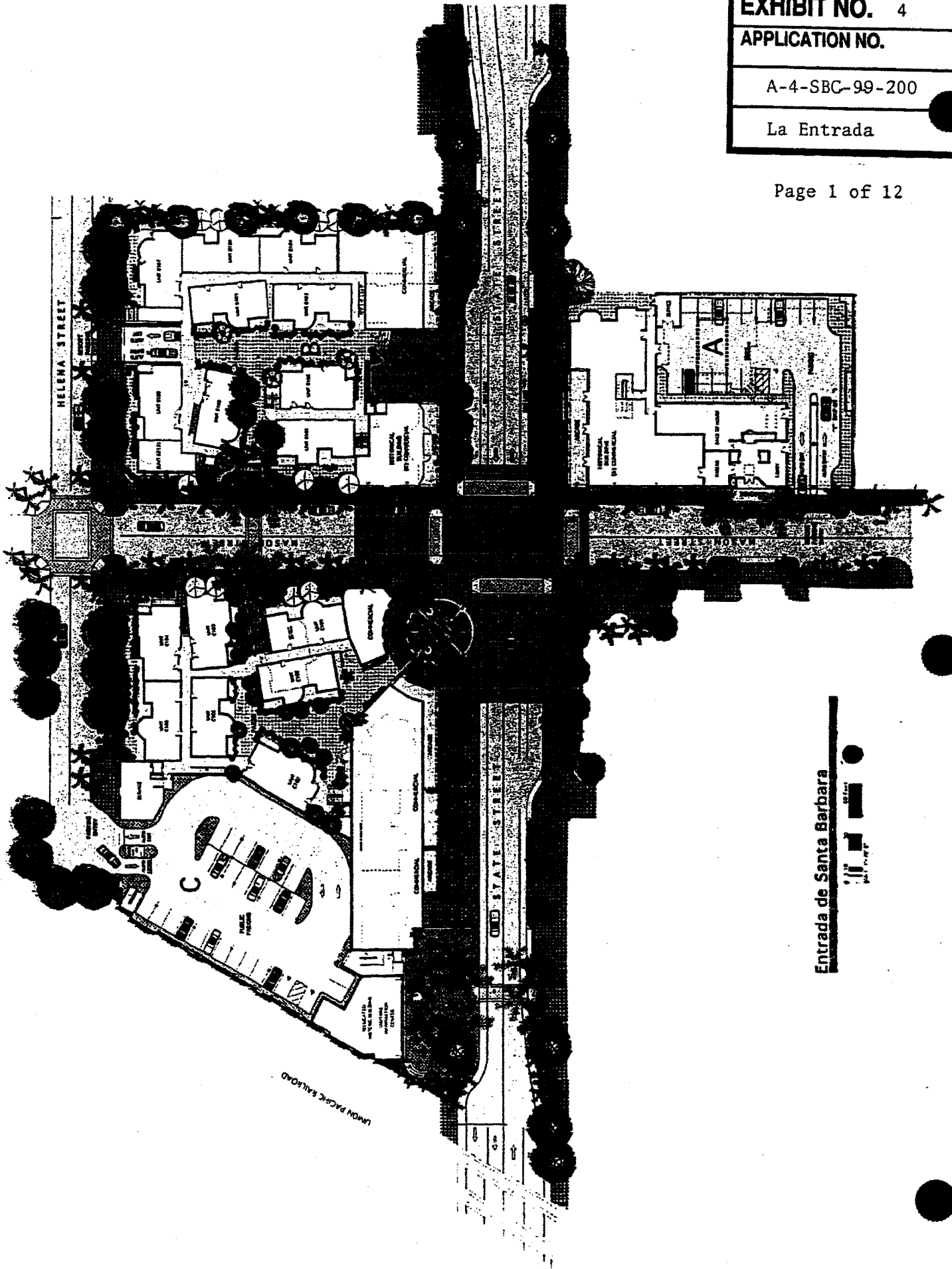
EXHIBIT NO. 4

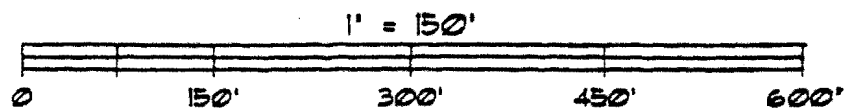
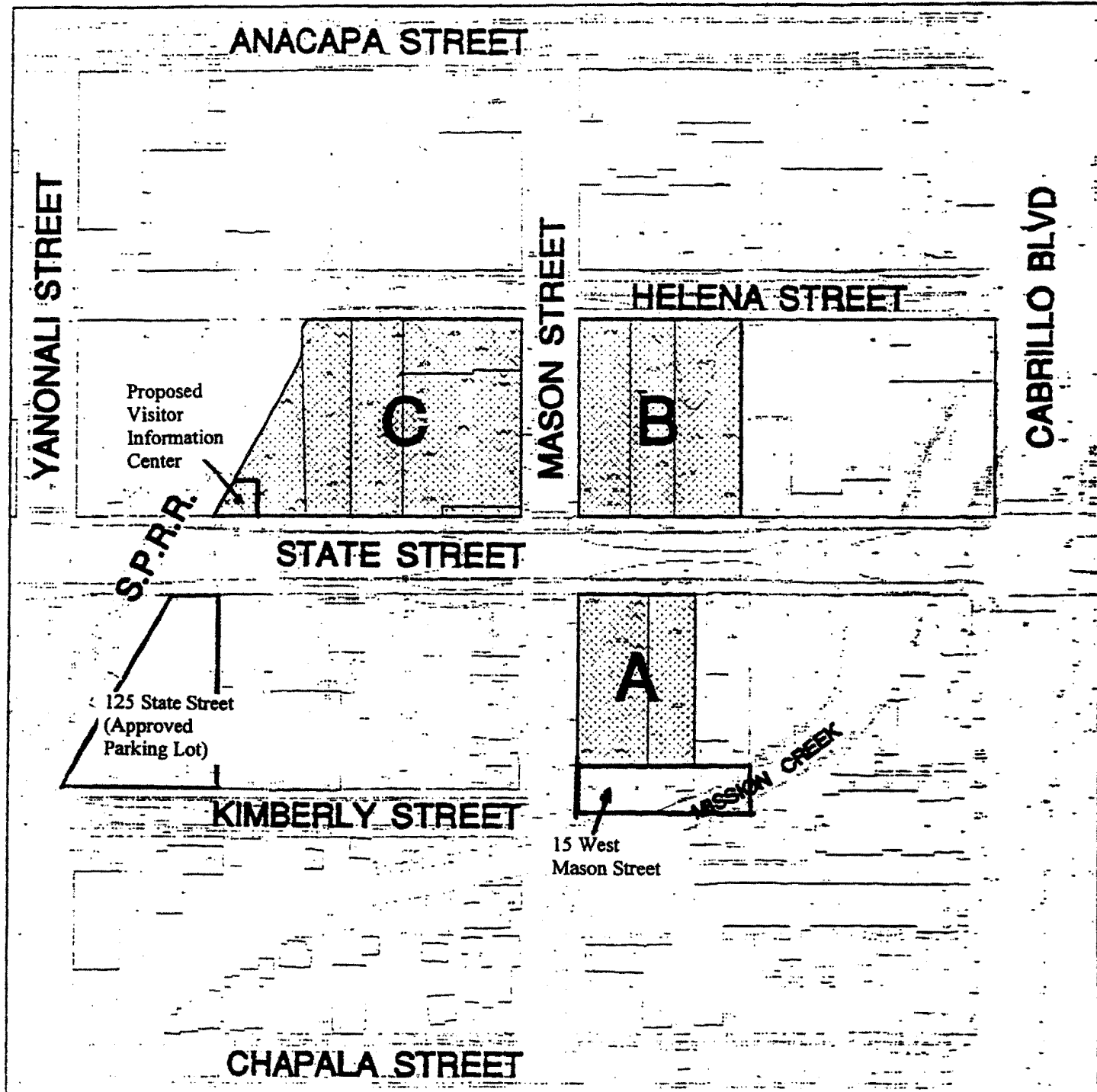
APPLICATION NO.

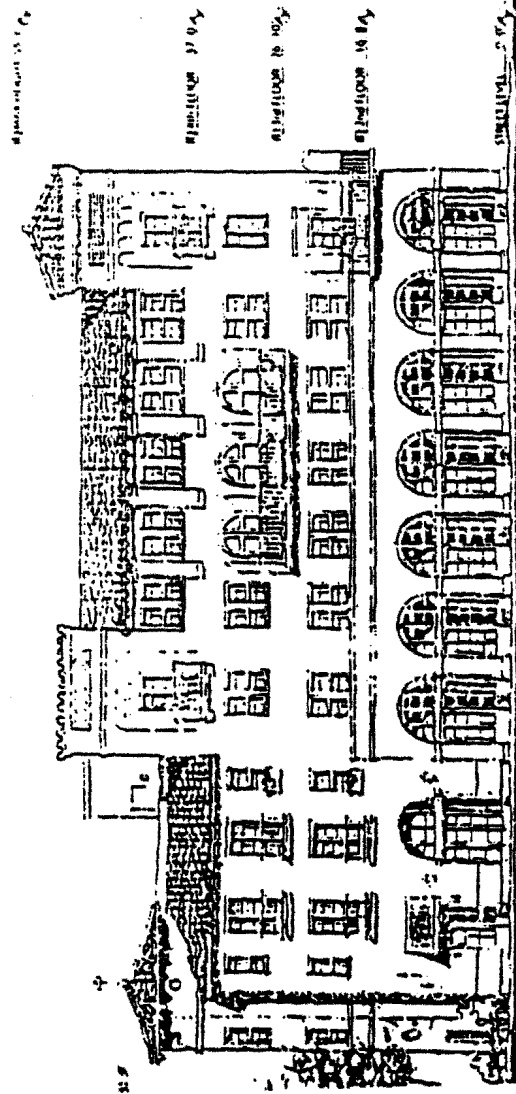
A-4-SBC-99-200

La Entrada

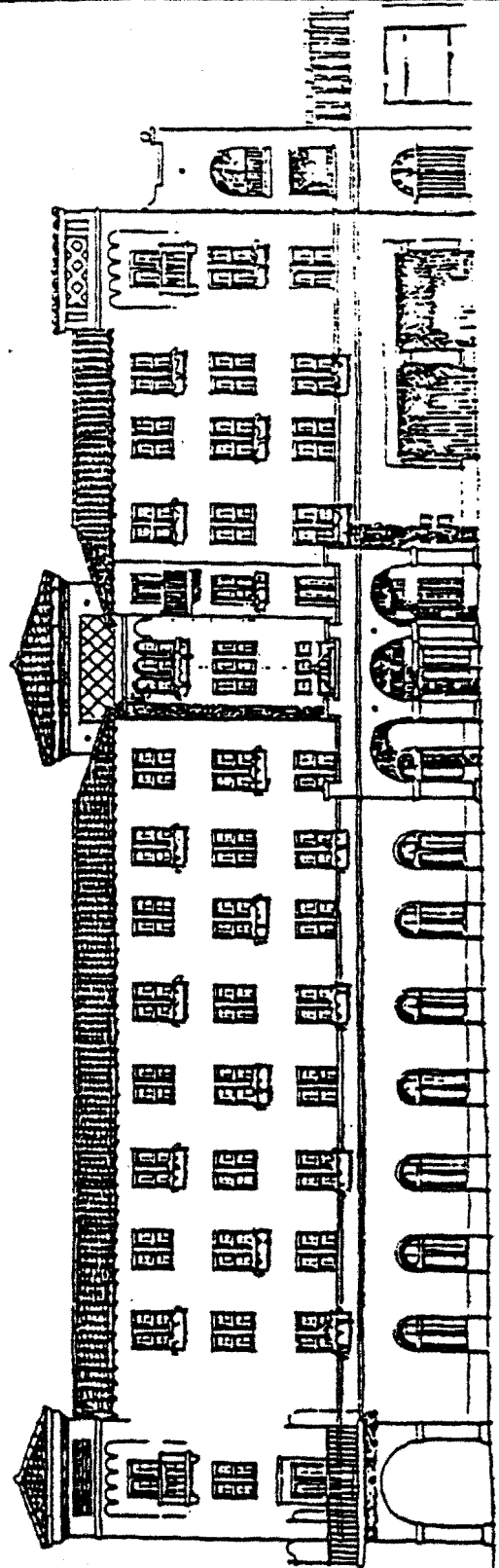
Page 1 of 12







⑪ State Street



⑩ Mason Street

Project Design for Californian Hotel. State and Mason Street elevations
 Courtesy David VanHoy, B3 Architects + Planners

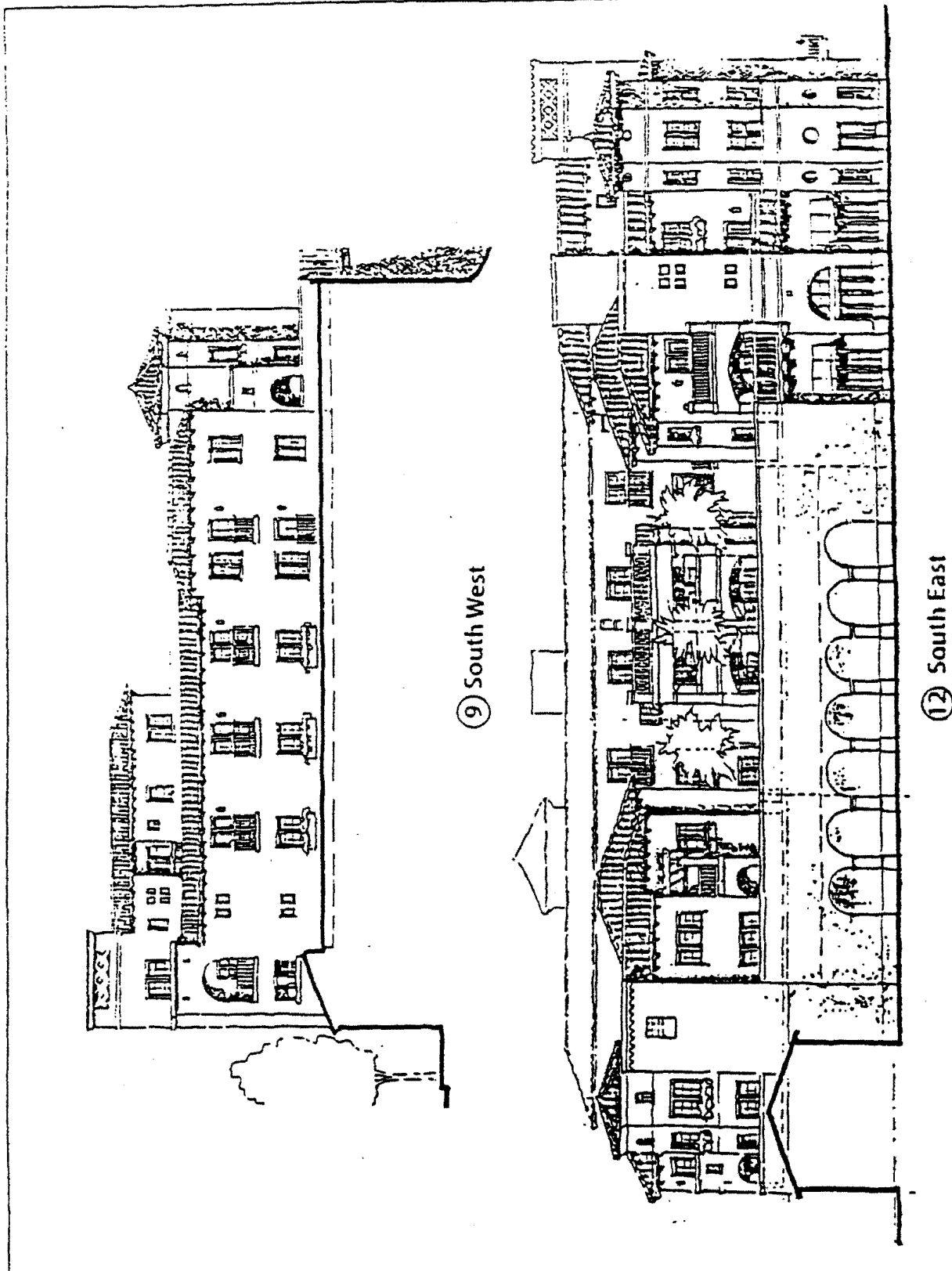


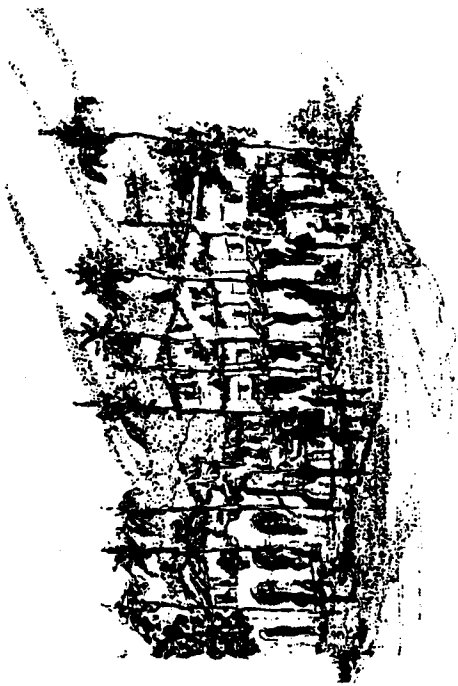
Figure 10
Project Design for Californian Hotel. Southeast and southwest elevations
Courtesy David VanHoy, B3 Architects + Planners



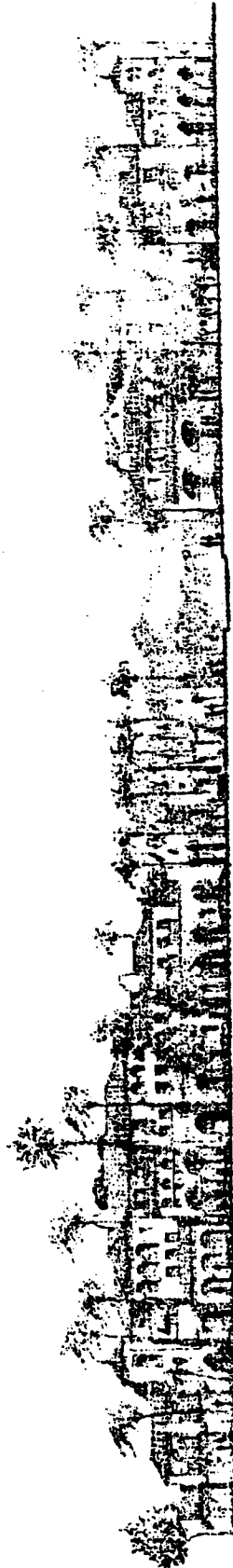
Plate 1. 35 State Street. Facing southwest. Photograph by A. C. Cole, July 1997



Plate 2. 36 State Street. Facing southeast. Photograph by A. C. Cole, July 1997



VIEW CORRIDOR
 STATE AT MASON PERSPECTIVE

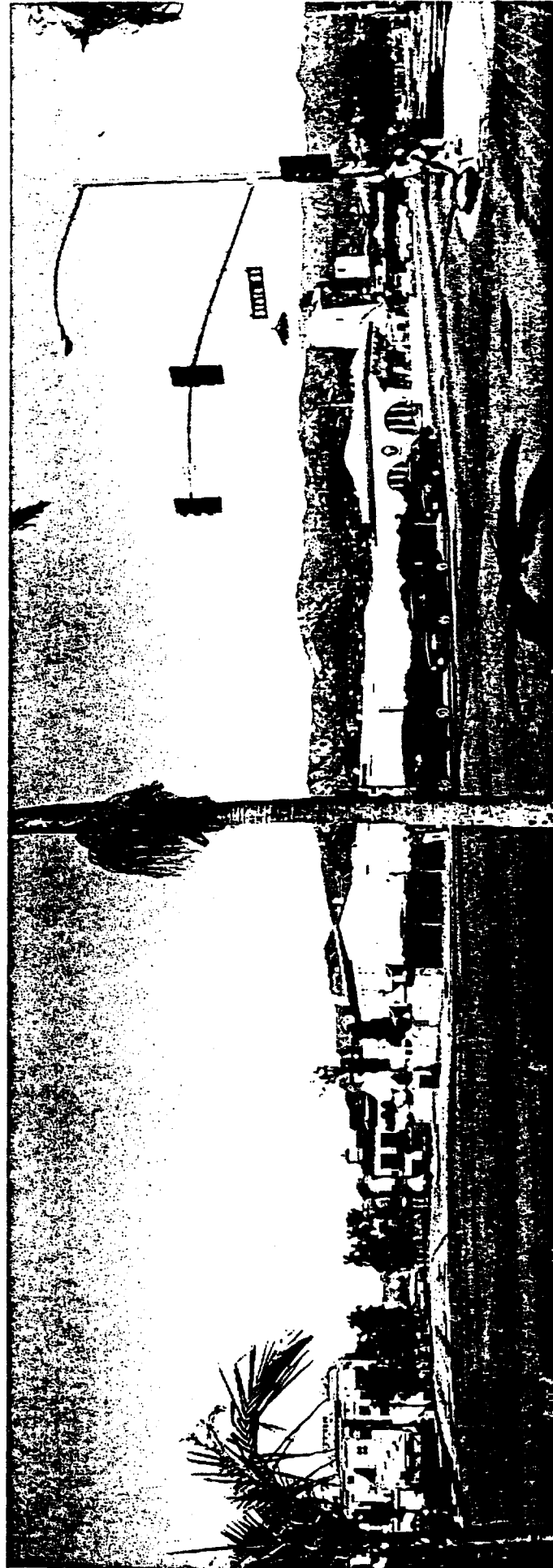


STATE STREET ELEVATION
 AREA A AND AREA B

Entrada de Santa Barbara
Dolphin Fountain View
Existing



Entrada de Santa Barbara
Dolphin Fountain View
Proposed

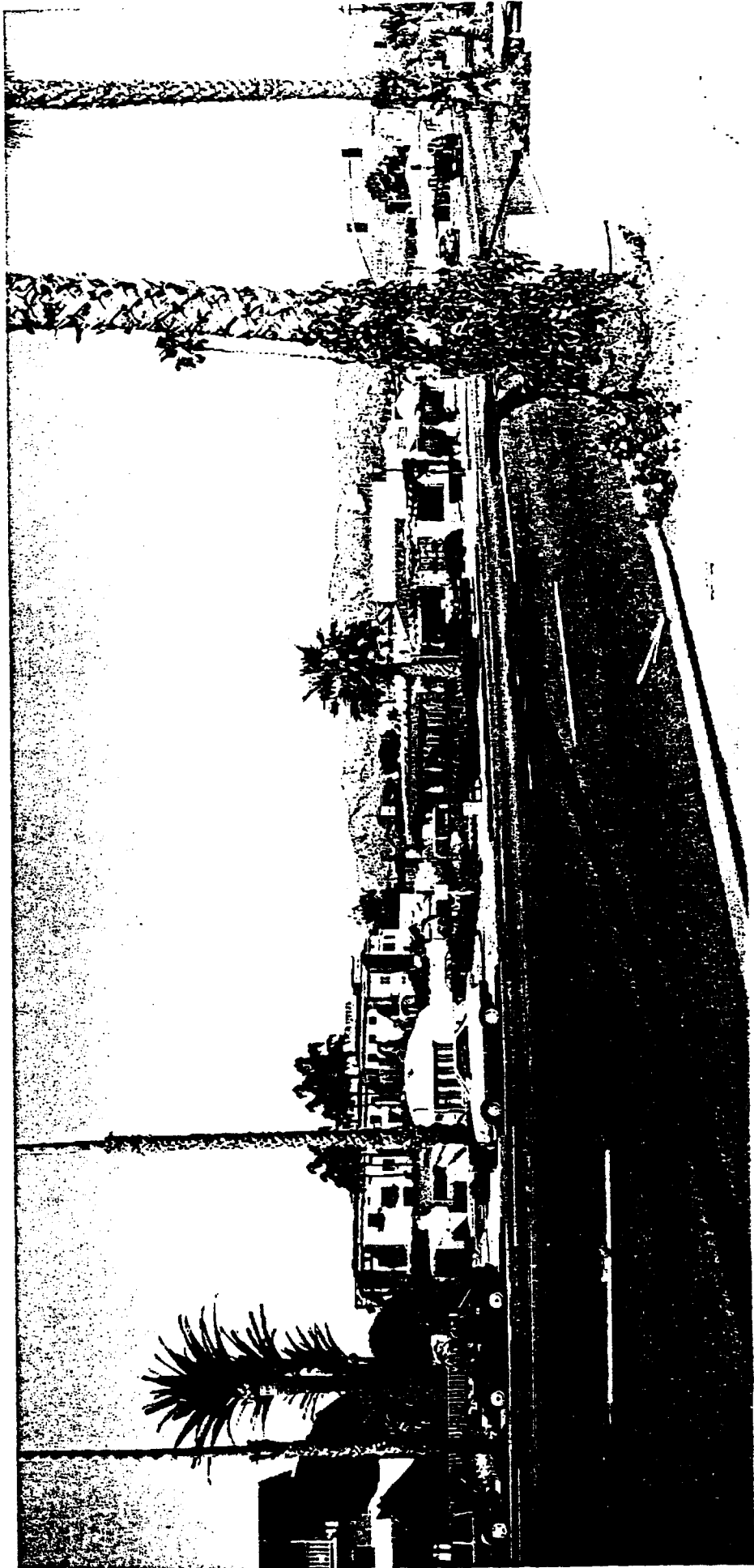


Entrada de Santa Barbara
Cabrillo Boulevard View
Existing



Exhibit 11

Entrada de Santa Barbara
Cabrillo Boulevard View
Proposed



Entrada de Santa Barbara
Eladio's View
Existing



Exhibit 12

Entrada de Santa Barbara
Eladio's View
Proposed



ENTRADA de SANTA BARBARA

PROJECT STATISTICS

29 Apr 1999

AREA A

SITE AREA 20,808 SQ FT / .48 ACRES

UNIT QUANTITY
UNIT SQ FT
EXTERIOR DECK SQ FT
COMMON SPACE SQ FT
EXTERIOR CIRCULATION SQ FT
PARKING SPACES
PARKING SQ FT
COMMERCIAL SQ FT
TRASH/UTILITY
SITE PAVING & LANDSCAPE

	STREET LEVEL	SECOND LEVEL	THIRD LEVEL	FOURTH LEVEL	TOTALS
		10	10	6	26
		13,232	13,352	7,850	34,434
		5,232	694	3,891	9,817
	3,922	2,048	1,928	1,440	9,338
					0
	17				17
	9,749				9,749
	5,368				5,368
	378				378
	1,769				1,769

PREVIOUS 4.8.1999 SUBMITTAL

TOTALS	COMPARISON
26	0
34,434	0
9,817	0
9,338	0
0	0
17	0
9,749	0
5,368	0
378	0
1,769	0

AREA B

SITE AREA 12,510 SQ FT / .75 ACRES

UNIT QUANTITY
UNIT SQ FT
EXTERIOR DECK SQ FT
COMMON SPACE SQ FT
EXTERIOR CIRCULATION SQ FT
PARKING SPACES
PARKING SQ FT
COMMERCIAL SQ FT
TRASH/UTILITY
SITE PAVING & LANDSCAPE

	BELOW GRADE	STREET LEVEL	SECOND LEVEL	THIRD LEVEL	TOTALS
		9	13	8	30
		10,350	14,950	9,200	34,500
		1,800	2,600	1,600	6,000
	130	130	130	130	520
		2,037	2,655	2,505	7,197
	48				48
	19,690				19,690
		4,588			4,588
		370			370
		15,035			15,035

PREVIOUS 4.8.1999 SUBMITTAL

TOTALS	COMPARISON
28	2
37,800	-3,300
5,361	639
2,763	-2,243
7,329	-132
46	2
19,663	27
4,570	18
440	-70
14,550	485

AREA C

SITE AREA 31,462 SQ FT / 1.31 ACRES

UNIT QUANTITY
UNIT SQ FT
EXTERIOR DECK SQ FT
COMMON SPACE SQ FT
EXTERIOR CIRCULATION SQ FT
PARKING SPACES
PARKING SQ FT
COMMERCIAL SQ FT
VISITORS CENTER SQ FT
TRASH/UTILITY
SITE PAVING & LANDSCAPE

	BELOW GRADE	STREET LEVEL	SECOND LEVEL	THIRD LEVEL	TOTALS
		7	10	8	25
		8,050	11,500	9,200	28,750
		1,400	2,000	6,162	9,562
	2,498	785	350	1,808	5,441
	950	2,608	3,486	3,154	9,248
	58	36	37	14	145
	20,951	16,165	16,165	6,500	59,781
		7,576			7,576
		2,000			2,000
		741			741
		13,538			13,538

PREVIOUS 4.8.1999 SUBMITTAL

TOTALS	COMPARISON
27	-2
34,700	-5,950
12,611	-3,049
8,549	-3,108
9,087	161
204	-59
90,336	-30,555
7,788	-212
0	2,000
264	477
11,545	1,993

SUMMARY

SITE AREA 104,781 SQ FT / 2.41 ACRES

UNIT QUANTITY
UNIT SQ FT
EXTERIOR DECK SQ FT
COMMON SPACE SQ FT
EXTERIOR CIRCULATION SQ FT
PARKING SPACES
PARKING SQ FT
COMMERCIAL SQ FT
VISITORS CENTER SQ FT
TRASH/UTILITY
SITE PAVING & LANDSCAPE

	BELOW GRADE	STREET LEVEL	SECOND LEVEL	THIRD LEVEL	FOURTH LEVEL	TOTALS
		16	33	26	6	81
		18,400	39,682	31,752	7,850	97,684
		3,200	9,832	8,456	3,891	25,379
	2,628	4,837	2,528	3,866	1,440	15,299
		4,645	6,141	5,659		16,445
	106	53	37	14		210
	40,641	25,914	16,165	6,500		89,220
		17,532				17,532
		2,000				2,000
		1,489				1,489
		30,342				30,342

PREVIOUS 4.8.1999 SUBMITTAL

TOTALS	COMPARISON
81	0
106,934	-9,250
27,789	-2,410
20,650	-5,351
16,416	29
267	-57
119,748	-30,528
17,726	-194
0	2,000
1,082	407
27,864	2,478

NOTES

UNITS CALCULATED AT 1,150 SQ FT AVERAGE IN B & C

EXTERIOR DECKS CALCULATED AT 200 SQ FT AVERAGE PER UNIT IN B & C

EXHIBIT NO. 5

APPLICATION NO.

