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Commission Action:	

PERMIT AMENDMENT

Application Number.....3-84-139-A1

Applicants.....Monterey Peninsula Hotel LLC; Cannery Row Company

Local Government.....City of Monterey

Project Location.....750 Cannery Row, City of Monterey, County of Monterey (APNs 001-011-006, 007, & 008; 001-012-002, 005, 006, & 016)

Project Description..... Amend hotel, retail, and parking project approved in 1984, to reduce hotel rooms from 212 to 208, to increase meeting room area from 1,450 sq. ft. to 10,200 sq. ft., to reduce restaurant seats from 200 to 95, to increase retail area from 13,920 sq. ft. to 18,581 sq. ft., to increase parking from 263 spaces to 273, and to amend public access provisions and revise exterior design.

File Documents..... Coastal Act; Cannery Row Local Coastal Program Land Use Plan; CDP 3-84-139; City of Monterey Special Permit #82-02; Use Permit #82-78; Use Permit #87-31; Parking Adjustment #82-52

Staff Recommendations.....**Approval with Conditions**

Procedural Note

Coastal Development Permit Amendments

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

1. The Executive Director determines that the proposed amendment is a material change,
2. Objection is made to the Executive Director's determination of immateriality, or
3. The proposed amendment affects conditions required for the purpose of protecting a coastal resource or coastal access.

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

The subject application is being forwarded to the Commission because the Executive Director has determined that the proposed amendment is a material change and affects conditions required for the purposes of protecting coastal resources or coastal access.

Staff Report Contents

I. Executive Summary

The applicants are requesting an amendment to coastal permit 3-84-139, which allowed for development of a hotel with retail space at 750 Cannery Row in the City of Monterey, and a parking garage at the corner of Wave Street and Prescott Avenue. The approved development consisted of 212 hotel rooms, 1,450 sq. ft. of meeting area, 200 restaurant seats, 13,920 sq. ft. of retail area, and 263 parking spaces. Permits were issued and foundations were constructed but the project was never completed. Foundation work has continued sporadically from 1985 to the present time.

The property has changed ownership since approval of the original CDP in 1984. The new applicants wish to complete the project. Substantial changes have been made in the hotel design of the current project compared to the approved project. The proposed amended project would consist of 208 hotel rooms, 10,200 sq. ft. of meeting room area, 95 restaurant seats, 18,581 sq. ft. of retail space, and 273 parking spaces.

The City of Monterey approved a Mitigated Negative Declaration in June 2000, which evaluated the differences between the approved plan and the proposed plan. An Environmental Impact Report (EIR) from 1983 was used to prepare the Negative Declaration. A new EIR was not prepared, although new

studies were performed on traffic and parking impacts.

The main issues regarding this project are as follows:

Public Access: Substantial changes are proposed in one public access component of the approved project. The approved plan provided for an 8-foot accessway alongside the bayside of the hotel and for use of an entire adjacent city-owned parcel for passive public recreation and access. The applicants propose to use slightly over half (3,711 sq. ft.) of this city-owned parcel for vehicular access to the hotel. To offset this loss of exclusive public access, the applicants propose other public access improvements, including development of a plaza in front of Bubba Gump's Restaurant, a walkway adjacent to Doc Ricketts' Lab, an observation point over the water, partial public access of the hotel courtyard, and development of a public park on a 3,200 sq. ft. portion of McAbee Beach. In addition, this approval is conditioned for providing public access around the entire bayside hotel site.

Water Supply: The 1983 EIR stated that there was sufficient water to serve the proposed hotel complex. In the intervening years the water situation has changed greatly in the Monterey area and there is now a water shortage. During part of this time, the City of Monterey has been reserving 29.072 acre feet/year of water for this project, which is the amount calculated as necessary for a "standard" hotel of this size. The "luxury" water-use category may be more appropriate considering the type of hotel the applicants are now proposing. However, if this visitor-serving project were not approved, the City of Monterey would likely use this 29.072 acre feet of water for other development. The City of Monterey's Conditions of Approval provide for water-saving devices, low-flow fixtures, and landscaping with drought-tolerant plants. In addition to these conditions, the applicants will be required to submit yearly water-use amounts to the Commission for review. If yearly water use exceeds 29.072 acre feet, then specific steps must be taken to limit water use to the approved 29.072 acre feet or the City of Monterey may allocate more water to the hotel, if any is available.

Visual Resources: The proposed project will provide public bayside viewing areas. The bulk, mass, and height of the proposed hotel structures are similar to those of the approved plan. The buildings have been designed to conform to LUP guidelines regarding rooflines, wall material, windows, etc. The proposed hotel will create an improved appearance for Cannery Row for the long term, as currently the parcels are fenced off and covered only by foundations.

Traffic and Parking: The traffic study estimated that the proposed hotel will create 70 more peak-hour weekday trips and 45 more peak-hour Saturday trips than the approved hotel. The parking study estimated that the proposed hotel will create a deficit of 87 parking spaces, compared to a deficit of 23 spaces parking for the approved hotel. As mitigation, the City of Monterey is requiring the applicants to pay into a transportation fund to contribute to an existing shuttle program. The applicants must also provide valet parking and some public parking in the proposed parking garage, and implement an employee parking plan. Because the proposed project is estimated to have an increased impact on parking and traffic in Cannery Row compared to the approved plan, this approval is conditioned to require that traffic and parking studies be performed during the first two summers of operation of the hotel. The permittees shall be required to submit a mitigation plan for Commission review if these

studies demonstrate extensive parking deficiencies or excessive unanticipated traffic impacts due to operation of the hotel. The permittees will also be required to submit evidence of the amount of funding that will be paid into the Transportation Management Fund, including documentation as to how this and other City of Monterey requirements will fully mitigate the expected 87-space parking deficit.

Marine Resources: In 1984, when the original hotel plan was approved, a deteriorated portion of the original cannery was still present, which extended far beyond the mean high tide level. The approved plan and the proposed plan situate the bayside hotel at approximately the mean high tide level. A section of the lateral access walkway (adjacent to the meeting room) proposed in the amended plan will extend three feet further seaward than that originally approved, but will still be well landward of the old cannery it replaces. The seawall of the bayside building will encroach no further into the intertidal zone than does the existing seawall. This approval is conditioned with a number of requirements to avoid or counteract any potential adverse effects of construction and development on marine resources.

As conditioned, the proposed project is consistent with the policies of the California Coastal Act and staff is recommending approval.

II. STAFF RECOMMENDATION ON AMENDMENT

The staff recommends that the Commission, after public hearing, **approve** the proposed amendment subject to the standard and special conditions below. Staff recommends a **YES** vote on the following motion:

Motion. *I move that the Commission approve the proposed amendment to Coastal Development Permit Number 3-95-043 pursuant to the staff recommendation.*

Staff Recommendation of Approval. *Staff recommends a **YES** vote. Passage of this motion will result in approval of the amendment 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 a Coastal Development Permit Amendment. *The Commission hereby approves the coastal development permit amendment on the ground that the development as amended and subject to conditions, will be in conformity with the policies of Chapter 3 of the Coastal Act. Approval of the permit amendment 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 amended development on the environment; or (2) there are no feasible mitigation measures or alternatives that would substantially lessen any significant adverse effects of the amended development on the environment.*

III. CONDITIONS OF APPROVAL

A. Standard Conditions

1. **Notice of Receipt and Acknowledgment.** The permit amendment 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. **Interpretation.** Any questions of intent or interpretation of any condition will be resolved by the Executive Director or the Commission.

4. **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.

5. **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.

B. Special Conditions

Staff Note: Special Conditions in the original 1984 staff report have either been subsumed or are no longer applicable. See Exhibit 3.

1. FUTURE DEVELOPMENT DEED RESTRICTION

This permit is only for the development described in coastal development permit No. 3-84-139-A1. Except as provided in Public Resources Code section 30610 and applicable regulations, any future development as defined in PRC section 30106, including but not limited to a change in the density or intensity of use land, shall require an amendment to Permit No. 3-84-139-A1 from the California Coastal Commission or shall require an additional coastal development permit from the California Coastal Commission or from the applicable certified local government.

2. REVISED PLANS

PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the permittees shall submit to the Executive Director for review and approval revised building plans of buildings A and B. These plans shall include:

a. no further seaward encroachment of building A than that shown in the submitted plans dated November 22, 2000 and prepared by the Ratcliff Architects;
b. detailed floor plans which specify all the various uses of the hotel (meeting room space, guest rooms, restaurant space, retail space, lobby space, service areas, kitchen, etc.).

PRIOR TO INSTALLATION OF LANDSCAPING AND COMPLETION OF THE HOTEL EXTERIOR, the permittees shall submit the following items to the Executive Director for review and approval:

c. color samples of exterior building materials;
d. a landscaping plan for the Plaza del Mar (AI in Exhibit 13) which specifies the color and type of hardscape materials, different color/materials for path access, and the use of drought-tolerant plants and drip irrigation;

3. PUBLIC ACCESS

WITHIN 120 DAYS OF ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the permittees shall submit to the Executive Director for review and approval an access plan that includes:

a. a site plan showing the Plaza del Mar and improvements, including benches, waste receptacles, fountains or sculptures, and the configuration of the vehicular entry (AI in Exhibit 13);
b. a site plan showing path access from Cannery Row through the Plaza del Mar to the bayside; two paths should be shown – one from the southern portion of the Plaza del Mar and one adjacent to but outside of the vehicle turnaround area (Exhibit 13).
c. a site plan showing the lateral and vertical access along the bayside and west side of Building A (AII, AIII, and BII in Exhibit 13). The vertical access on the west side of Building A shall connect to the lateral access on the bayside of the hotel. These accesses shall be a minimum of 8 feet in width, excluding the portion of the vertical access labeled AIII in Exhibit 13, which shall be a maximum of 6 feet in width, and BII which shall be from 6 to 8 feet in width. The site plan shall detail improvements, including benches and waste receptacles.
d. a program for public use of the courtyard (BI in Exhibit 13) that provides a minimum of public access over 10% of the courtyard, or approximately 300 sq. ft. This access shall be adjacent to the lateral bayside access and shall include two benches;
e. an interpretive program for the Doc Ricketts' portion of the vertical access on the west side of Building A (AIII in Exhibit 13).
f. no encroachment of restaurant or other hotel uses into public access areas shown on Exhibit 13.

WITHIN 120 DAYS OF ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the permittees shall submit to the Executive Director for review and approval a signing plan that includes:

g. signs stating that the public may access the Plaza del Mar between 8:00 a.m. and 10:00 p.m. daily; signs stating that the public may access the courtyard, the bayside lateral access, and the west side vertical access between 8:00 a.m. and one hour after sunset daily (McAbee Beach hours of access will be determined by the City of Monterey Parks and Recreation Division).
h. public access signs which conform to the City of Monterey's signage program.
i. public access signs located at the following locations (at a minimum)(see Exhibit 13):

1. Plaza del Mar: where each path meets the sidewalk on Cannery Row;
2. between the southwest corner of Bubba Gump's Restaurant and the upper portion of the vehicular turnaround area;
3. at the entrance to the observation point;
4. at each end of the bayside lateral access;
5. at any point where the west side vertical access enters the hotel building;
6. the courtyard;
7. at the entrance to the Doc Ricketts' alleyway, from Cannery Row;
8. at the street entrance to the McAbee Beach parcel (Exhibit 14).

PRIOR TO OCCUPANCY OF THE HOTEL:

j. the permittees shall, in cooperation with the City of Monterey, submit to the Executive Director for review and approval a site plan showing the McAbee Beach access and improvements (Exhibit 12).

k. all access improvements shown on the approved access plan for the hotel and the Plaza del Mar sites shall be constructed and available for public use.

l. the permittees shall, in cooperation with the City, place public access signs (which conform to the City of Monterey's signage program) at McAbee Beach. Public improvements to McAbee Beach shall be completed consistent with the City of Monterey Parks and Recreation Division's schedule.

4. DEED RESTRICTIONS/OFFERS TO DEDICATE

a. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT the Cannery Row Company (Landowner) and the Monterey Peninsula Hotel LLC (Lessee) shall submit, for the Executive Director's review and approval, a deed and lease restriction which provides for lateral and vertical public access adjacent to Building "A", as described in the approved Public Access Plan and shown on Exhibit 13. The document shall run with the land, binding all successors and assigns and shall be recorded free of prior liens that the Executive Director determines may affect the enforceability of the restriction. This deed and lease restriction shall not be removed or changed without a Commission amendment to this coastal development permit.

b. PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the Cannery Row Company shall submit, for the Executive Director's review and approval, a deed restriction which provides for lateral and vertical public access of the Plaza in front of Bubba Gump's Restaurant as described in the approved Public Access Plan and shown on Exhibit 13. The document shall run with the land, binding all successors and assigns and shall be recorded free of prior liens that the Executive Director determines may affect the enforceability of the restriction. The recorded document shall include legal descriptions of both the entire project site and the area of dedication. This deed restriction shall not be removed or changed without a Commission amendment to this coastal development permit.

c. **PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT,** the Cannery Row Company shall execute and record a document, in a form and content acceptable to the Executive Director, of an offer to dedicate to the City of Monterey or other public agency or non profit corporation approved by the Executive Director, a fee interest in the McAbee beach parcel (Exhibit 12), as described above in the access plan. The area of dedication shall consist of the entirety of parcel 001-021-003. The offer shall be recorded free of prior liens and encumbrances which the Executive Director determines may affect the interest being conveyed and shall provide for public access, passive recreational use, and the installation of public amenities consistent with the approved Public Access Plan described in Condition 3. The document shall provide that the offer of dedication shall not be used or construed to allow anyone, prior to acceptance of the offer, to interfere with any rights of public access acquired through use of the property which may exist on the property. The offer shall run with the land in favor of the State of California, binding all successors and assigns and shall be irrevocable for a period of 21 years, such period running from the date of the recording.

d. **PRIOR TO THE ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT,** the Cannery Row Company (Landowner) and the Monterey Peninsula Hotel LLC (Lessee) shall execute and record a deed and lease restriction, in a form and content acceptable to the Executive Director, which shall provide that the applicants acknowledge and agree i) that the site may be subject to hazards from waves, storm waves, and erosion; (ii) to assume the risks to the applicants and the property that is the subject of this permitted development; (iii) to unconditionally waive any claim of damage or liability against the Commission, its officers, agents, and employees for injury or damage from such hazards; and (iv) to indemnify and hold harmless the Commission, its officers, agents, and employees with respect to the Commission's approval of the project against any and all liability, claims, demands, damages, costs (including costs and fees incurred in defense of such claims), expenses, and amounts paid in settlement arising from any injury or damage due to such hazards. The deed and lease restriction shall include a legal description of the applicants' entire parcel. The deed and lease restriction shall run with the land, binding all successors and assigns, and shall be recorded free of prior liens that the Executive Director determines may affect the enforceability of the restriction. This deed and lease restriction shall not be removed or changed without a Commission amendment to this coastal development permit.

e. **PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT**, the City of Monterey shall submit for Executive Director review and approval a copy of the lease for city-owned parcel #001-011-007 that limits use of the parcel to public access, access improvements, passive recreation, and vehicular access to the hotel.

5. **WATER**

a. **SIX MONTHS PRIOR TO INITIAL OCCUPANCY OF THE HOTEL,** the applicants will specify the types of water-saving devices and fixtures that will be used in the guest rooms, laundry facilities, kitchen facilities, fountains, etc.

b. Potable water use for the entire project is limited to a maximum of 29.072 acre feet per year based on the water allocation permit granted by the Monterey Peninsula Water Management District. Beginning on the date the hotel opens for business, the permittees shall, within 10 days of receipt of each water bill, forward a copy to the Central Coast District Office of the Coastal Commission and shall also provide a summary of annual water use (January 1 through December 31) within 15 days of the end of each annual reporting period (January 15). If water use exceeds the 29.072 acre-foot allocation in any annual reporting period, the permittees shall, within 30 days of the end of the reporting period, submit a plan for reducing water use to that allocated or provide for an additional source of water in an amount equivalent to the difference between actual water use and the 29.072 acre-foot allocation. This plan shall be submitted for Commission review.

6. **TRAFFIC**

a. **BY OCTOBER 15TH OF THE FIRST TWO YEARS DURING WHICH THE HOTEL HAS BEEN IN OPERATION FROM THE MEMORIAL DAY WEEKEND THROUGH THE LABOR DAY WEEKEND,** the permittees shall submit to the Executive Director for review the results of monitoring regarding effectiveness of the WAVE ridership, and the results of a traffic study which details the actual traffic produced by the hotel during the peak weekday afternoon hour and the peak Saturday afternoon hour from the Memorial Day weekend through the Labor Day weekend. If the results show additional traffic impacts due to operation of the hotel that were not anticipated in the traffic study, the permittees shall submit a mitigation plan for Commission review and upon approval of the plan, shall implement the identified mitigations.

b. **PRIOR TO COMMENCEMENT OF OPERATION,** the permittees shall establish a shuttle limousine/van service to provide transportation for hotel patrons. The route and schedule for the service shall include daily trips to major visitor points, i.e. Carmel, Pebble Beach, Monterey, Point Lobos, etc., and to the Monterey Airport. The service may be coordinated with similar services offered by other Cannery Row operators. The route and schedule shall be submitted to the Executive Director for review and approval prior to commencement of operation of facilities.

7. PARKING

a. **PRIOR TO ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT,** the permittees shall submit evidence of the amount of funding that will be paid into the City of Monterey's Transportation Management Fund, including documentation as to how this amount will combine with a valet parking program, public parking provisions, and an employee parking plan to fully mitigate the hotel's expected parking deficit of 87 spaces.

b. **BY OCTOBER 15TH OF THE FIRST TWO YEARS DURING WHICH THE HOTEL HAS BEEN IN OPERATION FROM THE MEMORIAL DAY WEEKEND THROUGH THE LABOR DAY WEEKEND,** the permittees shall submit to the Executive Director for review the results of monitoring regarding effectiveness of the WAVE ridership and regarding parking conditions at the hotel's parking garage from the Memorial Day weekend through the Labor Day weekend. If the results show additional unanticipated parking impacts due to operation of the hotel, the permittees shall submit a mitigation plan for Commission review and upon approval of the plan, shall implement the identified mitigations.

8. MARINE RESOURCES

PRIOR TO THE ISSUANCE OF THE COASTAL DEVELOPMENT PERMIT, the applicants shall submit to the Executive Director for review and approval a debris containment plan, which shall provide details of proposed methods to ensure that no construction material, equipment fuel or oil, excavated material, or other matter harmful to the habitat of Monterey Bay shall be allowed to enter the waters of the bay. Earthwork operations shall be performed during the dry season unless approved by the Public Works Department of the City of Monterey. Catch basins shall be used to retain sediment within the site area during and after the construction period to prevent an increased sediment discharge to the bay. Prompt debris cleanup is required in shoreline areas during construction. The applicant shall minimize areas where construction and demolition machinery can operate in intertidal and shoreline areas to minimize disturbance to these habitats. Washing of vehicles in the proposed parking structure is prohibited to improve runoff water quality. The applicants shall provide adequate litter receptacles along the public walkway of the hotel. The applicants shall develop a shoreline restoration and maintenance program for the restoration needs area shown in the Land Use Plan. This program shall include an evaluation of stormwater outfall improvements on the shoreline restoration area. All storm runoff shall be directed to stormwater outfall improvements as prescribed in the shoreline restoration and maintenance program. The applicants will follow all policies of the Cannery Row Local Coastal Program Land Use Plan for the protection of marine resources during detailed design and construction phases, including stormwater runoff policies designed to prevent pollution of bay waters. A stormwater Pollution Prevention Plan and a Construction Water Quality Plan shall be prepared and shall include appropriate best management practices from the City of Monterey's Model Urban Runoff Program, terms of the Statewide General Construction Permit, and recommendations of the Central Coast Regional Water Quality Control Board. A construction plan shall be submitted to the Executive Director for

review and approval to ensure construction equipment will be used and stored so that it has minimal impact on the marine environment.

IV. RECOMMENDED FINDINGS AND DECLARATIONS

The Commission finds and declares as follows:

A. Project History

In 1982, a hotel and retail project was proposed for 750 Cannery Row in the City of Monterey (Exhibit 1). The applicant was Pacific Equity Development/Rohr Pacific, Ltd. The plans were prepared by Gin Wong Associates and in this report will be referred to as the Gin Wong Plan or the approved plan. The project was to be built in three buildings: one building on the bayside of Cannery Row Street (Site A), one on the inland side of Cannery Row Street (Site B), and a parking garage on the corner of Prescott and Wave Streets, approximately one block inland from Cannery Row (Site C) (Exhibit 2). In 1983, an Environmental Impact Report (EIR) was prepared for the project. The EIR identified significant project impacts including stormwave hazard to Building A; archaeological impacts; insufficient parking; and fire flow impacts. The EIR included mitigations to the impacts. The EIR was certified on November 7, 1983 and the project was approved by the City of Monterey. The City-approved project totaled 121,490 sq. ft. and consisted of 212 rooms, 1,450 square feet of meeting area, 200 restaurant seats, 13,920 square feet of retail space, and 263 parking spaces.

In 1984 the Coastal Commission approved coastal development permit 3-84-139 for the project, which authorized the hotel in the above configuration. The permit was to be issued in three phases, subject to Standard and Special Conditions (Exhibit 3): Phase I – Demolition and foundation removal; Phase II – Demolition and construction of piers and columns, i.e., outboard foundation work including seawall, and excavation; also balance of foundation construction; Phase III – Shell construction. The Standard and Special Conditions were met for Phase I and Phase II and permits for these phases were issued from 1984 to 1986. The Phase III permit was also issued but was subject to the fulfillment of "prior to issuance" Special Conditions attached to this phase of the CDP. The conditions that were required to be satisfied prior to issuance of Phase III were:

> *Prior to transmittal of Phase III permit, the permittee shall submit to the Executive Director for review and approval:* (f). *An access program which accomplishes the following:* (1). *A deed restriction, the form and content of which shall be approved by the Executive Director, for the 750 Cannery Row Hotel plaza and lateral accessway, including the leased Monterey City Park Plaza... This deed restriction shall bind the permittee and any successor in interest and guarantee the right of the public to use the accessway.*

These conditions have not been satisfied to date. In 1985 the applicant submitted the draft deed restriction for access required by Special Condition 7f(1), but the document was never recorded. Condition 7f(1) also requires Executive Director review and approval of an access plan, which has yet to be fulfilled. Thus any development pursuant to the Phase III portion of the permit would be in violation

of the terms of the 1984 CDP.