A-4-SBC-99-200

CALIFORNIA COASTAL COMMISSION

15 FREMONT, SUITE 2000

SAN FRANCISCO, CA 94105-2219

VOICE AND TDD (415) 904-5200



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SEP 28 1998

CITY OF SANTA BARBARA
PLANNING DIVISION

September 23, 1998

Bill Jacobs
City of Santa Barbara
Community Development Department
630 Garden Street
P.O. Box 1990
Santa Barbara, CA 93102-1990.

Re: BD 37-98

Dear Mr. Jacobs:

EXHIBIT NO. 6

APPLICATION NO.

A-4-SBC-99-200

La Entrada

Per your request, Commission staff has reviewed the coastal zone permitting jurisdictional issues regarding the properties located at the intersection of State Street and Mason Street as shown in exhibit 1.

Page 1 of 3

Based on the current adopted Post-Certification Map for the City of Santa Barbara, sites B and C are located entirely outside of the Coastal Commission's retained permit and appeal jurisdictions. Development on these parcels would require a coastal development permit from the City of Santa Barbara. Site A is bisected by the Commission's appeal jurisdiction boundary as shown on the City's post-LCP certification map (exhibit 2), and since the building proposed on site A is situated on property both inside and outside of the appeal jurisdiction, the entire site A development would be appealable.

It is our understanding that development of all 3 sites is being proposed under a single coastal development permit. Please be advised that if the project were approved by the City and appealed to the Commission, only the portion of the permit regarding site A would be reviewed by the Commission.

Please feel free to contact me if you have any questions regarding this determination.

Sincerely,


Jayson Yap
Coastal Program Analyst

Encl.

Cc: Gary Timm; CCC-Ven

LAND USE MAP

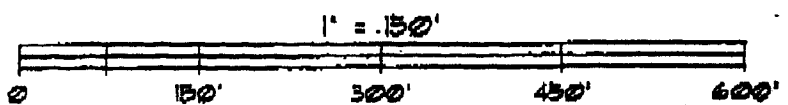
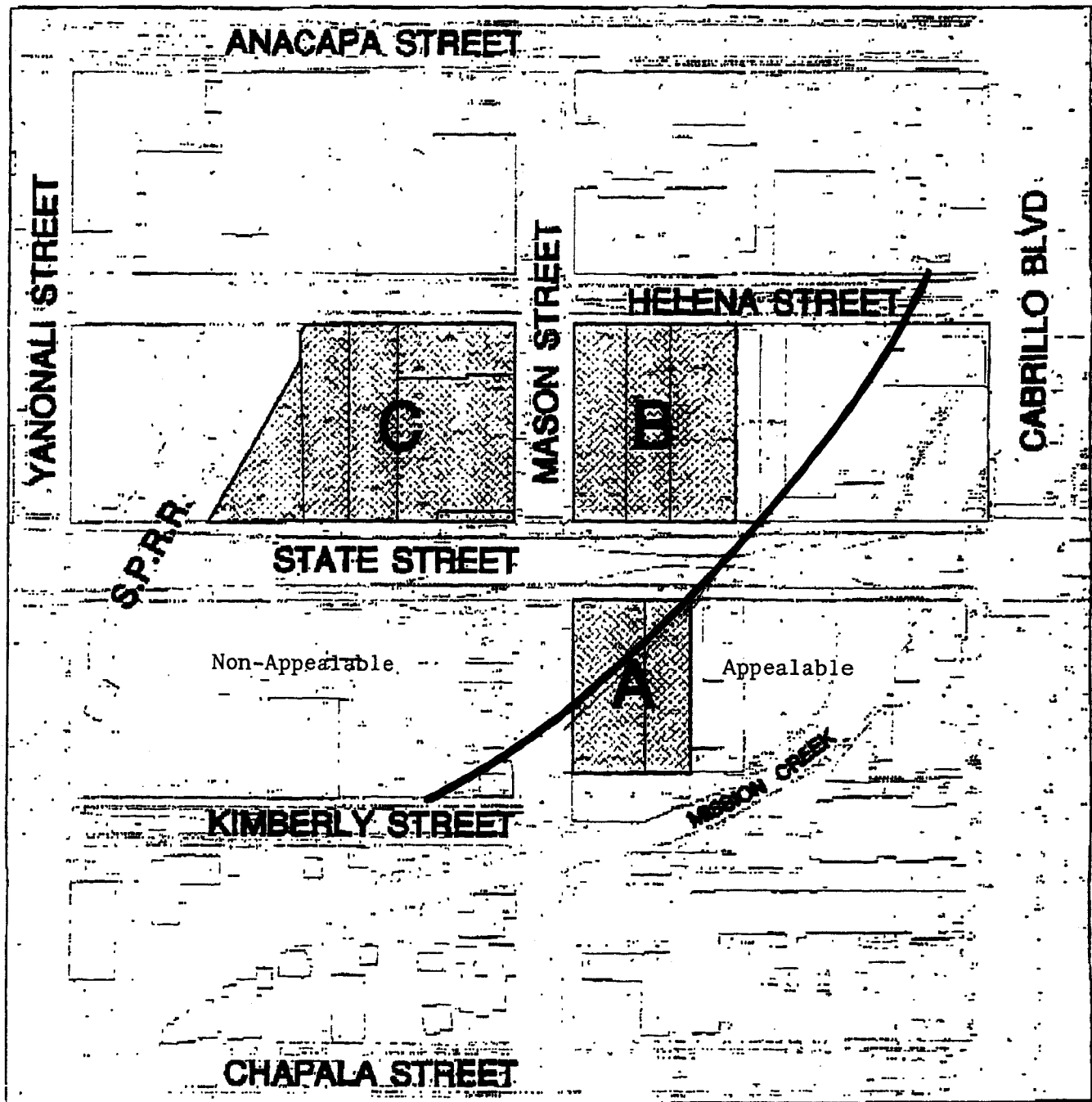


Exhibit 1

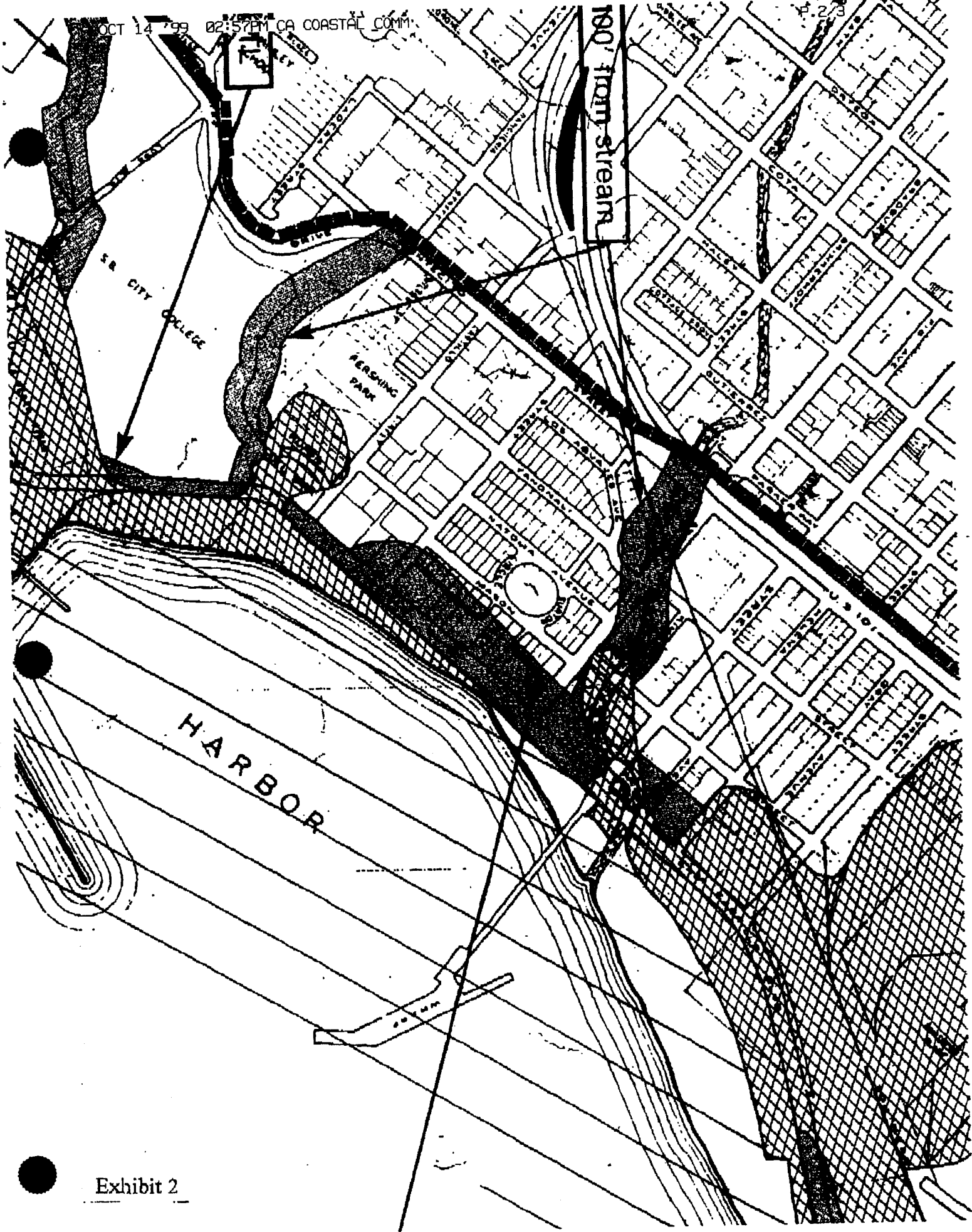


Exhibit 2

September 2, 1999



EXHIBIT NO. 7
APPLICATION NO.
A-4-SBC-99-200
La Entrada

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Page 1 of 1

CALIFORNIA
COASTAL COMMISSION
SOUTH CENTRAL COAST DISTRICT

California Coastal Commission
South Central Coast Area
89 South California Street, Suite 200
San Buenaventura, CA 93001
[BY HAND DELIVERY]

Re: APPEAL TO THE CALIFORNIA COASTAL COMMISSION – PROPOSED
ENTRADA PROJECT (Application No. 4-SBC-99-018) (Local Permit No. CDP-
99-0013)

Dear Coastal Commissioners,

Enclosed herewith you will find the original appeal to the California Coastal Commission of the Santa Barbara City Council's approval of a coastal development permit for the proposed Entrada project in the City of Santa Barbara. Pursuant to the Commission's regulations, appellants, Citizens Planning Association and League of Women Voters, will notify interested parties within one week of today's filing. The list of interested parties (attached to the appeal) was obtained from the City of Santa Barbara Clerk's files.

Appellants respectfully request that this matter be scheduled for the October hearing in a location close to Santa Barbara, in order to maximize public participation as required by the Coastal Act.

Thank you for your attention to this matter. Please call if you have any questions.

Sincerely,

Tanya Gulesserian
Staff Attorney

enc

cc: Citizens Planning Association
League of Women Voters of Santa Barbara



STATE OF CALIFORNIA - THE RESOURCES AGENCY

CALIFORNIA COASTAL COMMISSION

South Coast Area Office
200 OceanGate, 10th Floor
Long Beach, CA 90802-4302
(562) 590-5071

**APPEAL FROM COASTAL PERMIT
DECISION OF LOCAL GOVERNMENT
(Commission Form D)**



CALIFORNIA
COASTAL COMMISSION
SOUTH CENTRAL COAST DISTRICT

Please Review Attached Appeal Information Sheet Prior To Completing
This Form.

SECTION I. Appellant(s)

Name, mailing address and telephone number of appellant(s):

1. Citizens Planning Association, 916 Garden Street, Santa Barbara CA 93101 (805) 966-39
2. League of Women Voters of Santa Barbara 1217-A De La Vina Street
Santa Barbara, CA Zip 93101 Area Code Phone No.
(805) 965-2422

SECTION II. Decision Being Appealed

1. Name of local/port
government: City of Santa Barbara

2. Brief description of development being
appealed: Redevelopment of three major blocks of properties at the
intersection of State St. and Mason St. with a total of 17,532 square
feet of commercial retail uses and 81 vacation ownership units.

3. Development's location (street address, assessor's parcel
no., cross street, etc.): 20-120 State St., 15 E. Mason St., 125 State St
State St. Right-of-way between Mission Creek Bridge and Union Pacific
Railroad rt-of-wy, Santa Barbara County (APNs 033-102-04, 033-102-14

4. Description of decision being appealed: 033-111-01, 033-111-02, 033-111-03, 033-081-03, 003-081-04, (
a. Approval; no special conditions: 081-05, 033-

b. Approval with special conditions: X -10, 033-010

c. Denial: _____

Note: For jurisdictions with a total LCP, denial
decisions by a local government cannot be appealed unless
the development is a major energy or public works project.
Denial decisions by port governments are not appealable.

TO BE COMPLETED BY COMMISSION:

APPEAL NO: _____

DATE FILED: _____

DISTRICT: _____

H5: 4/88

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT (Page 2)**RECEIVED**
SEP 02 1999

5. Decision being appealed was made by (check one):

a. Planning Director/Zoning Administratorc. Planning Commissionb. X City Council/Board of Supervisorsd. Other _____CALIFORNIA
COASTAL COMMISSION
SOUTH CENTRAL COAST DISTRICT6. Date of local government's decision: August 17, 19997. Local government's file number (if any): CDP99-0013**SECTION III. Identification of Other Interested Persons**

Give the names and addresses of the following parties. (Use additional paper as necessary.)

a. Name and mailing address of permit applicant:

William Levy/William Medel, S.B. Beach Properties, L.P., 120 El Pas
Santa Barbara, CA 93101 / Redevelopment Agency, City of Santa Barba
P.O. Box 1990, Santa Barbara, CA 93012

b. Names and mailing addresses as available of those who testified (either verbally or in writing) at the city/county/port hearing(s). Include other parties which you know to be interested and should receive notice of this appeal.

(1) See Attached List of Interested Persons received
from City of Santa Barbara Clerk's files

(2) _____

(3) _____

(4) _____

SECTION IV. Reasons Supporting This Appeal

Note: Appeals of local government coastal permit decisions are limited by a variety of factors and requirements of the Coastal Act. Please review the appeal information sheet for assistance in completing this section, which continues on the next page.

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT (Page 3)

State briefly your reasons for this appeal. Include a summary description of Local Coastal Program, Land Use Plan, or Port Master Plan policies and requirements in which you believe the project is inconsistent and the reasons the decision warrants a new hearing. (Use additional paper as necessary.)

Please See Attached

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SEP 2 1999
CALIFORNIA
COASTAL COMMISSION
SOUTH CENTRAL COAST DISTRICT

Note: The above description need not be a complete or exhaustive statement of your reasons of appeal; however, there must be sufficient discussion for staff to determine that the appeal is allowed by law. The appellant, subsequent to filing the appeal, may submit additional information to the staff and/or Commission to support the appeal request.

SECTION V. Certification

The information and facts stated above are correct to the best of my/our knowledge.

Tanya Gulesserian *Environmental Defense
Attorney for
CRA & LWSB*
Signature of Appellant(s) or
Authorized Agent

Date SEP 2, 1999

NOTE: If signed by agent, appellant(s) must also sign below.

Section VI. Agent Authorization

I/We hereby authorize Tanya Gulesserian to act as my/our representative and to bind me/us in all matters concerning this appeal.

Beverly King, League of Women Voters of Santa Barbara *Signature of Appellant(s)*

Date 9/1/99Date 9/1/99

September 2, 1999



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SEP 02 1999

CALIFORNIA
COASTAL COMMISSION
SOUTH CENTRAL COAST DISTRICT

California Coastal Commission
South Central Coast Area
89 South California Street, Suite 200
San Buenaventura, CA 93001
[BY HAND DELIVERY]

Re: **APPEAL TO THE CALIFORNIA COASTAL COMMISSION - PROPOSED
ENTRADA PROJECT (Application No. 4-SBC-99-018) (Local Permit No. CDP-99-0013)**

Dear Coastal Commissioners,

A. INTRODUCTION

CITIZENS PLANNING ASSOCIATION (CPA) and LEAGUE OF WOMEN VOTERS OF SANTA BARBARA (LWVSB) appeal the City of Santa Barbara's approval of a Coastal Development Permit (CDP) for the proposed Entrada Project (Application No. 4-SBC-99-018) (Local Permit No. CDP-99-0013) on three square blocks of lower State Street in the City of Santa Barbara. The proposed development will block the public's views of the Riviera and mountains and ocean from the project site, State Street, Cabrillo Boulevard and the beach areas. Other alternatives have been proposed that would be more compatible with the lower State Street and Waterfront area. Despite the efforts of CPA and LWVSB, the City of Santa Barbara and the property owners refuse to reduce the significant mitigable impacts on views, traffic and natural resources and the intensification of development in the lower State Street and Cabrillo Boulevard areas.

The proposed project involves the development of three major blocks of properties at the intersection of State Street and Mason Street with a total of 17,532 square feet of commercial retail uses and 81 time-share units. The 81 time-share units each have a lockout unit, thereby providing for the possibility of a total of 162 units. The new total square footage of the project is approximately 181,000 square feet, excluding the existing Californian Hotel. (City Planning Staff Report, pages 17-18.) However, only 210 parking spaces are proposed.

Public right-of-way alterations are also proposed, including a reconfiguration of on-street parking on Mason Street and Helena Avenue which reduces the number of on-street parking spaces, a widening of the sidewalk into the public right-of-way while allowing the proposed project to encroach into the required setback, a narrowing of State Street to Cabrillo Boulevard and other alterations. A traffic signal is proposed at the intersection of State Street and Mason Street, and a condition of approval of the project is that the property owner shall make a



Appeal from Coastal Development Permit Decision: Entrada Project
September 2, 1999
Page 2

monetary contribution towards the cost of two traffic signals along Cabrillo Boulevard at Anacapa and Chapala Streets, directly east and west of the project site.

A 2,500 square foot Visitor Information Center (VIC) is also proposed, in addition to the 132,000 square feet of commercial and time-share uses, along State Street adjacent to the railroad tracks. The VIC would provide its required parking across State Street within the surface parking lot previously approved for 125 State Street as part of a separate CDP for the Railroad Depot Improvement Project.

The first Initial Study for the proposed project was completed in December 1998 and concluded that the proposed project could have potentially significant impacts and that an Environmental Impact Report (EIR) would need to be prepared pursuant to the California Environmental Quality Act (CEQA). However, the City failed to prepare an EIR for the proposed project. In January 1999, the City prepared and released a Revised Initial Study and Draft Mitigated Negative Declaration (MND) with the conclusion that the project impacts were "significant but avoidable." This conclusion was based on a new mitigation measure that allowed project changes to be made at a later time. During the following two months, the City proceeded to negotiate the terms and design of the proposed project and mitigation measures and to characterize the process as "environmental review."

On April 6, 1999, Environmental Defense Center (EDC) informed the City that after-the-fact environmental review violated CEQA and that newly proposed project changes must be subject to environmental review. EDC informed the City that project changes must be made or agreed to prior to the release of a proposed MND and that deferral to later administrative proceedings is prohibited. Consequently, EDC informed the City that a new Initial Study must be prepared to determine whether an MND or EIR was appropriate for the project.

On May 5, 1999, the City revised and re-circulated the Draft MND with additional project changes. However, the proposed project continued to change haphazardly and without proper environmental review. The proposed project remains excessively large, bulky and intrusive with significant impacts to the Waterfront area.

As stated herein, the City's approval of the Entrada project violates the California Coastal Act and the City of Santa Barbara Local Coastal Program (LCP) because:

- (1) The proposed Entrada project fails to protect public views from and to the coastal area;
- (2) The proposed Entrada project will cause a major increase in traffic and congestion in the Waterfront area;
- (3) The proposed Entrada project fails to provide adequate parking in the proposed project area;

- (4) The proposed Entrada project will negatively impact parking and circulation in adjoining neighborhoods;
- (5) The proposed Entrada project fails to address the resource protection policies of the City's certified LCP;
- (6) The proposed Entrada project improperly replaces low-cost residential units with expensive time-share units and high intensity development.

B. PROCEDURAL CONSIDERATIONS

1. Timing and Eligibility

CPA and LWVSB file this appeal on September 2, 1999 which is the 10th working day after the California Coastal Commission's August 19, 1999 receipt of the City of Santa Barbara's notice of final action on the CDP (Local Permit No. CDP99-0013) for the proposed Entrada project. (See 14 Cal. Admin. Code Section 13110.) Pursuant to the Coastal Act, CPA and LWVSB are aggrieved persons eligible to appeal to the Coastal Commission because CPA and LWVSB, in person or through representatives, appeared at public hearings of the City of Santa Barbara in connection with the decision of the Planning Commission and the City Council to approve the CDP and, prior to such hearings, informed the City of the nature of their concerns. (Coastal Act § 30525.¹) Moreover, CPA and LWVSB exhausted all local appeals by appealing the Planning Commission's decision to the Santa Barbara City Council. (See 14 Cal. Admin. Code Section 13111 and 13573.) Within one week of filing an appeal to the Coastal Commission, CPA and LWVSB will notify interested persons and the City of Santa Barbara. (14 Cal. Admin. Code Section 13111(c).)

2. California Coastal Commission Jurisdiction

The City of Santa Barbara approved a CDP (CDP99-0013) pursuant to the California Coastal Act to allow for the proposed development within the appealable (Site A) and non-appealable (Sites B and C, including the Visitor Information Center), jurisdictions of the Coastal Zone. The City also approved the proposed State Street right-of-way alterations within the appealable jurisdiction of the Coastal Zone under Section 28.45.009 of the Santa Barbara Municipal Code.

Although development on sites B and C requires a CDP from the City of Santa Barbara, sites B and C may be located outside the Coastal Commission's permit and appeal jurisdictions under the current adopted Post-Certification Map for the City of Santa Barbara and pursuant to the Coastal Commission's letter dated September 23, 1998. (Exhibit A: Coastal Commission

¹ / Coastal Act citations are located in the California Public Resources Code.

Appeal from Coastal Development Permit Decision: Entrada Project
September 2, 1999
Page 4

Letter, September 23, 1998.) However, impacts of development on sites B and C that impact coastal resources may also be considered by the Commission on appeal. Some aspects of the project may influence the Commission to look at the project as a whole. For example, if 23% of the parking is inside the appealable zone, and the rest is outside the appealable zone, the Commission may consider the parking as a whole.

Site A is situated on property both inside and outside of the appeal zone. If a development is proposed partly on the portion of the parcel defined as appealable, and partly on the remainder of the parcel, then the entire development is subject to the Commission's jurisdiction to the extent that it has an impact that is inseparable from the impact of the portion of the development being reviewed within the appeal area. (See CCC Letter, page 4.) Consequently, the entire development on site A is appealable to the Coastal Commission. The proposed State Street right-of-way alterations are also within the appealable jurisdiction of the Coastal Zone under Section 28.45.009 of the Santa Barbara Municipal Code, as certified by the CCC.

Finally, in determining whether a proposed development is in conformity with the certified local coastal program (LCP), the Commission may consider aspects of the project other than those identified by CPA and LWVSB in the appeal itself, and may ultimately change conditions of approval or deny the permit altogether.

C. STANDARD OF REVIEW

The Standard of review for appeal of a local agency's approval of a CDP is whether the development conforms to the standards set forth in the certified local coastal program (LCP) and the public access policies set forth in the Coastal Act. (Coastal Act § 30603.)

D. GROUNDS FOR APPEAL

1. THE PROPOSED ENTRADA PROJECT FAILS TO PROTECT PUBLIC VIEWS FROM AND TO THE COASTAL AREA

The proposed development significantly and negatively impacts views from site A and public areas such as State Street, Cabrillo Boulevard and the beach area. The Coastal Act states that "[t]he 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." (Pub. Res. Code § 30251.)

The City of Santa Barbara's LCP furthers the Coastal Act's goals of protecting views. LCP Policy 9.1 protects views in the waterfront area by requiring development restrictions such as height limits, building orientation, and setback requirements. LCP Policy 9.1 states that "the

Appeal from Coastal Development Permit Decision: Entrada Project
 September 2, 1999
 Page 5

existing views to, from and along the ocean and scenic coastal areas shall be protected, preserved and enhanced" by requiring view easements or corridors in new developments or specific development restrictions such as additional building height limits, building orientation, and setback requirements for new development.

Likewise, according to the City's LCP Implementation (which was certified by the Commission on November 12, 1986), vistas of the ocean, harbor and mountains from State and Cabrillo streets must be carefully considered, maintained and, where feasible, enhanced. (LCP Implementation, page 118.) Specific actions that the City must take to protect and enhance these vistas are maintaining appropriate building setbacks, providing view corridors, incorporating existing skyline trees and avoiding bulky, massive structures. (*Id.*) According to the LCP Implementation of Waterfront Guidelines, which are incorporated in the certified LCP Implementation, all parking facilities should be screened from view from public streets, the railroad tracks and adjacent properties, especially in mixed-use areas. (*Id.* at 120.)

LCP Policy 12.2 states that new developments within the City's Waterfront Area shall be evaluated as to a project's impact on the area's openness, lack of congestion, naturalness and rhythm. Also, LCP Policy 9.2 creates a special design district in the Waterfront area and requires adherence to waterfront area design guidelines. "Openness" describes the special qualities of the Santa Barbara Waterfront with unimpaired views of the shoreline and mountains. (LCP Implementation, page 133.) The LCP specifically describes openness as "minimizing visual impacts of building density, scale, mass and height." (LCP, page 192.) Therefore, in protecting, enhancing and restoring openness, building density, scale, mass and height are the most important elements to reduce, and low scale commercial structures are in keeping with low scale residences. (LCP Implementation, page 133-134.) Also, views are "the most important dimension of naturalness," the third of the City's requirements for new development in the Waterfront area. "These views are to the ocean, other points along the waterfront, and to the foothills and mountains." (*Id.* at 135.)

These criteria are based on visual resources which presently exist: openness, lack of congestion, naturalness and rhythm. Policy 12.2 requires that the impact of new development be evaluated with respect to those resources. The Coastal Plan Implementation Report develops specific means to accomplish the policies of maintaining existing views and vistas, open space and existing height and setback requirements. The City of Santa Barbara Municipal Code section governing the Hotel and Related Commerce zone in the Coastal Zone, or HRC-II zone, which was certified by the CCC, implements these policies through both height and setback requirements. The HRC-II zone requires a 10 foot front yard setback for one story buildings less than 15 feet in height and a 20 foot front yard setback for taller buildings with no provisions for modifications of such requirements. (See Exhibit B: SBMC § 28.22.060 as certified by CCC in LCP Implementation, page 69-71.) Since the ordinance does not provide for variations in setbacks based on heights of portions of buildings, a 20-foot setback requirement is required for the entire building.

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The first Initial Study identified potentially significant unavoidable impacts to public scenic vistas and visual character and quality. The first Initial Study identified a possible demonstrable negative aesthetic effect in that the proposed project could be inconsistent with local and State view policies, including the design and visual guidelines and criteria of the Local Coastal Program. (First Initial Study, December 3, 1998, page 6.)

The Second Revised Initial Study (SRIS) admits that the proposed project may have adverse impacts to public scenic vistas and visual character and quality, but that the potentially adverse impacts are anticipated to be less than significant for CEQA purposes. (See SRIS, January 13, 1999, pages 6-12.) However, the proposed project contained only minor revisions that did nothing to protect views and aesthetics. (See Exhibit C.) The project applicant submitted landscaping, right-of-way improvements, and minor building façade variations, including a small additional setback (which still encroaches into the setback required by the Municipal Code and certified by the CCC) and a height variation (will still include two and three story buildings which block most, if not all, views of the Riviera and mountains). Moreover, the City's finding that the impacts may be less than significant for CEQA purposes is not the same as finding consistency with the City of Santa Barbara's LCP.

The proposed project's bulkiness, height and density clearly have a negative effect on views which is inconsistent with openness and naturalness as required by section 30251 of the Coastal Act, the City's LCP policies 9.1 and 12.2 and respective implementation requirements. Views from site A, State Street, Cabrillo Boulevard and the ocean are impacted by development on sites B and C.

The buildings on Sites B and C block views of the Riviera and the mountains. The proposed buildings on Site B are three stories in height with only a narrow glimpse of the mountain tops over a bridge between the two buildings. Moreover, this view can only be seen from a narrow and particular vantage point. The views of the mountain tops are completely blocked from most vantage points, and the views of the Riviera are completely blocked from every vantage point. The proposed buildings on Site C are three stories in height with a partial view of the mountain tops in between the buildings and a total blockage of views of the Riviera from every vantage point. The applicant's photographs of the proposed development on sites B and C show that seventy (70) to ninety (90) percent of the views of the mountains are blocked. Moreover, the proposed development on site A includes two three-story buildings adjacent to the existing Californian Hotel which will remain four stories tall.

The proposed project also includes extensive placement of building and arcade areas within the required setback along State and Mason Streets, thus exacerbating the impacts to views and openness. The existing Californian Hotel on site A has no setbacks on either street, and the proposed three story additions also propose zero setbacks. Of the approximately 20,800 square feet (sq. ft.) of proposed building on site A, a total of 2,523 sq. ft., or 12% of the area, would be located within the required 20-foot building setback. (See Exhibit D: Planning Commission Staff Report, June 24, 1999, page 17-19.) Of the approximately 56,400 sq. ft. of new building area on

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site B, a total of 7,154 sq. ft., or 13%, would be located within the required 20-foot setback. Of the approximately 104,00 sq. ft. of proposed building on site C, approximately 12,642 sq. ft. or 12% would be located within the 20-foot required setback. These extensive setback encroachments do not protect public vistas and visual resources and quality and violate the City's Code which is part of its certified LCP.

Finally, NO analysis was conducted on view blockage resulting from the cumulative impact of build-out adjacent to the proposed development in this Waterfront area. Build-out of adjacent properties would fall under the same development standards as the proposed Entrada project and could result in buildings of up to 45 feet in height and complete blockage of all views. Also, NO engineered view corridor study was submitted, nor any analysis at all of the impacts on the view corridor from the proposed development, including the narrowing of State Street.

The proposed project significantly and negatively impacts views from site A and public areas such as State Street, Cabrillo Boulevard and the beach area. This blockage is inconsistent with the Coastal Act, LCP policies requiring protection of views of the foothills and mountains, and setback requirements as certified by the CCC.

2. THE PROPOSED ENTRADA PROJECT WILL CAUSE A MAJOR INCREASE IN TRAFFIC AND CONGESTION IN THE WATERFRONT AREA

The proposed development, including the narrowing of State Street, will create a major increase in traffic and congestion in the Waterfront area, including State Street and Cabrillo Boulevard. The Coastal Act states that new or expanded public works facilities shall be designed and limited to accommodate needs generated by development or uses permitted. (Coastal Act §30254.) The City's Local Coastal Plan states that new development within the City's Waterfront Area shall be evaluated as to a project's impact upon the area's openness, lack of congestion, naturalness and rhythm. (LCP Policy 12.2.) The focus of this section is the proposed Entrada project's inconsistency with the LCP's requirements of openness and lack of congestion.

"The sense of openness in the Waterfront is unquestionably enhanced by a relative lack of congestion." (LCP Implementation, pages 133-134.) In the LCP, lack of congestion is described as "protecting and maintaining the status of Cabrillo Boulevard as a scenic drive and grand boulevard by controlling adjacent land uses so that they neither directly or indirectly exit onto Cabrillo Boulevard so as to cause a need for additional traffic signals." (LCP page 192.) Likewise, the Implementation of the LCP recognizes that "motorists can drive along leisurely and enjoy the view, unimpeded by cross traffic or stop lights." (LCP Implementation, page 134.)

The proposed development will directly and negatively impact the area's openness and lack of congestion. The proposed development includes public-right-of-way alterations, including a reconfiguration of on-street parking on Mason Street and Helena Avenue, a widening of the sidewalk along State Street to approximately 15-25 feet in width, and the narrowing of State Street to one lane of vehicular travel in each direction along the project frontage to Cabrillo

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Boulevard, including a delineation of exclusive right turn lanes from State Street onto Mason Street and a prohibition of left turns onto Mason Street from State Street. A traffic signal is proposed at the intersection of State Street and Mason Street. Moreover, the Resolution of the Santa Barbara City Council conditions the approval of the proposed project on the potential for another new signal. Condition D.3. states that prior to recordation of the Final Subdivision Map for the project, the owner shall enter into a written agreement with the City that the owner shall make a monetary contribution towards the projected cost of the installation of traffic signals along Cabrillo Boulevard at Anacapa and Chapala Streets, if the City installs these traffic signals within five years of the date of project approval. The project description and conditions are directly inconsistent with the City of Santa Barbara's LCP.

The proposed right-of-way alterations and the development of three square blocks of lower State Street will create a major increase in traffic on State Street, Cabrillo Boulevard and adjacent neighborhoods. However, the City of Santa Barbara claims that the proposed development will decrease traffic congestion by generating fewer vehicle trips than the existing uses! There are three significant reasons which support denying the CDP for the proposed Entrada project.

First, the City's standard of a significant effect on traffic is when the level of service at a traffic signal rises above level C (good) (a delay of 15.1 to 25 seconds). Currently, the signal at Cabrillo Boulevard and State Street operates at a level of service of D (fair) or E (poor) (a delay of 25.1 to 60 seconds). Consequently, there is substantial evidence that, even without the proposed development, State Street and Cabrillo Boulevard already operate with high levels of traffic with frequent bumper-to-bumper delays and severe traffic congestion at the traffic signal at the intersection of State Street and Cabrillo Boulevard. Additional development will only exacerbate the problem.

Second, the proposed project will negatively impact the level of service or traffic delay at the Cabrillo Boulevard and State Street intersection, a major route of public access to coastal resources. The SRIS admits that the narrowing of State Street from four lanes to two lanes will create a situation where State Street will still deliver more cars at the signal than Cabrillo Boulevard can handle. The delay will degrade the status of Cabrillo Boulevard by creating a "need" for additional traffic signals.

Third, the SRIS finding that the proposed project has a less than significant impact on traffic is erroneously based on traffic calculations that an average business would generate in the area today. The project applicant erroneously based the analysis of "existing uses" on an analysis of what is permitted on the site, rather than the current uses or level of occupancy. However, CEQA requires an analysis of the traffic based on the current existing use of the site. Rather than basing conclusions on existing conditions, the City used Institute of Traffic Engineers (ITE) trip generation rates for hotels and shopping centers to estimate the number of trips associated with existing land uses. Analysis using actual existing conditions would show that current traffic levels from the project are lower than stated and that the traffic impact from the proposed development

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will be considerably significant. For example, the City used a report stating that the existing Californian Hotel produces 856 trips per day. (Exhibit E: Traffic and Parking Study, Kaku and Associates, August, 1998, page 21.) However, the Californian Hotel has not operated as a busy 96 room hotel for years, and when the hotel did operate, many of its clients could not afford cars. Current traffic levels are undoubtedly less than estimated by the City and the applicant's consultant.

However, even with an analysis using what is permitted on site, the City erroneously determined that the proposed project will not generate new vehicle trips to the area. According to the Kaku study, if the City permits 96 rooms on site, there will be 856 trips per day. Here, the project proposes 81 time share units, each with a lockout unit, thereby providing for the possibility of a total of 162 transient lodging units. Clearly, 162 units that may be occupied by multiple persons and additional commercial development increase the number of possible vehicle trips per day to a significant level.

In Bel Mar Estates v. California Coastal Commission, (1981) 115 Cal.App.3d 936, 941, 171 Cal.Rptr. 773, 776, the court upheld the commission's denial of a permit for a proposed development that would create a major increase in traffic using Pacific Coast Highway. The court noted that the record showed that, without the proposed development, Pacific Coast Highway is already overused, with frequent bumper-to-bumper delays. See Id. Citing the Coastal Act section 30254, the court said that the commission properly regarded that effect as requiring a denial of the proposed development. Here, the Commission may properly deny the coastal development permit for the proposed Entrada project based on the record which shows that Cabrillo Boulevard is already congested.

3. THE PROPOSED ENTRADA PROJECT FAILS TO PROVIDE ADEQUATE PARKING

a. The Proposed Entrada Project Fails to Provide Adequate Parking in the Proposed Project Area

The proposed development on site A will create a major impact on parking in the coastal zone. The Coastal Act states that the location and amount of new development should maintain and enhance public access to the coast by (1) facilitating the provision or extension of transit service, (2) providing commercial facilities within or adjoining residential development or in other areas that will minimize the use of coastal access roads, (3) providing nonautomobile circulation within the development, (4) providing adequate parking facilities or providing substitute means of serving the development with public transportation. (Coastal Act § 30252.)

The proposed Entrada project involves the loss of public on-street parking and the generation of new parking demand which is inconsistent with several parking policies in the LCP. LCP Policy 3.3 states that "new development proposals within the coastal zone which could generate new recreational users (residents or visitors) shall provide adequate off-street parking to

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serve the present and future needs of the development." LCP Policy 4.2(4) requires new visitor-serving development to provide adequate off-street parking to serve the needs generated by the development. LCP Policy 11.5 requires all new development in the waterfront area to provide adequate off-street parking "to fully meet their peak needs." Moreover, parking needs for individual developments shall be evaluated on a site-specific basis and at minimum be consistent with City Ordinance requirements. (LCP Policy 11.5.)

The policies of the Circulation Element provide direction to reduce the amount of vehicular trips in the City. The City's Circulation Element (which was certified as part of the City's LCP by the Coastal Commission) clearly states that the City has a peak period parking shortage and that the downtown and waterfront areas have the greatest parking demand. (See Goal 7.) The Santa Barbara Municipal Code requires a ratio of one hotel room to one parking space and one parking space replacement on street for one removed. (Santa Barbara Municipal Code (SBMC) §28.90.100(j)(10).) Also, the code requires one space for every 250 square feet of commercial space. (SBMC §28.90.100(I).) Notably, the parking requirement for a restaurant in the same area is 1 space for every 3 seats for the restaurant and 1 space for every 250 square feet for the bar area. (See Exhibit F: Santa Barbara City Staff Report for development at 111 State Street.)

In Liberty v. California Coastal Commission (App. 4 Dist. 1980) 170 Cal.Rptr. 247, 113 Cal.App.3d 491, the court upheld the Commission's imposition of parking regulations as a condition to granting a permit application to construct a restaurant in order to provide adequate parking for customers using the restaurant. Parking for the area was a matter of proper concern for the Commission pursuant to section 30252 of the Coastal Act. See Id. at 498. The proposed restaurant was to contain 5,432 square feet of floor space and 56 parking spaces. See Id. at 495. The court found that given need for more parking in the area, the Commission's decision was reasonable. See Id. at 499.

Here, the proposed Entrada project fails to provide parking for even the minimal needs generated by the development. First, the Mitigated Negative Declaration clearly and inconsistently stated that a more appropriate method of estimating parking demand is "to use the average rate of a shopping center of a similar size." (See Exhibit G: Initial Study, May 5, 1999, page 40, Approved by Planning Commission July 1, 1999.) Instead, the City should have analyzed the peak parking needs generated by the proposed Entrada project, in accordance with LCP Policy 11.5.

Second, the proposed development consists of approximately 17,532 square feet of commercial space and 162 time-share units with a total of 210 parking spaces. According to the City Code and LCP, however, the proposed project must provide at least 232 parking spaces. Considering site A alone, the proposed new development on site A is approximately 5,368 square feet of commercial space and 52 time-share units with only 17 parking spaces. Again, site A must provide at least 73 parking spaces. The proposed development is clearly inconsistent with the Coastal Act and Local Coastal Program, including the Circulation Element that was certified by

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the Commission, because the proposed development fails to provide parking to meet its peak needs.

Third, the City minimizes the parking needs of the project by relying on the potential mixed use on the property, the availability of transit to the project site, and the proximity of the site to adjacent commercial and recreational areas. (See SRIS, pages 39-42 and Appendix G.) However, the proposed parking on site A and site B is for the exclusive use of the time-share units. The proposed parking on Site C is for the exclusive use of the time-share units and for retail uses and may be limited to 75 minutes. Clearly, the proposed project fails to provide parking to meet the peak needs generated by the development.

The proposed Entrada project is a massive development of three blocks of lower State Street that will generate new users to both the project site and the lower State Street area. At peak capacity, the proposed project will not have adequate parking. The failure to provide adequate parking is inconsistent with the Coastal Act, the City's LCP, the Circulation Element and implementing regulations.

b. The Proposed Entrada Project Will Negatively Impact Parking and Circulation in Adjoining Neighborhoods

The proposed project is inconsistent with the surrounding residential neighborhoods. In addition to the parking needs required by sites A, B, and C, a 2,500 square foot Visitor Information Center (VIC) is also proposed within the proposed project along State Street adjacent to the railroad tracks. Parking for the proposed VIC would occur across State Street within the surface City parking lot previously approved for 125 State Street as part of a separate Coastal Development Permit (CDP) for the Railroad Depot Improvement Project. The proposed parking presents two significant problems.

First, the environmental review for the proposed Entrada project was prepared piecemeal by suggesting that the requirement for parking is satisfied through a completely unrelated project and unrelated CDP. The CDP for the Railroad Depot Improvement Project did not contain an analysis of parking with respect to the needs generated by the proposed Entrada project or vice-versa. The LCP requires a specific and thorough analysis of the present, future, and peak parking needs generated by a particular development.

Second, the suggested parking for the VIC would occur on the opposite side of State Street. The traffic implications of the proposed development were not adequately analyzed. On one occasion, the City suggested that left turns off of State Street would be prohibited so as not to cause a traffic jam. However, after the public raised concerns about diverting traffic to adjoining neighborhoods, the City suggested that left turns off of State Street would be acceptable.

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Finally, the City did not analyze the increased congestion and traffic impacts that will result from requiring visitors to walk across highly traveled State Street to access the VIC and the rest of the Entrada project.

LCP Policy 5.3 requires new development adjacent to existing residential neighborhoods to be compatible in terms of scale, size, and design with the prevailing character of the established neighborhood. New development which would result in an overburdening of public circulation and on-street parking resources of existing residential neighborhoods *shall not be permitted*. (See Exhibit H.) (See also SRIS, pages 37-39 and June 18, 1999 memorandum from the Transportation Division, included as Appendix G of Responses to Comments on SRIS.) The proposed Entrada project will clearly impact the surrounding neighborhoods, as evidenced by the addition of new traffic lights and increased traffic congestion and visitors. The adjoining neighborhoods will be used as overflow parking for the proposed Entrada project and the additional users that the proposed project generates. Clearly, the City failed to conduct a proper analysis and failed to meet the requirements of the LCP.

4. THE ENTRADA PROJECT FAILS TO ADDRESS THE RESOURCE PROTECTION POLICIES OF THE CITY'S CERTIFIED LCP

The proposed development on site A is inconsistent with the Coastal Act requirements for environmentally sensitive habitat areas. Section 30240(b) of the Coastal Act states that development in areas adjacent to environmentally sensitive habitat areas shall be sited and designed to prevent impacts which would significantly degrade those areas, and shall be compatible with the continuance of those habitat areas.

The proposed development on site A is also inconsistent with LCP Policies 6.8 and 6.10. LCP Policy 6.8 states that the "riparian resources, biological productivity, and water quality of the city's coastal zone creeks shall be maintained, preserved, enhanced, and where feasible, restored." LCP Policy 6.10 states that the "City shall require a setback buffer for native vegetation between the top of the bank and any proposed project. The setback will vary depending upon the conditions of the site and the environmental impact of the proposed project." According to the LCP Implementation Creek Guidelines, any new development along Mission Creek will adhere to the twenty-five foot setback established in the Mission Creek Ordinance, Section 28.87.250. Any drainage directed to the creek shall be in non-erosive devices with energy dissipaters at creek outfall areas.

Despite the Coastal Act and LCP policies, the City ignored the biological resources in Mission Creek, which is adjacent to Site A. The City declared that the creek is located in an urban area and that no biological resources are threatened by the development. However, the CCC rejected a similar argument made by the City with regard to the Harbor View Inn expansion, approximately one block downstream from the proposed development on site A. (See Exhibit I: California Coastal Commission Letter to the City of Santa Barbara regarding Draft MND for the Harbor View Inn addition, October 15, 1998.)

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In the Harbor View Expansion Case, the City prepared a Draft Mitigated Negative Declaration for a 14,857 square foot 15-room addition, remodel of two existing hotel rooms, and a remodeled 26-car parking lot for the Harbor View Inn along the Mission Creek Estuary. The City concluded that the creek is located in an urban area and that no biological resources are threatened by the development. CCC staff noted that the City did not include any description of the Mission Creek Estuary and its associate flora and fauna. "The Mission Creek Estuary is recognized as an environmentally sensitive habitat within the City's portion of the coastal zone." (See Exhibit I: CCC Letter, page 4.) The CCC noted that the City misinterpreted the aesthetic, biological and water resources of Mission Creek. In particular, the CCC noted that LCP Policy 1.0 which stipulates that development "adjacent to creeks shall not degrade the creek or their riparian environments" is intended to govern all development adjacent to creeks. (see Exhibit I and Exhibit J: Draft and Revised MND.) Consequently, CCC staff recommended that the Draft MND be modified to accurately reflect the aesthetic and biological resources associated with the Mission Creek Estuary, to identify mitigation measures specifically addressing the potential impacts from development, and to address the appropriate setback issue.

In this case, the City again failed to perform an adequate analysis of the impacts of the proposed Entrada project on Mission Creek with respect to setbacks and aesthetic, water and biological resources. First, the proposed development's setback from Mission Creek is unclear. When the project was first proposed, the City and the applicant proposed to merge site A and the building at 15 West Mason Street which is located between the proposed project and Mission Creek, because the proposed development on site A includes window openings which violate the Santa Barbara Building Code requirements. The City suggested that the 15 West Mason Street building could be removed as part of the flood control improvement plans for Mission Creek proposed by the Army Corps of Engineers (ACOE). In that case, the City suggested that site A would have a possible setback of forty (40) feet from Mission Creek if the historic building on 15 West Mason Street is demolished as part of an project to widen Mission Creek.

However, the 15 West Mason Street building is no longer a part of the proposed development plans, because the City determined that its removal would require the preparation of an Environmental Impact Report due to its historic nature. Regardless, the building may still be removed as part of the ACOE project and may leave a zero setback between the proposed development and Mission Creek. Moreover, the City's estimation of a 40 foot setback is not supported with actual measurements of the area. Therefore, it remains unclear whether the proposed development will have an adequate setback from Mission Creek.

Second, the City's description of impacts on aesthetic, water and biological resources for the proposed Entrada project is exactly the same description used in the Draft MND for the Harbor View Inn project and directly conflicts with the Coastal Commission's findings on lower Mission Creek. The Mission Creek Estuary provides habitat for a number of federally listed species. These include Tidewater goby (endangered), the Southern Steelhead (endangered), the Snowy plover (threatened), and the Least tern (endangered). (*Id.* at 5.) Mission Creek also

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supports valuable native vegetation, water year round and a variety of other wildlife. Moreover, the proposed development lies in the floodplain of Mission Creek. Clearly, the City is making no effort to maintain, preserve, enhance or restore the Mission Creek Estuary since it continues to ignore the resources and the impacts of the proposed development on those resources. The City's discussion of the impacts of the proposed project on Mission Creek does not reflect the resource protection policies of the City's certified LCP.

5. THE PROPOSED ENTRADA PROJECT IMPROPERLY REPLACES LOW COST RESIDENTIAL UNITS WITH TIME-SHARE UNITS

The LCP restricts re-development of the Californian Hotel in the Coastal Zone. The City's certified LCP imposes restrictions on the intensity of development in the City's Waterfront area. Pursuant to LCP Policy 5.1, rehabilitation of existing housing for all economic segments of the community shall be encouraged. LCP Policy 5.2 states that housing which provides living accommodations for persons of low and moderate income shall not be demolished unless certain circumstances exist. Even if such structures must be demolished, LCP policy 5.2 requires that "suitable replacement housing shall be found within the coastal zone, if feasible, or within the City of Santa Barbara, for persons displaced by such demolitions." The City has programs for investor-owners agreeing to rent their units to lower income households, but "[w]henver such housing must be removed, suitable replacement housing will be found for displaced households." (LCP, page 72.) Hence, the City's certified LCP prohibits the conversion of residential units to expensive visitor-serving time-share units which are twice the size of the original rooms being replaced.

The Californian Hotel has been used historically for low-cost, month-to-month rentals. In order to comply with the City's LCP policies, the City needs to fully investigate the history of these rentals and how and when the units became vacant. To date, the City has failed to perform such an analysis. This analysis is important due to the extreme lack of affordable housing in the City of Santa Barbara. The City has already lost affordable housing units in other cases, including the Virginia Hotel and the Carrillo Hotel. If the City fails to require the project applicant to pay for new single room occupancy (SRO) units, the burden of additional homelessness and the adverse health and welfare impacts of overcrowded housing will fall on the taxpayers and residents of the City of Santa Barbara. Converting the Californian Hotel from residential use to visitor-serving time-share units is a change in use. The City failed to conduct any analysis of the residential use of the Californian Hotel and thus, failed to comply with the City's certified LCP.

The City also failed to conduct an analysis of the effects of the intensification of development on site A and the project as a whole on the Waterfront area. LCP Policy 12.2 states that new developments within the City's Waterfront Area shall be evaluated as to a project's impact on the area's openness, lack of congestion, naturalness and rhythm. The proposed project includes replacing rooms from the Californian Hotel on site A with time-share units on site A, B, and C. The rooms are being replaced with rooms of three times the size of the original room and contain a kitchen. The existing rooms at the Californian Hotel range from 250 to 300 square feet.

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The time-share units in the proposed Entrada project are approximately 1,100 square feet (650 square feet constitute the primary unit and 450 square feet constitute the lock-out unit)! In addition to the existing development on the project site, the proposed Entrada project as a whole intensifies development from 38,918 square feet of existing development to over 181,000 square feet of new development! This intensification of development is inconsistent with the City's certified LCP.

E. CONCLUSION

As stated above, the proposed Entrada project is not in conformance with several LCP policies and provisions. The proposed project will negatively impact views to and from coastal areas, will cause increased traffic and congestion in the Waterfront area and adjoining neighborhoods, fails to provide adequate parking in the Waterfront area and adjoining neighborhoods, fails to address aesthetic, biological and water resources, and improperly replaces low-cost residential units with expensive time-share units and intensive development inconsistent with the City of Santa Barbara's certified LCP.

A-4-SBC-99-200

STATE OF CALIFORNIA--THE RESOURCES AGENCY

PETE WILSON, Governor

CALIFORNIA COASTAL COMMISSION

SOUTH CENTRAL COAST AREA
80 SOUTH CALIFORNIA ST., 2ND FLOOR
VENTURA, CA 93001
(805) 641-0142APPEAL FROM COASTAL PERMIT
DECISION OF LOCAL GOVERNMENTRECEIVED
SEP 02 1999Please Review Attached Appeal Information Sheet Prior To Completing
This Form.CALIFORNIA
COASTAL COMMISSION
SOUTH CENTRAL COAST DISTRICTSECTION I. Appellant(s)

Name, mailing address and telephone number of appellant(s):

<u>CAB (in care of) James E. Marino, atty.</u>		
<u>1026 Camino del Rio</u>		
<u>Santa Barbara, CA 93110</u>	<u>(805)</u>	<u>967-5141</u>
<u>Zip</u>	<u>Area Code</u>	<u>Phone No.</u>

SECTION II. Decision Being Appealed1. Name of local/port
government: The City Council of the City of Santa Barbara, California.2. Brief description of development being
appealed: The commercial development and associated public works project
within the Coastal Zone commonly referred to as "Entrada de Santa
Barbara."3. Development's location (street address, assessor's parcel
no., cross street, etc.): The intersection of State Street and Mason
Streets in the City of Santa Barbara and including portions of the
100 block of the East side of State Street.

4. Description of decision being appealed:

a. Approval; no special conditions: _____

b. Approval with special conditions: Of a coastal development permit
(Based on a Mitigated Negative Declaration
with inadequate & defective environmental
review.)

c. Denial: _____

Note: For jurisdictions with a total LCP, denial
decisions by a local government cannot be appealed unless
the development is a major energy or public works project.
Denial decisions by port governments are not appealable.TO BE COMPLETED BY COMMISSION:

APPEAL NO: _____

DATE FILED: _____

DISTRICT: _____

H5: 4/88

EXHIBIT NO. 8

APPLICATION NO.

A-4-SBC-99-200

La Entrada

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT (Page 2)

5. Decision being appealed was made by (check one):

- a. Planning Director/Zoning Administrator c. Planning Commission
b. x City Council/Board of Supervisors d. Other _____

6. Date of local government's decision: _____

7. Local government's file number (if any): _____

SECTION III. Identification of Other Interested Persons

Give the names and addresses of the following parties. (Use additional paper as necessary.)

- a. Name and mailing address of permit applicant:
William Levy, dba Santa Barbara Beach Properties, L.P.
120 El Paseo, Santa Barbara, CA 93101
and Santa Barbara Redevelopment Agency
630 Garden St., Santa Barbara, CA 93101

b. Names and mailing addresses as available of those who testified (either verbally or in writing) at the city/county/port hearing(s). Include other parties which you know to be interested and should receive notice of this appeal.