Foundations were constructed but the project was never completed. The Phase I portion of the CDP was exercised in 1985 with the demolition of the remaining portions of the old cannery located on site "A". Foundation work pursuant to the Phase II permit continued very sporadically from 1985 to the present time. Building inspector's records from the City of Monterey indicate that enough new work was accomplished during the last 15 years to require 122 inspections spread over this period, the last being July 20, 2000.

Since the approval of the original CDP in 1984, the property has changed ownership. The 1984 applicant, Pacific Ltd./Rohr, has been replaced by the Monterey Peninsula Hotel LLC and the Cannery Row Company. The Monterey Peninsula Hotel LLC does not own the property but has secured a long-term lease from the Cannery Row Company, the corporation that holds title to the site. The applicants now wish to complete a revised version of the project. The proposed revisions require an amendment to the original permit by the terms of the Commission's regulations (see Article 5 Sections 13164 and 13166) and by Special Condition #1 in the original permit as follows:

> *Any changes in the plans including design changes shall require the review and approval of the Executive Director of the Commission or an amendment to the permit if the Executive Director determines that the change is substantial in nature.*

Substantial changes in the hotel design and the public access component of the original project are being proposed.

The proposed amended project remains in three buildings but the space would be reconfigured as follows: 208 hotel rooms, 10,200 sq. ft. of meeting room area, 95 restaurant seats, 18,581 sq. ft. of retail space, and 273 parking spaces (Exhibit 4). As in the original plan, Site A will contain hotel rooms, meeting space, retail space, and a restaurant/lounge. Site B will no longer contain parking space on the ground floor – this instead will be converted to additional retail space, with hotel rooms above. Site C remains a parking garage (Exhibit 5).

A Mitigated Negative Declaration was filed on the revised project on March 15, 2000. This evaluated the differences between the Gin Wong Plan and the proposed changes to the project in the Monterey Peninsula Hotel proposal. The 1983 EIR was used in preparation of the Negative Declaration. A new EIR was not prepared, although new studies were performed on parking and traffic impacts. In June 2000 the City Council approved the Mitigated Negative Declaration and approved the permits and parking adjustments for the project revisions, with Conditions of Approval (Exhibit 6).

The 1984 approval provided for significant public access improvements. These included improvements and use of the entire city-owned parcel (6,963 sq. ft.) for passive public recreation and access and an 8-foot accessway along the bayside of the hotel (Exhibit 7). The applicants now propose substantial revisions to the previously approved access program. Of most significance is the proposal to use a sizeable portion of the city-owned parcel for vehicular access to the hotel.

B. Site Description

The Monterey Peninsula Hotel project will be constructed on three site areas located in the Cannery Row area of the City of Monterey.

Site area "A" is located on the Monterey Bay side of Cannery Row and involves two parcels totaling 56,650 sq. ft. Parcel #001-011-006 is 49,687 sq. ft. and is owned by the Cannery Row Company. Parcel #001-011-007 is a city-owned parcel of 6,963 sq. ft. that lies between the hotel site and Bubba Gump's Restaurant (Exhibit 2). Foundation work had been done on the site by the previous developer. Both the city-owned parcel and the parcel owned by the Cannery Row Company are currently inaccessible to the public as they are fenced off from Cannery Row (Exhibits 8 & 9). An adjacent parcel, 001-011-008 (20,300 sq. ft.), is owned by the Cannery Row Company and contains Bubba Gump's Restaurant, a plaza, and other buildings (Exhibit 10). A portion of this parcel may not be developed as its area will be used to satisfy the applicants' site area requirements (floor area ratio) for the hotel.

All intidal areas are State public trust lands, previously granted to the City of Monterey and are subject to the purview of the State in accord with City of Monterey-State of California lease agreements. A portion of the project will be constructed over state lands currently leased to the City of Monterey. A portion of the proposed hotel on Site A extends approximately 3 feet 5 inches further seaward above an existing seawall than did the hotel in the approved plan. A portion of the approved hotel extends three feet further seaward than the proposed hotel.

Site area "B" is located on the landward side of Cannery Row across from site A, and consists of two parcels: 001-012-002 and 001-012-016, which combined total 23,290 sq. ft. (Exhibit 2). Foundations also have been constructed on this site (Exhibit 11). The landward boundary of these parcels abuts the recreational trail corridor. This recreational trail corridor delineates the Coastal Zone boundary in this area of the City of Monterey.

Site "C" is located landward of the recreational trail corridor and is not in the Coastal Zone. The site consists of two parcels: 001-012-005 and 001-012-006, which total 21,250 sq. ft. (Exhibit 2). Foundations have also been constructed on this site.

C. Project Description

Site area A: A five-story hotel structure, including a basement, with a maximum height of 46 feet, 40% lot coverage, 118 rooms, 10,200 sq. ft. of meeting room space, 2,115 sq. ft. of commercial space, and a 95-seat restaurant (Building A).

Site area B: A four-story hotel with a maximum height of 46 feet, 97% lot coverage, with 90 rooms and 16,466 sq. ft of commercial space (Building B).

Site Area C: A three-story parking structure plus a rooftop deck; 273 parking spaces (Building C). This parcel is not in the Coastal Zone.

D. Standard of Review

This area of the City of Monterey falls within the coastal zone, but the City does not have a fully certified LCP, only a certified Land Use Plan (LUP) for the Cannery Row segment. Therefore the LUP at this stage of the certification process is advisory only and the standard of review for the project is the Coastal Act.

E. Coastal Act Issues

1. Public Access

Coastal Act Section 30210 states:

> *In carrying out the requirement 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 30211 states:

> *Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.*

Coastal Section 30212a states:

> *Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects except where: (1) It is inconsistent with public safety, military security needs, or the protection of fragile coastal resources, (2) Adequate access exists nearby, or, (3) Agriculture would be adversely affected. Dedicated accessway shall not be required to be opened to public use until a public agency or private association agrees to accept responsibility for maintenance and liability of the accessway.*

Coastal Act Section 30214(a) states:

> *The public access policies of this article shall be implemented in a manner that takes into account the need to regulate the time, place, and manner of public access depending on the facts and circumstances in each case...*

Coastal Act Section 30604 (c) states:

> *Every coastal development permit issued for any development between the nearest public road and the sea or the shoreline of any body of water located within the coastal zone shall include a*

specific finding that the development is in conformity with the public access and public recreation policies of Chapter 3 (commencing with Section 30200).

LUP Public Access Policy Section 3 states regarding:

e. Overall Access to the Cannery Row Shoreline:

5. Improve and coordinate (i.e. directional signing) pedestrian access along Cannery Row with other access points...

6. Include access signing in a coordinated directional signing program for Cannery Row.

7. The public access requirements of this Policy Section 3 are to be provided where such access can be found to be consistent with the requirements of the Uniform Building Code.

Cannery Row is a popular tourist destination, which contains many shops, restaurants, several hotels, and the Monterey Bay Aquarium. The Cannery Row coastline is generally rocky but there are two accessible beaches, specifically McAbee Beach and San Carlos Beach. Public visual access to views of the coastline is largely blocked by development but does exist at four points along the Row, specifically at a plaza at the Monterey Bay Aquarium, Steinbeck Plaza, a walkway below the Chart House restaurant, and a plaza at the Monterey Plaza Hotel and Spa (Exhibit 12 – dotted areas). The plaza at the Monterey Bay Aquarium is open from approximately 5:00 a.m. to at least 7:00 p.m. and sometimes as late as 10:00 p.m. Steinbeck Plaza may be accessed 24 hours per day. The public access areas at the Chart House and the Monterey Plaza Hotel are generally open from 8:00 a.m. to one hour after sunset. A few public areas at the Monterey Plaza Hotel are open from 10:00 a.m. to one hour after sunset. Altogether, including McAbee Beach, San Carlos Beach, and the developed areas described above, there are six public access areas along the 0.7-mile stretch of Cannery Row from the Monterey Bay Aquarium to San Carlos Beach. The Monterey Bay Aquarium access, Steinbeck Plaza, and the McAbee Beach access are in the vicinity of the proposed hotel.

The 1984 approval provided for significant public access improvements. These included improvements and use of the entire city-owned adjacent parcel for passive public recreation and access, and an 8-foot accessway between the hotel and the City-owned parcel which continued along the bayside of the hotel (Exhibit 7). Prior to transmittal of the Phase III permit for the Gin Wong Plan, the permittee was to submit to the Executive Director for review and approval an access plan for the site and adjacent city parcel to include provision of public amenities such as benches in the plaza area, waste receptacles, water fountains, informational signing, and other public facilities. Submission of a signing program identifying the public accessways and the hours they would be open was also required. A deed restriction for the 750 Cannery Row Plaza and lateral accessway, including the leased Monterey City Plaza Park area, was also to be submitted and approved by the Executive Director. As discussed in an earlier section of this report, none of these conditions have been satisfied to date.

Applicants' Proposal

The applicants now propose substantial revisions to the previously approved access program. Of most significance is the proposal to use slightly more than half (3,711 sq. ft.) of the City-owned parcel for vehicular access to the hotel. Under the proposed Monterey Peninsula Hotel Plan, City Commissions and staff analyzed the alternatives of loading and unloading hotel guests on Cannery Row Street (as currently approved in the 1984 CDP) versus loading and unloading guests on the east side of the building on the City parcel. It was concluded that due to the extensive amount of vehicular and pedestrian traffic at this end of Cannery Row, which contains some of the area's most historic buildings and the Monterey Bay Aquarium, that pedestrian access along the bayside of Cannery Row Street would be less obstructed and pedestrian access to the historic area and Aquarium would be enhanced by relocating the hotel guest loading/unloading area. It was also felt that traffic congestion would be reduced by relocating the guest loading area to the east side of the building because guests waiting to be checked in could park on the City parcel rather than be stacked on the street. City Commissions required design revisions to move the loading/unloading portion of the driveway inside and under the building, which can hold up to four cars. The entry and car waiting area would be located on the city parcel (Exhibit 13). Thus, the Monterey Peninsula Hotel Plan removes the loading/unloading area from Cannery Row Street to the east side of Building A and creates a vehicle entry and turnaround area on a portion of the proposed public plaza area which was provided for in the Gin Wong Plan. Therefore, a portion of the city-owned parcel that was to be dedicated *solely* to public use will be lost.

The applicants propose that the plaza in front of Bubba Gump's Restaurant, the publicly-owned parcel between the proposed Monterey Peninsula Hotel and Bubba Gump's Restaurant, and an observation point over the water would be combined with the vehicular turnaround area to form one large public access area, which the applicants have named the Plaza del Mar (AI in Exhibit 13 – areas designated "A" feature unrestricted public access; areas designated "B" would be available to public access subject to hotel functions). This plaza area measures 16,465 sq. ft., of which the auto turnaround would occupy approximately 3,711 sq. ft. or approximately 22% of the plaza area. This area would be open to public access from 8 a.m. to 10 p.m. daily.

The applicants state that the entire Plaza del Mar would be designed with similar hardscape and low-lying plants and would appear fully integrated and read as one unit and that this area would be completely accessible, open, and inviting for pedestrians. They state that further improvements of the Bubba Gump's area would include removal of a garbage area, a large fence, and an ATM machine. They also anticipate that pedestrians would share use of the vehicular turnaround area with the hotel's guests' automobiles. The applicants contend that for 80% to 90% of the time there will be few to no vehicles in the outdoor turnaround area because they assert that hotel auto traffic occurs in predictable periods (checking out in the morning; checking in the afternoon). However, this 80% to 90% estimate seems high. Proposed check-in and check-out times are noon and 4:00 p.m. Hotel guests would likely be checking out throughout the morning hours. Therefore, the vehicular turnaround area would be busy throughout the morning until noon. There may be a lull in vehicular activity between noon and 4:00 p.m., but from 4:00 p.m. on into the evening this area would likely see relatively steady vehicular use. The presence of vehicles would make it less obvious to pedestrians that this is an area of public access. Instead, this area likely would appear to be part of the hotel property and not a public access area. In

light of this, the applicants propose the creation of a footpath, which would begin at the sidewalk southwest of Bubba Gump's Restaurant and traverse the plaza area in front of Bubba Gump's. The path would continue out to the bayside. The path would be clearly signed for public access and would allow for access to ocean-viewing areas without the need to pass through the vehicular turnaround area.

Other public access areas provided in the proposed plan include:

1. An oceanfront walkway (1,895 sq. ft.) which would be open to public access daily from 8:00 a.m. to one hour after sunset (AII in Exhibit 13). The currently approved 8-foot wide walkway would be widened to 10 feet in four locations to allow for enhanced viewing areas of the Monterey Bay.

2. A walkway between the hotel and Doc Ricketts' Lab (approximately 46 ft. by 6 ft.) would be open to the public daily from 10:00 a.m. to one hour after sunset (AIII in Exhibit 13). Signage would be provided notifying the public of their right to use the area. The City's Conditions of Approval state that "appropriate historic documentation signage shall be provided on the walkway next to Doc's Lab" (Exhibit 6, #4). The applicants state that the City intends to restore the marine specimen tanks in the backyard of Doc's Lab and that these tanks would be visible from the walkway. Further access down this walkway (approximately 85 ft. by 6 to 8 ft.) would be available for public access by appointment only (BII in Exhibit 13), as this alley would be a service corridor to the hotel's meeting rooms.

3. Approximately half of the hotel courtyard (1,505.5 sq. ft.) would be available for very restricted public access (BI in Exhibit 13). This public access would include a minimum of three benches with seating for approximately 12 persons. Signs would be posted notifying the public of their right to use this area during the time it is not needed for hotel functions. Hotel functions would be held in the courtyard during the following hours of the day up to a maximum of 222 days in a given year (Table 1):

Event Type	Capacity	Length	Time Frame
Breakfast buffet	250	2 hours	7 a.m. – 9 a.m.
Luncheons	250	2 hours	11 a.m. – 2 p.m.
Receptions	250	3 hours	5 p.m. – 9 p.m.
Sit-Down Dinners	250	3 hours	6 p.m. – 9 p.m.

Table 1. Event summary for hotel courtyard

When functions are occurring, the courtyard would be roped off and there would be no public access. As can be seen by review of the chart, public use of this courtyard therefore would be quite limited. However, the oceanfront walk would be open from 8:00 a.m. to one hour after sunset along its entire length (AII in Exhibit 13). The remaining half of the courtyard would be reserved for hotel use at all times.

4. Approximately 3,200 sq. ft. of McAbee Beach, which would either be dedicated or leased on a long-term basis to the City of Monterey by the Cannery Row Company, would be developed as a

public park and maintained under the control of the City of Monterey Parks and Recreation Division (Exhibit 12). It would be open subject to the Division's management and scheduling and would be expected to be open during daylight hours at a minimum.

The signage program for all public access areas would follow the City of Monterey's approved Signage Plan. The signs would be clearly posted and located in accordance with this plan.

The applicants state that the above proposed public access areas will increase new public access space by 87% compared to the Gin Wong plan. They state that the increase of the 8-foot oceanfront walkway to 10 feet in four locations, the observation point over the water, the bayside hotel courtyard, the proposed access to Doc Ricketts' Alley, as well as the public access in front of Bubba Gumps' Restaurant and at McAbee Beach, were not part of the Gin Wong plan, and therefore that the quantity and quality of public access are much improved compared to the original plan.

Analysis of Proposed Access Revisions

As stated above, the approved plan included use of the entire city-owned parcel (6,963 sq. ft.) for public access. The proposed plan uses over 50% of this parcel for vehicular access to the hotel. At the request of Commission staff, a Cal Trans engineer examined the plans for this vehicular turnaround area (dated 10/26/00) and stated that the turning radii and lane widths could not be reduced any further and still accommodate standard-sized vehicles. The presence of vehicles will make this area appear to be part of the hotel property and not clearly a public access area. The applicants state that the addition of other public access areas, combined with the vehicular turnaround to create the "Plaza del Mar," will greatly increase new public access space (Exhibit 13 - AI). However, the plaza in front of Bubba Gumps' Restaurant, although not dedicated for public access, was previously developed by the Cannery Row Company independent of this project and exists as an open public access area. As such, this is not "new" access. Because this portion of the Bubba Gump's site was used to achieve the floor area ratio for the hotel, it can never be developed. However, the applicants plan to redesign this area so that it is fully integrated, in terms of landscape and hardscape, with the remaining plaza area, and thus more inviting to public use. The only completely new access in this plaza would be the observation point over the water and the area adjacent to Bubba Gump's Restaurant and the hotel.

The proposed oceanfront walkway is generally consistent with that of the approved plan. The walkway in this revised plan will be widened from eight to ten feet in four locations, which is an improvement compared to the approved plan.

According to the applicants' proposal, approximately 1,500 square feet of the courtyard will be available for public access (B1 in Exhibit 13). This access will be restricted to those days and times when the area is not used for hotel functions. The applicants state that hotel functions will take place in this courtyard up to a maximum of 222 days per year. Given this 222-day figure and the fact that hotel functions are not likely to be held in the courtyard during inclement weather, it is likely that the courtyard will be "roped off" for hotel functions during portions of most fair-weather days. Therefore public access to the courtyard would be most limited on the days in which the public would most likely desire this access, i.e. days with good weather. Also, on days during which multiple hotel functions take place in the

courtyard, it is likely that the public will be able to use the courtyard in only a limited fashion because breakdown and setup times will likely erode even the limited periods of availability shown in Table 1 (page 17).

The proposed public access of the Doc Ricketts' alleyway is of some benefit. A portion of this area could be expected to have some historical interest if the public is able to see the tanks behind Doc Ricketts' Lab and if an interpretative program is installed (AIII in Exhibit 13). However, although there is City staff commitment regarding display of the tanks, this item has not been budgeted for by the City. In addition, this access will be a narrow alleyway (approximately 6 feet wide by 46 feet long) surrounded by the four-story hotel on one side and the 18-foot tall lab building on the other side. These adjacent buildings will greatly reduce the amount of sunlight in the alley, creating a narrow, dark area. Also, most of this access would be available by appointment only (BII in Exhibit 13) and, in any event, is of limited use because it does not connect with the oceanfront walkway along the bayside of the hotel. Finally, the mechanism for making such an appointment has not been outlined and it is unclear what the method of enforcement would be to ensure compliance. There is also the question of what benefit this access (BII) would provide to the public. A very small segment of this access (BII) would extend over the water.

Regarding McAbee Beach, the applicants state that the proposed development of a portion of this beach will create new public access, which was not included in the approved Gin Wong Plan (Exhibit 12). Although the Cannery Row Company owns this property above the mean high tide line, McAbee Beach has been openly and continuously used by the public for many years. A strong case could be made for the establishment of public prescriptive rights on all the sandy beach portions of this beach, given that this beach has been used by the public for many years with concentrated use by the public since the mid-1960's to the present. A five-foot walkway on each side of the Spindrift Hotel provides access to the beach. There is also access from Steinbeck Plaza. Therefore, this is not "new" access, although a portion of the beach near the street will be improved and will be more amenable to public use (Exhibit 14). The Spindrift Hotel currently abuts the portion of the beach that will be improved. The question arises as to how useful this beach access will be if the adjacent larger beach parcel is built upon, leaving a very small section of beach between two buildings. In addition, as proposed, it is not clear how public use of McAbee Beach will be secured or for what time period.

In summary, the project approved in 1984 provided for significant public access improvements, including use of the entire city-owned parcel for passive public recreation and access and an 8-foot accessway along the bayside of the hotel. The proposed plan uses a sizeable portion of the publicly-owned parcel for vehicular access to the hotel. The applicants have proposed other "new" access areas to compensate for the loss of exclusive public access on the city-owned parcel. According to the applicants, this "new" access would increase public access space by 87% compared to the Gin Wong plan. However, the plaza in front of Bubba Gump's Restaurant and the parcel at McAbee Beach already are accessed by the public and as such are not "new," although the proposed improvements to the McAbee Beach parcel, including direct access from the street to McAbee Beach, would benefit the public. Also, the plaza in front of Bubba Gump's Restaurant does not directly access the bayside, nor does the alleyway (AIII) adjacent to Doc Ricketts' Lab. In addition, public access of the courtyard will be limited by hotel functions. The only completely new access areas available daily without

appointment will be the Doc Ricketts' alleyway (AIII) and the observation point over the water. These areas total approximately 1550 sq. ft. The vehicle turnaround area on the publicly-owned parcel is 3,711 sq. ft.

Therefore, in order to adequately compensate for the loss of exclusive public access due to the vehicular turnaround area, in addition to the applicants' proposed access areas, the hotel will be required to provide an 8-foot public walkway adjacent to Doc Ricketts' Lab that connects to the oceanfront walkway, as stated in condition 3c. This represents approximately 900 sq. ft. of additional unrestricted access walkway area. This walkway will remain open from 8:00 a.m. until one hour after sunset. The applicants had not included this walkway primarily because it would reduce the size of their oceanfront meeting room, which they need to be as large as possible for the hotel to be operationally effective and financially viable. Also, the applicants had proposed to use the larger portion of the Doc Ricketts' alleyway (BII) as a service and staging area for the hotel's two main meeting rooms. To keep the oceanfront meeting room at its proposed size and to allow for a service corridor, the meeting room wall adjacent to the courtyard could be shifted into the courtyard. To maintain courtyard space, the courtyard wall adjacent to the restaurant could be shifted into the restaurant. The proposed restaurant is 3,906 sq. ft., which is a very large space for a 95-seat dining room (the kitchen facilities are located in the basement). The restaurant area could be reduced by the square footage necessary to accommodate the walkway and the service corridor, and still be adequate to house 95 seats. Therefore, the walkway and service corridor can be accommodated without any loss in meeting room space or in courtyard space. Another option is to cantilever over the water the portion of the walkway that is adjacent to the oceanfront meeting room. This would reduce any impact on hotel redesign but would extend over an adjacent property, which is owned by the City of Monterey. It is noted that the City of Monterey, the members of the Pacific Biological Club, and the Historic Preservation Commission have opposed this option in the past, as expressed by the City's Conditions of Approval prohibition (Exhibit 6, #4). However, the previously existing cannery had catwalks in this same area, so there is historical precedent for similar walkway structures behind Doc Ricketts' Lab.

To ensure that public access is maximized, additional conditions are necessary. As proposed, public access in the hotel courtyard would be extremely limited by hotel functions. Therefore, condition 3d requires that 10% of the courtyard (approximately 300 sq. ft.) be available to public access without interruption from hotel functions. This condition also requires that public access in the courtyard shall be adjacent to the oceanfront walkway. The hotel may then restrict public access of the remainder of the courtyard.