- (1) League of Women Voters Citizens Planning Assn. of Santa Barbara
& Tanva Gulesserian
906 Garden St., Santa Barbara, CA 93101

- (2) City of Santa Barbara
735 Anacapa St.
Santa Barbara, CA 93101

- (3) _____

- (4) _____

SECTION IV. Reasons Supporting This Appeal

Note: Appeals of local government coastal permit decisions are limited by a variety of factors and requirements of the Coastal Act. Please review the appeal information sheet for assistance in completing this section, which continues on the next page.

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT (Page 3)

State briefly your reasons for this appeal. Include a summary description of Local Coastal Program, Land Use Plan, or Port Master Plan policies and requirements in which you believe the project is inconsistent and the reasons the decision warrants a new hearing. (Use additional paper as necessary.)

These Appellants are agrieved by and are appealing those portions of the project approval which permit reduction and obstruction of coastal access to the public in violation and contradiction to the terms of sections 30252 and 30253 of the California Coastal Act and the policies of the City of Santa Barbara 1994 amended Coastal Plan as set out in components 4 & 5 (pages 10-11), ISSUES and POLICY GROUPS (set out on pages 15-17) and various general and specific policies for the coastal zone 1.1 to 12.2 set out on

(CONTINUED ON ADDITIONAL PAGE)

Note: The above description need not be a complete or exhaustive statement of your reasons of appeal; however, there must be sufficient discussion for staff to determine that the appeal is allowed by law. The appellant, subsequent to filing the appeal, may submit additional information to the staff and/or Commission to support the appeal request.

SECTION V. Certification

The information and facts stated above are correct to the best of my/our knowledge.

James E. Marino
James E. Marino

Signature of Appellant(s) or
Authorized Agent

Date 2 September 1999

NOTE: If signed by agent, appellant(s) must also sign below.

Section VI. Agent Authorization

I/We hereby authorize James E. Marino to act as my/our representative and to bind me/us in all matters concerning this appeal.

Scott Wenz
Scott Wenz, President, CAB
Signature of Appellant(s)

Date 2 September 1999

SEE ATTACHED SIGNATURE PAGES FOR ADDITIONAL APPELLANTS

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT

(Page 4)

IV. (continued)

pages 18 to 193, including but not limited to all policies which impact and affect, public access, circulation, transportation, as well as parking, all within the coastal zone and the sphere of influence of the proposed development along the waterfront areas, and Goals 2 through 14 of the circulation element of the City of Santa Barbara. In addition, the concurrent public works project is also violative of the Coastal Act and the policies and goals of the Coastal Plan of the City of Santa Barbara, and the circulation elements as set out above. In addition to the above violations of law and conflicts in policy this project has, as set out above, this proposed project is also violative of the California Environmental Quality Act as it applies to areas of the coastal zone in that the environmental review which resulted in an erroneous mitigated negative declaration was deficient and based on erroneous contrived and incomplete information and it failed to adequately address or mitigate serious and significant matters within the coastal zone which negatively impact and affect both residents and users of the coastal zone and waterfront areas.

RESOLUTION NO. 99-098

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA DENYING THE APPEAL AND UPHOLDING THE DECISION OF THE PLANNING COMMISSION TO APPROVE THE FINAL MITIGATED NEGATIVE DECLARATION AND TO APPROVE THE ENTRADA DE SANTA BARBARA PROJECT.

EXHIBIT NO. 9

APPLICATION NO.

A-4-SBC-99-200

La Entrada

WHEREAS, a development application was received and processed by the City at the request of Santa Barbara Beach Properties, L.P., (hereinafter the "Owner" or the "Applicant") for the real property located at 20-120 State Street, 15 East Mason street, 125 State street, and the State Street Right-of-Way between the Mission Creek Bridge and the Union Pacific Railroad Right-of-Way; APNs 033-102-003, -004 and -014; 033-111-001, -002 and -003; 033-081-003, -004, -005, and -010; and 033-010-004 (hereinafter referred to as the "Real Property"); HRC-II (Hotel and Related Commerce) and SD-3 Coastal Zones; General Plan Designation: Hotel and Commerce/Buffer (designated Master Application No. MST 97-0357 - hereinafter referred to as the "Project");

WHEREAS, the proposed Project involves the private redevelopment of three major blocks of real properties at the intersection of State Street and Mason Street with a total of 17,532 square feet of commercial retail uses and 81 vacation ownership ("time-share") units described in more detail as follows: The 81 vacation ownership units each have a separately usable "lockout unit," thereby providing for the possibility of a total of 162 transient lodging units. A total of 210 parking spaces are proposed, including a 145-space parking structure south of the railroad right-of-way between State Street and Helena Avenue.

WHEREAS, with the permission of the City, certain public right-of-way alterations are also proposed, including a reconfiguration of on-street parking on Mason Street and Helena Avenue, a widening of the sidewalk and narrowing of the State Street roadway along the project frontage consistent with the State Street Plaza design north of U.S. Highway 101, and other alterations. These alterations are proposed in cooperation with the Redevelopment Agency to allow for the consistent development of the portion State Street between the railroad right-of-way and Cabrillo Boulevard in a manner consistent with the Redevelopment Agency's projects on other portions of State Street. A traffic signal is also proposed at the intersection of State Street and Mason Street. A 2,500 sq. ft. public Visitor Information Center (the "VIC") is also proposed within the proposed project (in addition to the 17,532 sq. ft. of commercial uses) along State Street adjacent to the railroad tracks in cooperation with the City Redevelopment Agency. The proposed VIC would provide its required parking within

the City-operated surface parking lot previously approved for 125 State Street as part of the Coastal Development Permit for the Redevelopment Agency's Railroad Depot Improvement Project.

WHEREAS, the City discretionary applications required for the project are:

1. A Development Plan to allow for the proposed non-residential development of approximately 132,000 sq. ft. for commercial and vacation-ownership use.
2. A recommendation from the City Planning Commission to the City Council to allow for a maximum of 2,500 sq. ft. of non-residential development to be permitted under the Community Priority category of City Charter Section 1508 (Measure E) for the proposed Visitor Information Center (SBMC §28.87.300) and action by the City Council to approve the Community Priority designation.
3. A transfer of Existing Development Rights to allow for the internal transfer of existing development rights among the three proposed project site in accordance with Chapter 28.95 of the Santa Barbara Municipal Code.
4. A Tentative Subdivision Map for the sites designated Sites A, B, and C to allow for the creation of condominiums for vacation-ownership and commercial purposes in accordance with Chapter 27.07 of the Santa Barbara Municipal Code.
5. A Coastal Development Permit pursuant to the state Coastal Act (CDP99-0013) to allow for the proposed development within the appealable (Entrada Site A) and non-appealable (Entrada Sites B and C, including the Visitor Information Center) jurisdictions of the Coastal Zone, and the proposed State Street right-of-way alterations within the appealable jurisdiction of the Coastal Zone under Section §28.45.009 of the Santa Barbara Municipal Code.
6. A Zoning Ordinance Modification to provide less than the 232 parking spaces required by the Municipal Code for the proposed Entrada de Santa Barbara project pursuant to Santa Barbara Municipal Code §28.92.026 (A)(1).
7. A Zoning Ordinance Modification to allow for encroachments into required building setbacks along State Street, Mason Street, and Helena Avenue pursuant to Santa Barbara Municipal Code §28.92.026 (A)(2).
8. A Zoning Ordinance Modification to allow for interior alterations to the fourth floor of the existing Californian Hotel, a portion of an existing non-conforming building which exceeds the 45-foot height limit required by City Charter Section 1506 pursuant to Santa Barbara Municipal Code §28.92.026 (A)(5).

WHEREAS, the City Planning Commission, after extensive public hearings on the project application, took public comment, heard, considered, and adopted a Mitigated Negative Declaration prepared for the project (ENV97-0452) pursuant to the guidelines of the California Environmental Quality Act, California Administrative Code Section 15074.

WHEREAS, the Planning Commission held the required public hearing on the above referenced application and it approved the project and the specific development applications requests made in connection with the Project on July 1, 1999 as described in more detail in Planning Commission Resolution 047-99 and in the Planning Division staff reports provided to the Commission in connection with this decision.

WHEREAS, the following detailed exhibits were presented for the record to the Planning Commission in support of its decision and are also concurrently presented to the City Council in connection with this decision:

1. The City Staff Planning Commission Reports with Attachments dated June 24, 1999, July 1, 1999;
2. A Site Plan for the Project;
3. All letters in support and in opposition to the Project Application as listed in the May 27, 1999 and June 24, 1999 Minutes of the Planning Commission.

WHEREAS, the proposed Entrada de Santa Barbara project description is now more specifically described as a result of the changes made through the public, City staff and Commission review process before the City Planning Commission and this more detailed description is contained in the original Project Description portion of the Initial Study and the Draft Mitigated Negative Declaration dated May 5, 1999.

WHEREAS, the Second Revision to the Initial Study and Draft Mitigated Negative Declaration which was considered by the City Planning Commission on May 27, 1999 indicated that Project Description had been revised to include open plaza areas and paseos, view corridors, additional landscape features, design amenities, undergrounding of utilities, street improvements, building facade and building height variations, and additional building setbacks as directed and requested by the City Planning staff, the City Planning Commission and the City Historic Landmarks Commission.

WHEREAS, City Planning staff and the Planning Commission received numerous comments from May 7, 1999 to June 7, 1999, both in writing and during a public comment hearing held on May 27, 1999 on the revised Project Description and the Mitigation Measures of the draft Mitigated Negative Declaration.

WHEREAS, on June 24, 1999, the Planning Commission again took

extensive public testimony and comment, both written and oral, and it considered the possible adoption of the Mitigated Negative Declaration in light of further project revisions, as indicated on revised plans submitted June 8, 1999.

WHEREAS, the Applicant has provided the Planning Commission and City staff with further Project Description revisions as indicated on the revised plans dated June 28, 1999 in response to Staff and Commission comments during the June 24, 1999 hearing and all previous hearings.

WHEREAS, the City Council has been presented with a detailed and comprehensive staff report (along with the mitigated negative declaration) and with additional supporting documentation and studies as attachments which staff report is dated as of August 6, 1999 and was prepared by the staff of the Community Development Department's Planning Division which report is incorporated herein by this reference as though fully set forth herein;

WHEREAS, the City Council has had available for review and full consideration, in the City Council's Reading File, numerous studies, reports, memorandums, and letters in connection with the Project, in particular, the possible environmental effects of the Project, as such studies, reports, etc., are listed in the attached Exhibit B and the Council has reviewed and considered the evidence and finding contained in such reports and studies to the extent necessary to support the findings and determination made herein;

WHEREAS, such Reports and Studies (as listed in Exhibit B) have also all been available for public review and comment and there have been extensive public comment and testimony on such matters;

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Santa Barbara as follows:

I. Approval of Recitals. The above stated recitals are true and correct and accurately reflect the determination and scope of review conducted by the City of Santa Barbara with respect to the Project.

II. Findings and Determinations. The Project is approved making the following express findings and Council determinations:

A. Environmental Findings.

1. Findings for Adopting the Mitigated Negative Declaration under the California Environmental Quality Act (CEQA Guidelines 15074):

a. After reading and considering the Initial Study, the revised Initial Study, the second revision to the Initial Study/Mitigated Negative Declaration (in particular the revisions to the Project Description through the date the Planning Commission July 1, 1999 approval), all public and

City staff comment (both written and oral), the proposed Mitigation Measures and the Mitigation Monitoring Program, the City Council hereby finds and determines that, on the basis of the entire record before the Planning Commission and now before this City Council, there is no substantial evidence that the Project will have a significant adverse effect on the environment.

b. The City Council further finds and determines the Mitigated Negative Declaration and the Mitigation Measures required therein reflects the Council's independent judgment and analysis based on the entire record available to the City Council.

c. All relevant studies, reports, documents, submittals, plans, designs and other related materials with respect to the Project and the Mitigated Negative Declaration are within the custody of the City's of Santa Barbara's Community Development Department (with the City's Plan Check/Records Supervisor acting as the custodian of records) located at 630 Garden Street, Santa Barbara, California 93101 and open and available during regular business hours Monday through Friday.

d. Pursuant to CEQA Guidelines Section §15074 for the California Environmental Quality Act, the City Council adopts the Mitigated Negative Declaration (ENV97-0452) for the Project, as revised in connection with the public hearings held on this matter and as described herein, including specifically the Mitigation Measures and the Mitigation Monitoring Program.

2. Findings for Exemption from Fish & Game Code Requirements.

a. An Initial Study was conducted by the City which evaluated the potential for the Project to result in adverse effect, either individually or cumulatively, on wildlife resources. (For this purpose, wildlife is defined as "all wild animals, bird, plants, fish, amphibians, and related ecological communities, including the habitat upon which the wildlife depends for its continued viability." Section 711.2 Fish and Game Code.)

b. There is no evidence that the Project would have any potential for adverse effect on wildlife resources because it is located in a developed, urbanized area.

c. The City Council has read and considered the Final Mitigated Negative Declaration (ENV97-0452) and finds that there is no substantial evidence that the project will have a significant effect on the environment.

B. Project Findings.

1. With Respect to the Requested Modifications (SBMC §28.92.026):

a. **Parking or Loading Requirements.** The modification will not be inconsistent with the purposes and intent of the City's Zoning Ordinance (Title 28 of the Santa Barbara Municipal Code) and will not cause an increase in the demand for automobile parking space or loading space in the immediate area. As outlined in more detail in the Second Revision to the Initial Study, the proposed project would provide sufficient parking to adequately meet the project's anticipated current and future demand.

b. **Yard, Lot, and Floor Area Requirements.** A modification is consistent with the purposes and intent of the Zoning Ordinance and is necessary to (i) secure an appropriate improvement on a lot, or (ii) prevent unreasonable hardship, (iii) promote uniformity of improvement or (iv) construct a housing development which is affordable to very low-, low-, moderate-, or middle-income households. The proposed project includes variations in building facades and setbacks, as well as open public paseo and plaza areas which offset concerns related to the size, bulk, and scale of the Project relative to the proposed setback encroachments necessary for the Project.

c. **Alteration of Non-conforming Building Within the Area Exceeding Height Limitation.** The modification being granted will increase neither the height nor will it increase the floor area of any portion of the building or structure that exceeds the building height limit, except as otherwise allowed in the City Zoning Ordinance. The proposed alterations to the non-conforming fourth story portion of the Californian Hotel will provide aesthetic enhancements to the building, and help preserve a historic building by making improvements to continue its economic viability and use and to avoid its demolition and the loss of a potentially significant historic structure and architectural resource.

2. Coastal Development Permits under Section §28.45.009.6(H) of the Santa Barbara Municipal Code:

a. The Project is consistent with the goals and policies of the California Coastal Act of 1976.

b. The Project, with the recommended conditions of approval contained herein, complies with Coastal Act provisions related to protection of public visual resources and by encouraging visitor-serving coastal uses.

c. The Project is consistent with all applicable policies

of the City's Coastal Plan as certified by the state Coastal Commission, all applicable implementing guidelines, and all applicable provisions of the City Municipal Code.

d. The Project, as conditioned, is consistent with Local Coastal Plan ("LCP") policies regarding visual resources, visitor-serving uses, and circulation. The Project, as conditioned, meets all applicable Municipal Code requirements, including the requirements for Modifications.

3. Development Plan Approval pursuant to Santa Barbara Municipal Code §28.87.300.

a. The Project, as conditioned, complies with all provisions of the City's Zoning Ordinance. The project meets all applicable requirements of the City's HRC-2 Zoning designation, and it meets the required criteria for modifications allowed by Zoning Ordinance; and

b. The Project, as conditioned and as now mitigated in the Project Description, is consistent with the principles of sound community planning. The Project, as conditioned, provides for a mixed use visitor-serving development in an enhanced pedestrian environment, and would provide needed aesthetic improvements to this area of lower State Street, including open plaza areas, high quality architecture and landscaping, and undergrounding of utilities. The Project would also provide an important visual and functional link between the City's Downtown and the City's Waterfront and Harbor areas through the proposed land use and circulation improvements, and through the economic revitalization of this area of State Street and the surrounding neighborhoods; and

c. The proposed development will not have a significant adverse impact upon the neighborhood's aesthetics and character in that the size, bulk, and scale of the Project will be compatible with the neighborhood. The size, bulk, and scale of the Project, as conditioned, would be appropriate for the neighborhood, given the variations in building height, façade, and massing, along with the provision of open plaza and paseo areas and view corridors to the mountains; and

d. The Project will not have a significant unmitigated adverse impact upon the City's or the South Coast's affordable housing stock. The Project would only generate an estimated seven net new employees. Moreover, the

Project will create substantial property tax increment revenues, a large portion of which will be used by the City Redevelopment Agency to foster and encourage affordable housing in connection with the Agency's Central City Redevelopment Project Area both within the Project Area and within the City generally; and

e. The Project will not have a significant unmitigated adverse impact on the City's water resources. The Project site is located in an urban area, and is served by existing utilities which utilities have the present and anticipated capacity, now and in the future, to properly and adequately serve the Project without adversely impacting such resources. As a result, as discussed in more detail in the Second Revision to the Initial Study, the Project will not have a significant impact on the City's water resources; and

f. The proposed development will not have a significant unmitigated adverse impact on the City's traffic. As discussed in the Second Revision to the Initial Study, the proposed project is anticipated to generate fewer vehicular trips than the existing conditions, and the proposed alterations to State Street are not anticipated to have a significant impact on City traffic; and

g. The necessary traffic and other circulation resources will be available and the needed traffic improvements will be in place at the time of project occupancy. The proposed State Street alterations will be completed in conjunction with the proposed project, as part of the Project and as conditions of the issuance of permits for the Project.

4. Transfer of Existing Development Rights Pursuant to Santa Barbara Municipal Code Section 28.95.060.

a. The proposed sending and receiving sites utilized by the Project within the proposed Site are consistent with Zoning Ordinance Requirements, General Plan provisions regarding the openness and visual character of the Lower State Street area, and LCP provisions regarding visual resources.

b. The proposed developments with the internal TEDR for the Project will not be detrimental to the site(s), neighborhood or surrounding areas of State Street. The proposed land uses and scale of the project, as conditioned, are compatible with the surrounding neighborhood; and

c. The floor area of proposed non-residential development on the Project receiving site does not exceed the sum of the amount of Existing Development Rights transferred when added to the amount of Existing Development Rights on the receiving site, and does not exceed the maximum development allowed by the applicable zoning of the receiving site. The project is consistent with this requirement; and

d. Each of the proposed non-residential developments on the respective internal sending site(s) and receiving site(s) of the Project will meet all standards for City review as set forth in Section 28.87.300.E of the Santa Barbara Municipal Code and all provisions of Chapter 28.95 of the Santa Barbara Municipal Code, and will comply with any additional specific conditions for a transfer of development rights approval. The Conditions of Approval for the Project include all requirements for an appropriate TEDR approval; and

e. The Development remaining, or to be built on the sending site is appropriate in size, scale, use and configuration for this neighborhood of State Street and is beneficial to the local community.

5. For Approval of the Tentative Map Pursuant to Section 27.07.100 of the Santa Barbara Municipal Code.

a. The tentative subdivision map is consistent with the General Plan and the Zoning Ordinance of the City of Santa Barbara. The proposed project, as conditioned, is consistent with the Zoning Ordinance requirements, General Plan provisions regarding openness, visual character, and circulation within the Lower State Street area, and consistent with the City's LCP provisions regarding visual resources.

II. The Conditions of Approval. The City Council's approval of this Project is subject to the express conditions attached hereto as Exhibit A - the "Entrada De Santa Barbara Conditions of Approval" dated as of August 10, 1999.

Adopted August 17, 1998

ENTRADA DE SANTA BARBARA
CONDITIONS OF APPROVAL

AUGUST 10, 1999

EXHIBIT NO. 10
APPLICATION NO.
A-4-SBC-99-200
La Entrada

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A. Prior to the issuance of any building permit for the Project on the Real Property, the following conditions shall be imposed on the use, possession and enjoyment of the Real Property and shall be recorded by the Owner with the Final Map on an "Agreement Relating to Subdivision Conditions Imposed on Real Property" which shall be reviewed as to form and content by the City Attorney, Community Development Director, and Public Works Director:

1. Owner shall provide for the uninterrupted flow of water through the Real Property including, but not limited to, swales, natural water courses, conduits, and any access road as appropriate. Owner is responsible for the adequacy of any drainage facilities and for the continued maintenance thereof in a manner which will preclude any hazard to life, health, or damage to the Real Property or any adjoining property.

2. Owner shall record an Agreement Assigning Water Extraction Rights to assign to the City of Santa Barbara the exclusive right to extract water from under the Real Property. Said assignment and any related agreements are subject to the review and approval of the City Attorney and the Public Works Department prior to recordation.

3. Owner shall comply with the Landscape Plan as approved by the Historic Landmarks Commission (HLC). Such plan shall not be modified unless prior written approval is obtained from the HLC. The landscaping on the Real Property shall be provided and maintained in accordance with said landscape plan.

4. The development of the Real Property (the "Project") is limited to that project description and development and site plan approved by the Planning Commission on July 1, 1999 more specifically described as 17,532 sq. ft. of non-residential building area, a 2,500 sq. ft. Visitor Information Center, 81 two-bedroom vacation ownership units (including lock-out units), and the improvements shown on the Tentative Subdivision Map/Development Plan signed by the chairman of the Planning Commission on said date and on file at the City of Santa Barbara.

5. Exterior lighting, where provided, shall comply with the City's Lighting Ordinance and shall be of low intensity in order to provide aesthetically pleasing

lighting which promotes safety, but shall not impose on adjacent properties and uses. No floodlights shall be allowed. Lighting shall be directed toward the ground.

6. Owner or all employers shall contact the Metropolitan Transit District (MTD) to purchase bus passes or the equivalent for their employees. These passes shall be provided free of charge to employees who request them for travel to and from work. Notice of the free passes shall be provided to existing employees and new employees when they are hired.

7. Notice of MTD bus routes and schedules shall be placed and maintained up-to-date in a central (public) location accessible to employees and time-share residents.

8. Employees shall be made aware of the Ride-Sharing Program or similar successor programs administered by the Santa Barbara County Association of Governments or successor agency. The Owner and/or all employers shall have all employees registered semi-annually in the Ride-Sharing Program and shall make every effort to encourage participation in the program.

9. Parking lot sweeping and trash pickup operations shall be prohibited on the project site between the hours of 10:00 p.m. and 7:00 a.m.

10. A total of 33 bicycle parking spaces shall be provided and maintained on the project site.

11. The Owner shall record express requirements imposed on the owner(s) of the time-share estates (or their operator or agents) which assure full compliance with the requirements of the City's Transient Occupancy Tax ordinance (SBMC Chapter 4.08 as presently adopted or subsequently amended) including, but not limited to, the following requirements:

a. For the reporting to the City Finance Director of all transient occupancy revenues from the time-share units (whether primary or "lock-out" type).

b. For the collection of the applicable Transient Occupancy Tax, including any applicable late penalties.

c. For the prompt timely payment of such taxes and applicable penalties to the City.

d. A methodology for establishing, to the City's reasonable satisfaction, when a time-

share unit (whether primary or "lock-out" type) has been occupied by an owner, a member of the owner's immediate family, or a non-paying guest of the owner under circumstances where no monetary consideration accrues to the owner as a result of the guest's or family member's occupancy and, therefore, S.B.M.C. Chapter 4.08, as currently enacted, does not apply to the occupancy.

e. A methodology for establishing the daily fair market rent paid as a result of the occupancy of a time-share unit (whether primary or "lock-out" type) by a non-owner where the occupancy is not a result of the payment of cash consideration.

f. Appropriate record keeping requirements sufficient to allow the City to audit the time-share owners (or the operator or agents thereof) for compliance with the City's Transient Occupancy Tax Ordinance; and

g. The Owner will expressly acknowledge that the above-stated Transient Occupancy Tax conditions are for the express purpose of enforcing the reporting and collection of the City's Transient Occupancy Tax as such tax is enacted on the date of the approval of Owner's Project.

h. Owner shall also expressly acknowledge that the City Council of the City may, through an amendment to Chapter 4.08, extend the applicability of the Transient Occupancy Tax to the occupancy of its time-share units by the owners of such units (including non-paying family members and guests). The Owner will further acknowledge that, should such an amendment to Chapter 4.08 be enacted, the provisions of the above-referenced agreement with respect to the record keeping, reporting, and collection of City Transient Occupancy Taxes will apply with equal force to the occupancy of time-share units by the owner thereof, members of the owner's family and non-paying guests of the owner.

12. The Owner shall enter into an agreement with the City with respect to the permanent availability of 48 off-street parking spaces for use by the general public on a non-preferential basis (i.e., without preference to patrons, employees, or tenants of the Project or the time-share units) in a manner consistent with the retail parking program of the City. Such agreement shall be

recorded at the Office of the County Recorder, and include, but not be limited to:

a. Conditions of operation which assure that the public parking will have an initial period of free parking at least equal to the period of free parking offered by the City at the majority of its Central Business District public retail parking facilities.

b. Conditions which require an hourly parking, rate structure for the public parking which is not greater than that charged by the City at the majority of its Central Business District parking facilities.

c. A waiver of the right to protest the extension of the City's Parking and Business Improvement Area Assessment (SBMC Chapter 4.37) should the City choose to extend its application to the area of the Project.

13. All Existing Development Rights for the sending and receiving sites, measured by number of hotel rooms and square feet of floor area, shall be clearly and accurately designated on the sending and receiving site development plans pursuant to SBMC §28.95.070.B.2. The legal instrument by which the Existing Development Rights are to be transferred shall be reviewed and approved by the City Attorney and the Community Development Director pursuant to SBMC §28.95.070.B.3 and recorded with the County Recorder. Proof of the elimination of the transferred floor from the sending site area shall be reviewed and approved by the Community Development Director prior to recordation of the transfer instrument pursuant to SBMC §28.95.070.B.4. Proof of recordation and proof of elimination of the Existing Development Rights on the sending site shall be submitted to the Community Development Director pursuant to SBMC §28.95.070.B.5.

14. The proposed vacation-ownership units shall be marketed as time-share units (as defined by California Business and Professions Code Section 11003.5) in accordance with a sales/marketing plan to be submitted to the City and approved by the Community Development Director and the City Attorney, prior to the recordation of the Final Subdivision Map for the project. The sales/marketing plan shall include, but not be limited to, the times, areas, and methods used to sell the vacation ownership time-share units, marketing methods to be used, on-and off-site marketing and signage, and provisions for re-sale of units. The sales/marketing plan shall also include provisions to ensure that no sale or

re-sale of interest in the project shall allow for any occupancy of one primary unit and/or lock-out suite by owner or other occupant in excess of 30 consecutive days.

15. The applicant shall provide a time-share-marketing contingency and conversion plan outlining actions to be taken by the applicant if 50 percent of the time available to be sold for the vacation-ownership estates fails to sell within two years of the issuance of a Certificate of Occupancy for the first unit. This plan shall include enforceable mechanisms to ensure compliance with the contingency and conversion plan or appropriate conversion of the remaining units to another viable land use to the satisfaction of the Community Development Director. This plan shall be subject to review and approval by the Community Development Director and City Attorney. Any conversion proposed pursuant to this plan shall be subject to review and approval by the Planning Commission.

16. The plaza, paseo, and courtyard areas, and access to the parking structure, as shown on the approved plans, are to remain open and available for public use. If security issues related to the plaza, paseo, or courtyard areas arise, the Owner may propose alternatives to keeping these areas open to the public, and any change in this regard shall be subject to review and approval of the Planning Commission.

17. All deliveries to the Project premises shall be scheduled for times outside of the evening 4-6 p.m. peak traffic hours.