Furthermore, as part of this permit approval, condition 3g requires signs that state that the Plaza del Mar public access area shall be open from 8:00 a.m. to 10:00 p.m.; the courtyard, the hotel bayside lateral access, and the west side vertical access shall be open from 8:00 a.m. to one hour after sunset. Hours of access at McAbee Beach will be under the control of the City of Monterey Parks and Recreation Division. Condition 2d requires submittal of a landscaping plan for the plaza area. Condition 3b requires a site plan that depicts two paths that will guide the public from the street to the bayside. Condition 3e requires an interpretive plan for the access adjacent to Doc Ricketts' Lab. Also, to assure adequate implementation and to memorialize this aspect of the project, condition 4 requires recordation of offers to dedicate vertical and lateral access consistent with that shown on the plans, including the

McAbee Beach parcel. Therefore, as proposed and conditioned, the proposed public access is consistent with Coastal Act sections 30210, 30211, 30212(a), 30214(a), 30604(c), and LUP Public Access Policy 3e.

2. Water Supply

Coastal Act Section 30250 states:

> *(a) New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources...*

Coastal Act Section 30231 states:

> *The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.*

Coastal Act Section 30240 states:

> *(a) Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.*
>
> *(b) Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation 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 and recreation areas.*

Coastal Act Section 30254 states:

> *New or expanded public works facilities shall be designed and limited to accommodate needs generated by development or uses permitted consistent with the provisions of this division; provided, however, that it is the intent of the Legislature that State Highway Route l in rural areas of the coastal zone remain a scenic two-lane road. Special districts shall not be formed or expanded except where assessment for, and provision of, the service would not induce new development inconsistent with this division. Where existing or planned public works facilities*

can accommodate only a limited amount of new development, services to coastal dependent land use, essential public services and basic industries vital to the economic health of the region, state, or nation, public recreation, commercial recreation, and visitor-serving land uses shall not be precluded by other development.

LUP Water Resources Policy 3 states:

a. *Development in the City of Monterey is to be monitored so as to prevent said development from using any more than the share of existing water supplies allocated to the City by the Monterey Peninsula Water Management Agency. The City of Monterey agrees to abide by the allocation procedures of the Water Management Agency and to enforce said procedures in the City of Monterey.*
b. *Promote water conservation by requiring new development to meet all the appropriate requirements of the City of Monterey's Water Conservation Ordinance.*
c. *Promote water conservation in the Coastal Zone by requiring water-saving devices (i.e. dishwashers) in all new restaurant developments.*
d. *Promote water conservation in the Coastal Zone by requiring non-vegetative or native plant landscaping which minimizes water use in all new developments.*

The intent of Coastal Act policy 30250 is to ensure that prior to approval of new development it can be demonstrated that there are adequate public services, such as water, to serve the development. The 1983 Environmental Impact Report done for the original hotel project stated that at that time the District allocated 20,000 acre feet of water per year for the entire district area and that this amount would be sufficient to meet district needs until the year 2000. However, in the intervening years the water situation has changed greatly in the Monterey area. As water supplies on the Monterey Peninsula are now limited, policies are needed to ensure that the water demands of development within the Coastal Zone remain within the available supply.

The Monterey Peninsula Water Management District (District) is the governing authority for water allocation in the project vicinity. Water service is provided by the California American Water Company (Cal-Am). Cal-Am provides water to its users through groundwater extractions and diversions from the Carmel River via the Los Padres Dam. Both of these sources are currently being used at near or above their sustainable yield. Two threatened species, the California red-legged frog (*Rana aurora draytonii)* and the Steelhead (*Oncorhynchus mykiss),* are found in the Carmel River.

The California Water Resources Control Board has issued an order limiting the amount of pumping that Cal-Am can do from the Carmel River. Many potential projects have been denied water service in recent years and could not be built because of a critical shortage of water. During this time the City of Monterey and/or the water agency has been reserving scarce water for this project.

The District has two hotel classifications for the purposes of projecting annual water demand: "standard" and "luxury." Standard hotels typically have more amenities than motels, but are not in the same class as luxury hotels. Most standard hotels have swimming pools and spas. Luxury hotels typically contain a mixture of on-site uses that have an impact on water use. The uses include restaurants, lounges,

conference facilities, swimming pools and spas, retail space, offices, and health club facilities. The proposed Monterey Peninsula Hotel will have all these amenities except for a swimming pool, spa, and offices. At the request of the City of Monterey in 1997, the District did not classify this hotel as a "luxury" hotel for the purpose of calculating the projected water demand and permit fees. Accordingly, the "standard" hotel factor was used (Exhibit 15). However, an April 2000 letter (Exhibit 29) from the District to the City of Monterey Planning Department states: "...it appears that the District's 'luxury hotel' water use category is more appropriate considering the type of hotel the applicant is proposing... If the 'luxury' hotel factor is applied... the total calculated water use will be 43.68 acre-feet annually (0.21 acre-feet per room per year x 208 rooms)."

The District issued a water permit for a 212-room hotel at this site on June 18, 1997 and a water meter has been placed on the property by the property owner. The 1997 permit was issued subsequent to a permit issued in 1992 that was revoked by the District for nonpayment of fees. The 1997 permit projected annual water demand for 212 "standard" hotel rooms, 16,173 sq. ft. of retail, office, and self-storage space, 7,298 sq. ft. of meeting rooms, 130 restaurant/bar seats, and 4 public toilets. The total projected water demand was 29.072 acre-feet annually (Exhibit 15). Hotel rooms and restaurant seats have a higher water usage factor than meeting rooms and retail space. The current plan has a greater amount of meeting room and retail space but four fewer hotel rooms and 35 fewer restaurant seats. However, the proposed hotel courtyard will be used frequently for breakfast buffets, luncheons, receptions, and dinners, thus effectively adding restaurant seats, which will increase the hotel's water use. The courtyard seating capacity is 250 (Table 1 – page 17).

The City of Monterey has reserved 29.072 acre feet of water per year for this hotel. Of this, 15 acre feet is in a public water account, which is savings from a public reclamation project. The remaining 14.072 acre feet are in the City of Monterey's general allocation. If the hotel uses more than its 29.072 acre feet per year, the City of Monterey has 3.5 acre feet of water available in an unallocated city reserve at this time (Exhibit 16). However, there is no guarantee that this unallocated water would not be used for other developments in the interim.

In accordance with the LUP Water Resources Policy 3 sections b, c, and d, the City of Monterey's Condition of Approval #42 states that, "The applicant shall use water saving devices as much as practicable in the completion of the project to reduce the water usage. Low flow fixtures shall be used. Landscaping shall be minimized and drought tolerant plants used. Drip irrigation shall be installed in the landscaping areas. Any water demand less than 29.072 acre feet shall be credited to the City. The applicant shall proceed at his own risk that water in excess of 29.072 acre feet may not be available at the time he submits revised building plans to the Building Department. No further Building Department approvals will be given if water is not a available to this project" (Exhibit 6).

Because the current project differs from the project that the District originally reviewed, the District will need to reexamine the water permit prior to use or occupancy of the project. The applicants are required to submit architectural drawings for each change in the project made prior to occupancy that may affect the project's water use. The District has requested the applicants to provide construction drawings for the proposed hotel, accompanied by a breakdown of all commercial areas and proposed types of use of

the site. However, the applicants state that the drawings and breakdowns cannot be completed until the Coastal Commission has acted regarding the pending application. At that time, the District will review the architectural drawings and breakdown of associated water uses for the revised project. The District will then determine if the water permit accounts for the various uses of the proposed hotel. A final inspection will also be required after the hotel is built to ensure that the permit reflects as-built conditions. Based on this review, the water demand estimate and water permit for the project may need to be adjusted. If the actual water use is less than the projected 29.072 acre feet, the City's water allocation would be credited and a portion of the connection fee would be refunded. Under normal circumstances, once the quantity of water use is determined, the District requires no additional monitoring or adjustments to the water permit. However, if there is substantial uncertainty regarding projected water use, the District *may* find that special circumstances exist. Water use could then be monitored for a reasonable number of years. If actual water use exceeded the projected use, the City's water allocation could be debited and additional connection charges collected. The applicants then might reduce water usage by obtaining water credits from other sites within the City of Monterey's jurisdiction, trying to create credits on-site with the use of recycling or state-of-the-art water saving methods, or by removing high-water-use luxury factors (Exhibit 30).

The project is not using any water at this time. It will increase pumping and dewatering of the Carmel River by an estimated 29.072 acre feet per year, potentially resulting in the loss of listed species habitat and potential losses of listed species themselves. However, as this amount of water is in the City of Monterey's allocation, if this project is not approved, the water will likely be used for other development.

The proposed hotel is a visitor-serving development that has priority status for limited public services under the Coastal Act and the Cannery Row Land Use Plan. As stated above, the City of Monterey has 29.072 acre feet allocated to this visitor-serving project, which would likely be used for other development if this project is not approved. The City of Monterey's Conditions of Approval provide for water-saving devices, low-flow fixtures, and landscaping using drought-tolerant plants. However, because of the concern that the "standard" water demand estimate of 29.072 acre feet per year may be too low, this permit is conditioned such that the permittees must submit yearly water use amounts to the Executive Director of the Coastal Commission for review (condition 5b). If yearly water use exceeds 29.072 acre feet, then appropriate steps must be taken to either augment the current allocation or take measures to limit water use by the project to the approved 29.072 acre feet. With these conditions, the project is consistent with Coastal Act Sections 30250, 30231, 30240, and 30254, and with LUP Water Resources Policy 3.

3. Visual Resources

Coastal Act Section 30251 states:

> *The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and*

enhance visual quality in visually degraded areas. New development in highly scenic areas such as those designated in the California Coastline Preservation and Recreation Plan prepared by the Department of Parks and Recreation and by local government shall be subordinate to the character of its setting.

LUP Development Policy 3 states:

b. *The fine urban texture of New Monterey is to be continued to the shoreline, with a variation in building height, bulk, and massing...*

c. *The architectural character of the old cannery structures is to be respected along Cannery Row, with a variation in building heights and roof forms, and buildings fronting on pedestrian ways...*

Cannery Row is a unique coastal community with cultural and historical significance. A number of factors combine to create unique visual resources in the Cannery Row area. The general location of Cannery Row on the shoreline of the Monterey Peninsula provides highly scenic views of the Monterey Bay and its rocky shores. Historically, these views were greatly blocked by canneries. Development on Cannery Row since the canneries has allowed for public access to coastal views. The unique scale and historical character of Old Cannery Row has been maintained by assuring that new development is of compatible scale and character. For example, the architecture of the Monterey Bay Aquarium is reminiscent of a cannery.

The proposed project will provide public bayside viewing areas on the city-owned parcel, including the observation point over the water, and along the hotel's oceanfront walkway (Exhibit 13).

The Cannery Row LUP provides architectural review guidelines for new development including multiple shed and gable roof forms, wall material limited in number on one building (continuity of material tends to unify a building), rectangular multi-lighted windows, the use of windows in groups, and bridges above streets which are parallel to the ocean (Exhibit 17).

The City of Monterey found that the bulk and mass of the Monterey Peninsula Hotel Plan are comparable to the Gin Wong plan, except that the proposed central courtyard in Building A will reduce the footprint from that of the original plan and open up this portion of the first floor of the hotel to ocean views. The bulk, mass, and height of the proposed buildings are consistent with LUP guidelines. The rooflines of the proposed buildings vary in height and form and include sections which are characteristic of shed roofs. The primary wall material will be stucco, which will create continuity of visual interest. The windows are rectangular and are grouped. There will also be a pedestrian bridge above Cannery Row Street, which will connect Building A and Building B (Exhibit 18). The existing site areas consist of partial foundations and weeds and are subjectively unattractive (Exhibits 8, 9, & 11). The proposed hotel will create an improved appearance for Cannery Row for the long term, and will provide bayside public viewing areas. The proposed buildings appear to have more architectural interest than those of the Gin Wong plan (Exhibit 19). Thus, the proposed amendment is consistent with Coastal Act Section 30251 and the Cannery Row LUP.

4. Traffic & Parking

Section 30252 of the Coastal Act states:

> *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, (5) assuring the potential for public transit for high intensity uses such as high-rise office buildings, and by (6) assuring that the recreational needs of new residents will not overload nearby coastal recreation areas by correlating the amount of development with local park acquisition and development plans with the provision of onsite recreational facilities to serve the new development.*

Section 30253 of the Coastal Act states:

> *New development shall:*
>
> > *(5) Where appropriate, protect special communities and neighborhoods which, because of their unique characteristics, are popular visitor destination points for recreational uses.*

LUP Parking Policy 3f states:

> *Within the ... parking district where on-site parking requirements are not shown to be provided, require the payment of an in lieu fee for all required spaces not provided and granted a parking adjustment.*

Methodologies of Traffic and Parking Studies

An updated traffic and parking evaluation was completed for the revised project. The purpose of the study was to measure the relative traffic characteristics of the Monterey Peninsula Hotel Plan with respect to the Gin Wong Plan and determine the number of parking spaces required by the proposed plan as compared to the approved plan. The 1999 traffic study estimated expected peak hour conditions on a weekday and a Saturday during a peak summer month (July or August). Gross traffic generation estimates for all hotel uses, except meetings, were derived based on procedures and factors in Trip Generation (Institute of Transportation Engineers, 6th Edition, 1997).

The approved hotel had 1,450 sq. ft. of meeting space. The proposed hotel will have 10,200 sq. ft. of meeting space. To compare estimated traffic generation of the approved hotel and the proposed hotel, traffic generation for meeting space was based on a statistical analysis of seven months of meeting event details at the Monterey Plaza Hotel & Spa, which uses a similar business model as the proposed Monterey Peninsula Hotel. An investigation into the smaller events (less than 1,500 sq. ft.) at the Monterey Plaza Hotel revealed that the median size of smaller events occupied approximately 500 to 600 sq. ft. It was assumed that for the worst case, up to two small events would occur simultaneously.

Estimated trip generation for the Gin Wong Hotel is based on the 90th percentile attendance for small events at the Monterey Plaza Hotel beginning around peak traffic periods. To estimate traffic generated by larger events at the proposed Monterey Peninsula Hotel, statistical summaries were conducted on the seven-month event log at the Monterey Plaza Hotel to determine type (social versus conference) and size (number of attendees) of event, as well as the propensity for events to overlap. Traffic generation analysis assumed that two simultaneous social or conference events would occur. The estimated 90th percentile meeting attendance values were translated into gross vehicle trips by applying local mode share factors for those drive alone (10%) and carpool (70%), with a carpool occupancy rate of 2.5 persons per vehicle (Source: City of Monterey, Draft EIR for Cannery Row Marketplace, Table III.B.15, 1998). These values were inflated by 10% to represent auxiliary or support traffic, such as suppliers, associated with a typical event. Net peak-hour traffic generation values were derived by applying a 50% reduction to the gross traffic generation values for restaurant, retail, and meetings to account for shared or linked trips by overnight hotel guests or Cannery Row visitors. The Monterey Plaza Hotel & Spa has demonstrated that 80 to 90 percent of its meeting space users are hotel guests, so the 50% shared use estimate is considered to be about 30-40% less than the expected shared use for meeting space. To compare the estimated traffic impacts of each plan, the resulting differences between net traffic generation for the Gin Wong Plan and the Monterey Peninsula Hotel Plan were calculated.

Comparative parking requirements for the Monterey Peninsula Plan and the Gin Wong Plan were derived using current City of Monterey parking standards. The standard requirements were adjusted by applying a 50% reduction to the gross parking requirement values for restaurant and meeting uses to account for shared parking by overnight hotel guests or Cannery Row visitors, as allowed by City Zoning Ordinance Section 38-36-A. This factor was extended to project retail space in consultation with the City staff. These values were compared with the proposed new additions to the garage parking supply to yield the off-site parking impact for each plan. To compare the estimated parking impacts of each plan, the resulting difference between off-site parking impact values for the Monterey Peninsula Hotel versus the Gin Wong Plan was calculated.

Shuttle Program

A shuttle program for the City of Monterey began in March 1988 and operated until December 1988, when a large parking garage opened in the Cannery Row area. The shuttle was restarted in 1992 and renamed the WAVE (Waterfront Area Visitor Express) shuttle. This shuttle has been in operation during the summer months since 1992. It reached a peak ridership of 142,097 in 1996 when the Monterey Bay Aquarium opened their new "Outer Bay" wing. Summer 2000 ridership totaled 103,869 (Exhibit 20), and 2000 was the first year since 1994 that rides on the WAVE were free. The shuttle operates from the Memorial Day weekend through the Labor Day weekend. The WAVE program shuttles visitors from underused parking areas in downtown Monterey to Cannery Row. Signs along major incoming streets direct visitors to downtown parking lots when parking in the Cannery Row area is impacted. As a Condition of Approval, the City of Monterey is requiring the applicants to pay into the existing Transportation Management Fund to contribute to expansion of the WAVE shuttle (Exhibit 6, #20).

Traffic Study Results

The above-described study concluded that the Monterey Peninsula Hotel will generate 45 more vehicle trips per hour during a summer Saturday than the Gin Wong Plan. Thus, on a weekday during a peak month, the Monterey Peninsula Hotel will generate 70 more vehicle trips per hour than the Gin Wong Plan (Exhibit 21). However, the study states that compared to the Gin Wong Plan, the Monterey Peninsula Hotel Plan will enhance vehicular flow on Cannery Row, as well as the pedestrian environment, by moving all guest unloading and loading from different entrances on Cannery Row to a single off-street plaza in Building A, and by eliminating parking in Building B. Also, vehicular traffic at the proposed hotel entry will be managed by full-time valet staff. The Gin Wong Plan allowed for approximately 30% attended or valet parking. The study states that the 100% attended and valet parking in the proposed plan will provide the means to focus and control vehicular movements to and from the site, whereas self-directed parking tends to fragment traffic flows according to the driver's desires. In addition, the study states that hotel traffic ingress and egress patterns are generally opposite that of general tourist traffic flows (hotel guests generally depart in the morning when tourists are arriving; hotel guests arrive in mid to late afternoon when tourists are departing). Also, the restaurant, meeting rooms, and retail shops will draw a proportion (estimated at 50% to 80%) of their business from hotel guests. The study concludes that although the Monterey Peninsula Hotel Plan will generate more peak-hour vehicle trips than the Gin Wong Plan, the proposed plan will provide more effective and efficient circulation on Cannery Row than the Gin Wong Plan.

Analysis of Traffic Study

The Monterey Peninsula Hotel Plan has several improvements in traffic circulation compared to the Gin Wong Plan. In the approved plan, guests would load and unload on Cannery Row. This had the potential for creating congestion on Cannery Row due to parking queue spillover during busy periods. Guest loading/unloading will take place off-street in the proposed plan. Also, the approved plan had 55 parking spaces in Building B. The proposed plan has no parking in Building B and therefore no driveways from Cannery Row to Building B, which would further impact traffic on Cannery Row. The study counts each car arriving and departing the proposed hotel as one vehicle trip. However, the valets must drive to take the cars from the hotel to the parking garage and vice versa. These additional trips should have been included in the analysis but were not, although the additional trip generation from this factor is not expected to be substantial.

As stated above, the 1999 traffic study compares the estimated effects on traffic of the proposed hotel to the estimated effects on traffic of the approved 1984 plan. While substantial new development has occurred in Cannery Row and in the City of Monterey since 1984, the study does not measure or analyze the traffic impact of the proposed hotel on the local streets as they exist today. City officials felt this was not necessary because travel demand estimates for previously approved projects have been included when estimating the traffic effects of proposed new development. For example, traffic analysis in the 1998 Draft Environmental Impact Report (DEIR) for the proposed Cannery Row Marketplace included a list of projects that were planned or were currently under construction in the Cannery Row area. The estimated vehicle trips for the approved hotel plan were 98 peak-hour weekday trips and 115 peak-hour Saturday trips (Exhibit 22 – "Rohr Hotel"). However, the 1999 traffic study estimates 292 peak-hour

weekday trips and 274 peak-hour Saturday trips (Exhibit 21). These are approximately three and two-and-a-third times greater, respectively, than the estimates used by the City. Therefore, when planning for new development, the City has greatly underestimated the number of vehicle trips the approved hotel will generate.

Regional access to the Cannery Row area is provided by State Highway 1, which extends north and south of the City of Monterey, and State Highway 68 which extends east from Monterey. Local access to the proposed hotel from areas north of Monterey is provided by Del Monte Avenue in conjunction with Lighthouse Avenue, Foam Street, Prescott Avenue, and Cannery Row. Pacific Street links the project site with downtown Monterey. Access to the proposed hotel from Pacific Grove is provided via Lighthouse Avenue and Wave Avenue in conjunction with Prescott Avenue, David Avenue, and Cannery Row (Exhibit 23A).

The 1983 EIR states that the Gin Wong Plan would have generated an approximate average daily traffic volume (ADT) of 2,663 with 267 peak-hour trips. Approximately 75% of the hotel traffic was expected to travel through Lighthouse Curve, with the remaining 25% of the traffic using routes through New Monterey and Pacific Grove. In 1983 Lighthouse Curve had an ADT of 41,245 and a Level of Service C (stable flow or operation... acceptable delay). Today, Lighthouse curve has an ADT of 45,864, an increase of 4,619 vehicles daily. However, an additional northbound lane has been added since 1983 and Lighthouse Curve now operates at an improved Level of Service of B (stable flow... slight delay).

As mentioned, the 1999 traffic study did not evaluate traffic conditions as they exist in Monterey today. However, some comparisons can be made between the 1983 EIR data and the 1998 Cannery Row Marketplace DEIR regarding traffic areas closest to the hotel. On a section of David Avenue south of Hawthorne Street, the ADT has increased from 4,655 in 1983 to 11,450 in 1998 (Exhibits 23A & 23B). In 1983 a section of Wave Street between David and Prescott had an ADT of 4,340. An area one block south on Foam Street (there are no Wave Street figures in the 1998 Cannery Row Marketplace DEIR) had an ADT of 11,700 in 1998, almost three times greater than the ADT for Wave Street in 1983. Also, the section of Cannery Row between Prescott Avenue and Hoffman had an ADT of 2,055 in 1983. Today the same section of Cannery Row has an ADT of 4,343.