18. A Visitor Information Program shall be prepared and implemented to provide information to vacation ownership unit occupants prior to arrival at the project. The program shall be subject to review and approval by the Community Development Department and the Transportation Planning Division and shall include, but not be limited to:

a. A means of providing train, bus, time-share shuttle and airline schedules and maps to prospective vacation ownership unit guests.

b. A means of providing vacation ownership unit guests with information on the availability of valet parking upon check-in, alternative transportation modes, schedules,

and maps of access to the Central Business District, beach area and other local and regional points of interest. In addition, the vacation ownership unit operator shall contact the Metropolitan Transit District to purchase bus and/or shuttle passes or tokens for hotel guests. The availability of these passes shall be made known to all guests.

c. Advertisement for and solicitation of meetings and other events which includes explanation of the City's clean air and energy reduction goals, and an explanation of the benefits of using alternative transportation modes.

d. A means of coordinating special events with the City so that appropriate traffic controls, rerouting and timing of events can be achieved.

e. Provisions for optional valet parking at registration/check-in.

19. The Owner shall provide a plan for the retention of the existing coastal recreational uses (i.e. bike and kayak rentals) on the subject property prior to issuance of a demolition, grading, or building permit for the project. This plan shall be subject to review and approval by the Community Development Director.

20. The Owner shall provide shuttle service to the Santa Barbara Airport and Railroad Depot for arriving and departing vacation ownership unit occupants.

B. The Owner shall submit the following or evidence of completion of the following to the Public Works Department prior to recordation of the Final Map:

1. Owner shall provide Improvement Plans for construction of improvements on State Street, Mason Street, and Helena Avenue as such improvements are generally indicated on the Tentative Subdivision Map, the Plans approved by the Planning Commission, and these conditions of approval. Improvements shall include, but are not limited to, curbs, gutters, sidewalks, driveways, City-approved pavement on aggregate base, pavement striping, underground utilities, street lights with underground

wiring, appropriate directional and regulatory traffic control signs, extension and/or replacement of City utility mains, sewer system, water system, and drainage system, including adequate positive drainage. The improvement plans shall include the road narrowing transition improvements to accommodate the proposed reduction in traffic lanes on State Street. Improvements shall also include relocated bus pockets near the intersection of State and Mason Streets and public improvements as indicated on the Tentative Map and project plans approved by the Planning Commission. A copy of the Conditions of Approval shall be placed on the Improvement Plans. The Improvement Plans shall be prepared by a registered Civil Engineer and reviewed by the City Engineer, the Transportation Manager, and shall be signed by the City Engineer.

The Owner shall indicate on the Improvement Plans that all existing utility mains that were installed more than ten years ago beneath all new "Enhanced Pavement" areas including sidewalks, as indicated on the Tentative Map and plans approved by the Planning Commission, shall be replaced with new pipe prior to the placement of the enhanced pavement. Proposed Enhanced Pavement materials shall be reviewed and approved by the Public Works Department and the Historic Landmarks Commission.

The Improvement Plans shall also include the following items, subject to review and approval by the Public Works Department:

- a. The crosswalks at the intersection of State and Mason shall be configured to match the State Street Plaza design per the approval of the Public Works Director and Historic Landmarks Commission.

- b. The width of Mason Street where parking is provided on both sides shall be 36 feet (two 8-foot wide parking lanes, two 10-foot wide travel lanes) to allow for two feet of additional sidewalk on each side of Mason Street.

- c. The Mason Street crosswalks at the intersection of State Street shall remain 24 feet wide to accommodate vehicles turning right. The width of the Mason Street mid-block crossing shall remain 20 feet wide.

- d. The curb cut on State Street, parallel to the existing Channel Islands Surf Shop (29 State Street), shall be reduced such that it does not provide service to Site A. e. The striping for parallel parking on Mason Street

shall be omitted.

f. The southbound right-turn pocket at State and Mason shall be lengthened so that southbound vehicles from Be Bop Burger (111 State Street) enter on State Street in the right turn pocket.

g. The Owner shall reconstruct Helena Avenue south of Mason Street to the south end of the property frontage. The sidewalk and roadway shall be concrete. The improvements shall include: (i) a transition between the proposed project improvements and existing conditions, and the transition shall extend south of the subject property frontage; and (ii) associated drainage improvements; all to the satisfaction of the Public Works Department.

h. Owner shall provide plan and profile sections of all underground pipes and drainage structures on the public right-of-way plans. The drainage improvements shall convey the 25-year storm event.

i. The Owner shall incorporate stormwater drainage pollution prevention best management practices in the design of the proposed stormwater drainage conveyance system to ensure the protection and preservation of Mission Creek. Such drainage improvements shall be subject to review and approval by the Public Works Department and Community Development Department. The design drawings shall also incorporate temporary stormwater pollution prevention mechanisms similar to the National Pollution Discharge Elimination System (NPDES) "Construction Activity" Best Management Practices. If required, the Owner shall obtain any required NPDES permits from the Regional Water Quality Control Board.

2. The Owner shall submit to the Public Works Department a Final Map prepared by a licensed Land Surveyor or registered Civil Engineer.

3. Owner shall provide an Executed Agreement for Land Development Improvements and improvement security for construction of improvements.

4. The Owner has submitted an application for a Substantial Encroachment Permit to the City for the arcade encroachment on Mason Street. There shall be no private use or occupation of the encroachment. The

encroachment shall be reviewed for approval by the City Council. If the Substantial Encroachment is approved, the Owner shall provide a separation distance of two-feet from the curb to the arcade encroachment.

5. The Owner shall enter into an agreement to maintain all enhanced roadway pavement within and adjacent to the proposed pedestrian crossings and the intersection of State and Mason Streets. The agreement shall be reviewed and approved by the City Attorney and the Public Works Director, and shall be recorded in the Office of the County Recorder.

C. The Owner shall submit the following or evidence of completion of the following to the Public Works Department prior to issuance of a Public Works Permit or Building permit for the Project.

1. The Owner shall obtain Minor Encroachment Permit(s) from the Public Works Department for encroachment and continued maintenance of any private improvements or enhanced pavement materials, that are dissimilar to the City approved enhanced paving materials, which extend from the subject property into the public right-of-way at the locations of plazas and paseos.

2. To the maximum extent feasible, the Owner shall underground all overhead utilities, including transmission and distribution lines, fronting and within the subject property, exclusive of those overhead utilities which cross the UPRR right-of-way. The Owner shall contact all public utility companies that have mains and services on State Street, Mason Street, and Helena Avenue, and provide a written request to the public utility companies for an analysis of their existing utilities to see if any main or utility service are aged and require replacement prior to restoration of construction within the public right-of-way. The Owner shall make allowance for and accommodate the utility companies in performing any utility main or service replacement work. The Owner shall submit a completed Underground Utility Personnel Contact Sheet to the Land Development Engineer.

3. As provided by SBMC §27.08.025, prior to the issuance of a certificate of completion for the Entrada development improvements, all overhead utilities on the west side of Helena Avenue between Mason Street and Cabrillo Boulevard, including the overhead utilities and existing utility poles shown to be removed as shown on sheet DP 1.6 of the plans approved by the Planning Commission, shall be placed underground at the applicant/developer's expense provided, however, that the undergrounding of the existing utility services to adjacent properties on Helena Avenue which are served by the utility lines indicated to be removed on the approved plans is contingent upon the execution of a license

agreement, between each of the affected adjacent property owners and the applicant, for entry on property or work on adjacent buildings owned by adjacent property owners for the purposes of accomplishing the undergrounding of their utility service connection, which license agreement shall be in a form acceptable to the City Engineer and the City Attorney.

Should the agreement fail to be executed by all affected adjacent property owners within sixty (60) days following approval of the form of the agreement by the City Attorney, the applicant shall be relieved of the obligation to underground utilities that serve the affected properties on Helena Avenue. The Owner shall provide for building guy anchors to secure any remnant utility poles associated with the project undergrounding activities to the satisfaction of the utility pole owner.

4. Coordinate all proposed abandonment of City utilities, structures and meters within the public right-of-way with the Public Works Department Utility Supervisors (805) 564-5409.

5. The Owner shall submit to the Public Works Department a video camera inspection of the existing State Street storm drains, downstream of the subject property. An inspection report or video shall be submitted to the Land Development Engineer. If obstructions or deficiencies are found in the storm drainpipes, the Owner shall rectify obstructions and/or deficiencies to the satisfaction of the Public Works Department.

6. Along the property frontage of Mason Street and Helena Avenue, the Owner shall remove existing concrete curb and replace with sandstone curb as required by the Historic Landmarks Commission. The existing deteriorated or substandard sandstone curb shall be replaced or restored to City standards. Restoration and replacement with sandstone curb shall include new City standard concrete gutter at locations determined appropriate by the Public Works Department. New City standard curb drains shall be provided to convey roof drainage under sidewalks to the street.

7. The existing street address and contractor names within the existing concrete sidewalk shall be protected and preserved, subject to review and approval by the Historic Landmarks Commission.

8. The Owner shall provide State Street Decorative style streetlights along State Street, Mason Street, and Helena Avenue fronting the subject property, as required by the Public Works Facilities Superintendent. Existing light standards may be relocated if approved by the Public Works Facilities Superintendent. The new streetlights

shall be metered. The street light standards shall be "Awlgrip 2" epoxy paint coated, or equivalent, as approved by the Public Works Facilities Superintendent. Along the subject property street frontage, the Owner shall retire all existing street lights located on existing utility poles. The Owner shall coordinate all street light related improvements with the Public Works Facilities Superintendent (805) 564-5415. All existing light standards which are relocated must be coated with 'Awlgrip 2' epoxy paint or equivalent as approved by the Facilities Construction Superintendent, to match in kind the coating of the new light standards. All street light alterations shall be subject to review and approval by the Historic Landmarks Commission.

9. The Owner's contractor shall coordinate all public improvements with any adjacent contractors performing similar work in the vicinity specifically for the narrowing of State Street-related improvements.

10. The Owner's representative shall meet with the City Police Department Crime Analyst to determine how lighting, locking mechanisms, egress and fencing can be designed and installed so as to reduce the potential number of calls for police service from occupants of the Real Property.

11. The Owner shall create a sign program and install signage for the public rights-of-way within the immediate vicinity of the project site addressing the needs of motorists, bicyclists, pedestrians, transit users, and quadricycle users. This plan shall be subject to review and approval by the Transportation Planning Manager, the Sign Committee and the Historic Landmarks Commission (and/or Sign Committee in lieu of HLC as determined by the Community Development Director).

D. Prior to the recordation of the Final Subdivision Map for the Project, the Owner shall enter into a written Owner Participation Agreement with the Redevelopment Agency of the City of Santa Barbara, in a form and content acceptable to the Agency Executive Director and Agency Counsel, which provides for the following;

1. The construction, as part of the Project, (at the location shown in the approved plan) of a commercial condominium structure of approximately 2,500 square feet to be either sold or leased to the Redevelopment Agency or the City of Santa Barbara at a mutually agreed upon price determined by a certified appraiser acceptable to the Agency or City and owner based on a fair market value for a restricted public/community priority use as a community visitor center with public restrooms. If the purchase of the building proves infeasible for the Redevelopment Agency or the City of Santa Barbara, then

an long-term lease may be substituted for sale of the condominium space.

2. That the Owner will be required to and will construct, at the Owner's expense, all of the street, sidewalk and related improvements shown on the Preliminary Grading and Drainage Plan (DPI.2 dated June 29, 1999) except as modified by Condition B.1. and except the following:

a. the required improvements in front of APNs 33-102-06 and 12 and located on the west side of State Street and south of the notation "End Project" on the approved Plans which will be constructed as a condition of approval on the Harbor View Inn Expansion Project.

b. The required street, sidewalk, and related improvements located on Helena Street south of the notation "End Project" as shown on the approved Plans. In return for the construction by the Owner of items c, d, and e below, the Owner Participation Agreement shall provide that the Owner's documented costs and expenses of designing, permitting and constructing these improvements would be a credit against the total Purchase Price that the Owner may be required to pay to purchase 10' x 80' parcel owned by the City of Santa Barbara (Instrument No. 91-020552) located at the northeast corner of State and Mason Street:

c. The required street, sidewalk, and related improvements in front of APNs 33-111-04, 05 and 06 and which are located on the east side of State Street and south of the notation "End Project" as shown on the approved Plans.

d. The required street, sidewalk and related improvements in front of APNs 33-075-11, 04, 03, 02, 01 and 12 and which are located on the west side of State Street and north of Mason Street. e. The required street, sidewalk, and related improvements in front of APN 33-102-15 and which are located on the west side of State Street and south of the notation "End Project" on the approved Plans.

3. That the Owner shall make a monetary contribution or post an appropriate security acceptable to the Agency (or the Agency's designee) towards the projected cost of the installation of traffic signals along Cabrillo Boulevard at Anacapa and Chapala in an amount not to exceed thirty (30) percent of the cost of each signal together with a Agency contribution to the City towards the balance of

the projected cost of such signalization, if the City installs these traffic signals within five years of the date of project approval.

4. That the Agency will provide a public parking facility located at 125 State Street in order to satisfy the parking needs of the Visitor Information Center prior to the issuance of a certificate of occupancy for the Visitor Information Center.

5. The applicant shall submit an off-site parking agreement to allow for the use of shared parking among the three project sites. This agreement is subject to review and approval of the City Attorney, Community Development Director, and Public Works Director, and shall be recorded against the subject properties prior to the issuance of building permits for the proposed project.

E. The following is subject to the review and approval of the Historic Landmarks Commission (HLC), and finalized and specified on the construction plans submitted for building permits:

1. Minimize visual impacts of street utilities (i.e. traffic signal boxes) to the greatest extent reasonably feasible.

2. Exterior lighting, where provided, shall comply with the City's Lighting Ordinance and shall be of low-intensity in order to provide aesthetically pleasing

lighting which promotes safety, but does not impose on adjacent properties and uses. All lighting, other than lighting within residential units, shall be energy-efficient lighting of a type other than incandescent, except as determined to be impractical by the Community Development Director.

3. The Owner shall create a sign program and install a signage for the public right-of-way within the immediate vicinity of the project site addressing the needs of motorists, bicyclists, pedestrians, transit users, and quadricycle users, as outlined in Condition B.1(e). (This item may be referred to the Sign Committee in addition to or in lieu of HLC, to be determined by the Community Development Director).

4. The Owner shall create a sign program and install signage for the project Site. (This sign program may be referred to the Sign Committee as determined by the Planning Commission and/or the Historic Landmarks

Commission

5. The Owner shall remove one third-story unit from either Site B or Site C and relocate the unit to the interior space within Site A, so that the overall square footage approved for Site A does not increase. The unit to be relocated shall be at the Owners discretion.

F. The existing buildings at 35, 36, and 100 State Street shall be documented for the City's Historical archives, pursuant to the City's standards as outlined in the Community Development Department document entitled "Required Documentation Prior to Demolition" prior to issuance of a building permit for demolition or alteration of the subject buildings.

G. Prior to issuance of demolition, grading or building permit for the proposed project:

1. A complete hazardous materials/waste site assessment shall be obtained by the applicant/property owners and approved by the County Protection Services Division delineating the vertical and lateral extent of the contamination.

2. The Owner shall demonstrate compliance with all applicable federal, state, and local regulations relative to remediation of hazardous materials on the subject property. Evidence of compliance shall be provided to both to the County Protective Services Division and City Community Development Department.

3. An Emergency Response Plan shall be formulated by the Owner and approved by the City Fire and Police Departments which addresses evacuation of the development in the event of a train derailment or release of hazardous materials from a train car.

4. Apply for and receive approval from the Parks Commission for the removal and relocation of any existing street tree(s), which the applicant proposes to remove. The Owner shall, at the Owners expense, relocate trees to the location reasonably designated by the City Arborist.

5. A qualified representative of the developer, approved by the City Planning Division and paid for by the developer, shall be designated as the Project Environmental Coordinator (PEC). The PEC shall be responsible for assuring full compliance with the provisions of the mitigation monitoring and reporting

program to the City. The PEC shall have authority over all other monitors/specialists, the contractor, and all construction personnel for those actions that relate to the items listed in this program.

6. Provide a construction schedule including the name and phone number of the Project Environmental Coordinator (PEC) as a contact person to property owners and tenants (including business owners on Helena Avenue) within 450 feet of the project.

7. A source reduction/recycling plan shall be developed for the proposed project and submitted for review and approval by the City's Environmental Analyst and the County's Solid Waste Division. This plan shall include, but not be limited to, the following measures which shall be incorporated into the demolition and construction plans submitted for building permits:

a. Space and/or bins for storage of recyclable material shall be provided within the proposed project site. The hotel and restaurant operators shall encourage guests to recycle by using recyclable materials, and providing sufficient and appropriate receptacles such as recycling or green waste containers, in each room. Vacation ownership and restaurant operators shall construct facilities to adequately provide recycling for food production areas.

b. Recycling of demolition/construction materials shall be carried out and containers shall be provided on site for that purpose.

8. Contract with a City-approved archaeologist for monitoring during all ground disturbing activities associated with the project including, but not limited to, grading, excavation, trenching, vegetation or paving removal, and ground clearance in the areas identified in the Cultural Resources Study prepared for this site by Heather Macfarlane, dated June 10, 1997 (revised August 10, 1997). The contract shall establish a schedule for monitoring and a report to the City Environmental Analyst on the findings of the monitoring. The Contract shall be subject to the review and approval of the Environmental Analyst, and the executed contract shall be reproduced on demolition, grading and building plans.

9. An interior noise analysis for the vacation ownership units identified in the Noise Analysis prepared by Dudek and Associates, dated October 5, 1998, shall be submitted to the Community Development Department, and approved by the Environmental Analyst. This study shall include the

implementation of measures to attenuate interior noise levels to 45 dB(A) L_{dn} , including air-conditioning and/or mechanical ventilation, or the inclusion of sound-rated windows. Mechanical Ventilation shall be provided in these units only if no other sound attenuation options prove feasible.

10. The buildings located adjacent to Sites B and C shall be evaluated by a structural engineer to ensure that the buildings are not fragile or extremely fragile. If these buildings are considered fragile or extremely fragile, the applicant shall propose alternative methods of pile driving, as approved by the Community Development Director and Building Official.

11. A construction conference shall be scheduled by the General Contractor. The conference shall include representatives from the Public Works Department, Building Division, and Planning Division; and the applicant, property owner, Project Environmental Coordinator, and contractor. Coordination of construction activities with other projects in the Waterfront area shall be included in this meeting.

12. The applicant shall prepare an Odor and Smoke Abatement Plan to be approved by both the City Community Development Director and the County Air Pollution Control District (APCD) prior to issuance of a building permit for any food service use within the project

13. The applicant shall review construction requirements with the Public Works Department to ensure that the development on Site A is consistent with approved plans for the improvement of Mission Creek at the time of project construction on Site A to the extent feasible. The Owner shall make all feasible changes to the plans as reasonably required by the Public Works Department. Costs for plan revisions shall be borne by the applicant.

H. The following requirements shall be incorporated into, or submitted with the construction plans submitted to the Division of Building and Safety with applications for grading, demolition, and building permits, and implemented on-site during the demolition, grading, and construction period. All of these construction requirements must be completed prior to the issuance of a Certificate of Occupancy:

1. During site grading and transportation of fill materials, regular water sprinkling shall occur using reclaimed water whenever the Public Works Director determines that it is reasonably available. During clearing, grading, earth moving or excavation, sufficient

quantities of water, through use of either water trucks or sprinkler systems, shall be applied to prevent dust from leaving the site. Each day, after construction activities cease, the entire area of disturbed soil shall be sufficiently moistened to create a crust.

Throughout construction, water trucks or sprinkler systems shall also be used to keep all areas of vehicle movement damp enough to prevent dust raised from leaving the site. At a minimum, this will include wetting down such areas in the late morning and after work is completed for the day. Increased watering frequency will be required whenever the wind speed exceeds 15 mph.

2. Trucks transporting fill material to and from the site shall be covered from the point of origin.

3. The haul route(s) for all construction-related trucks, three tons or more, entering or exiting the site, shall be approved by the City Transportation Engineer.

4. After clearing, grading, earth moving or excavation is completed, the entire area of disturbed soil shall be treated to prevent wind pickup of soil. This may be accomplished by:

a. Seeding and watering until grass cover is grown.

b. Spreading soil binders.

c. Sufficiently wetting the area down to form a crust on the surface with repeated soakings as necessary to maintain the crust and prevent dust pickup by the wind.

d. Other methods approved in advance by the Air Pollution Control District.

5. All roadways, driveways, sidewalks, etc., shall be paved as soon as possible. Additionally, building pads shall be laid as soon as possible after grading unless seeding or soil binders are used.

6. If any archaeological artifacts, exotic rock (non-native) or unusual amounts of shell or bone are uncovered during any on-site grading, trenching or construction activities, all work must stop immediately in the area, and a City-approved archaeologist retained to evaluate the deposit. The City of Santa Barbara Environmental Analyst must also be contacted for review of the archaeological find(s). If the discovery consists of potentially human remains, the Santa Barbara County

Coroner and the California Native American Heritage Commission must also be contacted. Work in the area may only proceed after authorization is granted by the Environmental Analyst. The City-approved archaeologists shall be present during grading and/or construction activities, which disturb the area described above. The archaeologist's monitoring shall include the following provisions:

a. Any soils disturbance during site preparation, grading (cut and fill), earthquake retrofit, foundation, and/or utilities trenching in the project area are monitored by the City-approved archeologist during these activities. For those areas in which the locations of potentially important historic and prehistoric archeological remains are anticipated to occur based on the results of the Phase 1 survey, an extended Phase 1 survey shall be consisting of limited backhoe trenching or shovel test pits (STPs) be conducted prior to the construction phase of work in order to identify and document those resources and determine whether additional Phase 2 evaluation is required.

b. If cultural resources are encountered or suspected, work shall be halted immediately, and the City Environmental Analyst shall be notified. The archaeologist shall assess the nature, extent and significance of any discoveries and develop appropriate management recommendations for archaeological resource treatment, including but not limited to, redirection of grading and/or excavation activities. If the findings are potentially significant, a Phase 3 recovery program shall be prepared and accepted by the Environmental Analyst and the Historic Landmarks Commission. That portion of the Phase 3 program, which requires work on-site, shall be completed prior to continuing construction in the affected area.

c. If prehistoric or other Native American remains are encountered, a Native American representative shall be contacted and shall remain present during all further subsurface disturbances in the area of the find.

7. Noise generating construction activity shall be prohibited Saturdays, Sundays, and holidays and between the hours of 7 p.m. to 7 a.m. Holidays are defined as those days which are observed by the City of Santa Barbara as official holidays by City employees.

8. All construction equipment, including trucks, shall be professionally maintained and fitted with standard manufacturers' muffler and silencing devices.

9. Construction parking shall be provided as follows:

a. During construction, free parking spaces for construction workers shall be provided on-site or off-site in a location subject to the approval of the Community Development Director.

b. On-site or off-site storage shall be provided for construction materials and equipment. Storage of construction materials within the public right-of-way is prohibited unless an appropriate temporary encroachment permit is obtained by the Owner.

10. All construction-related trips (workers, equipment and deliveries) shall not be scheduled during peak hours (4:00 p.m. to 6:00 p.m.) to help reduce traffic on adjacent streets and roadways. The routes of all construction related trucks, three tons or more, shall be subject to the review and approval of the Traffic Engineer.

11. A plan for rerouting of vehicular and pedestrian traffic around the project area during project construction shall be submitted by the applicant and reviewed and approved by the Public Works Transportation Division prior to issuance of any grading or building permits for the proposed project. This plan shall also include measures to ensure pedestrian safety during project construction, and coordination with construction of other projects in the Waterfront area.

12. The development shall be constructed with fire retardant materials and shall have smoke detectors uniformly installed throughout the project site.

13. Fire sprinkler systems shall be installed where code and the Fire Chief indicate they are necessary, with special emphasis on the portions of the development which are located immediately adjacent to the areas which could be directly impacted by a train derailment.

14. The rear wall of the parking structure directly adjacent to the railroad tracks shall be designed and constructed in a manner which provides for the optimum resistance to damage from a train collision (some flexibility in the supporting members would probably be desirable), and primary structural support for the parking structure should be provided principally in the

central and southern portions of Site C (in the event that the rear wall is heavily damaged, these structures could have their primary support at other points not anticipated to be damaged from train derailment).

15. Industrial interceptors shall be installed, as necessary, for the proper handling of liquid wastes containing grease, flammable wastes, sand, acid or alkaline substances in order to protect liquid wastes resulting from parking and cleaning areas from contaminating the public or private storm drainage systems. These devices shall be maintained by the owner/operator per manufacturer specifications.

16. The Conditions of Approval shall be provided on a full size drawing sheet as part of the drawing sets. A statement shall also be placed on the above sheet as follows:

The undersigned have read and understand the above conditions, and agree to abide by any and all conditions which is their usual and customary responsibility to perform, and which are within their authority to perform.

Signed:

Property Owner	Date
----------------	------

Contractor	Date
License No.	

Architect	Date	License No.
-----------	------	-------------

Engineer	Date	License No.
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The construction drawings shall also include one or more separate plan sheets outlining a detailed description of design details considered by both the Planning Commission and the Historic Landmarks Commission in review of the project so that building inspectors on-site may verify that both of the Commissions' directions have been implemented. These details shall include, but not be limited to, building colors and materials, architectural details, landscaping, paseo and plaza dimensions, building separations, and building heights.

17. The building plan cover sheet shall include tabulations of building statistics for each of the three project sites, including square footage of each vacation ownership units and number and type of units and total area of units.

I. Prior to issuance of the Certificate of Occupancy, the Owner of the Real Property shall complete the following:

1. Repair any damaged public improvements (curbs, gutters, sidewalks, etc.) subject to the review and approval of the Public Works Department. Where tree roots are the cause of the damage, the roots are to be pruned under the direction of the City Arborist.

2. Public improvements as shown on the improvement plans approved by the City Engineer.

3. A final report on the results of the archaeological monitoring shall be submitted to the Environmental Analyst within 180 days of completion of the monitoring or prior to the issuance of the Certificate of Occupancy (Final Inspection), whichever is earlier.

4. Safety procedures and evacuation routes shall be posted throughout the development and a "safety coordinator" shall be designated for the development to provide efficient interaction with emergency personnel in the event of an emergency and to ensure that safety programs are properly designed and maintained. Such an individual shall know the location and function of all emergency systems in the development.

5. An exterior noise analysis for the recreation area on Site C shall be prepared by a qualified noise consultant and submitted to the Environmental Analyst. The noise analysis shall verify that the noise attenuation measures described in the Supplement to October 1988 Noise and Vibration Report for the Entrada de Santa Barbara reduce noise levels in the recreation area to 70 dB(A) Ldn.

CITY OF SANTA BARBARA



COMMUNITY DEVELOPMENT DEPT.

Planning Division 564-5470
Housing & Redevelopment Division 564-5461
Division of Land Use Controls 564-5485
Director's Office 564-5455
Fax Number 564-5477

EXHIBIT NO. 11

APPLICATION NO.

A-4-SBC-99-200

La Entrada

630 GARDEN STREET
POST OFFICE BOX 1990
SANTA BARBARA, CA 93102-1990

Page 1 of 4

August 20, 1998

John Van Coops
California Coastal Commission
45 Fremont St., Suite 2000
San Francisco, CA 94105-2219

SUBJECT: MAP INTERPRETATIONS FOR SELECT PROPERTIES ALONG STATE STREET AND MASON AVE.

Dear Mr. Van Coops:

The City of Santa Barbara is currently reviewing an application for a Coastal Development Permit for a new mixed-use development of three buildings on multiple parcels fronting on State Street and Mason Ave (Attachments 1 and 2). A portion of one building within this development (identified as Site A on Attachments 1 and 2) appears to be within the appealable jurisdiction, while the other two buildings appear to be completely within the non-appealable jurisdiction. This determination was made using the Post-LCP Certification Permit and Appeal Jurisdictional Map (adopted by CCC on July 17, 1991) of the City of Santa Barbara (Attachment 3).

Because the overall project (Sites A, B, and C) appears to be within both appealable and non-appealable jurisdictions, the applicant for the project has requested a boundary determination for the properties involved in the project.