In summary, the proposed hotel has a number of traffic enhancing qualities compared to the Gin Wong Plan, as stated above, including the moving of the guest unloading and loading area off Cannery Row. Also, improvements have been made to Lighthouse Curve, which now operates at an improved Level of Service compared to 1983. In addition, an estimated 50% of restaurant and retail use and approximately 80% of meeting room attendees will be hotel guests. Also, as a Condition of Approval, the City of Monterey is requiring the applicants to pay into the existing Transportation Management Fund to contribute to expansion of the WAVE shuttle, which was not in operation when the Gin Wong Plan was approved. However, the proposed hotel will generate will generate 45 more peak-hour summer Saturday vehicle trips and 70 more peak-hour summer weekday vehicle trips than the Gin Wong Plan, primarily due to the increased meeting space of the proposed hotel. These numbers do not include valet trips to and from the parking garage. Also, the Cannery Row area has seen a great increase in traffic since 1983, as detailed above. Still, a number of mediating factors in the proposed plan will have positive benefits on traffic compared to the approved plan. However, in order to ensure that the special character of

Cannery Row is not diminished by increased traffic congestion and that public access in the area is not adversely affected, condition 6a is required. This condition requires the permittees to perform a traffic study during the peak weekday afternoon hour and the peak Saturday afternoon hour from the Memorial Day weekend through the Labor Day weekend during the first two years of operation of the hotel. These studies shall evaluate the actual traffic produced by operation of the hotel. The permittees must also monitor the effectiveness of the WAVE ridership. The results of such monitoring will be reported to the Executive Director for review. If the results indicate that, due to operation of the hotel, there are additional traffic impacts beyond those anticipated by the approved traffic study, the permittees shall submit a mitigation plan for implementation upon Commission approval. In addition, condition 6b also requires that the permittees establish a shuttle limousine/van service to provide local transportation for hotel patrons. With these conditions, the proposal is consistent with Coastal Act Sections 30252 and 30253.

Parking

The Gin Wong Plan was approved in 1984. Since then, the Cannery Row area has changed dramatically with the opening of the Monterey Bay Aquarium and the development of many new shops and restaurants. An IMAX theater has been approved for the southeast end of Cannery Row. These developments have had a significant cumulative impact on parking in the Cannery Row area. The parking study performed for the proposed project, however, does not evaluate the parking situation as it exists in Cannery Row today, but instead compares the estimated parking requirements of the Gin Wong Plan to the estimated parking requirements of the Monterey Peninsula Hotel Plan.

Current Parking inventory

The existing parking garage on Cannery Row, built after the Gin Wong Plan was approved, contains 1003 spaces. For the majority of the year there is a surplus of parking in this garage (Table 2). From November 1999 through October 2000 there were nine days in which the garage was at 100% capacity at the peak hour of 1:00 p.m. Highest occupancy is in July and August but occupancy is also high during three-day holiday weekends and spring break.

Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct
2 (2)	4 (0)	0	3 (2)	1 (0)	11 (0)	3 (2)	1 (0)	14 (2)	23 (1)	5 (0)	0

Table 2. Number of days per month with greater than 80% occupancy at 1:00 p.m. in Cannery Row parking garage, from November 1999 through October 2000. Numbers in parentheses equal number of days in which occupancy reached 100% at 1:00 p.m.

There are 2159 on-street and other-lot parking spaces in the Cannery Row area. A parking occupancy survey is performed by the City of Monterey Parking Division each August, over a three-day peak period (Friday, Saturday, and Sunday). The survey is conducted in August because that is the month that parking is most impacted on Cannery Row. In August 2000 approximately 85% of the available parking

spaces were occupied at 1:00 p.m. The three-year average for 1998, 1999, and 2000 at 1:00 p.m. was 88%. Occupancy was below 50% at 7:00 p.m. for all three years.

Three-Day Average Area C –Cannery Row	1998 % Occupied	1999 % Occupied	2000 % Occupied	Three-year Average % Occupied
1:00 p.m.	91.36%	88.25%	84.68%	88.10%
7:00 p.m.	49.57%	48.68%	44.56%	47.60%

Table 3. On-street parking occupancy in area C (Foam Street to the water – does not include any spaces on Foam Street) for peak three-day period (Friday, Saturday, Sunday) in August, over a three-year period.

Parking Study Results and Proposed Employee Parking Plan

The proposed Monterey Peninsula Hotel has fewer hotel rooms and restaurant seats than in the Gin Wong Plan. At the same time, it has more square feet of retail space and meeting area than in the original plan (Exhibit 4). The proposed parking garage on Site C provides 273 parking spaces, compared with 263 in the Gin Wong Plan, for a net gain of 10 spaces. The Gin Wong Plan provided parking in Building B and Building C. The Monterey Peninsula Hotel Plan provides parking in Building C only.

The 1999 parking study summarized parking requirements for the two plans, using current City parking standards as mentioned above. The Gin Wong Plan resulted in an overall deficit of 23 spaces. The Monterey Peninsula Hotel Plan results in an overall deficit of 87 parking spaces, a significant parking impact (Exhibit 24). As mitigation, The City of Monterey is requiring the applicants to provide 100% attended and valet parking in Building C. They must provide public parking in Building C to augment the public parking supply in the area. Also, the applicants must implement an Employee Parking Plan with carpool incentives and annual staff review (Exhibit 6, #20). In addition, the City is requiring the applicants to pay into the Transportation Management Fund to contribute to expansion of the WAVE shuttle program and any future internal Cannery Row shuttle.

The applicants have developed a Monterey Peninsula Hotel Employee Parking Plan (Exhibit 25) using data collected from the Monterey Plaza Hotel & Spa (Plaza Hotel), which is owned and operated by the same company as the proposed Monterey Peninsula Hotel. The Plaza Hotel is located near the southeast end of Cannery Row. The employee parking plan results are based on occupancy rates at the Plaza Hotel during May 1999. May was chosen because the occupancy rate was 77% for that month, comparable to the average occupancy for the Plaza Hotel for 1999 (77.8%), and because it was prior to opening of the Spa (the Monterey Peninsula Hotel will not have a spa).

The applicants developed a factor to calculate the number of employee parking spaces needed in the proposed garage, as follows: The Plaza Hotel has 285 rooms. Given an average occupancy of 77%, the average number of rooms rented per day is 219. The number of employee cars present in the Plaza Hotel

garage at midday (peak period) during May was counted, resulting in an average of 82 employee cars at midday. Based on the number of rooms sold per day (77% occupancy rate or 219 rooms), and the average number of employee cars present as above (82), a factor of 37% was derived (82 divided by 219 = .37).

The Monterey Peninsula Hotel will have 208 rooms. The Plaza Hotel has 1.33 employees per guestroom. Thus the Monterey Peninsula Hotel would have an estimated 276 employees (1.33 x 208). The applicants reduce this number by 10% to an estimated 248 employees at the Monterey Peninsula Hotel due to less conference space (10,200 sq. ft. versus 16,000 sq. ft. at the Plaza Hotel) and lower management counts than at the Plaza Hotel, based on combining the efforts of particular departments such as marketing and accounting. Then given the goal of 78-80% occupancy for the Monterey Peninsula Hotel, the average number of rooms occupied per day would be 166 (80% of 208). Multiplying 166 rooms occupied daily on average by the factor of 37% obtained above equals 62 stalls per day needed for Monterey Peninsula Hotel employees. The applicants state that they will therefore allocate approximately 62 stalls in Building C for employee parking. The applicants also state that they will promote carpooling and public transit for their employees.

Analysis of Parking Study and Employee Parking Plan

The 1999 parking study does not evaluate the current parking situation in Monterey but instead compares the estimated parking requirement of the approved Gin Wong Plan to the estimated parking requirement of the Monterey Peninsula Hotel Plan. However, the Gin Wong Plan was approved by the City of Monterey in 1983 and significant development has taken place in the Cannery Row area since that time, including development of a 1003-space parking garage. The parking study did not evaluate what effect the estimated 87-parking space deficit would have on the existing Cannery Row parking garage, on-street parking, or other parking lots in the Cannery Row area during busy periods of the year, nor what effect construction of the proposed hotel will have on parking. The parking study would be more relevant if it had evaluated the effect of the proposed hotel plan on parking as it exists in Cannery Row today.

The parking study results state that the Monterey Peninsula Hotel will create an 87-parking space deficit compared to a 23-parking space deficit in the approved plan (Exhibit 24). As partial mitigation, the City of Monterey is requiring the applicants to provide 100% attended and valet parking in Building C. This will ensure that hotel guests' vehicles are not parked on the street or in the existing parking garage. Therefore, guests staying at the Monterey Peninsula Hotel will not directly create a negative impact on parking in Cannery Row. However, the hotel will also need to provide parking for employees, retail employees, and some public parking in addition to parking for guests.

The WAVE shuttle has been in operation every summer since 1992. Between the Memorial Day weekend and the Labor Day weekend of 2000, the shuttle transported 103,869 passengers from underused parking garages in downtown Monterey to Cannery Row and back again (Exhibit 20). Thus the WAVE shuttle does significantly reduce the number of cars parking in the Cannery Row area during the busy summer months and as such is a valuable program. As a Condition of Approval, the City is requiring the applicants to pay into the Transportation Management Fund to contribute to expansion of

the WAVE shuttle program. The City of Monterey has two options for paying into the Transportation Management Fund to mitigate a parking deficit: a onetime fee of $7,215.00 for each parking space deficit ($7,215.00 x 87 = $627,705.00), or $60.13 for each parking space deficit per month in perpetuity ($60.13 x 87 = $5,231.31 per month). Because the Gin Wong Plan was approved in 1983, the applicants are requesting that the City of Monterey require them to pay the in-lieu fee that existed in 1983, which was approximately $10.00 for each parking space deficit. At the time of the writing of this report, the applicants' request was still under review by the City attorney.

Peak-hour (1:00 p.m.) occupancy in the existing Cannery Row garage was 80% or greater for 14 days in July 2000 and for 23 days in August 2000. However, only two days in July and one day in August had 100% peak-hour occupancy. Also, from November 1999 through October 2000 there were only nine days in which the garage was at 100% occupancy at 1:00 p.m. (Table 2, page 30). In addition, the three-year average peak-hour occupancy (August) of on-street parking and of other Cannery Row parking lot areas was approximately 88% (Table 3, page 31). Therefore, although parking in the Cannery Row area is impacted during the summer months, some availability generally remains at the peak hour.

As discussed above, the Monterey Peninsula Hotel Employee Parking Plan is based on calculations taken from occupancy data and the average number of employee cars in the Monterey Plaza Hotel & Spa (Plaza Hotel) parking garage. The applicants do not state if 62 spaces would be set aside in Building C specifically for employees. Also, the estimated number of employees (248) for the proposed hotel does not include retail employees, but the Employee Parking Plan states that retail employees also would be allowed to park in the garage.

As mitigation, The City of Monterey is requiring the applicants to provide public parking in Building C to augment the public parking supply in the area. However, the City has not defined the number of public parking spaces that must be kept available. During much of the year, there should be adequate parking for the public in this garage. However, it is unclear what benefit this public parking supply will have during busy times of the year when the hotel has 100% occupancy. The current City of Monterey parking standards mandate one space per hotel room plus two spaces for every 50 rooms. This equals 216 parking spaces for hotel guests. Given this figure of 216 plus the 62 employee parking spaces (not including retail employees), the total is 278 parking spaces. However, the proposed parking garage only has 273 spaces. Therefore, there will be little parking availability in Building C for the public or retail employees when the hotel is at full occupancy.

In summary, the proposed Monterey Peninsula Hotel has a projected parking deficit of 87 spaces, compared to a 23-space deficit in the Gin Wong Plan. There has been major development in the Cannery Row area since the Gin Wong Plan was approved, but this development included the Cannery Row parking garage. This garage has a high availability of parking spaces except during some peak-hour periods during three-day holidays, spring break, and July and August. In addition, the WAVE shuttle has been in operation during the busy summer months since 1992 and the City is requiring the applicants to pay into the fund that supports this shuttle, although the amount of this contribution is not yet known. Also, there are adequate parking spaces available for hotel guests in the proposed garage and employees will be allowed to park in this garage as well. As a Condition of Approval, the City of

Monterey is requiring that the applicants implement an employee parking plan with carpool incentives and annual staff review. The City is also requiring the applicants to provide public parking in the proposed garage. However, during busy periods when the hotel is at high occupancy and the majority of the proposed parking garage spaces are taken up by hotel guests and hotel employees, it is doubtful that there will be enough remaining spaces for retail employees and the public. Therefore, conditions 7a and 7b are required. Condition 7a requires the permittees to submit evidence of the amount of funds that will be paid into the City of Monterey's Transportation Management Fund and how this and the other provisions in the City's Conditions of Approval #20 will fully mitigate the project's expected 87-parking space deficit. Condition 7b requires the permittees to monitor parking conditions in the proposed hotel garage during the peak weekday hour and the peak Saturday hour from the Memorial Day weekend through the Labor Day weekend during the first two years of operation of the hotel. The permittees must also monitor the effectiveness of the WAVE ridership. The results of such monitoring will be reported to the Executive Director for review. In the event that monitoring establishes any extensive parking supply deficiencies in the hotel parking garage, the permittees shall submit a mitigation plan for implementation upon Commission review. With these conditions, the proposal is consistent with Coastal Act Sections 30252 and 30253, as well as the Cannery Row LUP.

5. Marine Resources

Section 30230 of the Coastal Act states:

> *Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.*

Section 30231 of the Coastal Act states:

> *The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.*

Section 30240(a) of the Coastal Act states:

> *Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.*

Section 30235 of the Coastal Act states:

Revetments, breakwaters, groins, harbor channels, seawalls, cliff retaining walls, and other such construction that alters natural shoreline processes shall be permitted when required to serve coastal-dependent uses or to protect existing structures or public beaches in danger from erosion, and when designed to eliminate or mitigate adverse impacts on local shoreline sand supply. Existing marine structures causing water stagnation contributing to pollution problems and fish kills should be phased out or upgraded where feasible.

LUP Development Policy 3h (Figure 28) states:

Development allowed beyond mean high tide: Only in existing structures and on slabs presently extending beyond the mean high tide line. On all other parcels, development is not to extend beyond the mean high tide line.

LUP Development Policy 3h states:

Shoreline development along Cannery Row is not to extend seaward so far as to require new seawalls or alteration of the natural shoreline with the exception of parcels where structures or slabs presently exist over the water... Existing structures and slabs beyond the mean high tide line are not to be extended horizontally as part of any new development and are not to encroach further on the natural shoreline beneath the structures. Under no circumstances is any existing structure or slab to be extended vertically so as to be any lower than 13 vertical feet above the mean high tide line...

LUP Public Access Policy 3d states:

A cantilevered deck extending beyond existing slabs shall be permitted up to a maximum of 12 feet only to accomplish the aforementioned accessway, but in no event shall new pilings, seawalls or structures be necessitated which physically interfere with the intertidal zone. Extensions beyond existing slabs for purposes other than access shall not be permitted.

LUP Natural Hazards Policy 3b states:

Construction of seawalls to protect existing development shall be allowed only if an engineering analysis determines that such protective structures are the least environmentally damaging alternative and:

1. *Repairs to pilings and existing supports in over-water development shall be determined to be ineffective to protect the existing structure; and*

2. *Seawalls and foundations shall be located as far landward as possible.*

LUP Natural Marine Resources and Habitat Areas Policy 3 states:

a. *Protect intertidal and tidepool habitat through signing as a condition of shoreline development, both public and private.*

b. *Require sensitive shoreline restoration (debris cleanup) and maintenance (litter control)*

in a manner that will not impair biological productivity for the habitat and restoration needs areas... as a condition for any grading, excavation, demolition, or construction in conjunction with shoreline development.

g. *Require sand traps in all parking structures to catch surface contaminants from stormwater runoff. Also require cleaning of parking areas by mechanical sweeping with minimum use of hosing to avoid water runoff.*

h. *For any grading, excavation, demolition, or construction in conjunction with shoreline development, require as a condition of development drainage improvements which will control the development's surface area runoff in a manner that will not impair biological productivity for the habitat and restoration needs areas ...*

i. *Where any grading, excavation, demolition, or construction in conjunction with shoreline development requires temporary disturbance or permanently changes the stormwater flows/outfalls..., these disturbances or changes are to be undertaken as a condition of development in a manner that will not impair biological productivity for the habitat and restoration needs areas ...*

The Cannery Row LUP has found that the adjacent coastal marine environment is unique along the entire California coast in its diversity and abundance of marine life. This area supports a broad range of intertidal and subtidal organisms, as well as marine mammals and birds. The Pacific Grove Marine Gardens Refuge and Hopkins Marine Life Refuge, which have been designated as Areas of Special Biological Significance, are approximately one-quarter mile downcoast from the site. The California brown pelican (endangered) may be found in the area. The sea otter (threatened) uses the kelp beds off of Cannery Row. Thus, any construction work that might adversely effect the habitat and organisms of the bay waters must be carried out in a manner that will eliminate the possibility of adverse effects.

The 1983 EIR stated that no endangered plant or animal species were known to exist at the project site. Intertidal and offshore (subtidal) habitats are found in the vicinity of Site "A." The LUP designates the project vicinity as in need of restoration, as described above in Natural Marine Resources and Habitat Areas Policy 3. The site does not have a significant tidepool area but does have a few minor tidepools.

The Cannery Row LUP allows development beyond mean high tide only in existing structures and on slabs presently extending beyond the mean high tide line (Exhibit 26). In 1984, when the Gin Wong Plan was approved, a deteriorated portion of the original cannery, a remnant slab formation, and portions of an old platform were still present on the site. These structures extended far past the mean high tide line. Given these existing structures, new development on this site *could* have extended far past the mean high tide line and still would have been consistent with the LUP.

The approved plan pulled Building A back to the approximate mean high tide line, thus reducing the amount of over-water coverage by approximately 20,000 square feet. In the approved plan, a portion of Building A was cantilevered approximately seven feet over the mean high tide line (Zone Y6 in Exhibit 27). The remaining portion of building A skirted the mean high tide line. The public access walkway in the approved plan extended beyond the mean high tide line, but this walkway was cantilevered on

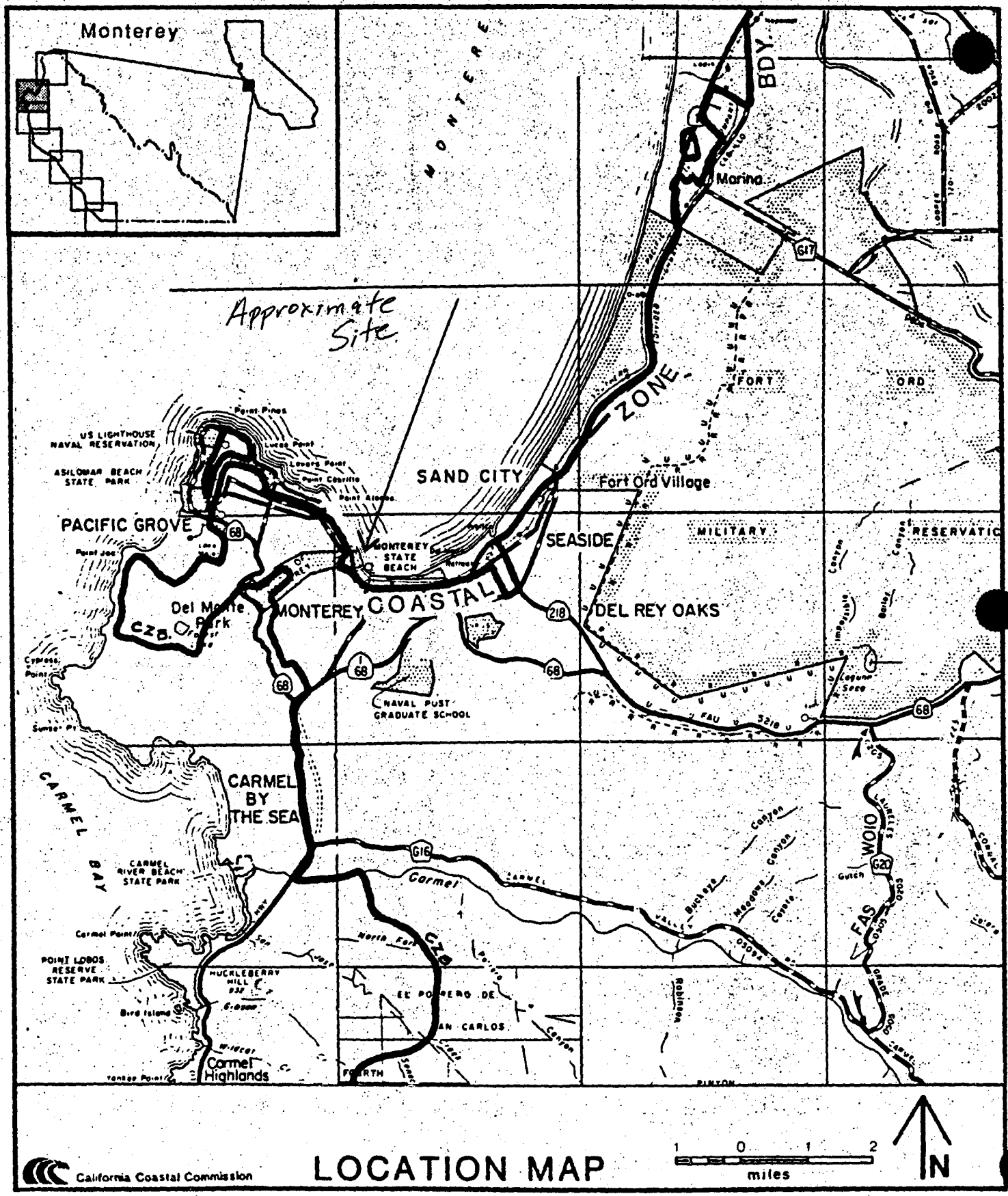
existing slabs (consistent with LUP Public Access Policy 3d). In the proposed plan, the bayside portion of building A adjacent to the restaurant has been scaled back approximately three feet, compared to the approved plan (Exhibit 28). Therefore this proposed portion of Building A extends approximately four feet past the mean high tide line, three feet *less* than in the approved plan. This reduction in the amount of building cantilevered over the mean high tide line will slightly reduce over-water coverage and resultant shading of the intertidal zone compared to the approved plan. In the proposed plan, the bayside portion of the Building A which is adjacent to the meeting room extends three feet further seaward than in the approved plan, slightly increasing over-water coverage and resultant shading compared to the approved plan. Thus the differences between over-water coverage of the approved plan and the proposed plan essentially cancel each other out. In addition, Building A in the approved plan and the proposed plan are both well landward of the old cannery that previously existed on the site. Also, as in the approved plan, the proposed public access walkway is cantilevered on existing pilings and extends past the mean high tide line. This extension is consistent with LUP Public Access Policy 3d. The public access observation point (Exhibit 13) also extends beyond the mean high tide line, but this will be built on existing pilings. Therefore, the proposed plan is consistent with Coastal Act Sections 30230 and 30235, and the Cannery Row LUP.

Shoreline development along Cannery Row is not to extend seaward so far as to require new seawalls. In the proposed plan, the foundation/basement-level seawall of Building A would encroach no further into intertidal habitats than does the existing seawall, which is well above the mean high tide line. Therefore, the proposed plan is consistent with Coastal Act Section 30235 and the Cannery Row LUP.

Potential marine impacts that will occur from the development of Site A include: (1) destruction of intertidal life due to construction activities; (2) increased sedimentation and turbidity during construction; and (3) increased runoff contamination from impervious surfacing. The City of Monterey's condition of approval #19 (Exhibit 6) outlines a number of requirements to counteract the effects that construction and development will have on marine resources. With these conditions, as listed in condition 8, the proposed project is consistent with Coastal Act Sections 30230, 30231, 30240(a), and the Cannery Row LUP.

V. California Environmental Quality Act (CEQA)

Section 13096 of the California Code of Regulations requires that a specific finding be made in conjunction with coastal development permit applications showing the application to be consistent with any applicable requirements of CEQA. Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse effect which the activity may have on the environment. The Coastal Commission's review and analysis of land use proposals has been certified by the Secretary for Resources as being the functional equivalent of environmental review under CEQA. Accordingly, the Commission finds that as conditioned the proposed project will not have significant adverse effects on the environment within the meaning of CEQA; that there are no feasible alternatives which would significantly reduce any potential adverse effects; and, accordingly, the proposal, as conditioned, is in conformance with CEQA requirements.



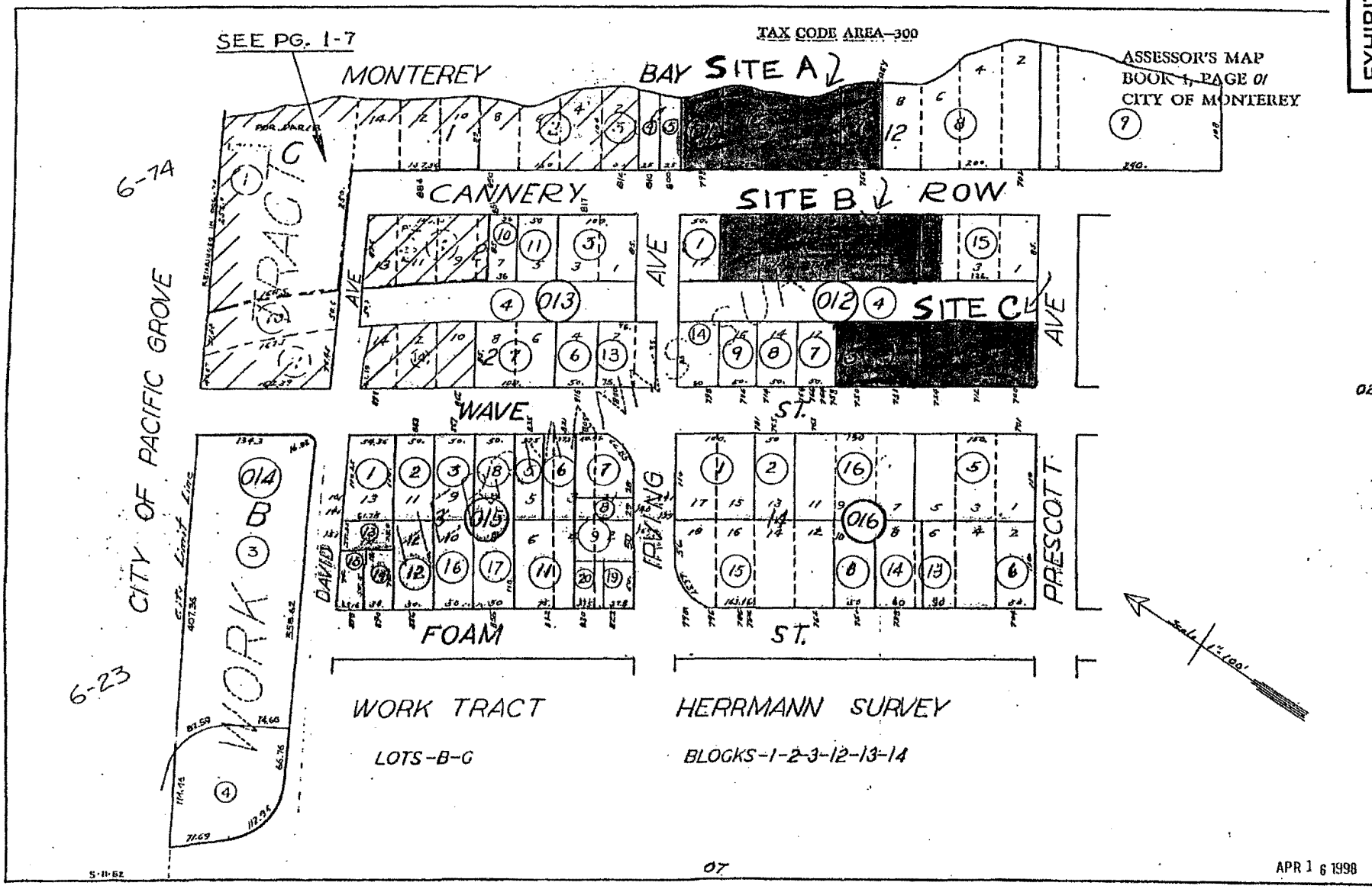
County of Monterey

Sheet 2 of 7

Exhibit 1
3-84-139-A1

1-800-345-7334

SCALE IN 1/10 OF AN INCH



STAFF RECOMMENDATION

The Staff recommends that the Commission adopt the following Resolution:

Approval with Conditions

The Commission hereby grants, subject to the conditions below, a permit for the proposed development on the grounds that the development, as conditioned, will be in conformity with the provisions of Chapter 3 of the California Coastal Act of 1976, will not prejudice the ability of the local government having jurisdiction over the area to prepare a Local Coastal Program conforming to the provisions of Chapter 3 of the Coastal Act, is located between the sea and the first public road nearest the shoreline and is in conformance with the public access and public recreation policies of Chapter 3 of the Coastal Act, and will not have any significant adverse impacts on the environment within the meaning of the California Environmental Quality Act.

RECOMMENDED CONDITIONS

Standard Conditions

See Exhibit A.

Special Conditions

1. This permit authorizes construction of the 750 Cannery Row Hotel according to the plans submitted to the Coastal Commission and as modified by these conditions. The project is approved in the following density: 212 rooms, 200 seat restaurant/lounge, 1,450 sq. ft. meeting rooms, 13,920 sq. ft. commercial, 263 parking spaces. Any changes in the plans including design changes shall require the review and approval of the Executive Director of the Commission or an amendment to the permit if the Executive Director determines that the change is substantial in nature.

LOCAL AGENCY CONDITIONS

2. This permit incorporates the conditions imposed by the City of Monterey (Use Permit 82-78, Special Permit 82-02, Parking Adjustment 82-52, Exhibit B) and with the modifications indicated in the following conditions. All plans, programs, or documents requiring review by Monterey City under Monterey City permit conditions shall be submitted for review and approval of the Executive Director. If compliance with those conditions requires a change to plans as approved by this permit, the permittee shall also submit such changes to the Executive Director for review and approval.

PHASED PERMIT

3. This permit shall be issued in three phases:

Phase I - demolition and foundation removal (except excavation of granite);
Phase II- foundation construction to function level;
Phase III-shell construction.

EXHIBIT NO. 3
APPLICATION NO.
3-84-139-A1
P9. 1 of 6
California Coastal Commission

LEGAL DOCUMENTS

4. PRIOR TO TRANSMITTAL OF PHASE I PERMIT, the permittee shall submit to the Executive Director for review and approval and record:

(a) a completed legal agreement, i.e. Covenant, accepted by Monterey City that limits further development on parcel APN 001-011-08 (Lobster Grotto) such that the floor area ratios for the project, and as herein conditioned, as submitted by the permittee are retained, map;

(b) the final lease agreement between Cannery Row Company and Pacific Equity Development dated July 27, 1984;

(c) approval from California State Lands Commission of Monterey City's lease agreement with Pacific Equity Development, Ltd.;

(d) permittee acknowledgement of decreased FAR to 1.82 by elimination of Monterey City's public trust lands;

Any changes to the above legal agreements which affect development and use of the project site in the Coastal Zone are subject to the review and approval of the Executive Director.

(e) a deed restriction for recording, that binds the permittees and any successors in interest. The form and content of the deed restriction shall be subject to review and approval of the Executive Director. The deed restriction shall provide:

(a) that the permittees understand that the project and construction site is subject to extraordinary hazard from waves during storms and tsunamis and the permittees assume the liability from those hazards;

(b) the permittees agree that they will unconditionally waive any claim of liability as a result of the completion of construction of the project related to the hazards as identified above; and

(c) the permittees agree that the construction in the face of these hazards may make them ineligible for public disaster funds or loans for repair or replacement of the project designated by the engineering plans attached to the application, in the event of future storms and related damage.

PROCEDURAL GUIDELINES PHASE I

5. PRIOR TO TRANSMITTAL OF THE PHASE I PERMIT, the permittee shall submit to the Executive Director for review and approval and shall fully implement the approved measures:

(a) an outline for the procedure and projected timing of the demolition, dismantling, and construction operations including equipment/personnel, staging area locations, traffic facilitation operations during construction;

(b) an outline of mitigation measures to protect the intertidal area including, but not limited to, prohibit explosives, wet down project site to control dust, removal of debris from water within a specified amount of time, limit areas where machinery can operate, require catch nets or fences, that will protect the sensitive marine resources beneath existing over water structures, designate concrete wash-down areas, etc.

A biological baseline assessment of the intertidal area and assessment of the nesting habitat of the shorebirds within the existing structures (methodologies to be approved by the Department of Fish and Game) shall accompany the outline. Mitigation measures shall provide for retention of important natural and manmade habitat in the rocky intertidal area and replacement of nesting sites for shorebirds.

(c) provisions for an on-site recognized professional archaeologist to monitor those portions of the site with potential for archaeology resources and evaluate significance and appropriate mitigation as needed in accord with the Commission's Statewide Interpretive Archaeological Guidelines adopted 12/16/81. [See Exhibit I attached and Condition 6(f)].

PHASE II

6. PRIOR TO TRANSMITTAL OF PHASE II PERMIT, the permittee shall submit to the Executive Director for review and approval:

(a) a final geology investigation identifying impacts and mitigation for proposed excavation;

(b) a detailed storm wave hazard assessment for the bayside site

(c) a final grading and excavation plan

(d) engineered structural plans for all foundation work (foundations, piers, footings, etc.) for all structures; plans for modified storm drain outlets as required. The foundation plan for Site A shall provide that:

(1) no new seawalls shall be placed seaward of existing seawalls except for minimal foundation accommodation; an overlay plan showing existing seawalls, piers, and proposed seawalls and piers;

(2) that the vertical structural elevation of the building shall be comparable to that of the Monterey Bay Aquarium (17.4 NGVD) subject to any modifications supported by the site specific storm wave hazard assessment for the site (item 6. above)

(3) basement level area shall be redesigned as necessary to prevent substantial alteration of the bluff area in accordance with geologic data submitted per item 6 above.

(e) a final drainage plan including provision of grease traps in parking structures to catch surface contaminants and a procedure for cleaning of the parking structure by mechanical sweeping with minimum use of hosing to avoid runoff. All roof and impervious surface runoff shall be clean and shall be discharged in a manner that prevents erosion.

A[illegible]AEOLOGY

(f) a subsurface archaeological testing program by a recognized professional archaeologist, the test proposal to be accomplished in full consultation with local Native American organizations. Such evaluation shall be prepared by a qualified professional archaeologist or by other person(s) qualified in accordance with the standards of the State Historic Preservation Office, and shall be submitted for approval by the Executive Director.

If the archaeologic resources are found to be significant, permittee shall then submit a plan of mitigation, prepared by a qualified professional archaeologist and using accepted scientific techniques, prior to any disturbance of the surface area of the property. Such plan shall be submitted for review by the State Historic Preservation Office and the approval of the Executive Director. The plan shall provide for reasonable mitigation of archaeologic impacts resulting from the development of the site, and shall be fully implemented. A report verifying compliance with this condition shall be submitted upon completion of excavation, for review and approval by the Executive Director. (See Exhibit I attached).

Consistent with the protection of archaeologic resources as affirmed by the consulting professional archaeologist, archaeology resource investigation and recovery may take place concurrent with geology investigation and foundation removal.

Exhibit 3
3-84-139-A1
pg. 4 of 6

PHASE III

7. PRIOR TO TRANSMITTAL OF PHASE III PERMIT, the permittee shall submit to the Executive Director for review and approval: Phase III permit may be issued for separate site areas at the discretion of the Executive Director.

(a) final site plan and elevations including Monterey City Architectural and Site approval; the elevations shall provide that the maximum height of Building A shall not exceed 45 feet (excluding elevator and mechanical shafts);

(b) final landscaping plans using low water use plant species;

→ (c) evidence that the Monterey Peninsula Regional Park District Joint Powers Agency has reviewed and concurred with aspects of development that could impact the proposed recreational corridor;

(d) a Monterey City approved plan for the improvements to the City Plaza Park; improvements shall be accomplished concurrent with the hotel development

(e) an access plan for the site (Exhibit II) which shall include provision of such public amenities as benches in the plaza area, waste receptacles, water fountains, informational signing, and other public facilities.

(f) an access program which accomplishes the following:

(1) A deed restriction, the form and content of which shall be approved by the Executive Director, for the 750 Cannery Row Hotel plaza and lateral accessway, including the leased Monterey City Plaza Park area. The deed restriction shall provide secure areas such as the interior building and lateral bayside access way to be open at a minimum during normal operating hours. Access areas subject to tidal or storm wave action may be closed temporarily (during storms) to prevent hazards to public safety. Maintenance needs shall be provided. This deed restriction shall bind the permittee and any successor in interest and guarantee the right of the public to use the accessway. This deed restriction shall be for the permittee's interest in the property, whatever it may be, including those areas of tidelands granted to the City of Monterey.

(2) A signing program which identifies the public accessways and the hours that they are open and notifies potential patrons when areas are closed due to high tides or high waves.

8. Prior to commencement of operation, permittee shall establish a shuttle limousine service to provide transportation for hotel patrons. The route and schedule for the service shall include daily trips to major visitor points, i.e., Carmel, Pebble Beach, Monterey, Pt. Lobos, etc., and to Monterey Airport. The service many be coordinated with similar services offered by other Cannery Row operations. The route and schedule shall be submitted to the Executive Director for review and approval prior to commencement of operation of facilities.

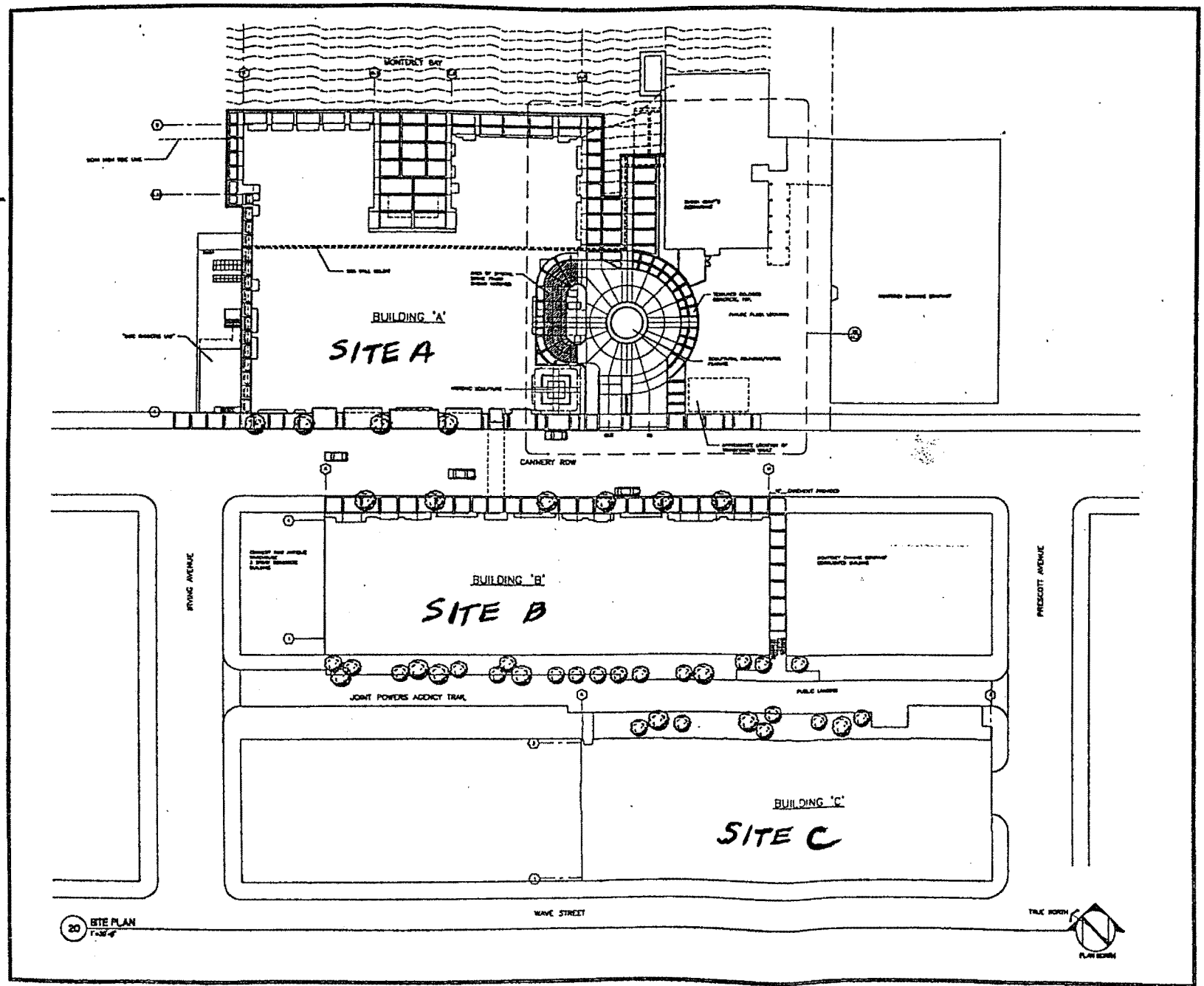
9. Permittee shall provide a study by a qualified transportation/circulation consultant of the automobile parking impact of the project at the end of the first year's operation. If any such study, as confirmed by the Commission indicates that the parking impact from the project is significant and unmitigated, the permittee shall confer with the Commission for purposes of a determination by the Commission on which of the following measures shall be required to be installed by amendment to this permit:

(1) Additional parking spaces
(2) Changes and/or reduction in hours of operation for the restaurant bar and retail shops
(3) Modifications to the valet system
(4) Modification of the shuttle system.

Woodside Hotels Resorts

AREA COMPARISON BY USE

STATISTICAL COMPARISON	1984 GIN WONG PLAN			MONTEREY PENINSULA PLAN		
	Building A	Building B	Building C	Building A	Building B	Building C
Parking Stalls	0	263		0	0	273
Guest Rooms	212		0	208		0
Banquet/Meeting Room Area	1,450	0	0	10,200	0	0
Restaurant Seating	200	0	0	95	0	0
Retail Area	13,920		0	18,581		0



88 SITE PLAN

EXHIBIT NO. 5
APPLICATION NO. 3-84-131-A1
California Coastal Commission

The Ratcliff Architects

PROGRESS PRINTS 30 MAR 00

MONTEREY PENINSULA HOTEL

CANNERY ROW MONTEREY, CALIFORNIA

WOODSIDE HOTELS + RESORTS

SITE PLAN

A1.1

DESIGN DEVELOPMENT PHASE - NOT FOR CONSTRUCTION

RECEIVED
MAR
CITY OF
PLANNING

750 CANNERY ROW - MONTEREY PENINSULA HOTEL

CONDITIONS OF APPROVAL:

1. TIMING OF CONDITIONS: All of the following conditions must be met prior to the applicant submitting revised building plans to the Building Department unless specified otherwise.

2. PERMITS: Special Permit #82-02, Use Permit #82-78, Use Permit #87-31, and Parking Adjustment #82-52 are amended and approved subject to these conditions.

3. APPROVED PLANS: The Special Permit, Use Permits and Parking Adjustment are granted for 208 hotel rooms, 10,200 square feet of meeting area, 95 restaurant seats (2,260 square feet), 18,581 square feet of retail and 273 parking stalls located and developed substantially as shown on the May 12, 2000 site plan, floor plan and elevations.

4. WALKWAY BEHIND DOC'S LAB: The walkway behind Doc's Lab shall not extend onto Doc's Lab site behind the Lab. Walkway sketch #3 revised June 5, 2000 is approved (Attached). Appropriate historic documentation signage shall be provided on the walkway next to Doc's Lab. The final walkway plan shall include security measures for Doc's Lab subject to review and approval by the Planning Commission.

5. AUTOMOBILE ENTRANCE and WALKWAY: The design of the automobile entrance and walkway on the Bubba Gump's Restaurant site shall meet the Secretary of the Interior's Standards for Treatment of Historic Properties. Prior to construction, the final design shall be submitted to the Historic Preservation Commission for review of conformity to the Secretary of the Interior's Standards for Treatment of Historic Properties.

6. CANNERY ROW STREET ELEVATION NEXT TO DOC'S LAB: The portion of Building A fronting Cannery Row Street and adjoining Doc's Lab should use more simple design and materials, including flat stucco face and simple openings similar to Photograph C in Mellon and Associates letter dated April 3, 2000. This facade should not have columns or scoring as shown on the proposed plan.

7. HISTORIC DOCUMENTATION PROGRAM: A Historic Documentation Program shall be prepared and submitted to Historic Preservation Commission for review and approval and shall be installed prior to occupancy.

8. RECREATION TRAIL: Prior to occupancy, the applicant shall install landscaping as required by the Monterey Peninsula Recreational Trail Policies and Standards to soften the appearance of Buildings B and C as viewed from the Recreation Trail. The specific type of landscaping should be designed to conform with Recreation Trail Landscaping Policy #7. A landscape plan shall be prepared and submitted for

review and approval by the Parks and Recreation Commission and Architectural Review Committee prior to installation of landscaping.