We would also request conformation of the following:

- 1) Only a portion of the multiple properties identified as Site A are within the appealable jurisdiction, and the remainder is in the non-appealable jurisdiction. However, it is our understanding that if one building is located on the entire Site A, then the entire Site A development is within the appealable jurisdiction, based on Section II D. of the Coastal Commission Post-Certification Guide, revised July 1992.
- 2) The entire project (Sites A, B, and C) is proposed to be reviewed under one Coastal Development Permit (CDP). If the CDP were appealed to the Coastal Commission, please conform that the Commission would only review the portion of the CDP located within the appealable jurisdiction. We are again assuming that this would be the entire development located on Site A, as noted in item 1 above, but no other parts of the project.

August 20, 1998

Page 2 of 2

We would appreciate a response to these inquiries at your earliest convenience. If you have any questions, please feel free to call me at (805) 564-5470. Thank you for your assistance.

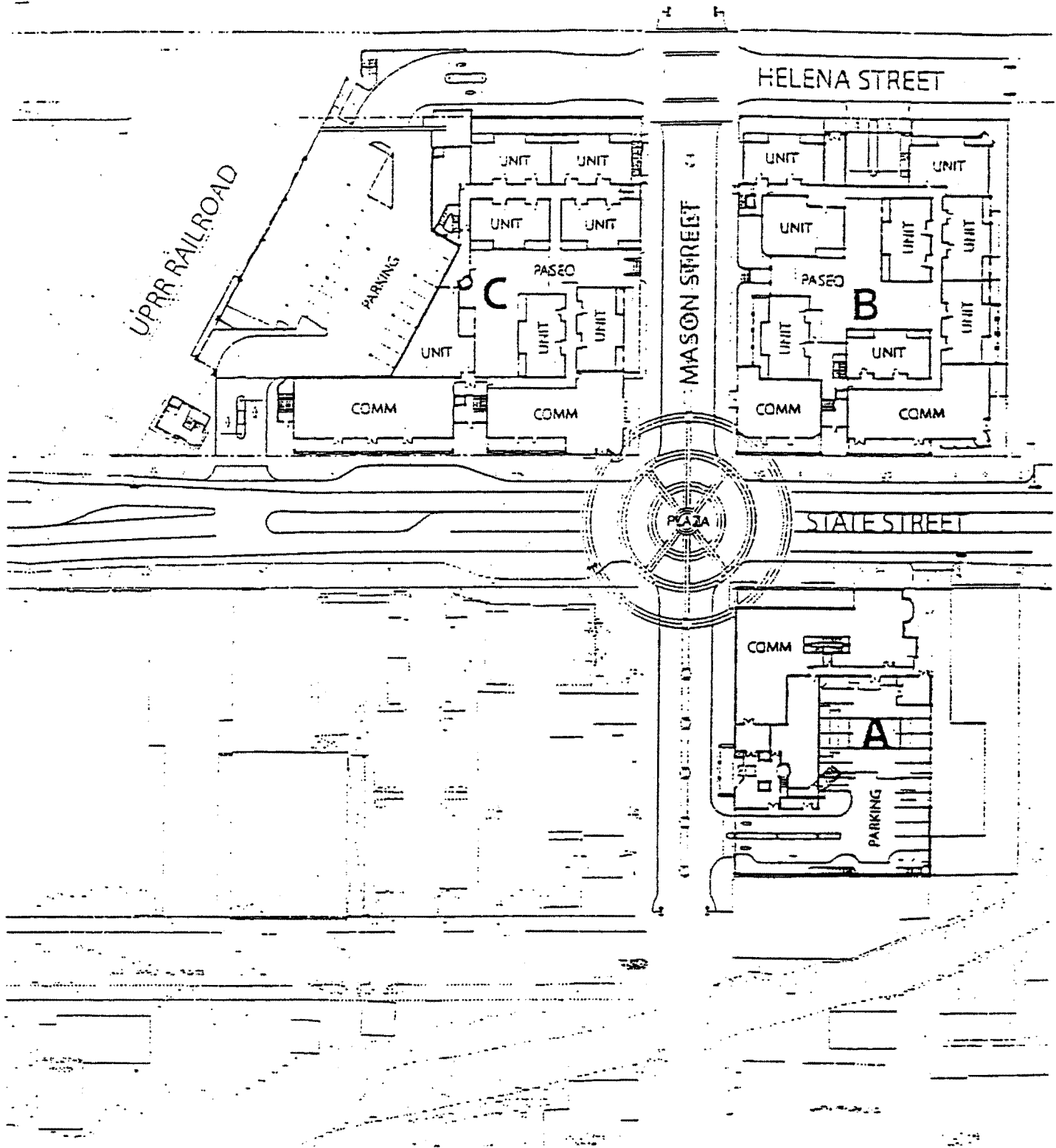
Sincerely,



Bill Jacobs
Associate Planner

Attachments: 1. Project Site Plan
 2. Project Site Parcels
 3. Excerpt from the Post-LCP Certification Permit and Appeal Jurisdictional
 Map (adopted by the California Coastal Commission on July 17, 1991)

cc: Planning File
 Ken Marshall, AICP, Dudek and Associates, 621 Chapala Street, Santa Barbara, CA 93101
 Mark Capelli, California Coastal Commission, 89 So. California Street, Suite 200,
 Ventura, CA 93001

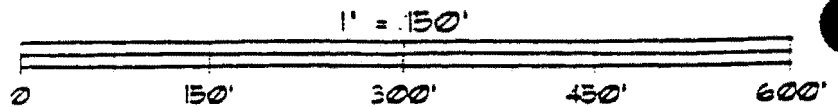
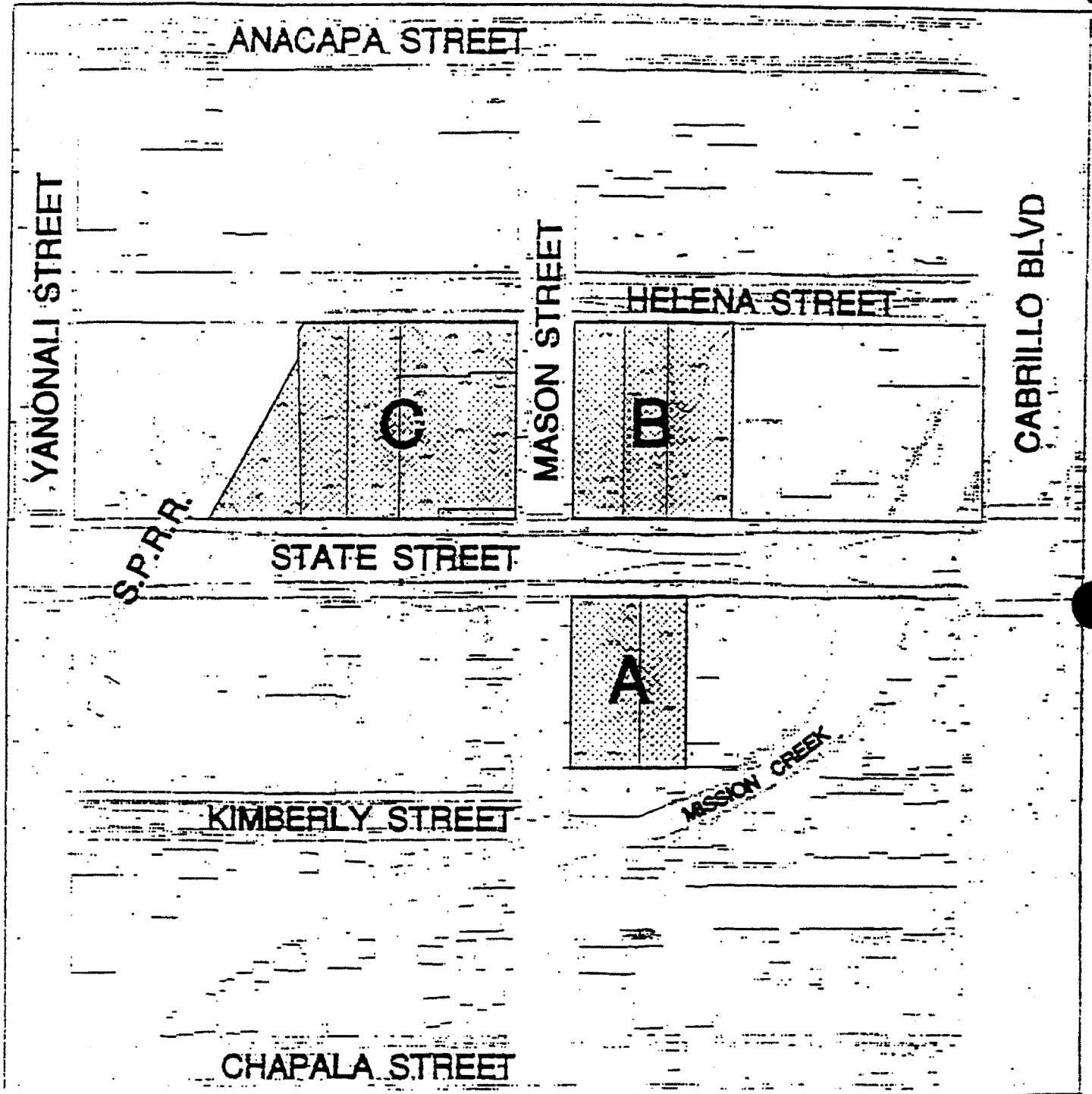


ENTRADA de SANTA BARBARA
A Renaissance Project

SITE PLAN



5/18/1998
716-0501





CITY OF SANTA BARBARA

Public Works Department

Interoffice Memorandum

EXHIBIT NO. 12

APPLICATION NO.

A-4-SBC-99-200

La Entrada

Page 1 of 10

DATE: June 18, 1999

TO: Bill Jacobs, Associate Planner

FROM: Rob Dayton, Supervising Transportation Planner *RD*

SUBJECT: ENTRADA DE SANTA BARBARA COMMENTS AND CONDITIONS OF APPROVAL

RECEIVED
OCT 14 1999
CALIFORNIA
COASTAL COMMISSION
SOUTH CENTRAL COAST DISTRICT

At its meeting on May 27, 1999, the Planning Commission raised many concerns regarding the subject project and the continuation of the State Street Plaza within the Waterfront. This memorandum is to address the Planning Commission's concerns and answer remaining questions. Transportation Planning Staff's conditions of approval have also been included.

Because the Entrada project covers a large area encompassing parts of three City blocks, it will inevitably change the nature of the Waterfront regardless of what is finally approved. The project has initiated and forced discussions concerning the area's vehicle and pedestrian circulation, parking demand and supply, and land use issues. Although some of these issues can be separated from the project, they are intimately related. We have attempted to explain the circulation and parking issues for the area and project in logical way.

Project Trip Generation and Traffic Impacts

Some members of the community have questioned the finding that the traffic study for the Entrada project shows a net reduction in traffic generation. A common response is "how can you make such vast improvements, and say that there will be less traffic?" A number of factors have been considered including trip estimates for the existing buildings to be torn down, the size of the new project compared to the existing square footage, and the anticipated activity the project will generate because of its location.

Trip Generation for Existing Buildings

The methodology of the trip generation analysis is explained in detail on page 20 of the August, 1998 Kaku report. This methodology is a well documented and utilized an industry-accepted methodology for measuring the net impacts of a proposed project. This methodology also conforms to a typical process, and follows case law, of the California Environmental Quality Act.

The expressed concerns stem from the fact that not all of the existing businesses on the project site are fully utilized today, yet the trip generation calculation assumes fully occupied businesses. This methodology for existing structures finds its logic in the fact that the existing businesses have entitlement to operate at full occupancy. In other words, the trip generation estimate for the existing buildings could occur on these sites without any further land use approvals by the City of Santa Barbara. Also, the credited amount of trips does not represent the trip generation of an extremely successful business or that of a struggling business. The existing trip estimates are of average businesses, and they represent build-out scenarios.

Project Trip Generation

The square footage of the proposed project is greater than the existing buildings on the site. However, due to the difference in trip generation rates of various land uses, the number of vehicle trips generated per square foot by the proposed project is significantly less than that of the existing buildings. Retail generates approximately 11 vehicle trips per 1,000 square feet during the evening peak travel hour. The time share units (measured in units similar to hotel rooms) are estimated to generate less than one (1) trip per 1,000 square feet. The change in land use category explains how the project can reduce the amount of retail space by nearly 20,000 square feet and increase the amount of hotel or time share space by over 60,000 square feet, and still have a reduction in peak hour traffic trips.

Trip Generation Factors Working in the Project Area

A third consideration regarding the vehicle trip generation numbers for the project is the location of the project. The project is being proposed in the area the General Plan refers to as the heart of the City. Some have asked, "won't the fact that the project located at the foot of the Waterfront on State Street create a higher trip generation?" Because of its location in a desirable destination point, the project will be more attractive than the same land use in a remote area of town. It is important to note that this is not a result of the project, but rather the location. People, residents and tourists alike, come to the heart of the City because of the oceanfront, the beaches, the Wharf, and many recreational uses. The majority of the City's hotel population is also in close proximity to the project. These factors create a significant amount of pedestrian and vehicle activity (particularly on summer weekends) that is not attributed to the Entrada project, but will contribute to the customer activity of the project's retail component. These pedestrian and vehicle trips that are external to the Entrada project are not counted as a part of the net new trip generation.

Visitor's Center

Four new peak hour automobile trips are estimated for the Visitor Center, which has now been incorporated into the Entrada project on Area C. The trip estimation is based on the trip characteristics of the existing Visitor Center located at the corner of Cabrillo Boulevard and Garden Street. Logically, the Visitor Center is and will continue to be located in the heart of the City. Therefore, the vast majority of these trips to the center are either walk-in trips or pass-by auto trips (i.e. trips already originating to or from the beach and the Cabrillo Boulevard corridor that merely stopped in at the Visitor Center as part of that trip). In order for an auto trip to be counted as new, it must originate from outside of the area to the Visitor Center and then leave the area afterwards. Thus, the number of net new trips generated by the Visitor Center is low, especially during the weekday evening peak hour.

Additionally, the Visitor Center is not a new use to the area, but rather is a land use that is being transferred four blocks. Normally, trips are not transferred to another location. The location that the Visitor Center is leaving, however, will become a public restroom, a non-auto generator. Therefore, nearly all of the auto trips attributable to the new Visitor Center are already on the area's street system.

Traffic Impacts

Because the nearby intersection of Cabrillo Boulevard and State Street and the northbound ramps of the Garden Interchange are impacted intersections (Level of Service C, with more than a 22 second average delay), projects that send new traffic through these intersections would have a significant impact. The first submittal of the project did generate new traffic trips and would have had a significant

impact. These anticipated impacts are what prompted Transportation Planning Staff to request a traffic study. Since then, however, the project has been scaled back and the amount of retail has been significantly reduced. Since retail uses generate higher trip rates than other types, the current project is not estimated to generate any new peak hour traffic trips. Therefore, the project is not anticipated to have any traffic impacts.

It is important to note that all the traffic related studies that have been provided to date are consistent with those that would be needed for an Environmental Impact Report.

Project Parking Demand, Supply, and Area Inventory

The Entrada project proposes to provide 210 parking spaces. Area A, B, and C would have 17, 48, and 148 parking spaces, respectively. The parking lots on areas A and B would be for the exclusive use of time share guests. The parking structure on area C would function as a quasi-public parking garage similar to the Paseo Nuevo, functioning with the same free periods and pricing structure as the City parking lots.

Commercial Land Use

In our first meetings with the applicants, we discussed our goal to provide enough parking to meet demand, but not exceed it. As we have discussed with the Planning Commission on other recent projects, we believe that when a project provides excess parking it is an encouragement for people to drive their vehicles. At that time, the applicants were not interested in asking for any modifications, and originally proposed a parking supply that met the zoning ordinance, but was higher than the calculated parking demand.

The parking demand analysis could be characterized as a worst case scenario, which did not initially account for any discounts like modal splits or the location of the proposed land use and its relationship to the surrounding beach activity. Further, the parking demand rate used for the commercial portion of the project is conservative, based on the Institute of Traffic Engineer's (ITE) Parking Generation (4 parking spaces per 1,000 square feet or a total of 70 spaces). This parking rate assumes that nearly all customers will arrive by automobile.

Staff prefers a method of estimating parking demand using the same ITE statistics that derives the average parking rate of a shopping center (i.e., a group of retail stores and restaurants in close, walking proximity) of a similar size. The similarly sized shopping centers studied in ITE's Parking Generation had an average rate of 2.6 parking spaces per 1,000 square feet, for a total of 46 parking spaces. This parking demand estimate is also confirmed by the traffic study's traffic section, which accounted for a 35% - 40% reduction in the project's commercial traffic because of the use of alternative means of transportation (primarily pedestrian traffic and shuttle users). The Planning Commission has also reduced the parking demand by as much as 50% for historical projects at this same location because of heavy pedestrian volumes and use of commercial space by hotel patrons leaving their cars parked at hotel sites. Therefore, Transportation staff believes that the parking demand for the commercial land use will be met with the 48 commercial parking spaces provided.

Time Share or Hotel Units

The project proposes to provide one parking space for each potential unit for the time share portion of the project. Each of the 81 time-share units can function as two individual units with a total of 162 units possible. Therefore, in order to be conservative, 162 (one per room) parking spaces are provided for the time share portion of the project.

It is highly unlikely, however, that the time share units will ever use the 162 parking spaces provided. The time-share operational study indicates that an average of 30% of the 81 suites will be used in the two-unit configuration at any given time. The remaining 70% of the units are used as suites. Using this information, the average parking demand of the time-share portion of the project will average 105 spaces, 57 spaces less than the number provided.

Shared Parking

Transportation recommends Parking Area C be configured to permit a shared parking supply between the commercial and time share units in the unlikely event that the commercial parking demand exceeds the estimate. In other words, the commercial and time share parking in Parking Area C (148 spaces) would be combined in one parking structure. Using available technology, the time share spaces would be reserved based on the accrual parking demand. The remaining amount would be available to the public. Under a shared parking scenario, we estimate that an average of 87 parking spaces will be available for commercial or public use.

Visitor Center Parking

Because of the short duration of the stay at the Visitor Center, the peak parking demand is expected to be 10 spaces at any one time. Because the Visitor Center is now being proposed to be incorporated into the Entrada project, the previous site on the southwest corner of the railroad tracks and State Street is proposed to be a public parking lot for approximately 40 spaces. The 10 parking spaces needed for the Visitor Center are proposed to be accommodated in this new parking lot, referred to as the Visitor Center parking lot. This parking lot would be constructed by the Redevelopment Agency and managed by the City's Downtown Parking Program.

On-Street Parking Supply

The Entrada de Santa Barbara project involves the reconfiguration of the Mason and Helena Streets adjacent to the project in order to increase the pedestrian space along the streets. As a result of this street reconfiguration, the number of on-street curb parking spaces would be reduced from the existing 40 spaces to 30 spaces. The loss of 10 spaces is proposed to be accommodated in the Visitor Center parking lot.

Future Public Parking Inventory

The City is developing a public parking supply on State Street below the freeway, similar to the Downtown. The train depot parking lot will have 167 public parking spaces. Across the tracks, south of the train depot, the old Visitor Center site is proposed to have approximately 40 parking spaces for public use. The Area C parking structure is anticipated to have an average of 105 parking spaces. This brings the amount of off-street parking that will be available to the public in the Lower State Street area to 312 spaces.

State Street Plaza

The continuation of the State Street Plaza design on Lower State Street as it exists between Haley and Victoria Streets was conceptually approved by City Council on March 23, 1999. The Plaza design includes wide sidewalks, landscaping, two traffic travel lanes with bike lanes, right-turn lane pockets at intersections that are also used for shuttle pull outs, and mid-block crossings that are pedestrian activated. The State Street Plaza is more than just wider sidewalks for pedestrian travel. The plaza design enhances the pedestrian and motorist's experience on State Street, creating not simply a place to walk, but a place to be.

The continuation of the State Street Plaza to Lower State Street is a Redevelopment Agency project that is separate from the Entrada project. With some modification to the project on the northeast corner of State and Mason Streets (the location of the existing shuttle stop), the Entrada project could be built within the current State Street configuration. Although independent, the State Street Plaza improvements are being tied to the project because the project site encompasses a significant amount of street frontage.

Circulation and Traffic Impacts

The capacity implications of the installation of the State Street Plaza design between Cabrillo Boulevard and the railroad tracks were taken into consideration in the Mitigated Negative Declaration and the Kaku traffic report. When considering changes to a roadway's configuration, two types of vehicle capacity require analysis: intersection capacity and the roadway capacity between intersections. Intersection capacity is the most limiting factor on urban streets with frequent signalization.

Roadway Capacity

The State Street Plaza design would change the number of travel lanes between the railroad tracks and Mason Street from two in each direction to one lane in each direction. The design would make a similar change between the intersections at Mason Street and Cabrillo Boulevard. A travel lane has a free flow capacity of 1,600 to 1,800 vehicles per hour. Therefore, by reducing two lanes to one lane, the free flow capacity changes from approximately 3,200 to 1,600 vehicles per hour. This remaining amount of roadway capacity will accommodate the flow of traffic without congestion.

Intersection Capacity - State and Mason Street

Currently, State Street has two through lanes in each direction at Mason Street with no traffic signal. The State Street Plaza design would change the lane configuration to a single through lane and a right turn lane in each direction. Also, a traffic signal would be added. The capacity calculation resulting from this change is shown in Table 9 of the Kaku traffic report. The calculation shows that State Street and Mason Street is projected to operate at Level of Service B after the State Street Plaza design change.

Intersection Capacity - State Street and Cabrillo Boulevard

The southbound approach to State Street at Cabrillo Boulevard has a left turn lane, a through lane, and a right turn lane. This lane configuration is not proposed to change with the addition of the State Street Plaza design. Although still operating at LOS C during the weekday peak hours, this intersection

operates at LOS E on the summer weekend peak hours. The significant number of pedestrians at this location and the fact that State Street dead ends at this point are major factors that contribute to the seasonal level of service variance. The intersection's current capacity to process vehicles at any time is only 600 to 900 vehicles per hour. Although the proposed State Street Plaza design proceeding the intersection would deliver half as many cars per hour as a result of the lane reduction, it would not negatively affect the intersection's capacity. Therefore, although the intersection at Cabrillo Boulevard will continue at LOS E, the State Street Plaza will not change or add to the levels of congestion currently experienced.

Currently, State Street northbound from Cabrillo Boulevard has a single travel lane. Only one lane exists because whether turning left or right from Cabrillo Boulevard to State Street, or traveling straight from the Wharf, only one lane of traffic can move on State Street at any given time. Because only one lane of traffic can ever feed State Street northbound, one travel lane is all that is needed.

Queuing Capacity

Although the vehicle travel capacity of the State Street Plaza design would remain unchanged, some people questioned the storage or queuing capacity of the street with one less lane. This potential problem would occur at the northbound State Street terminus at Cabrillo Boulevard. The capacity analysis performed by Kaku Associates (Appendix B, calculation sheets) shows that on average, 200 feet of queuing space will be needed. The State Street Plaza design would need to be conditioned to accommodate this amount of queuing space for cars in the southbound direction at the intersection of State Street and Cabrillo Boulevard.

Area Circulation

Although the traffic analysis shows that State Street Plaza design can be installed without increasing congestion, Transportation Planning Staff is recommending traffic signals along Cabrillo Boulevard at Chapala and Anacapa Streets to relieve the vehicle and pedestrian congestion now experienced at the intersection of Cabrillo Boulevard and State Street. These added signals would serve motorists and pedestrians alike, giving more options to access State Street via Mason and Yanonali Streets. In particular, we anticipate Anacapa Street becoming more heavily used during peak times of congestion with a signal installed at Cabrillo Boulevard.

Left-turn Restrictions at Mason

Left-turn restrictions are suggested for north and southbound traffic on State Street the Mason Street intersection. As proposed, northbound and southbound left turns would be prohibited from 10 a.m. to 6 p.m. every day. The left turn restriction, similar to the Downtown State Street Plaza intersections, do improve traffic flow, but are mainly used to reduce conflicts with pedestrians crossing Mason Street on a green light. At peak pedestrian times, only one or two left turns are possible on each signal phase.

Concern was raised over the circulation implications of the proposed left turn prohibition. The attached figure done by KaKu Associates shows the circulation pattern that would be available to motorists traveling northbound or southbound on State Street. Northbound motorists would pass Mason Street and make three rights turns in an around-the-block maneuver. Traffic would turn right onto eastbound Yanonali Street, right again onto southbound Anacapa Street, and right again onto westbound Mason Street. This same around-the-block route would be available for southbound traffic using Cabrillo Boulevard, Chapala Street and Mason Street.

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Concern was expressed at the Planning Commission meeting that this around-the-block maneuver involved a significant travel distance. In reality, the northbound and southbound around-the-block maneuvers involve 500-foot square blocks. This maneuver distance is exactly the same dimensions as the around-the-block maneuvers that are required in Downtown State Street. Thus, the left turn restriction at State Street/Mason Street does not involve any more out-of-direction travel than presently occurs along other portions of the State Street Plaza.

Staff has analyzed an alternative State Street configuration, which would provide left turn lanes at the intersection of State and Mason Streets (attached). This configuration would have a left and through lane in each direction on State Street at Mason Street. Bus pockets would have to be provided because of the loss of the right turn pockets. Congestion would increase at State and Mason Streets because there are significantly more right turns than left turns. As mentioned above, pedestrian flows would limit the capacity of the left-turn lanes to two cars per signal phase. Pedestrian flows also limit right turn capacity. A right-turning vehicle stalled by pedestrians would block the through lane. Finally, right-turning vehicles would conflict with through bicycle movements. Staff does not recommend this configuration.

Train Crossings

Amtrak currently has 12 trains either arriving or departing from the railroad depot. Freight trains are scheduled on a weekly basis as needed. Concern was expressed that the narrowing of State Street would be problematic given the blockage of State Street that now takes place when a train loads/unloads at the railroad station immediately west of State Street. Blockage of State Street in both directions occurs for periods of up to 10 minutes during the noon hour of the day as the northbound Amtrak train loads and unloads passengers. This train often extends across State Street, forcing the crossing gates to stay in the down position, blocking all travel flow on State Street.

It is important to note that this problem has been exacerbated for the past year because of train depot construction.

The California Public Utilities Commission has adopted a ruling prohibiting Amtrak trains from blocking streets like State Street for extended periods. Thus, the City of Santa Barbara could enforce this ruling and require Amtrak to stop further to the north at the railroad station so that State Street could be left open while loading/unloading activities were underway. Failure to stop further to the north would result in citations to Amtrak.

Train crossings will cause back-ups with or without the State Street Plaza design in place. With the narrowing to one lane in each direction, however, there will be less capacity to store queuing vehicles. In the event enforcement of the PUC regulation fails, staff recommends investigating signal and signage programs that would work in coordination with the crossing arms on State Street to advise motorists. This action would be initiated by the Public Works Department and would be independent of, and not related to, the Entrada project.

Travel Route for Quadracycles

Concern was expressed as to the impact of four-wheel cycles that are popular rental units in the beach area. These quadracycles are wide and affect pedestrian flow if they travel on the sidewalk system and that they are even disruptive to the bicycle lanes if the activity level in the bicycle lane is high. Another issue is unmanned quadracycles set out on the sidewalk as advertisement for rent.

The California Vehicle Code classifies all bicycles and quadracycles as legal vehicles. Therefore, operation of these quadracycles is not allowed on the sidewalk system. Quadracycles must operate in the bicycle lanes or in the travel lanes of a public street that does not have bike lanes. The project proposes to continue a bicycle rental franchise, and a safe route from the project to the beachway needs to be identified.

From a safety standpoint, staff's concern with the quadracycles is the crossing of Cabrillo Boulevard. The City's plans for area wide street improvements include the installation of traffic signals at the intersections of Chapala/Cabrillo and Anacapa/Cabrillo. Therefore, an alternate route to State Street will be to use Mason Street eastbound or westbound to either Chapala or Anacapa Streets. These routes would allow bicycles and quadracycles to travel between the project and the beach on low volume traffic streets that still offer a protected crossing of Cabrillo Boulevard. Modifications to the seawall opposite Chapala Street will be necessary in order to increase the effectiveness of this route.