9. MURALS: The applicant shall explore the use of murals including the existing murals to provide more interest to the wall proposed between Buildings B and the Recreation Trail and to Building C's north elevation.. Prior to construction, a proposal for the use of murals shall be submitted for review and approval by the Cultural Arts Commission and Parks and Recreation Commission.

10. CONSTRUCTION and RECREATION TRAIL: The Recreation Trail shall be kept open during construction of the project.

11. PUBLIC ACCESS: The applicant shall prepare a detailed public access plan for the project for review and approval by the Public Works Department, Parks and Recreation Commission and Planning Commission. The plan shall specify areas of dedicated public access, any quasi-public access and private access areas along with hours of operation, the design and other restrictions on the use of the dedicated public access and quasi-public access areas.

12. AGREEMENTS: The applicant shall execute and record the necessary development and financial participation agreements (including the McAbee Beach parcel) with the City, consistent with those terms and conditions approved by the City Council on March 21, 2000.

13. STREET TREES: The proposed number and placement of street trees does not comply with the recommendations of the Cannery Row Streetscape Study. The street trees shall be eliminated.

14. RETAIL STOREFRONT DESIGN: A comprehensive design program for the individual treatment of retail storefronts shall be developed and submitted for review and approval of the Architectural Review Committee prior to issuance of a Final Occupancy permit. The storefront design program should establish the range of materials, styles, signs and colors that will be allowed. The intent of this program is to assure that the storefront treatment is not uniform throughout or contemporary in appearance.

15. PRELIMINARY PLANS: Following Coastal Commission approval, the applicant shall submit detailed Preliminary Plans to Architectural Review Committee for review and approval. The Preliminary Plans should include the information that is identified in the Architectural Review Committee's adopted Preliminary Plan Submittal Requirements and shall address the following items:

    a. Reduce the tower height a minimum of 3 feet.

    b. Glass railing is acceptable at punched openings on the Cannery Row, Recreation Trail, Ocean and Doc Rickett's Lab and Plaza sides of the

buildings. As submitted, the balcony openings on the Doc Rickett's Lab elevation are not punched openings. Punched openings shall be used for balconies directly across from the Doc's Lab building. Study alternative to glass where balconies extend from the wall plane.

c. Minimize or eliminate the use of bold score lines and expansion joints.

d. Windows visible from Cannery Row Street shall utilize a true divided light window and sash system at the upper floor multi-light windows and provide a dimensional shape at the mullion. The window mullions should recall the appearance of older wood and steel windows and not the flat or rectangular profile of contemporary storefront systems.

e. Utilize stucco textures that recall the character and appearance of the original Cannery Row buildings and not the precise, evenly textured stucco finish that is generally used on contemporary buildings.

f. Consider different materials or finishes between the ground floor and upper floor. (Staff Note: Council approved the continuous 2nd floor horizontal trim band or cornice but indicated it should blend in and reduce visual impact.)

16. SEISMIC HAZARD and FLOOD ZONE: Prior to occupancy, the project shall subscribe to a tsunami warning system such as the Emergency Managers Weather Information Network (EMWIN) or comparable system that is available to non-government entities and develop an emergency response plan for warning users of the site in the event of a tsunami. The plan shall be designed so as not to conflict with the City's Disaster Plan.

17. HAZARDOUS MATERIALS: All construction shall halt if any containers (tanks, etc.) are found on site during excavation and should be cleared pursuant to the Monterey County Department of Health Standards.

18. ARCHAEOLOGY: An archaeological monitor shall be present during all foundation removal and demolition activities on the project site. These activities shall be planned sufficiently in advance of the proposed construction to allow for testing if necessary. If human remains or intact cultural features are discovered during excavation, construction shall halt within 50 meters of the find until it can be evaluated by an archaeologist and appropriate mitigation measures formulated and implemented.

19. MARINE RESOURCES:

a. Earthwork operations shall be performed during the dry season unless approved by Public Works Department.

b. Catch basins shall be used to retain sediment within the site area during and after the construction period to prevent an increased sediment discharge to the bay.

c. Prompt debris cleanup is required in shoreline areas during construction.

d. The applicant shall minimize areas where construction and demolition machinery can operate in intertidal and shoreline areas to minimize disturbance to these habitats.

e. Washing of vehicles in the proposed parking structure is prohibited to improve runoff water quality.

f. The applicant shall provide adequate litter receptacles along the public walkway of the hotel.

g. The applicant shall develop a shoreline restoration and maintenance program for the restoration needs area shown in the Local Coastal Plan. This program shall include an evaluation of stormwater outfall improvements on the shoreline restoration area.

h. All storm runoff shall be directed to stormwater outfall improvements as prescribed in the shoreline restoration and maintenance program.

i. Follow all policies of the Cannery Row Local Coastal Program Land Use Plan for the protection of marine resources during detailed design and construction phases, including stormwater runoff policies designed to prevent pollution of bay waters.

j. A Stormwater Pollution Prevention Plan and a Construction Water Quality Plan shall be prepared, shall consider California Fish and Game requirements in their May 17, 2000 letter and shall include appropriate best management practices from the City of Monterey's Model Urban Runoff Program, terms of the Statewide General Construction Permit and recommendations of the Central Coast Regional Water Quality Control Board.

k. A Construction Plan shall be approved by the City of Monterey to ensure construction equipment will be utilized and stored so it has minimal impact on the marine environment.

20. TRANSPORTATION: The proposed project results in an 87 parking space deficit as explained in the traffic/parking study. Prior to occupancy, the applicant is required to: 1) pay into the existing Transportation Management Fund contributing to expansion of the WAVE shuttle and any internal Cannery Row shuttle to mitigate this parking impact; 2) provide 100% attended and valet parking in

Building C; 3) provide public parking in Building C augmenting the public parking supply in the area; and, 4) implement the Employee Parking Plan with carpool incentives and annual staff review.

21. LAND USE: Prior to occupancy, the applicant shall be required to secure development rights for the Bubba Gump's property (720 Cannery Row) and guarantee limits on its development so that the hotel site and 720 Cannery Row comply with the Cannery Row Land Use Plan FAR guidelines.

22. PARCEL MERGER: Prior to occupancy, the applicant shall merge all parcels underlying Buildings A, B and C across Cannery Row Street and the Recreation Trail into one parcel.

23. CURB, GUTTER and SIDEWALK: The applicant is to construct new City standard curb, gutter and sidewalks along the entire frontage of all parcels. Sidewalks shall conform to Cannery Row Streetscape study requirements. All privately owned utility vaults are to be positioned within the applicant's property.

24. STREET PAVEMENT: Prior to occupancy, the ocean side of Cannery Row Street shall be patched after utilities are installed with non uniform concrete paving to match the existing pavement. The inland half of Cannery Row Street shall be replaced in its entirety. All repaving shall conform to Cannery Row Streetscape Study requirements.

25. TRASH/RECYCLING: Prior to construction, the applicant shall prepare a Trash/Recycling Management Plan and submit it to Public Works Department for review and approval. The Plan shall address the proper sizing and location of trash/recycling areas and containers for Buildings A, B and C as well as address where trash storage and recycling for Bubba Gump's restaurant will be located. The Plan shall specify routes and vehicles to be used for transfer of trash between buildings, curb cuts in front of enclosures, and management practices for maintaining trash and recycling areas. Trash/recycling enclosures shall include a hose bib and a drain to the sanitary sewer. The trash/recycling area on the Wave Street elevation of parking structure Building C shall be screened and maintained to eliminate odors and debris.

26. LANDING AREA: A 50 square foot landing area is required adjacent to the Recreation Trail and between Building B and the Monterey Canning Company and at each Recreation Trail access point.

27. FLOOD ELEVATIONS: The applicant shall design seawall/frontal walls to withstand tidal action per flood requirements.

28. TYPE OF CONSTRUCTION: The type of construction will need to be specified as part of construction documents.

29. ENCROACHMENT PERMIT: The applicant shall obtain an encroachment permit from Public Works Department for the proposed bridge.

30. HANDICAPPED PARKING: The applicant shall provide the required number of handicapped parking spaces in the parking structure, Building C as reviewed and approved by the Building Division.

31. VALET PARKING: The applicant shall designate a pathway between the valet plaza and parking structure Building C.

32. FIRE SPRINKLERS: All buildings shall require fire sprinklers including the parking structure Building C.

33. BRIDGE CLEARANCE: The bridge across Cannery Row Street shall maintain a 14 foot 3 inch clearance.

34. STREET IMPROVEMENTS: Prior to occupancy, the requirements and standards of the Public Works Department shall be complied with for the design and construction of street improvements including Cannery Row, Prescott and Wave Streets.

35. DRAINAGE PLAN: A drainage plan for the site shall be provided for review and approval by the Public Works Department.

36. CODE REQUIREMENTS: The applicant shall comply with the requirements of the Fire and Building Departments.

37. SIGNAGE: Prior to occupancy, the applicant shall prepare and submit an exterior signage program to the Architectural Review Committee for review and approval.

38. TIDELANDS: No new structures or improvements of any kind shall be constructed upon City of Monterey land, right of way or tidelands except with express approval and review by the City of Monterey. The applicant shall submit such written documents and agreements to the Housing and Property Manager for review and approval.

39. UNDERGROUND UTILITIES: All public utilities including service laterals shall be placed underground along the frontages of buildings A and B.

40. CONSTRUCTION TRAFFIC: Prior to construction, the applicant shall prepare and submit a plan for traffic control during project construction for review and approval by the Public Works, Fire and Police Departments. Two lane, two way traffic shall be maintained as much as practicable on Cannery Row Street, Prescott Street and Wave Street. Any lane closures shall be approved by the Traffic Engineer.

41. OWNERSHIP OF PERMITS: This permit is granted solely for the applicant. Any change of ownership shall be reviewed and approved by the City Council.

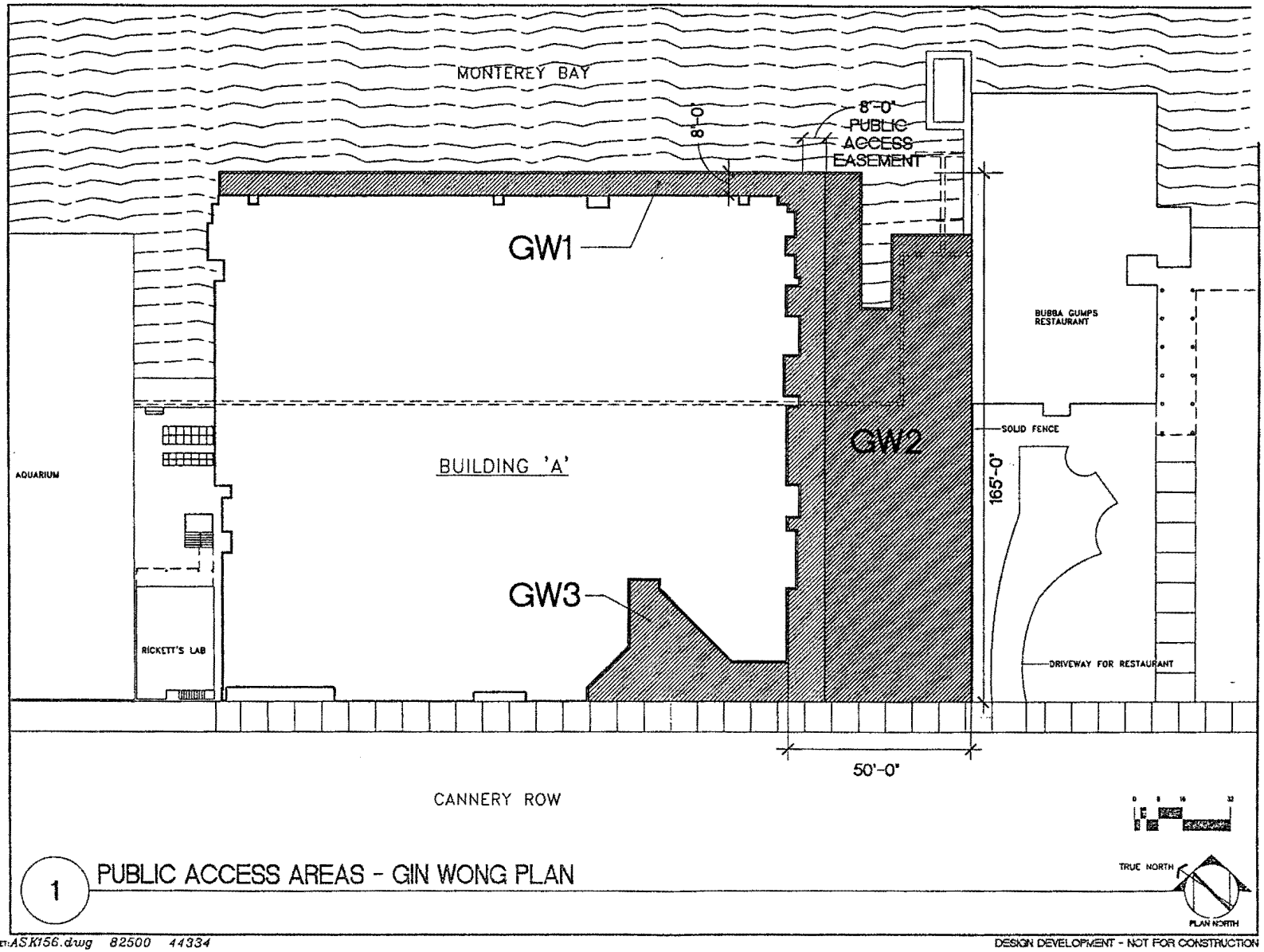
42. WATER: A water permit has been issued by the Monterey Peninsula Water Management District and a water meter has been placed on the property by the property owner. The applicant shall use water saving devices as much as practicable in the completion of the project to reduce the water usage. Low flow fixtures shall be used. Landscaping shall be minimized and drought tolerant plants used. Drip irrigation shall be installed in the landscaping areas. Any water demand less than 29.072 acre feet shall be credited to the City.

The applicant shall proceed at his own risk that water in excess of 29.072 acre feet may not be available at the time he submits revised building plans to the Building Department. No further Building Department approvals will be given if water is not available to this project.

43. BUILDING C DISPLAYS: The applicant shall add displays to the Wave Street elevation of Building C.

44. EXPIRATION: This permit shall become null and void if not exercised or extended within two (2) years of the date of granting by the City Council. It is the applicant's responsibility to track the two year expiration date and request permit approval extensions prior to the permit expiration date. No renewal notice will be sent to the applicant.

Exhibit 6
3-84-139-A1
Pg 7 of 7



1 PUBLIC ACCESS AREAS - GIN WONG PLAN

EXHIBIT NO. 7
APPLICATION NO. 3-84-139-A1
California Coastal Commission

5858 DOYLE STREET
EMERYVILLE, CA. 94608
MAIL: P.O. BOX 1022
TEL: (510) 652-1972
FAX: (510) 655-6854

NOTE: THIS DRAWING IS FOR CONFIRMATION ONLY. ANY GIN WONG DRAWINGS FOR ALL MATTERS RELATED TO GIN WONG DESIGN

CONSULTANTS:

ISSUED:
PROGRESS PRINTS
25 AUG 00

REVISIONS:

MONTEREY PENINSULA HOTEL

750 CANNERY ROW
MONTEREY, CALIFORNIA

WOODSIDE HOTELS + RESORTS

DRAWING TITLE
PUBLIC ACCESS AREAS

GIN WONG PLAN

DWG. SCALE: AS NOTED DRAWN BY: DM
PROJECT NO.: 99025.03 CHECKED BY: TSM

SHEET NO.: ASK156
SHEET TITLE: GW PLAN

ATTACHED PLOT'S: 11x17 blk.dwg 8-25-00 3:48:06 pm EST

PLOT SHEET: ASK156.dwg 82500 44334

DESIGN DEVELOPMENT - NOT FOR CONSTRUCTION

Site A- Hotel with Meadow and Retail Space

EXHIBIT NO. 8

APPLICATION NO.

3-84-139-A1

California Coastal Commission

Site A - City-Owned Parcel

EXHIBIT NO. 9

APPLICATION NO.

3-84-139-A1

California Coastal Commission

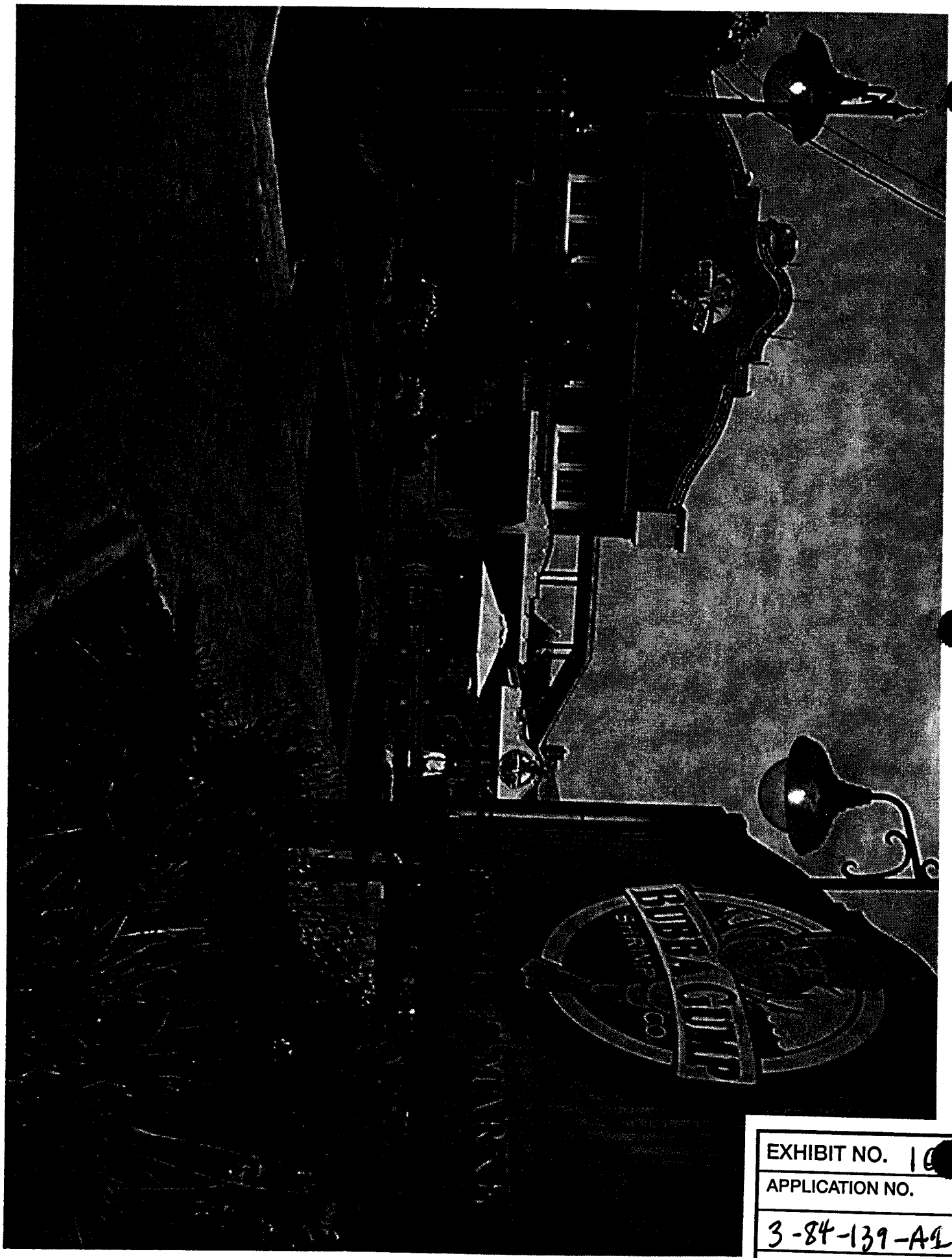


EXHIBIT NO. 10

APPLICATION NO.

3-84-139-A1

California Coastal Commission

Site B - Hotel and Retail Space

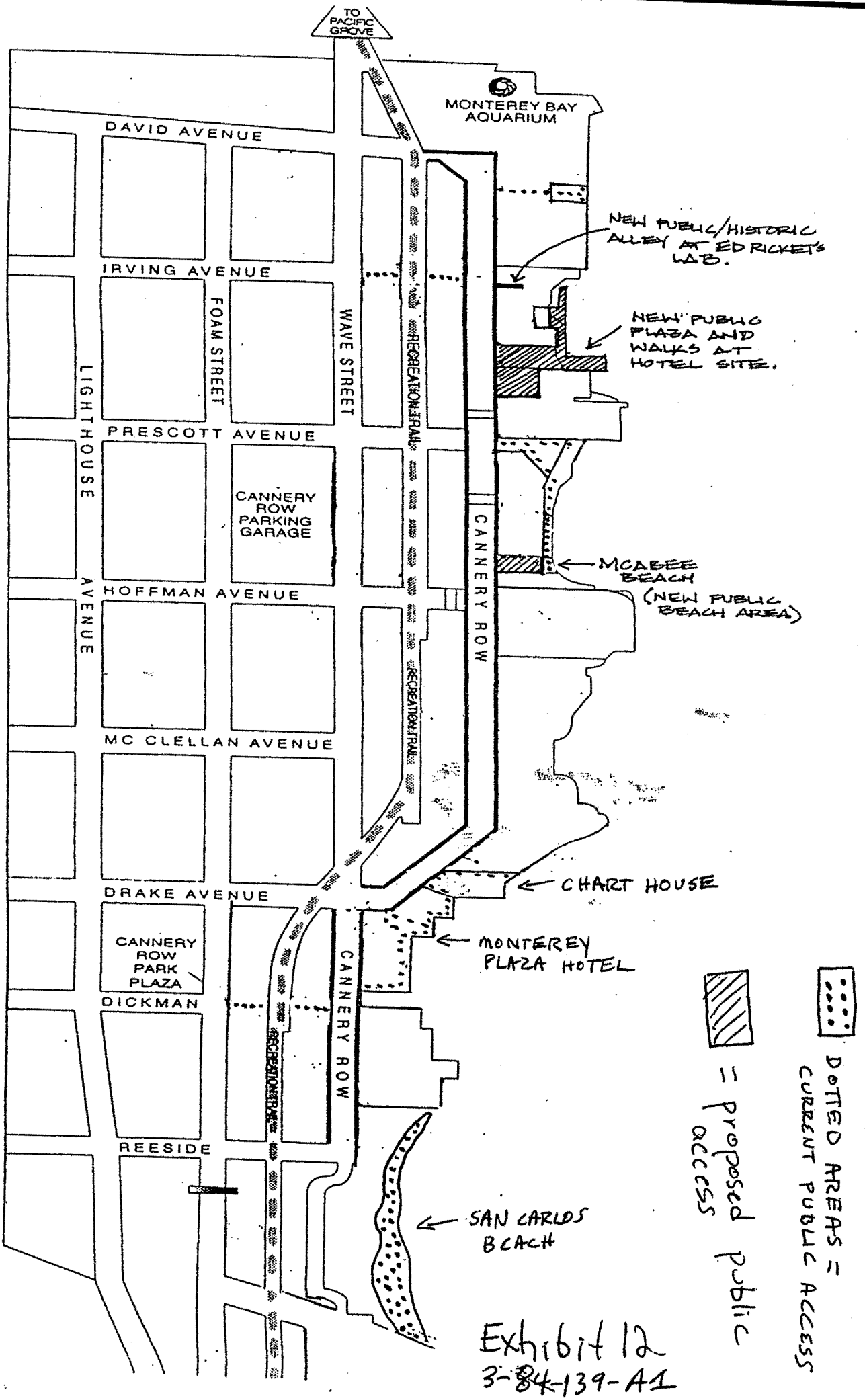
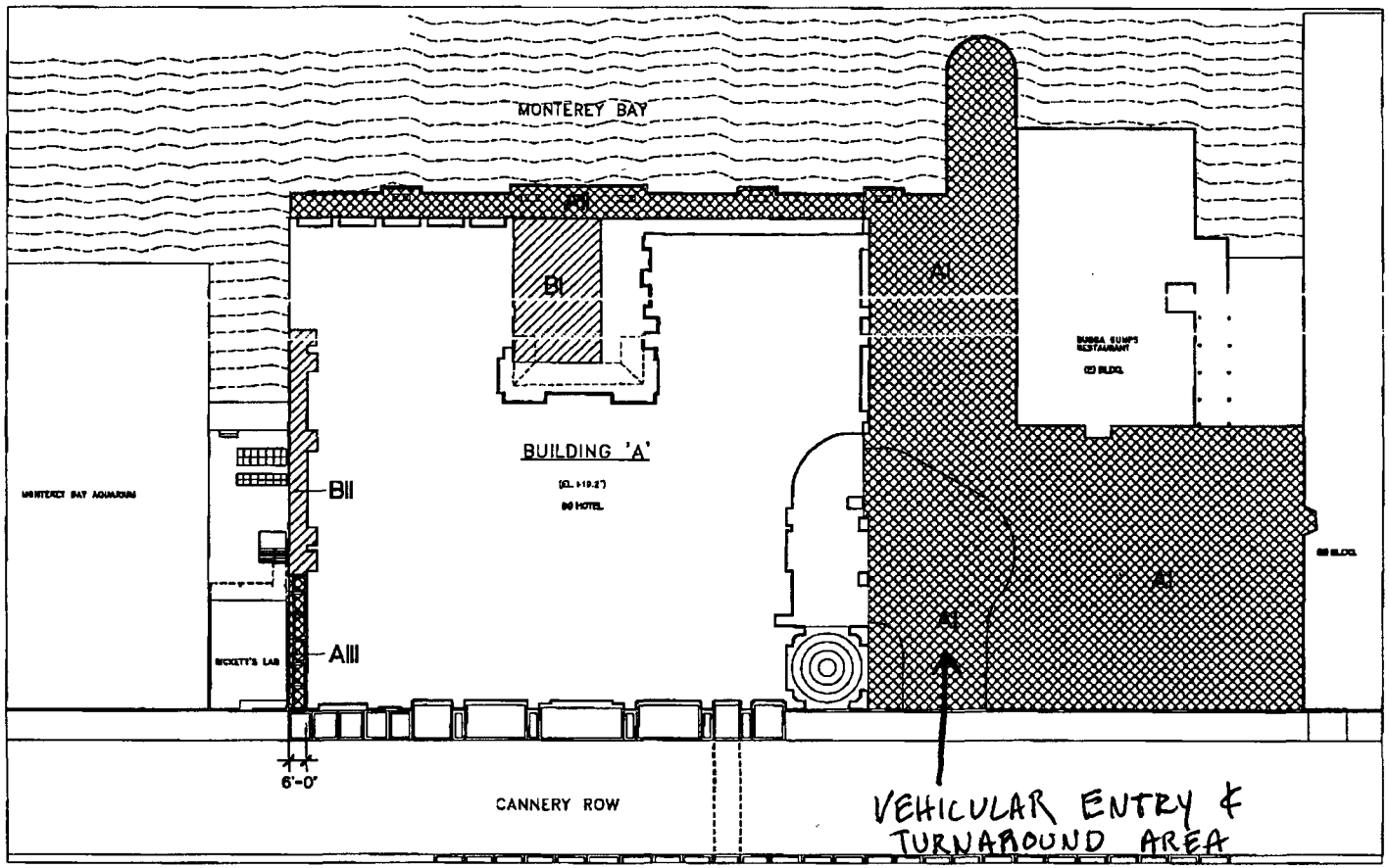


Exhibit 12
3-84-139-A1

EXHIBIT NO. 13
APPLICATION NO. 3-84-139-A1



A= Unrestricted Access

B= Restricted Access

(REDUCED FROM ORIGINAL VERSION)

① REVISED PUBLIC ACCESS AREAS - PROPOSED MONTEREY PENINSULA HOTEL

KEY			
	UNRESTRICTED PUBLIC ACCESS		CONDITIONAL PUBLIC ACCESS
	NEW BUILDING		EXISTING BUILDING

AREA TOTALS			
AI	16,465	BI	1,505.5
AII	1,895	BII	628
AIII	279		
TOTAL (A)	18,639	TOTAL (B)	2,131.5

NOTE:
1. AREA UNDER PROPOSED BUILDING IS NOT INCLUDED IN THE ABOVE CALCULATIONS. (AREA UNDER BLDG. = 2,409)
2. AREA USED FOR AUTO CIRCULATION, FOUNTAIN, AND SIDEWALK ISLAND IS INCLUDED IN THE ABOVE AI-CALCULATION. (AREA INCL. = 3,711)

SEAL & SIGNATURE

CONSULTANTS

ISSUED

PROGRESS PRINTS 20 DEC 00

REVISIONS

MONTEREY PENINSULA HOTEL

CANNERY ROW MONTEREY, CALIFORNIA

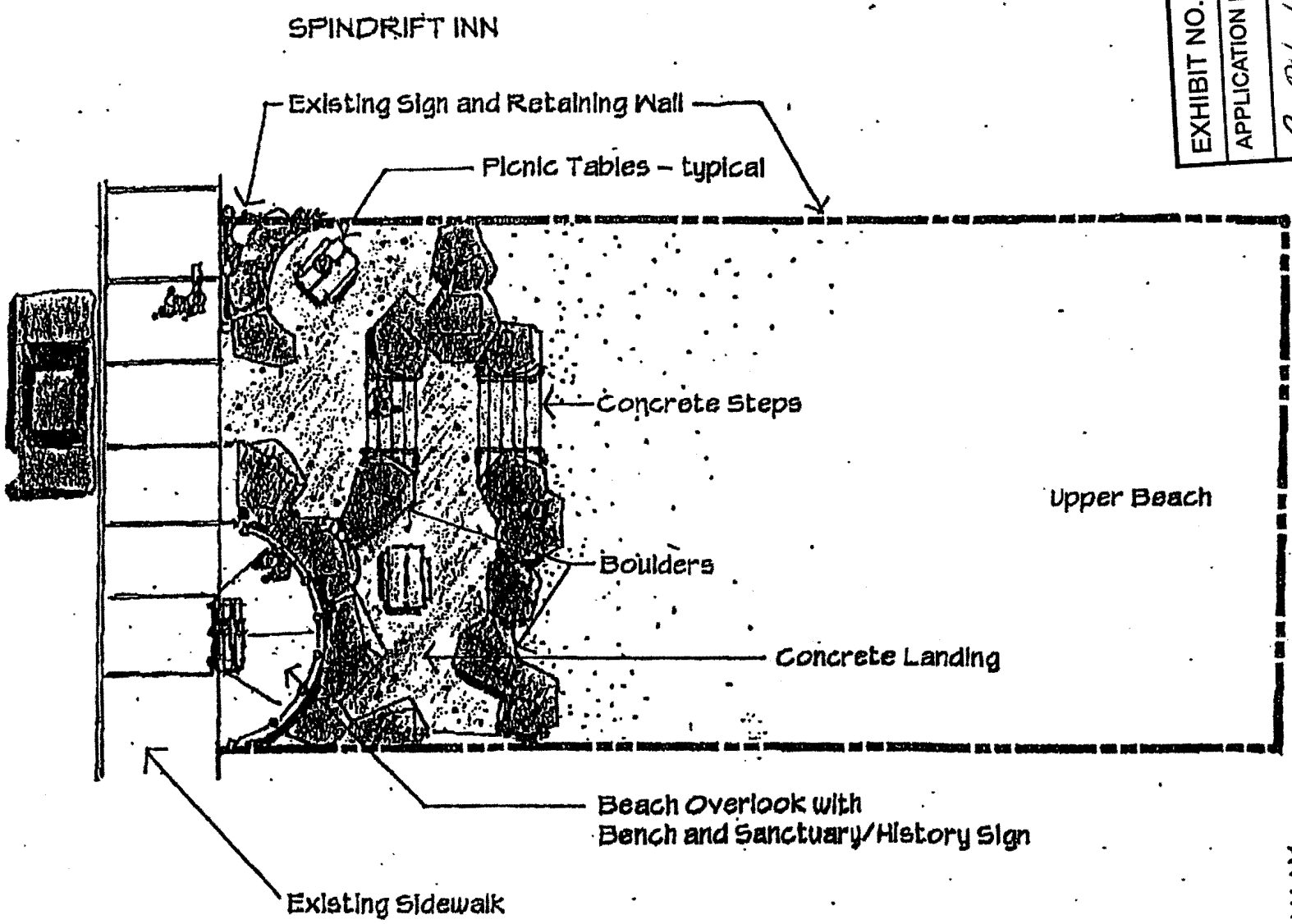
WOODSIDE HOTELS + RESORTS

DRAWING TITLE
PUBLIC ACCESS AREAS (REVISED)

DRG. SCALE AS NOTED

PROJECT NO.: 98025.03

DRAWING NO.: ASK166-3



PROPOSED McABEE BEACH IMPROVEMENTS

ATTACHMENT 4

Comparison of Water Use Projections for Monterey Peninsula Hotel

Use	Standard Hotel June 18, 1997 Permit Number (No.)	Factor (AFY/No.)	Usage (AFY)	Standard Hotel March 15, 2000 Proposal Number (No.)	Factor (AFY/No.)	Usage (AFY)	Luxury Hotel March 15, 2000 Proposal Number (No.)	Factor (AFY/No.)	Usage (AFY)
Hotel rooms	212	0.100000	21.20	*208*	*0.100000*	*20.80*	*208*	*0.210000*	*43.68*
Suites	0	---	0.00	*0*	---	*0.00*	*NA*		
General Retail space	12,749	0.000070	0.89	*18,581*	*0.000070*	*1.30*	*18,581*		
Office space	1,860	0.000070	0.13	*0*	*0.000070*	*0.00*	*NA*		
Self storage space	1,564	0.000070	0.11	*0*	*0.000070*	*0.00*	*NA*		
Meeting hall (banquet)	7,298	0.000530	3.87	*10,200*	*0.000530*	*5.41*	*10,200*		
Restaurant seats	80	0.020000	1.60	*95*	*0.020000*	*1.90*	*95*		
Bar seats	50	0.020000	1.00	*0*	*0.020000*	*0.00*	*NA*		
Public toilets	4	0.068000	0.27	*0*	*0.068000*	*0.00*	*NA*		
Total Usage			29.07			*29.41*			*43.68*

REVISED
October 20, 2000

CITY OF MONTEREY WATER ALLOCATION
WATER AVAILABLE AS OF October 20, 2000

	Cal Am Water	Water Credits
Original Paralta Allocation	71.980	
Water Credit	53.205	
Water from District Reserve	4.340	
Subtotal	129.525	
For Public Projects		11.750 From reclamation project
For Cannery Row Hotel (Monterey Peninsula Hotel)		15.000 *
Subtotal		26.750
Water Committed to Development as of October 20, 2000	119.130 (14,072 allocated to Monterey Peninsula Hotel)	24.204
Water Available	10.395	2.546
Water Conditionally Reserved		
Public Projects	2.493	+ 2.546 (2) = 5.039
Parmalee Victorian	1.209	0.000
Subtotal	3.702	2.546
Water Available (10.395 – 3.702)	6.693	
Water Reserved - Del Monte Beach Study	2.570	
City Reserve Unallocated	3.500 (2)	*
Water Available to be Allocated by Staff as of October 20, 2000 (6.693-2.570-3.500)	0.623	0.000

		Waiting List Number	Waiting List Amount
Allocated to SFD Residential Remodel (3)	0.007	0	0.000
Allocated to other Residential (1)(3)	0.001	0	0.000
Allocated to Commercial (1)(4)	0.615	0	0.000

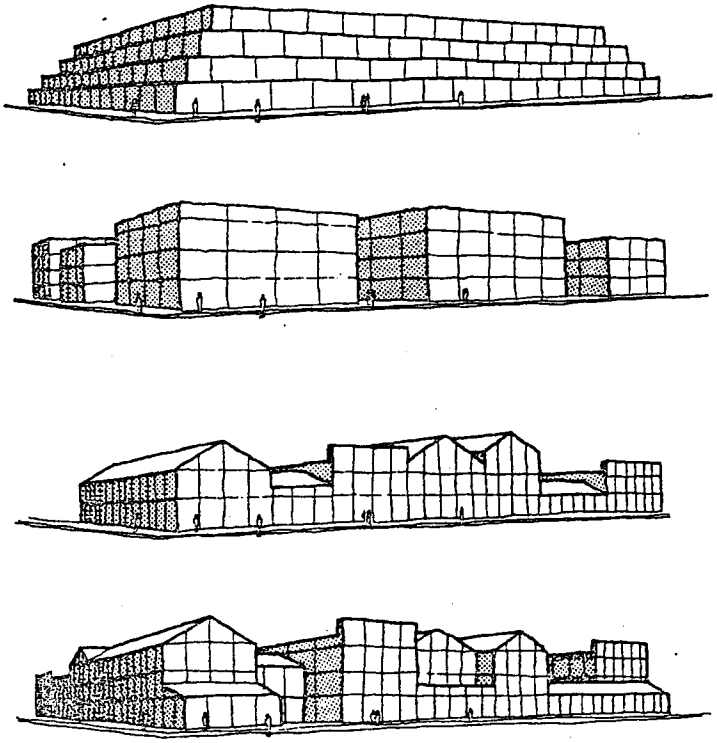
(1) Maximum .49 acre foot per project to be allocated by staff. Water for projects requiring .50 acre foot or more must be approved by City Council. (City Council action 6/2/98)
(2) 3.500 acre foot reserve yet to be allocated by the City Council and 2.546 acre foot yet to be allocated for public projects. (0.585 ac.ft. has been lent to Vapor Cleaners and will be returned when Del Monte building demolished)
(3) Maximum .25 acre foot for dwellings, either new or remodeled.
(4) Commercial Uses/MPWMD Group III must be approved by the City Council.

NOTE: ALL NUMBERS ARE ACRE FEET OF WATER

* Following Architectural Review Committee (ARC) concept approval, water may be rese the time a water use form is submitted. Within the one year period, a Building Permit m extension of the one year water reservation period must be approved by the City Counc available in the Planning Department.

\\CITYSERVER\SYS2\SHARED\PLANNING\DATA\WATER\00 Allocati

EXHIBIT NO. 16
APPLICATION NO.
3-84-139-A1
California Coastal Commission



Source: Don Brown, Architect

DO NOT

Allow the building bulk and massing to ignor the architectural character of Cannery Row

DO

Encourage building height variation within limits, the use of roof and parapet forms related to the architectural character of Cannery Row, buildings fronting on pedestrian ways to recognize the smaller scale, better related to the pedestrian experience

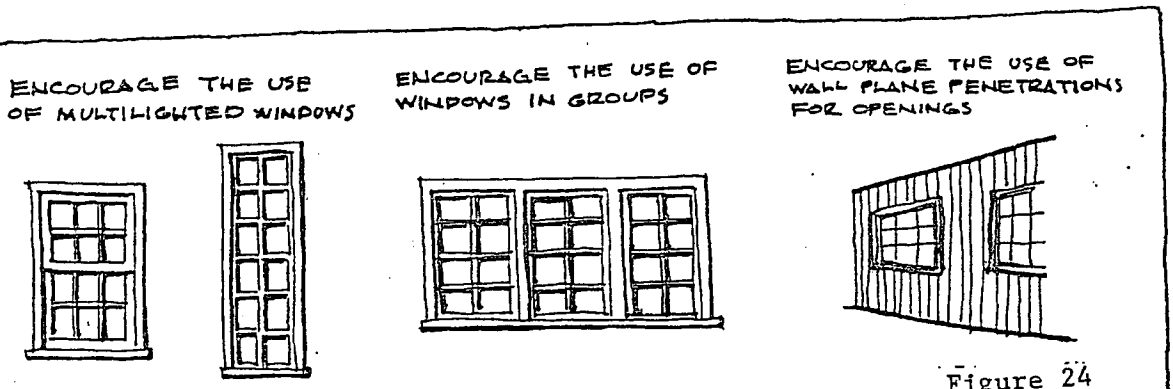


Figure 24

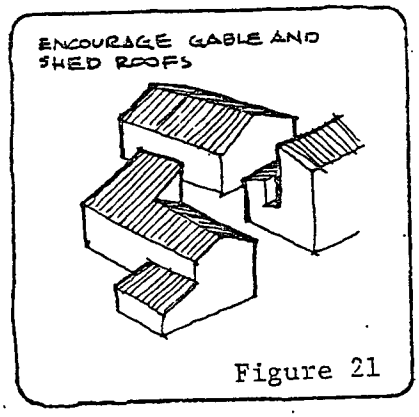


Figure 21

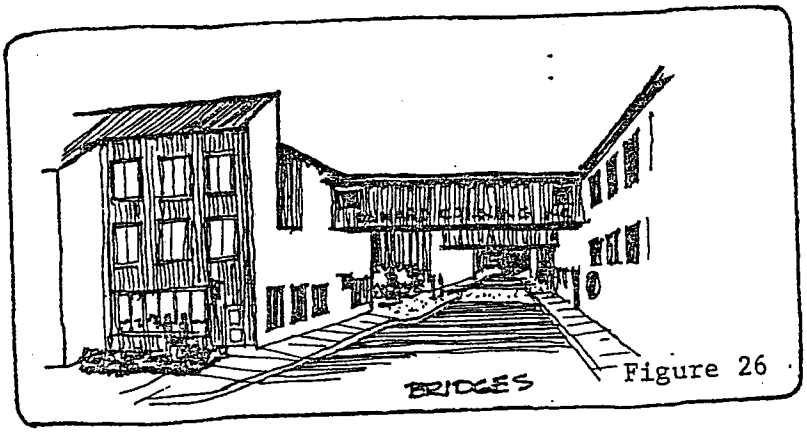


Figure 26

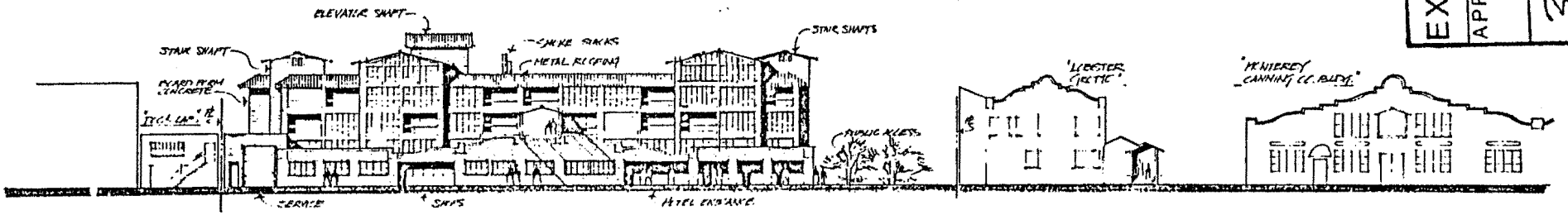
EXHIBIT NO. 17

APPLICATION NO.