Bicycles and quadracycles should be discouraged from using Helena Avenue because of the difficulty of crossing Cabrillo at this location. The bicycle rental facility within the project should distribute maps showing of preferred routes to the beachway. The project should also incorporate a signage program showing quadracycle users the appropriate way (incorporated in the conditions of approval) to the beachway.

Further, these plans are only as good as the accompanying enforcement. Therefore, staff has actively begun an enforcement case against the quadracycles currently being used as signs for advertising on the sidewalk. We will work with the Police Department to have quadracycles using the sidewalk confiscated. History demonstrates that this method of enforcement is the most effective in managing similar problems (e.g., electric vehicles on the beachway).

Signage

Enhanced signage should facilitate overall mobility along this portion of State Street and the intersecting roadways. Directional signs as well as those identifying specific sites can help motorists, pedestrians and those in other modes to find their way around and through the Entrada site. The aim is to guide vehicular and pedestrian movements, eliminate confusion, and, at the same time incorporate the character of the area.

On-street mobility should be enhanced by signage in advance of intersections that alerts drivers to street locations as well as directs them into turn lanes. These signs produce the greatest benefit if they are strategically placed for maximum visibility, giving drivers sufficient distance to maneuver into turn lanes or continue straight ahead. In addition, access to parking sites, both on- and off-street should be facilitated by signage and directional indicators that are clearly visible throughout the area.

Transit stops in this portion of State Street should also be clearly distinguishable. This can be accomplished via on-site directional signs that point shuttle users to stop locations. These signs could also include a color or theme that identifies a particular route, assisting riders in locating the correct stop and reducing the amount of time shuttle drivers would need to stop and give verbal directions.

Pedestrians also need signage to locate uses within and near the Entrada site. The focus should be on signs that are discernible from all directions and that will create an identity for the project. These should integrate with on-site signage for the various uses within the project.

Bicycle facilities should be clearly delineated by on-street markings that maximize safe demarcation between the modes. It is recommended that signage be incorporated within the project to direct bicyclists and users of quadracycles to the on-street bicycle lanes. This would best be accomplished via a series of off-street signs and maps showing the access points to the bicycle lanes. It is important to reinforce to those using quadracycles and similar non-motorized modes that these vehicles must only be driven on the street.

The project will be conditioned to produce and install a signage program.

Helena Street

Helena Street, running in the project area from Cabrillo Boulevard north to the railroad tracks, does not currently have much value for vehicle circulation. This is mainly because of the dead end at the railroad tracks and the difficulty motorists experience accessing Cabrillo Boulevard at peak times. A traffic signal installed at Anacapa Street and Cabrillo Boulevard will channel traffic to that intersection and further reduce the need for vehicles to use Helena Street.

Although the future of land use abutting Helena Street remains unclear, Transportation Planning Staff recommends a street design that is pedestrian in nature. With a pedestrian oriented design, motorists will travel on the street with more care and caution. Further, the street could convert at times to be used for pedestrian events.

Because the drainage is in the middle of the street, curb and gutter is unnecessary. We recommend a color concrete street without curb and gutters. A 10-foot color variation could be placed on each side of the street to define a pedestrian way. Street trees protected by ironwork could be placed on the west side of the street in the parking lane with adequate distance for cars to park in between them. The east side of the street could have street trees in a similar location depending on the access needs of the adjacent businesses. We recommend that the south curb returns at Mason Street be 16 feet apart, and that they become flush with Helena Street.

Conditions of Approval

After reviewing the plans received on June 8, 1999, Transportation Staff recommends the following Conditions of Approval for the Entrada de Santa Barbara development.

- The crosswalks at the intersection of State and Mason shall be configured to match the State Street Plaza design per the approval of the Public Works Director. The plans illustrate offset crosswalks. It is our experience that pedestrians cross streets using the shortest possible route. In this plan, the crosswalks are located further from State Street.
- Omit the decorative street paving on State Street and Mason Street near the crosswalks. We recommend that if any decorative paving is proposed in the street it should be used for crosswalks area within the crosswalk boundaries.

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- The width of Mason Street where parking is provided on both sides shall be 36' (two 8' wide parking lanes, two 10' wide travel lanes). The plan shows this section of Mason Street to be 40' wide. This will allow two feet of additional sidewalk on each side of Mason. We do, however, recommend the Mason Street crosswalks at the intersection of State Street remain 24' wide to accommodate right vehicles turning right. The width of the Mason Street mid-block crossing shall remain 20' wide.
- We do not approve the operation of service trucks crossing State Street as it is an extremely high pedestrian area. This comment pertains to the proposed service entrance parallel to the existing Channel Islands Surf Shop.
- Omit the parallel parking striping on Mason Street, otherwise called "Ts".
- Create and install a signage program addressing the needs of motorists, bicyclists, pedestrians, transit users, and quadracycle users. This plan shall be reviewed and approved by the Transportation Planning Manager.
- The southbound right turn pocket at State and Mason shall be lengthened so that southbound vehicles from Be Bop Burger enter on State Street in the right turn pocket.
- The southbound right turn pocket at State Street and Cabrillo Boulevard shall be lengthened to 200' to accommodate queuing vehicles.
- The Parking Structure on Area C shall be operated as a quasi-public parking facility with the same free parking periods and pricing scale as the public parking lots operated in the Downtown Parking Program.

If you have any questions, please contact me at extension 5390.

RD/

CALIFORNIA COASTAL COMMISSION

SOUTH COAST AREA
245 WEST BROADWAY, SUITE 280
LONG BEACH, CA 90802
(415) 575-5000

EXHIBIT NO. 13**APPLICATION NO.**

A-4-SBC-99-200

La Entrada

Filed: 12/7/90
49th Day: 1/25/91
180th Day: 6/5/91
Staff: JLR/LB
Staff Report: 02/28/91
Hearing Date: March 12-15, 1991
Commission Action:

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STAFF REPORT: REGULAR CALENDAR**APPLICATION NO.: 5-90-928**

APPLICANT: Maguire Thomas Partners
Development Ltd., A California
Limited Partnership

AGENT:

PROJECT LOCATION: 1733 Ocean Avenue Santa Monica

PROJECT DESCRIPTION: Demolish an 81-room motel and construct a 4-story commercial office/retail facility to include a 3-level subterranean garage with 266 parking spaces.

Lot area:	34,200 sq. ft.
Building coverage:	22,572 sq. ft.
Pavement coverage:	8,208 sq. ft.
Landscape coverage:	3,420 sq. ft.
Parking spaces:	267
Zoning:	R4-Residential
Plan designation:	Ocean Front/CA
Project density:	N/A
Ht abv fin grade:	56'

LOCAL APPROVALS RECEIVED: Approval in Concept, City of Santa Monica

SUBSTANTIVE FILE DOCUMENTS: City of Santa Monica Land Use Plan, Permit No. 5-88-62 (CWD Taiyo Broadway Ocean Associates), Permit No. 5-83-560 (Santa Monica Hotel Association), Permit No. 5-89-240 (Michael Construction Enterprises), Final Environmental Impact Report (1733 and 1746 Ocean Avenue) and Permit No. 5-89-941 (Maguire Thomas Partners).

SUMMARY OF STAFF RECOMMENDATION:

Staff recommends approval of the proposed project with standard and special conditions addressing the protection of low cost visitor facilities and public access.

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 impacts 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.

The permit is subject to the following special conditions:

1. Low Cost Visitor Accommodation Mitigation. Prior to transmittal of this permit, the applicant shall comply with the following for the mitigation of the loss of existing low cost visitor lodging facilities:

a) Submit funds in the amount of \$648,000 (Six-hundred forty-eight thousand dollars) for deposit in an interest bearing trust account approved by the Executive Director.

The California Coastal Commission and a public agency or non-profit organization acceptable to the Executive Director shall be named as the co-beneficiaries of the account, with all interest earned payable to the co-beneficiaries; or

The amount of the fee shall be increased in accordance with Section 5(c) of the City of Santa Monica Ordinance 1516. The amount of the account shall not be decreased. The purpose of the account shall be to grant funds for the provision, including land acquisition, of lower cost visitor overnight facilities within the Santa Monica area.

2. Parking, Car Pool and Transit Incentive Program. Prior to transmittal of this permit, the applicant shall record free of all prior liens and encumbrances except for tax liens, a deed restriction or other document, the form and content of which shall be subject to the review and approval of the Executive Director of the Commission, binding the applicant, landowners and successors in interest and assuring the following:

a) The applicant shall actively encourage employee participation in the California Transportation Ride Sharing Program and take appropriate measures to ensure that employees utilizing the car pool program are given locational preference for parking within the garage.

b) A public transit fare reimbursement program shall be implemented by the applicant. The system shall be in effect for at least a 30-year period. The applicant shall provide for 50 (fifty) percent reimbursement to one hundred percent of the projected employees of the development for public transit fare to and from work.

c) The applicant shall provide a bicycle parking area, free of charge, within the parking garage in a preferred, secured location.

d) The applicant shall agree to implement a publicity program, the contents of which is subject to the review and approval of the Executive Director, that indicates how the future occupants of the development will be made aware of the provisions of this special condition. The publicity program shall be implemented during the first month of occupancy of the new development.

3. Public Parking.

Prior to the issuance of a permit, the applicant shall submit to the Executive Director a deed restriction for recording free of prior liens, except for tax liens, and free of prior encumbrances, that binds the applicant and any successors in interest. The form and content of the deed restriction shall be subject to the review and approval of the Executive Director. The deed restriction shall provide that 159 of the 267 required on-site parking provided by the project shall be open for public parking on weekends and holidays and after 5:00 pm on weekdays. If a fee is charged, rates shall not exceed that charged at the public beach parking lots.

4. Vacation of First Court Alley.

Prior to the issuance of the permit, applicant shall submit revised plans to indicate a front setback of 20 feet, east of Ocean Avenue. The subject permit does not include vacation of the First Court Alley. Should that alley be vacated prior to construction of 1733 Ocean Avenue, the applicant can request a permit amendment to include that vacated alley as part of the project.

IV. Findings and Declarations.

The Commission hereby finds and declares:

A. Project Description, Location and Background

The applicant proposes to demolish an 81-room motel and construct a 4-story commercial office/retail facility to include a 3-level subterranean garage with 267 parking spaces. Following is a more detailed description of the project location as excerpted from the Final Environmental Impact Report (EIR):

The proposed project is located in the City of Santa Monica, a city with a population of approximately 97,200 (Department of Finance, January 1, 1988). Santa Monica occupies approximately eight square miles along the oceanfront near West Los Angeles. The communities of Brentwood, West Los Angeles, and Venice surround the City. Santa Monica, and most surrounding areas in Los Angeles, are largely urbanized, with little vacant land available for urban development. However, redevelopment activity is responsible for many new commercial and office developments throughout the area, including Ocean Avenue. Development along Ocean Avenue consists of a mixture of high rise hotels, smaller motels, and commercial businesses interspersed with residential uses. Residential uses are mostly multi-family apartments and condominiums, although single-family residences are also present....

An EIR was proposed that addressed both the proposed project and a 175-room hotel located across the street from the subject site. That hotel (5-89-941) was conditionally approved by the Commission at a public hearing in January, 1990. The Commission imposed Special Conditions regarding parking and mitigation for loss of low-cost visitor accommodations. Staff is recommending the same Special Conditions for the proposed development. Additionally, the Staff's recommended Special Conditions are consistent with the mitigation requirements contained in the applicant's Development Agreement with the City of Santa Monica.

B. Protection of Lower Cost Visitor Facilities

Section 30213 of the Coastal Act states in par that:

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

The proposed project includes the demolition of the 81-room Flamingo Motel. The motel has been vacant since 1989. According to information submitted by the applicant, prior to closing, room rates were approximately \$45 to \$50 per night. Thus the proposed development will remove a lower cost visitor-serving facility and as such, this use is protected under the above stated section of the Coastal Act.

The intent of Section 30213 is to ensure that there is a balanced mix of visitor and recreational facilities within the coastal zone, so as to provide recreational opportunities to all economic sectors of the public. Access to coastal recreation facilities is also enhanced when there are overnight lodging facilities for all economic sectors.

Within the coastal zone in Santa Monica there are a variety of tourist accommodations. According to the LUP there are approximately 2,000 hotel and motel rooms within the coastal zone of the city. These hotels are mainly located along Ocean Avenue. About 20% of the rooms are located in facilities considered by the Santa Monica Convention and Visitors Bureau to be lower-cost budget facilities (motels and hostels). Many of these accommodations are older structures. As more recycling occurs in the area, the stock of low-cost overnight facilities will be reduced since it is not economically feasible to replace these facilities with accommodations that would charge the same rate.

The City of Santa Monica recognizes this problem and in their Land Use Plan (which was certified with suggested modifications which have since lapsed), the City has included language to mitigate the loss of affordable visitor accommodations. This policy was not one disputed by the city in letting the Plan's certification lapse. Policy 38 of the LUP states that:

Where new development removes low cost lodging facilities, such new development shall mitigate this impact. Mitigation shall be in the form of a fee paid into a separate fund established by the City for the provision, including land acquisition and construction, of low-cost lodging facilities in the coastal zone. The specifics of the mitigation program to be administered by the City, including the amount of the fee, criteria for the types of lodging facilities to receive contribution, and expenditures, shall be subject to the review by the Commission in the Implementation Plan.

In a previous Santa Monica permit action, the Commission, in September, 1983, approved the demolition of the 97-room Surfrider Motel and the construction of a new hotel also on Ocean Avenue in the same general vicinity of the proposed project (5-83-560). The Surfrider Motel, with room rates approximately \$25 to \$35, was considered a low-cost visitor accommodation. One of the major conditions of the city approval, which the Commission accepted, was the mitigation of the loss of the affordable overnight accommodations. The applicant was required to pay an in-lieu fee of \$500,000. The City was to use this fund for the construction of a hostel facility or for other such affordable overnight facilities as may be deemed desirable by the City. The \$500,000 was not based on any specific formula or from an official mitigation program but was instead a negotiated figure, according to the city. The money was subsequently granted to the American Youth Hostel, Inc., to partially fund the construction of the 200 bed Westside Hostel currently being built in downtown Santa Monica. The hostel is in the vicinity of the proposed development site.

On April 12, 1988, the Commission approved the demolition of a low-cost, 34-room motel and the construction of a retail/office project (5-88-62, CWD Taiyo). The Commission ultimately approved the project with a condition that the applicant pay an in-lieu fee of \$200,000 to mitigate the loss of low-cost visitor accommodations. This amount was presented to the Commission by the applicant and was based on the ratio of the fee required for the 97-room Surfrider Motel (\$5,155.00/room).

Although the Commission approved the project accepting the applicant's proposed mitigation fee, there was lengthy discussion on the issue regarding the appropriate amount of the mitigation fee and how such a fee should be determined. During the hearing, some of the Commissioners expressed concern that the amount proposed by the applicant would be inadequate to mitigate the number of low-cost, overnight visitor accommodations being removed from the coastal zone in Santa Monica.

In October 1989, the Commission approved the demolition of a low-cost 30-room Auto Motel and construction of a 62-room, four story hotel. Staff was originally recommending that the Commission deny the project due to its inconsistency with Section 30604 prejudicing the local government's ability to prepare an LCP in conformity with the Chapter 3 policies of the Coastal Act since there was no provision for the protection of the existing low cost visitor facility. The applicant postponed the application and came up with a proposal to pay an in-lieu fee to mitigate the loss of the affordable visitor units.

The applicant had based the proposed fee on the assumption that appropriate mitigation would be the mitigation of the loss of each room of lower cost visitor serving accommodations by an amount adequate to produce a bed of lowest cost accommodations. A "bed of lowest cost accommodations" was determined to be the subsidy cost per bed of the Westside Hostel being constructed in downtown Santa Monica (adjacent to the subject project site). Using this formula the subsidy cost per bed was \$8,515.00. The existing Auto Motel had thirty rooms and thus the mitigation fee under the above scenario was \$255,450. The Commission noted that this amount was approximately \$3,000 more per room than required in a previous permit for the loss of 34 rooms (5-88-62).

Staff had been in contact with the City of Santa Monica regarding the applicants proposed mitigation fee. At that time the city was unsure of the results of their study and the ultimate outcome of the mitigation program for the loss of the subject and future units. However the City was not opposed to the proposed fee if it was conditioned so that the fee could be increased consistent with their findings if their study and program determined that the correct fee was inadequate.

The City of Santa Monica has retained an economic consultant to provide an analysis to determine the proper amount of fee to mitigate the loss of low-cost visitor accommodations within the coastal zone. The most recent analysis of the consultant's study recommends that a mitigation fee of \$8,000 per room would be necessary to ensure full replacement. The city's study indicated "that room rates for low-cost/economy hotels/motels were identified to be in the range of \$35.00 to \$50.00 per night." That price range is consistent with the proposed project which will remove 81 units previously at approximately \$50/night.

On December 12, 1989, the City of Santa Monica's City Council approved the consultant's recommendation. Following is an excerpt from the city's staff report (See Exhibit B):

.... Based on the above methodology, it was determined that a mitigation fee of \$8,000.00 per room would be necessary to ensure full replacement. To reflect changes in financial conditions such as land costs, improvement costs, maximum allowable rental levels, and operating costs, an inflation adjustment factor has been included as part of the fee program. Similar to the method used in the housing and parks mitigation fee, the fee should be adjusted for inflation by the percentage change in the consumer price index and a factor that accounts for any changes in land costs.....

The City has adopted an implementing ordinance for the recently approved mitigation fee. The Commission staff has not reviewed the ordinance to determine if it is adequate to implement the applicable low-cost visitor facility policies of the City's LUP. The City's policy presently anticipates that the replacement of low-cost units will occur throughout the city of Santa Monica and will not be limited to only the coastal zone. Any existing affordable overnight accommodations to be demolished within the coastal zone must be replaced within the coastal zone. Otherwise, the concept of the mitigation plan appears to be consistent with the Coastal Act. A thorough analysis of the program and any necessary modifications will be addressed at the time of the submittal of the LCP implementation program. However, the proposed development, as conditioned, will not prejudice the ability of the city to prepare and resubmit an LUP consistent with Chapter 3 policies of the Coast Act.

Therefore, the Commission finds that the proposed fee, as conditioned to be paid through an interest bearing trust account with the Commission and a public agency or non-profit organization to provide low-cost overnight facilities, is the proposed project consistent with both sections 30213 and 30604 of the Coastal Act. Further, the amount of the fee may be increased consistent with the city's mitigation program, if reviewed and approved by the Commission within 18 months of the Commission's approval of this permit.

C. Public Access - Traffic

Section 30252 of the Coastal Act states in part that the location and amount of new development should maintain and enhance public access to the coast by providing substitute means of serving the development with public transportation and assuring the potential for public transit for high intensity uses.

The proposed project is well served by both the Santa Monica and greater Los Angeles area regional bus lines. It is also located one block from the 19 mile beach bikepath. The Commission in past permit actions in the downtown Santa Monica area has routinely required that high intensity commercial uses provide public transit incentives and on-site bicycle parking programs be incorporated into the new development. The Santa Monica LUP also contains similar requirements. Therefore, the proposed project is required to reimburse employees public transit fares, provide preferential parking for car pool vehicles and to provide secure bicycle parking facilities. As conditioned, the proposed development is consistent with the public access provisions of the Coastal Act.

This project is a replacement of a priority, recreational use with a low priority office use. In addition to a condition addressing the displacement of low and moderate cost accommodations, the Commission has in six past permit actions addressed the issue of the location of a lower priority use in the upland area of the coastal zone, which poses a conflict with section 30223 of the Coastal Act. These six past cases involved the construction of office buildings in Santa Monica which did not displace low and moderate hotel accommodations, but which did allow the construction of offices near the Coast. They were : 5-85-378(Perloff), 5-87-431(Fiondella Grup), 5-89-842(Janss Corporation), 5-88-062 (CWD Taiyo), 5-89-56 (Search Builders), and 5-90-17 (Janss Corp). In these cases the Commission imposed a condition requiring the parking lots to provide weekend access to the beach.

An LUP policy provides that public parking be provided whenever a lower priority project provides more than ten parking spaces. The staff recommends that this condition also be imposed on 5-90-928, the applicant's four story office facility, with 266 parking spaces. The staff notes that the proposed facility is within walking distance and view of the beach: it is located directly on the bluff top drive that overlooks the public beach in Santa Monica. Therefore, the Commission finds that as conditioned to provide public parking provisions, the proposed project is consistent with Section 30213 of the Coastal Act.

D. Local Coastal Program:

Section 30604(a) of the Coastal Act states that:

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

The Santa Monica Land Use Plan was certified with suggested modifications in July, 1987. The City did not accept the modifications and the certified Plan which was valid for six months has lapsed. The project as conditioned to pay a mitigation fee which can be increased within 18 months should the City and Coastal Commission approve and adopt a program requiring fees in excess of that provided by the applicant will not prejudice the ability of the City to prepare and resubmit a certifiable LCP. The Commission expects the Santa Monica LCP to be submitted and acted upon within the 18 month time period.

E. Issues Raised at Previous January 1991 Commission Public Hearing

Staff has attached as Exhibit F issues raised by appellants at a previous public hearing concerning traffic congestion and crime. Also, attached as Exhibit G are concerns raised regarding the vacation of First Court Alley. In response to those concerns, staff has attached as Exhibit H a letter recieved from the City of Santa Monica. Regarding crime, the issues raised are local in nature and cannot be resolved by the Commission. In response to concerns regarding weekend traffic levels at certain unsignalized intersections, staff agrees with the City's analysis which in part states (See Exhibit H):

The City is aware that certain residents of this area are concerned about weekend traffic levels at certain unsignalized intersections in the area. The City is also aware that weekend traffic in the vicinity of the project site is congested. However, our analysis of this project found that given the proposed uses, the project will not generate significant weekend traffic and thus will not be a contributing factor to weekend traffic conditions in the project site area. For this reason, we did not believe it was necessary to include a study of weekend traffic levels at certain unsignalized intersections in the EIR for this project.

Regarding the closure of First Court Alley the City states:

Nevertheless, the City will not vacate First Court Alley without additional study. As your office may be aware, the City is currently in the process of studying the area in which this project will be constructed through the preparation of a Civic Center Specific Plan.

If the City ultimately decides to vacate first Court Alley, the City will meet with individual property owners whose properties abut First Court Alley in order to develop and implement measures to insure that their businesses are not adversely affected. We have already met with the property owners in this area on several occasions including Mr. Dan Gregory, whose family owns the Ocean Lodge. We have assured Mr. Gregory that if First Court Alley is vacated, the City will take appropriate steps to insure access is maintained to the Ocean Lodge.

Finally, the proposed project has been conditioned to specify that the subject permit application does not include the vacation of First Court Alley.

JR:tn
76120

EXHIBIT NO. 14

APPLICATION NO.

A-4-SBC-99-200

La Entrada

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g 2-20-90

Santa Monica, California

ORDINANCE NUMBER 1516 (CCS)

(City Council Series)

AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF SANTA MONICA IMPLEMENTING POLICY 45 OF THE CITY
OF SANTA MONICA DRAFT LOCAL COASTAL PROGRAM ESTABLISHING
MITIGATION FEES FOR THE REMOVAL OF LOW COST LODGING
ACCOMMODATIONS IN THE SANTA MONICA COASTAL ZONE

THE CITY COUNCIL OF THE CITY OF SANTA MONICA DOES ORDAIN AS
FOLLOWS:

SECTION 1. Findings and Purpose. The City Council finds
and declares:

(a) In recent years, there has been a significant shift in
the development of visitor accommodations within the Santa Monica
Coastal Zone from low cost lodging accommodations to luxury
lodging accommodations. Since 1984, six luxury hotels containing
1,109 rooms have received City approvals within the Coastal Zone
while no new low cost rooms have been proposed in this area.

(b) The City of Santa Monica has experienced a significant
reduction in the number of low cost lodging accommodations due to
demolition and conversion of existing units and construction of
office development and luxury lodging accommodations. Since
1984, approximately 355 low cost rooms in the Coastal Zone have
been demolished and not replaced, representing a loss of
forty-five percent (45%) of the low cost rooms existing in the
Coastal Zone as of 1984.

(c) The vast majority of visitor accommodations in the Coastal Zone removed from the market due to demolition are low cost lodging accommodations.

(d) The demolition of low cost lodging accommodations in combination with the replacement by, and new construction of, luxury lodging accommodations has altered the balance and has contributed to the scarcity of affordable visitor accommodations in the City. Only fifteen percent (15%) of the total hotel-motel accommodations which will exist in the Coastal Zone once the new City-approved accommodations are completed, will be low cost accommodations.

(e) Policy 45 of the Draft Local Coastal Program provides for a mitigation fee where new development removes low cost lodging accommodations.

(f) Pursuant to the police power, the City has the authority to address both the imbalance created by the removal of existing low cost lodging accommodations and the overall need for affordable visitor accommodations in the City.

(g) The purpose of this Ordinance is to reduce the negative impact on affordable visitor accommodations caused by new commercial and new hotel and motel development which requires demolition of existing visitor accommodations.

(h) New commercial and new hotel and motel development which requires demolition of existing low cost lodging accommodations is generating a reduction in the City's affordable visitor accommodations, and increases the imbalance between coastal activities and affordable visitor accommodations in the City.

(i) The City has a continuing need for low cost visitor accommodations and such need is exacerbated by the demolition and conversion of such units and construction of new commercial developments.

(j) Any fees collected pursuant to this Ordinance shall be used only to finance the construction of low cost lodging accommodations.

(k) The fee requirements of this Ordinance will help diminish the overall loss of low cost lodging accommodations in the City and to mitigate the adverse consequences of removal of low cost lodging accommodations in the Coastal Zone.

(l) The facts and evidence presented in the Draft Local Coastal Program dated October, 1989, in the "Santa Monica Coastal Zone Motel and Hotel Room Survey" prepared by Willdan Associates, dated January 18, 1990, and in the California Coastal Act of 1976, establish that there is a reasonable relationship between the need for the replacement of low cost visitor accommodations which is removed by demolition and the fee established by this Ordinance, and also that there is a reasonable relationship between the use of the fee and the type of development for which the fee is charged.

(m) The fees required by this Ordinance do not exceed the reasonable costs of constructing replacement units as demonstrated by the "Evaluation of Financial Assistance Requirements for the City of Santa Monica's Overnight Affordable Accommodations Program," a study prepared by Natelson Levander Whitney, Inc., dated December 11, 1989.

SECTION 2. Definitions. The following words or phrases as used in this Ordinance shall have the following meanings:

(a) Fee. A fee paid to the City by a developer pursuant to this Ordinance to mitigate the removal of low cost lodging accommodations.

(b) Low Cost Lodging Accommodation. Any hotel or motel unit, designed, occupied, or intended for occupancy, as a temporary lodging place for individuals for less than thirty (30) consecutive calendar days for which the room rate was Eighty Dollars (\$80.00) or less as of December 12, 1989, or as of the last day of operation if the hotel or motel was not in operation as of that date.

(c) Remove or Removal. The demolition of low cost lodging accommodations or the conversion of such units to other use.

(d) Santa Monica Coastal Zone. The approximately 1.5 square miles bounded on the west by the Pacific Ocean, on the south by the City's southern boundary, on the east by Lincoln Boulevard south of Pico Boulevard, and by 4th Street north of Pico Boulevard as far north as San Vicente Boulevard. Along the San Vicente Boulevard centerline, the boundary goes inland to 7th Street to the northern City boundary.

(e) Site. One or more contiguous parcels under common ownership which have been used, developed, or built upon as a unit.

SECTION 3. Mitigation Fee Requirement.

(a) No person shall remove low cost lodging accommodations in the Santa Monica Coastal Zone unless the person has complied with the provisions of this Ordinance.

(b) No permit, license, or other approval shall be issued or granted by the City for the development or use of any property from which any low cost lodging accommodations have been removed until the person seeking the license, permit, or other approval has complied with this Ordinance.

SECTION 4. Applicability. This Ordinance shall apply to:

(a) Any development, project, or other activity involving the removal of any low cost lodging accommodations in the Santa Monica Coastal Zone. For purposes of this Ordinance, development, project, or other activity shall include the creation of a parking lot, open space, or vacant land on a site previously occupied by low cost lodging accommodations.

(b) Any site located in the Santa Monica Coastal Zone from which the removal of low cost lodging accommodations has been approved and as to which a condition requiring the payment of a mitigation fee has been imposed by the California Coastal Commission.

SECTION 5. Fee.

(a) The low cost lodging mitigation fee required by this Ordinance shall be satisfied by payment of a fee to the City in the amount required by this Section.

(b) The amount of fee required pursuant to this Section shall be based on the number of units to be removed. For each

low cost lodging unit removed, a fee of Eight Thousand Dollars (\$8,000.00) shall be required.

(c) Any fee payment required pursuant to this Section shall be adjusted for inflation by the percentage change in the Consumer Price Index ("CPI") multiplied by .65 plus the percentage change in land cost multiplied by .35 between the date of adoption of this Ordinance through the month in which payment is made.

(1) For purposes of this Section, CPI shall mean the index for Urban Wage Earners and Clerical Workers for the Los Angeles/Long Beach/Anaheim statistical area, as published by the United States Department of Labor, Bureau of Labor Statistics.

(2) For purposes of this Section, "land cost" shall mean the average purchase price per square foot for commercially zoned property, as determined through an independent survey performed for the Community and Economic Development Department by a qualified real estate consultant and adjusted on an annual basis.

SECTION 6. Payment of Fee.

(a) At the time of application for a demolition permit or other approval necessary for the removal of low cost lodging accommodations located in the Santa Monica Coastal Zone, the developer shall enter into a compliance agreement for payment of the fee in accordance with the provisions of this Section.

(b) The compliance agreement shall contain the following requirements:

(1) At least fifty percent (50%) of the fee shall be paid prior to issuance of a demolition or building permit for a project on the site.

(2) The balance of the fee shall be paid prior to issuance of the certificate of occupancy for any development or conversion on the subject site. If no certificate of occupancy is required for the conversion or other new activity on the subject site, the balance of the fee shall be due upon commencement of the new activity or within one year, whichever occurs sooner.

(3) The agreement shall create a lien on the property which shall be binding on the developer and any successor of the developer, including any person acquiring an interest in the property by foreclosure, trust sale, or other proceeding.

(4) Payments shall be adjusted annually for inflation pursuant to Section 5.

(5) The compliance agreement shall be recorded.

(6) Such other provisions as are reasonably deemed necessary by the City to ensure payment of the fees required by this Ordinance.

(c) The fee required by this Ordinance shall not become effective until sixty (60) days from its adoption, pursuant to Government Code Section 65962(a).

SECTION 7. Deposit and Use of Fee. Any payment made pursuant to this Ordinance shall be deposited in a Reserve Account separate from the General Fund to be used only for

development of low cost lodging accommodations in the Santa Monica Coastal Zone. Any interest income earned by monies in such account shall be expended only for development of low cost lodging accommodations in the Santa Monica Coastal Zone.

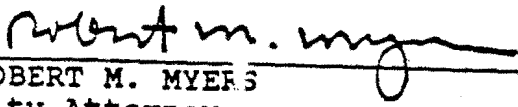
SECTION 8. Applicability of Other City Ordinances and Regulations. None of the provisions in this Ordinance are intended to supersede any provisions of the City Charter, ordinances, regulations, or resolutions concerning demolition of residential housing, relocation of displaced tenants, rent control removal within fifteen (15) days after its adoption.

SECTION 9. Any provision of the Santa Monica Municipal Code or appendices thereto inconsistent with the provisions of this Ordinance, to the extent of such inconsistencies and no further, are hereby repealed or modified to that extent necessary to affect the provisions of this Ordinance.

SECTION 10. If any section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by a decision of any court, of any competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have passed this Ordinance, and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the Ordinance would be subsequently declared invalid or unconstitutional.

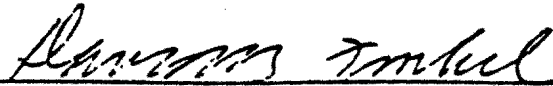
SECTION 11. The Mayor shall sign and the City Clerk shall attest to the passage of this Ordinance. The City Clerk shall cause the same to be published once in the official newspaper within 15 days after its adoption. This Ordinance shall become effective 30 days from the date of its adoption.

APPROVED AS TO FORM:



ROBERT M. MYERS
City Attorney

Adopted and approved this 27th day of February, 1990.



Mayor Pro Tempore

I hereby certify that the foregoing Ordinance No. 1516(CCS) was duly and regularly introduced at a meeting of the City Council on the 20th day of February 1990; that the said Ordinance was thereafter duly adopted at a meeting of the City Council on the 27th day of February 1990 by the following Council vote:

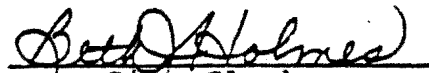
Ayes: Councilmembers: Abdo, Finkel, Jennings, Katz, Reed

Noes: Councilmembers: None

Abstain: Councilmembers: None

Absent: Councilmembers: Genser, Mayor Zane

ATTEST:


Ast. City Clerk

C/ED:CPD:PB:SF:JG

w/lodging

Council Meeting: December 12, 1989

Santa Monica, California

TO: Mayor and City Council

FROM: City Staff

SUBJECT: Recommendation to Adopt a Low Cost Coastal Lodging
Fee for the City of Santa Monica

INTRODUCTION

This report recommends that the City Council adopt a low cost lodging replacement fee as required by the City's Draft Local Coastal Program to mitigate the loss of affordable hotel and motel rooms within the Coastal Zone and direct the City Attorney to prepare an ordinance to implement the program. This fee would be imposed on developments that remove affordable guest rooms from any site within the coastal zone. The purpose of this replacement fee is to maintain a range of prices for overnight lodging in the City.

BACKGROUND

Both the California Coastal Act and the City's Draft Local Coastal Program include policies that address the protection of low cost lodging.

EXHIBIT NO.	15
APPLICATION NO.	
	A-4-SBC-99-200
	La Entrada

State Coastal Act

Section 30213 of the Coastal Act states in part that:

"Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided."

The intent of Section 30213 is to ensure that there is a balanced mix of visitor and recreational facilities within the Coastal Zone, so as to provide recreational opportunities to all economic sectors of the public. Access to coastal recreation facilities is also enhanced when there are overnight lodging facilities for all economic sectors.

On October 6, 1989, the Coastal Commission and staff defined "low-cost overnight facilities" as follows:

"A low-cost overnight facility is an overnight lodging facility which charges no more than the average per room, per night rate of lodging facilities such as a hostel, Motel 6, Super 8 Motel or other similarly priced lodging facility."

Santa Monica's Local Coastal Program

Policies 37 and 45 of the City's Draft Local Coastal Program state:

Policy 37. Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred.

Policy 45. Where new development removes low cost lodging facilities, such new development shall mitigate this impact.

Mitigation shall be in the form of a fee paid into a fund established by the City for the provision, including land acquisition and construction, of replacement of low-cost lodging facilities within the Coastal Zone.

The Coastal Commission has been implementing the above policies for projects in Santa Monica that involve the removal of low cost visitor accommodations. Three such projects have been required to provide fees to mitigate the loss of low cost accommodations.

In 1983, the Coastal Commission approved the demolition of the 97 room Surfrider Hotel and, as a project condition, required an in-lieu fee of \$500,000.00 to mitigate the loss of 97 affordable rooms. The \$500,000.00 was utilized to help finance the Youth Hostel currently under construction downtown.

In 1988, the Coastal Commission approved demolition of a low cost, 34 room motel at 1501 Ocean Avenue and the construction of a retail/office project. A condition of project approval included payment of an in-lieu fee of \$200,000.00 to mitigate the loss of low cost visitor serving accommodations.

On October 10, 1989, The California Coastal Commission approved a 62 room hotel project at 1447-53 Ocean Avenue that included demolition of a motel (Auto Motel) with 30 affordable rooms. A condition of approval imposed by the Coastal Commission included a \$255,450.00 replacement fee for low cost accommodation replacement. The Coastal Commission declined to give Santa Monica the mitigation fee for disbursement as the City currently does not have a mitigation fee program in place.

EXHIBIT NO. 15

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La Entrada

Originally, the fee program was to be included in the City's Local Coastal Program, but due to the Coastal Commission action on the Auto Motel, and other upcoming projects within the coastal zone, staff recommends implementing the low cost lodging replacement fee prior to adoption of the revised Local Coastal Program. By adopting this ordinance, the City will be able to set and collect the mitigation fee from upcoming projects. Upon certification of the City's Local Coastal Program, this ordinance will be incorporated into the Zoning Ordinance along with the Coastal Program's implementing ordinances.

PROPOSED FEE PROGRAM

Policy 45 of the City's Local Coastal Program proposes the establishment of an in-lieu fee to be paid by the developers of projects which displace low cost or budget motel or hotel units in the Coastal Zone. A development proposal in the Coastal Zone which removes low-cost lodging would be required to pay a per unit fee to the City to mitigate the loss of the units. The definition of a low-cost unit established by the City is based on average nightly rental rates.

A survey of motels and hotels (see Attachment A) in Santa Monica's Coastal Zone, identified 24 lodging establishments containing a total of 2,375 rooms. Of this total, 650 rooms, distributed among 15 different motels and hotels, were classified as low-cost units (the hotel/motel survey included the Kensington and Flamingo complexes). Room rates for low-cost/economy hotels/motels were identified to be in the range of \$35.00 to

\$80.00 per night. The average room rate of the above range is \$57.00 per night for a double occupancy room. In a report entitled Hotel Development Update Report, May, 1989, motel rooms within the above range were defined as economy or low cost.

Additionally, staff considered the potential for on-site replacement of affordable rooms within a newly constructed hotel. This option has not been included in the program as industry experts advised staff that this was an unlikely scenario. It would be administratively impossible to operate a single lodging facility with greatly disparate room rates unless there is a significant difference in accommodations and amenities in a facility. Such a facility is highly unlikely to be constructed.

Fee Methodology

An economic consultant was retained to provide an analysis to determine the proper amount of the fee to be assessed. To develop this fee, the analysis included: land costs a hotel/motel operator could afford in order to build low-cost lodging, operating costs consistent with hotel/motel industry experience, financing and return on equity, improvement costs, and development parameters. The basic approach in the analysis was to determine the amount of assistance required by a developer of new economy rooms so that a 10% return on equity investment could be achieved. The analysis assumed that the assistance is the amount of fee the City should collect for the removal of the 650 low-cost visitor accommodations in the Coastal Zone. A standard development model was used utilizing the following assumptions:

- o A pure hotel/motel facility; that is, no restaurant or other non-room income operations;
- o Density of 187 units per acre with a resultant FAR of 1.5.;
- o Parking requirement of 1.0 space per room; free parking; predominant use of subterranean parking (about 80% of total);
- o Improvement costs (excluding land but including furniture, fixtures, and equipment) of approximately \$42,600 per room;
- o Land cost at \$106 per square foot;
- o Financing at 11.0% annual interest rate and 30-year equal amortization;
- o 90% of total development costs in the form of a mortgage with a resultant 10% developer equity investment;
- o Return on developer equity investment requirement of 10% annually; (return on equity is a widely accepted measure of profitability.);
- o Average building space of 350 square feet per room (including lobby, corridors, and other common areas);
- o Average three floor construction above parking;
- o Average parking space of 350 square feet.

To determine the appropriate density for a replacement project, data was gathered from affordable hotel/motel projects recently approved in Santa Monica. Three examples were found:

- o The 126-room Econo Lodge to be located on a 22,500 square feet site, with a resultant density of 244 rooms

per acre.

- o The 68-room King Chai (in planning) to be located on a 15,000 square foot site, at a resultant density of 197 rooms per acre.
- o A 69-room hotel proposed for an 8,720 square foot site on Main Street, with a resultant density of 345 units per acre.

For this analysis, land sale comparables for 13 properties within the City of Santa Monica were obtained. Sales prices range from a low of \$70.15 per square foot of land area to \$143.59 per square foot. Based on the comparables, the analysis utilized an average of \$106 per square foot for land cost (the mean value).

Replacement Fee Program

Based on the above methodology, it was determined that a mitigation fee of \$8,000.00 per room would be necessary to ensure full replacement. To reflect changes in financial conditions such as land costs, improvement costs, maximum allowable rental levels, and operating costs, an inflation adjustment factor has been included as part of the fee program. Similar to the method used in the housing and parks mitigation fee, the fee should be adjusted for inflation by the percentage change in the consumer price index and a factor that accounts for any changes in land costs.

Developers demolishing affordable motel or hotel rooms within the Coastal Zone will be required to pay the fee on a per room basis. Prior to issuance of a demolition permit or building permit for a

new project, at least 50% of the total fee required shall be paid. The balance of the fee shall be paid in full prior to the issuance of a certificate of occupancy and shall be secured by an irrevocable letter of credit or other form of security acceptable to the City.

Disbursement of Program Funds

A program to allocate the low cost lodging mitigation fees will be implemented after a sufficient amount has been collected by the City. It is anticipated that an RFP process, similar to the one used in connection with housing fees and the fees previously collected will be used to allocate the funds.

BUDGETARY/FISCAL IMPACT

This ordinance will result in the receipt of low cost lodging replacement funds. A separate account will be established for deposit of these funds.

RECOMMENDATION

It is respectfully recommended that the City Council direct the City Attorney to prepare an ordinance to establish a low-cost lodging mitigation fee for first reading at the January 9, 1990 City Council meeting.

Prepared by: Paul Berlant, Director of Planning
Suzanne Frick, Principal Planner
Johanna Gullick, Associate Planner

12/06/89

ATTACHMENT A
AFFORDABLE ROOMS IN THE SANTA MONICA COASTAL ZONE: FALL 1989

NAME OF MOTEL/HOTEL	NUMBER OF ROOMS	PRICE RANGE
Ocean Park Motel 2452 Lincoln Blvd.	29	\$38-55
Travelodge Motel* 1525 Ocean Avenue	35	\$65-80
Pacific Sands Motel 1515 Ocean Avenue	42	\$40-45
Auto Motel 1447 Ocean Avenue	30	\$45
Hotel Carmel* 201 Broadway	93	\$38-60
Ocean Lodge 1667 Ocean Avenue	16	\$55
Seaview Hotel 1760 Ocean Avenue	11	\$35
Beach Auto Hotel 1670 Ocean Avenue	25	\$45-55
Sea Shore Motel 2617 Main Street	20	\$40-50
Bayside Hotel 2001 Ocean Avenue	39	\$42-62
Cal Mar Hotel 220 California Avenue	35	\$55-78
Santa Monica Motel 2102 Lincoln Blvd.	29	\$40-50
Kensington/Flamingo Hotel 1746 Ocean Avenue	182	\$35-65
Embassy Hotel 1001 Third Street	43	\$40-60
Sovereign Hotel* 205 Washington Avenue	21	\$69-89
TOTAL	650	

* Hotel or motel also contains rooms that are above \$80.

Note: Average price of hotel rooms = \$57.00. This is based on a room rate range of \$35.00 to \$80.00

w/low2

ATTACHMENT B

Additional Operating Expenses

<u>Item</u>	<u>Cost Basis</u>
Utilities	\$4 per square foot of building space
Property Taxes	1.1% of total development costs (including land)
Insurance	0.3% of development costs excluding land
Repairs and Maintenance	5.0% of development costs excluding land
Maintenance (reserve)	2.0% of development costs excluding land
Supplies and Misc	4.0% of total operating revenues

Note: These factors are based upon reported industry averages

HARD CONSTRUCTION COST FACTORS

<u>Item</u>	<u>Cost Basis</u>
Building Shell	\$65 per square foot of building space
Surface Parking	\$8 per square foot of land area
Subterranean Parking	\$8,800 per space
Site Work	\$8 per square foot of landscape/hardscape area
Off-site Costs	Estimated at \$80,000 lump sum

w/lodgA

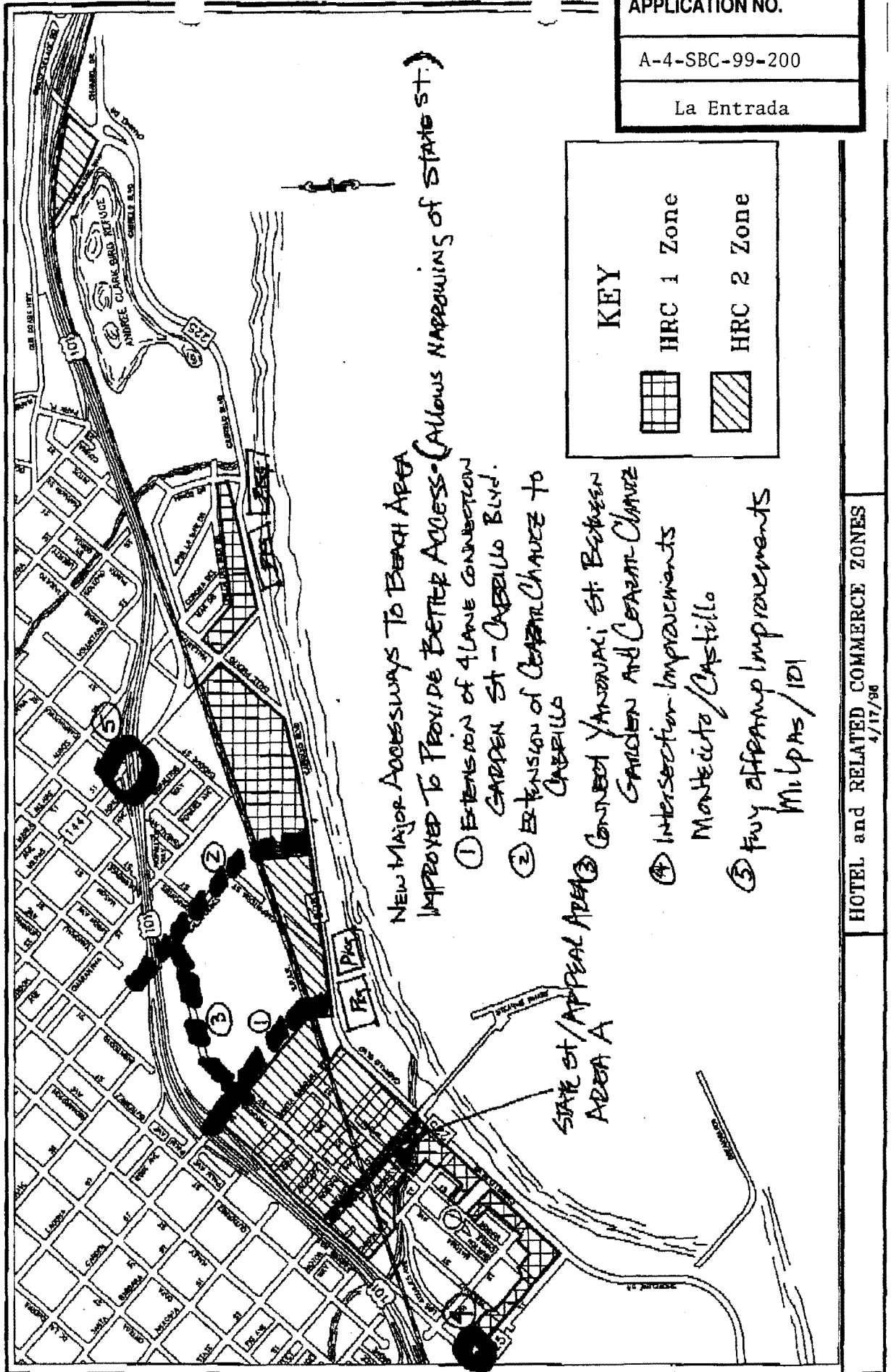
EXHIBIT NO. 16

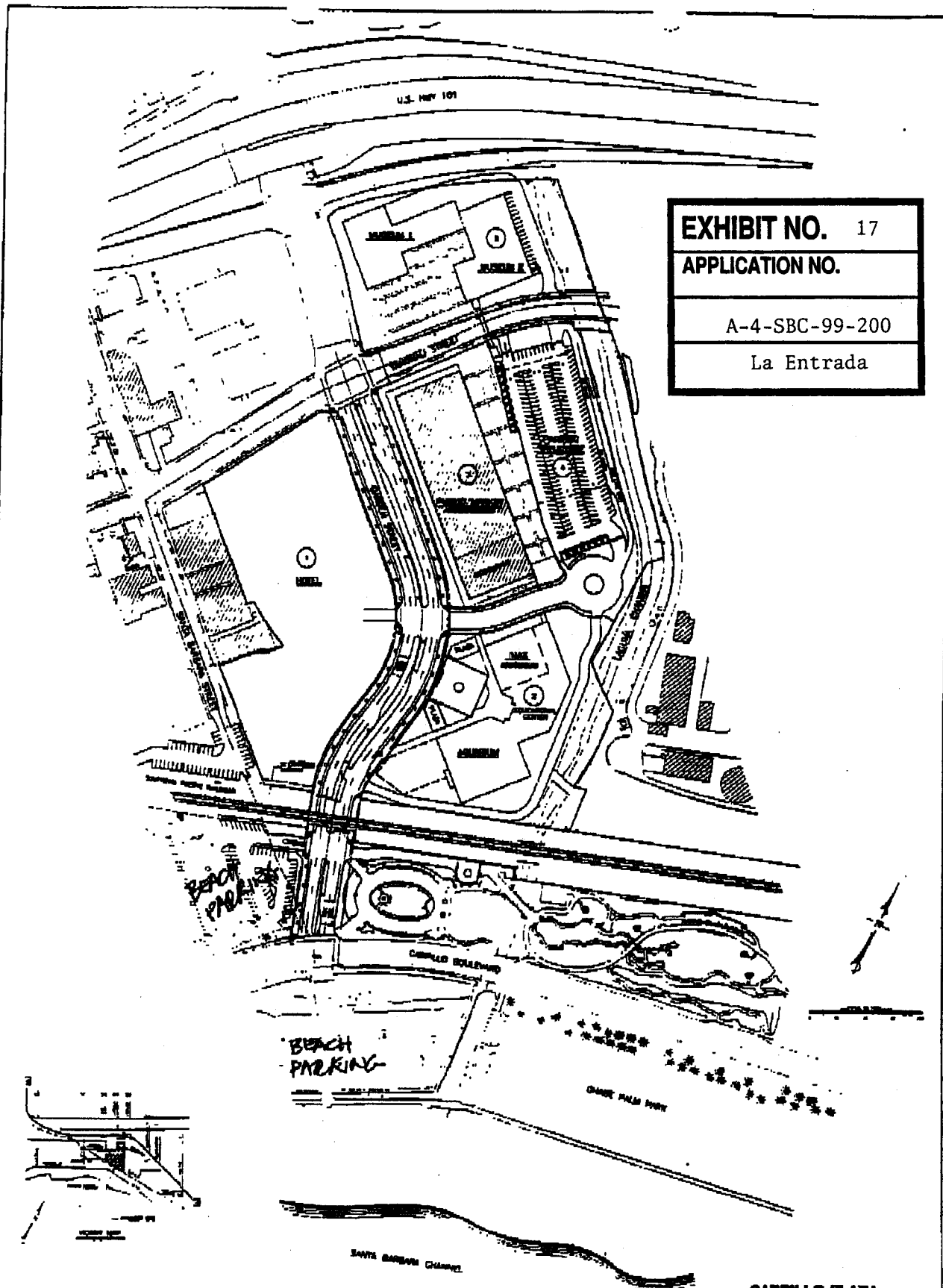
APPLICATION NO.

A-4-SBC-99-200

La Entrada

City of Santa Barbara



**EXHIBIT NO.** 17**APPLICATION NO.**

A-4-SBC-99-200

La Entrada

**CABRILLO PLAZA
SPECIFIC PLAN AMENDMENT
PROPOSED LAND USE PLAN**

BEING A PORTION OF THE
WRIGHT FAMILY LIVING TRUST PROPERTY &
THE SANTA BARBARA CHANNEL FOUNDATION
130 GARDEN STREET

CITY OF SANTA BARBARA CALIFORNIA
SCALE: 1" = MARCH 1998

Neal Hotel Location and La Entrada Project

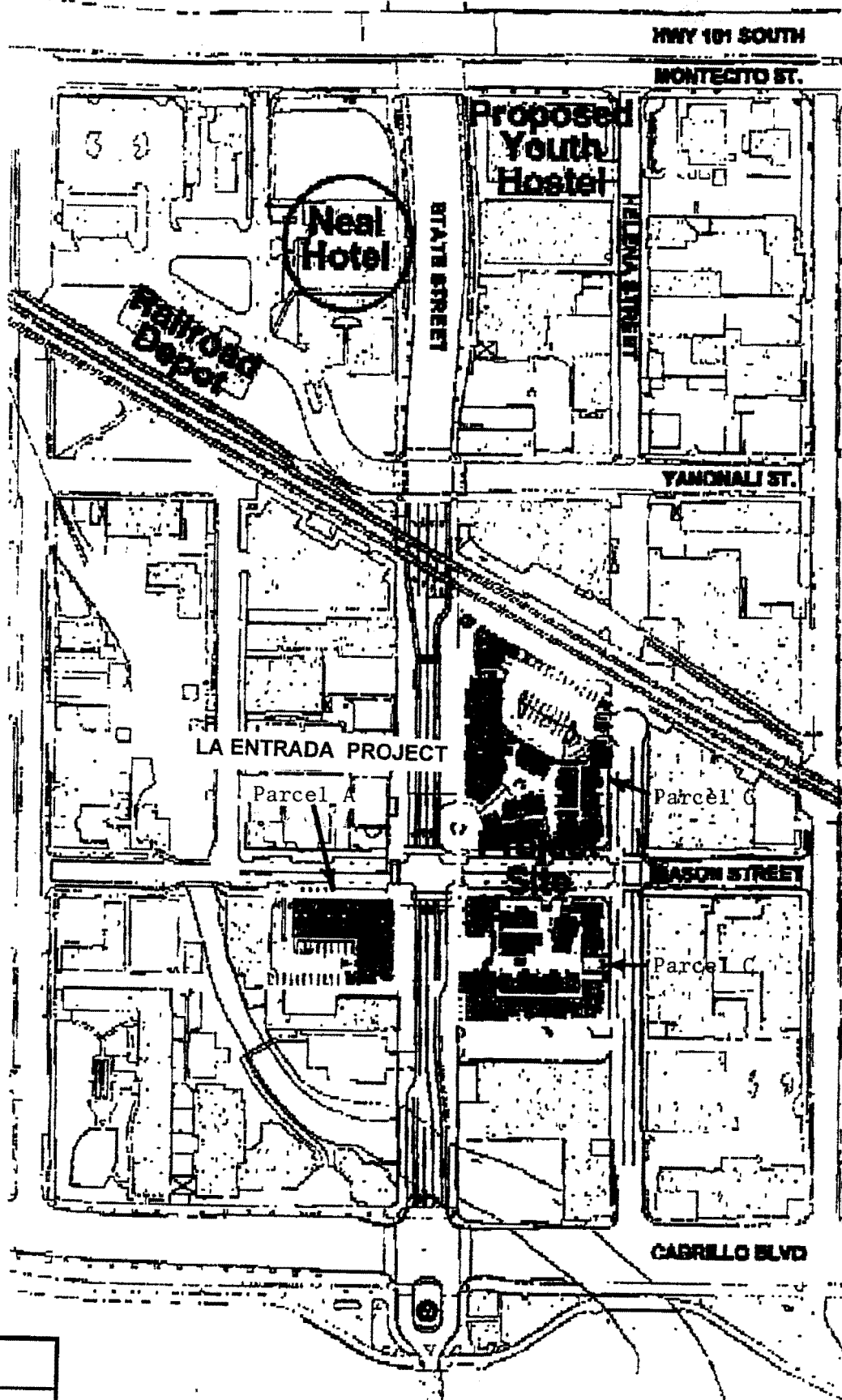


EXHIBIT NO. 18

APPLICATION NO.

A-4-SBC-99-200

La Entrada