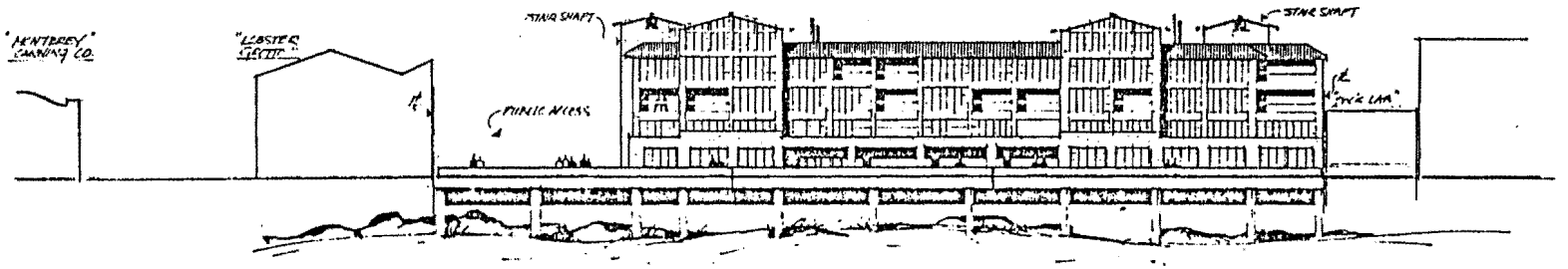
3-84-139-A1

California Coastal Commission

EXHIBIT NO.	8
APPLICATION NO.	
3-84-139-A1	
California Coastal Commission	



BUILDING 'A' CANNERY ROW ELEVATION



BUILDING 'A' BAY SIDE ELEVATION

750 CANNERY ROW HOTEL

MONTEREY CALIFORNIA

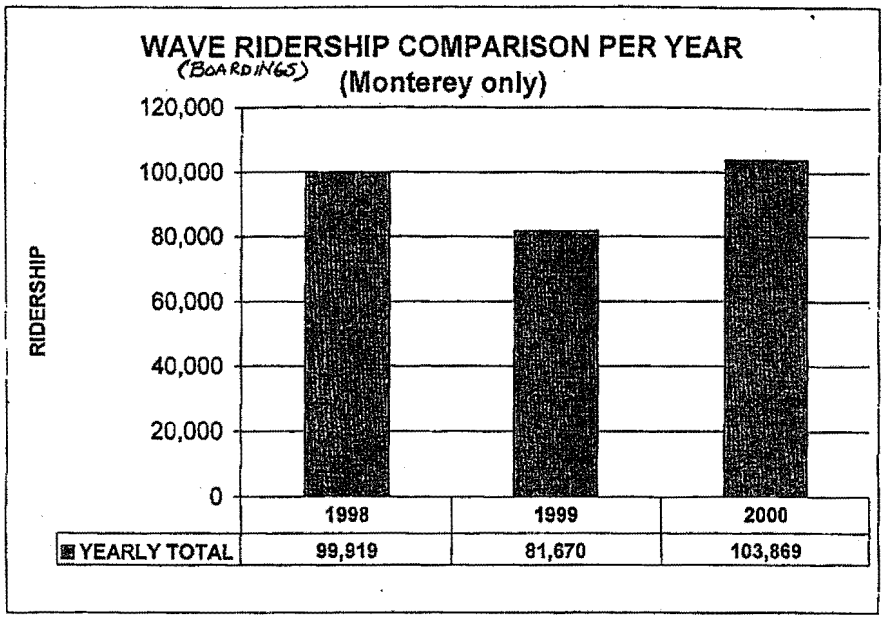
PACIFIC EQUITY DEVELOPMENT

BUILDING 'A' ELEVATION

GIN WONG ASSOCIATES
PLANNING AND ARCHITECTURE
LOS ANGELES SAN FRANCISCO HONOLULU

GIN WONG PLAN

11/1/85



WAVE 2000 Year to Date Information	Boardings Ridership Total	Vehicle Revenue Hours	PAX PER VRH	Vehicle Revenue Miles	PAX PER VRM
May	5,924	209.5	141.4	2,243.5	13.2
June	21,767	1,257.0	519.5	13,461.0	48.5
July	35,849	1,298.9	855.6	13,909.7	79.9
August	34,587	1,298.9	825.5	13,909.7	77.1
September	5,742	167.6	137.0	1,794.8	12.8
YTD Total	**103,869**	**4,231.9**	**2,479.0**	**45,318.7**	**231.5**
#of Days in Operation (May to September)	**101**	**101**	**101**	**101**	**101**
YTD Average	**1,028**	**41.9**	**24.5**	**448.7**	**2.3**

EXHIBIT NO. 20
APPLICATION NO.
3-84-139-A1
California Coastal Commission

Table 1
COMPARISON OF LAND USES

Land Use	*Monterey Peninsula Hotel*	*Gin Wong Plan CC*
Guest Rooms (rooms)	208	212
Meeting Area (s.f.)	10,200	1,450
Restaurant (seats)	95	200
Retail (s.f.)	18,581	13,920
Parking (stalls)	273	262

Table 2
COMPARISON OF MAXIMUM ESTIMATED PEAK HOUR TRAFFIC GENERATION

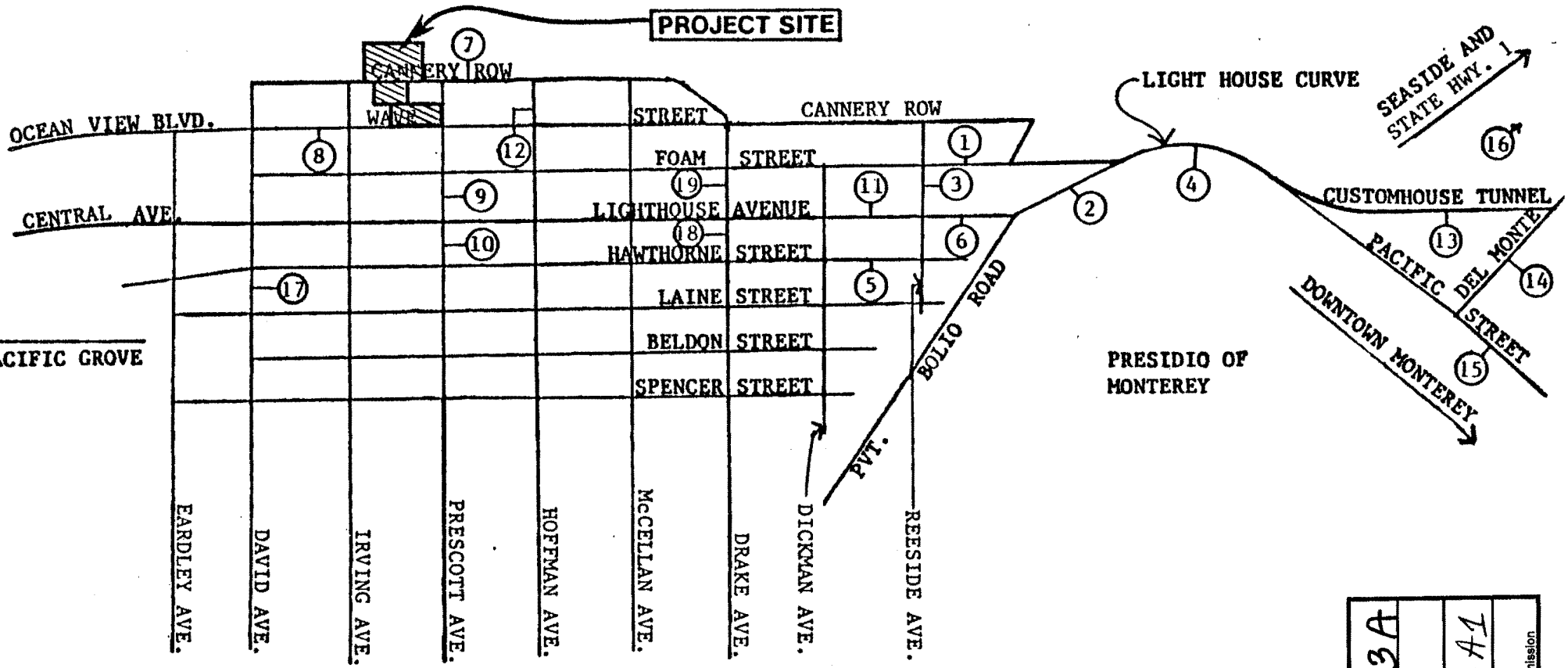
Land Use	*Monterey Peninsula Plan*		*Gin Wong Plan CC*	
	Weekday	Saturday	Weekday	Saturday
Guest Rooms	127	150	129	153
Meeting Area	105 (Conf.)	74 (Social)	29 (Social)	18 (Social)
Restaurant	14	16	30	33
Retail	46	34	34	25
TOTAL	292	274	222	229
Difference (Peninsula - Wong):			**70**	**45**

Note: Trip generation is presented in vehicle trips.

TABLE III.B.6
SUMMARY OF VEHICLE TRIP GENERATION – APPROVED PROJECTS, YEAR 2000

Land Use	Size	Weekday Peak Hour			Saturday Peak Hour		
		In	Out	Total	In	Out	Total
C-21 Site-Alvarado							
Café/Retail	2.26 ksf	8	4	12	11	8	19
Cinema	6 screens	40	37	77	170	123	293
Apartments	30 units	13	6	19	8	8	16
Rohr Hotel							
Rooms	212 rooms	51	47	98	64	51	115
Del Monte Center							
Retail	14.72 ksf	64	69	133	98	90	188
Dela Vina Housing							
Units	14 units	6	3	9	4	4	8
Cabo Investments							
Office	3.92 ksf	1	5	6	1	1	2
Retail	2.94 ksf	22	24	46	34	32	66
Apartments	14 units	6	3	9	4	4	8
Spieker Partners							
Light Industrial	128.38 ksf	15	110	125	9	9	18
500 Lighthouse Av.							
Office	5.67 ksf	1	7	8	1	1	2
Apartments	5 units	2	1	3	1	1	2
Crivello Building							
Office	15.25 ksf	4	18	22	4	2	6
Orosco A-1/A-2							
Light Industrial	27.91 ksf	3	24	27	2	2	4
TRIP TOTALS		282	408	690	482	401	883

SOURCE: City of Monterey Planning Department, June 1998; ITE, *Trip Generation*, 6th Edition, 1997



TWO WAY AVERAGE DAILY TRAFFIC VOLUMES (1982)

1.	6,645	5.	5,230	9.	2,765	13.	29,370	17.	4,655
2.	31,370	6.	31,370	10.	4,945	14.	6,475	18.	990
3.	4,055	7.	2,055	11.	21,265	15.	11,725	19.	595
4.	41,245	8.	4,340	12.	1,790	16.	30,025 (DEL MONTE AVE. NORTH OF CUSTOMHOUSE TUNNEL)		

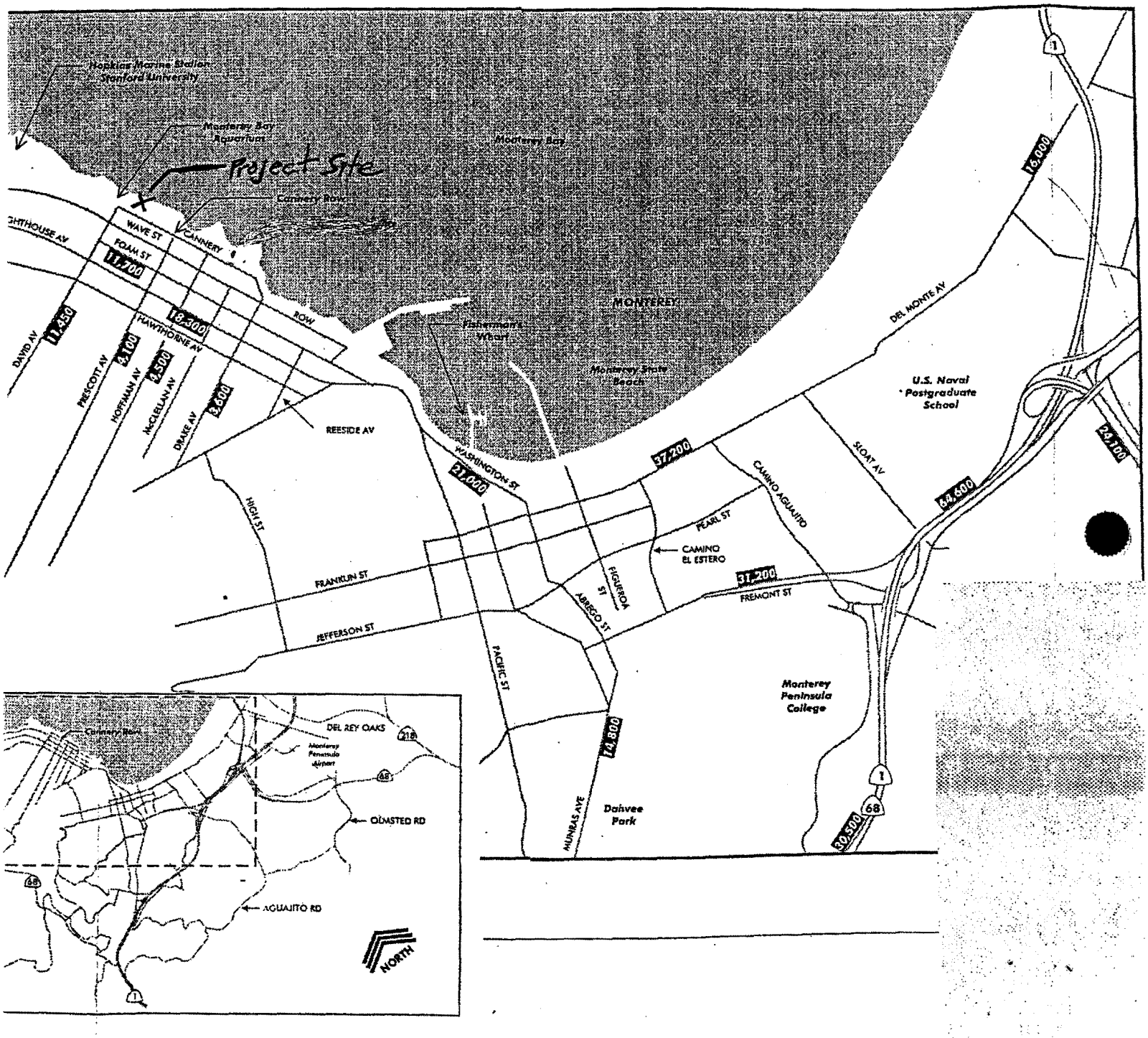
Source: City of Monterey (1983).

EXHIBIT NO. 23A
APPLICATION NO. 3-84-139-A1
California Coastal Commission

earth metrics

NO SCALE

FIGURE 4.6 EXISTING ROADWAY NETWORK AND TRAFFIC VOLUMES



Cannery Row Marketplace / 970201 ■

Figure III.B.1
Site Location - Average Daily Traffic

EXHIBIT NO. 23B
APPLICATION NO.
3-84-139-A1

Parking Requirement - Table 3 summarizes parking requirements for the two plans, derived using the current City parking standards listed below:

- Hotel: 1 space per room plus 2 spaces for every 50 rooms;
- Restaurant: 1 space per 50 s.f.
- Retail: 1 space per 400 s.f. for first 1,000 s.f. plus 1 space per 500 s.f. over 1,000 s.f.
- Meeting: 1 space per 50 s.f.

The figures under the column labeled "50%" are the adjusted parking requirements which were used to derive the off-site parking impact. Recall in the Visitor Accommodation Facility (VAF) zoning district, a 50% reduction is allowable per City Zoning Ordinance, Section 38-36-A (Accessory Uses) to account for shared parking. The Applicant has prepared a plan to accommodate employee parking (See Appendi: D).

COMPARISON OF PARKING REQUIREMENT

GIN WONG PLAN CC			USE	MONTEREY PENINSULA PLAN		
UNITS	REQUIREMENT			UNITS	REQUIREMENT	
	Standard	50%			Standard	50%
212	220	220	**Guest Rooms (rooms)**	208	216	216
1,450	29	15	**Meeting Area (s.f.)**	10,200	204	102
3,680	74	37	**Restaurant (s.f.)**	2,260	45	23
13,920	28	14	**Retail (s.f.)**	18,581	38	19
	351	**286**	**TOTAL**		503	**360**
			DIFFERENCE (Monterey Peninsula - Wong)			**74**
		263	***Garage Parking Supply***			***273***
		23	***DEFICIT***			***87***

EXHIBIT NO. 24
APPLICATION NO.
3-84-139-A1

Monterey Peninsula Hotel Employee Parking Plan

1. Back-Up for the Monterey Peninsula Hotel Employee Parking Plan – based on Monterey Plaza Hotel & Spa.

   - Based on 5/99, the Monterey Plaza Hotel ran a 77% occupancy for the month.
   - Total employees on payroll at the time was 380.
   - At 285 rooms available in May, 1999, we averaged a 77% occupancy for a total of 219 rooms rented per day.
   - Based on employee car counts in the garage at mid-day, 82 cars were counted on the employee floors.
   - Based on time clock records for 5/99, on the average we had 362 total employees working some portion of each day.
   - The count is mid-day because it is the peak time for the garage. All departments are fully staffed with your administrative departments here as well. Evenings and weekends, the counts are significantly lower because of the drop in administrative and drop in some departmental employee counts.
   - Based on the number of employees per day, 362 on the average working at the property, the number of rooms sold per day based on the 77% occupancy or 219 rooms, and the number of cars counted at 82, it appears that the ratio is a 37% factor. The 37% is figured by 82 parking stalls divided by 219 rooms sold.
   - At the Plaza, we continually promote carpooling and public transit. Due to the economic class of the majority of the employees, the bulk do not drive due to only having one vehicle per family, no vehicle at all, or no driver's license. Several of the employees also live close to each other thus making carpooling easy. Public transit is also very efficient for the employee's use.

- Employee parking is monitored by all vehicles being recorded by security and logged with the assignment of mirror tags for each vehicle and parking pass. All employee parking in the garage is complimentary with the two top floors reserved for their use. We do require stacking of vehicles on the top floor of the garage.

- The month of 5/99 was used as the base because it represents the annual occupancy of the hotel. In 1999, the Plaza finished at a 77.8% occupancy. The mix of business experienced over the course of the year is also well represented. Strong conference during the week, with solid local social business on the weekends. 5/99 was also used because it was prior to the opening of the Spa. The Peninsula Hotel will not have a spa. The employee parking for 5/99 represents the annual reality of the demand at the Plaza.

2. Monterey Peninsula Hotel Employee Parking Plan

- The Peninsula Hotel will follow the same format as the Plaza. First, we must determine the employee count on payroll, based on total given rooms and a goal of achieving an annual occupancy of 78-80% during the third complete year of operations.

- The Peninsula Hotel will have 208 guest rooms. Based on the Plaza's numbers, the Plaza has 1.33 employees per guest room available on payroll. Thus, the Peninsula Hotel at 208 guest rooms at 1.33 employees per room, would carry an estimated 276 employees on payroll.

- NOTE: This number could be lowered due to less conference space, i.e., 10,000 square feet versus 16,000 at the Plaza. The Plaza also has two restaurants versus one at the Peninsula. Management counts will also be at least 10% less than at the Plaza based on combining the efforts of particular departments such as marketing and accounting.

- Given the above and starting with the employee count of 276 employees, and decreasing by 10%, the count would be 248 employees on payroll.

- Given the goal to achieve a 78-80% occupancy, I will use 80% or 166 rooms sold daily on the average.

- This given at 166 rooms sold on the average by a 37% usage factor, the parking stalls available for employee parking in the garage would need to be 166 rooms x 37% = 62 stalls per day needed.

- The Monterey Peninsula Hotel program would be set-up in this way:

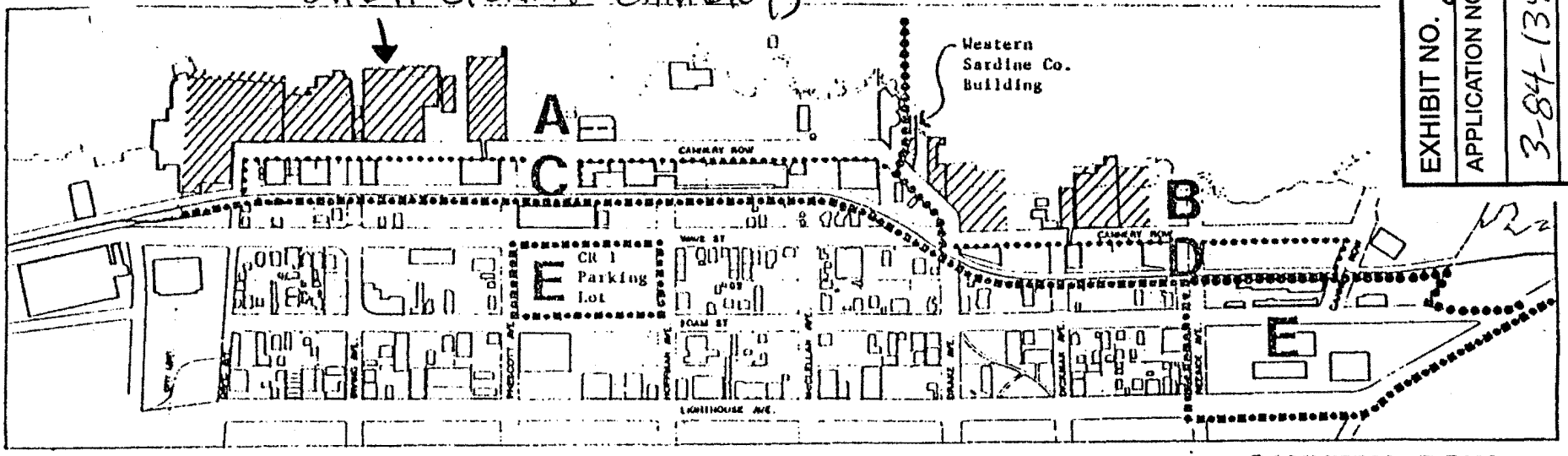
  - Allocate approximately 62 stalls in garage for hotel employee parking. Parking for hotel employees would be complimentary.

  - Retail employees would be allowed to park in the garage.

  - Promote carpooling and public transit.

  - Register all employee cars with security and issue mirror tags and pass for garage use and vehicle monitoring.

SITE A (FORMER CANNERY)



A	BAY SIDE OF CANNERY ROW (North of Western Sardine Co. building)	- Maximum floor area ratio of 2.0 and a basic height limit of 35 feet as measured from Cannery Row Street. The 35 foot height limit may be exceeded to a maximum of 45 feet with a use permit. See Policy f.1. on page IV-B-14 for conditions.
B	BAY SIDE OF CANNERY ROW (Western Sardine Co. building to Breakwater)	- Maximum floor area ratio of 2.0 and a basic height limit of 35 feet as measured from Cannery Row Street. The 35 foot height limit may be exceeded to a maximum of 45 feet (50 feet for hotel uses) with a use permit. See Policy f.2. on page IV-B-15 for conditions.
C	LAND SIDE OF CANNERY ROW (North of Drake Avenue)	- Maximum floor area ratio of 3.0 and a basic height limit of 35 feet as measured from Cannery Row Street. The 35 foot height limit may be exceeded to a maximum of 45 feet with a use permit. See Policy g.1. on page IV-B-15 for conditions.
D	LAND SIDE OF CANNERY ROW (South of Drake Avenue)	- Maximum floor area ratio of 3.0 and a basic height limit of 35 feet as measured from Cannery Row Street. The 35 foot height limit may be exceeded to a maximum of 45 feet (60 feet for hotel uses) with a use permit. See Policy g.2. on page IV-B-17 for conditions.
E	CITY CORPORATION YARD, COAST GUARD BLOCK, AND CITY CR 1 PARKING LOT	- Maximum height limit of 35 feet. See Policies i. and j. on pages IV-B-18 and IV-B-19.
☆	DEVELOPMENT ALLOWED BEYOND MEAN HIGH TIDE	- Only in existing structures and on slabs presently extending beyond the mean high tide line. On all other parcels, development is not to extend beyond the mean high tide line. See Policy h.
	COASTAL ZONE BOUNDARY	

CANNERY ROW
LOCAL COASTAL PROGRAM
CITY OF MONTEREY

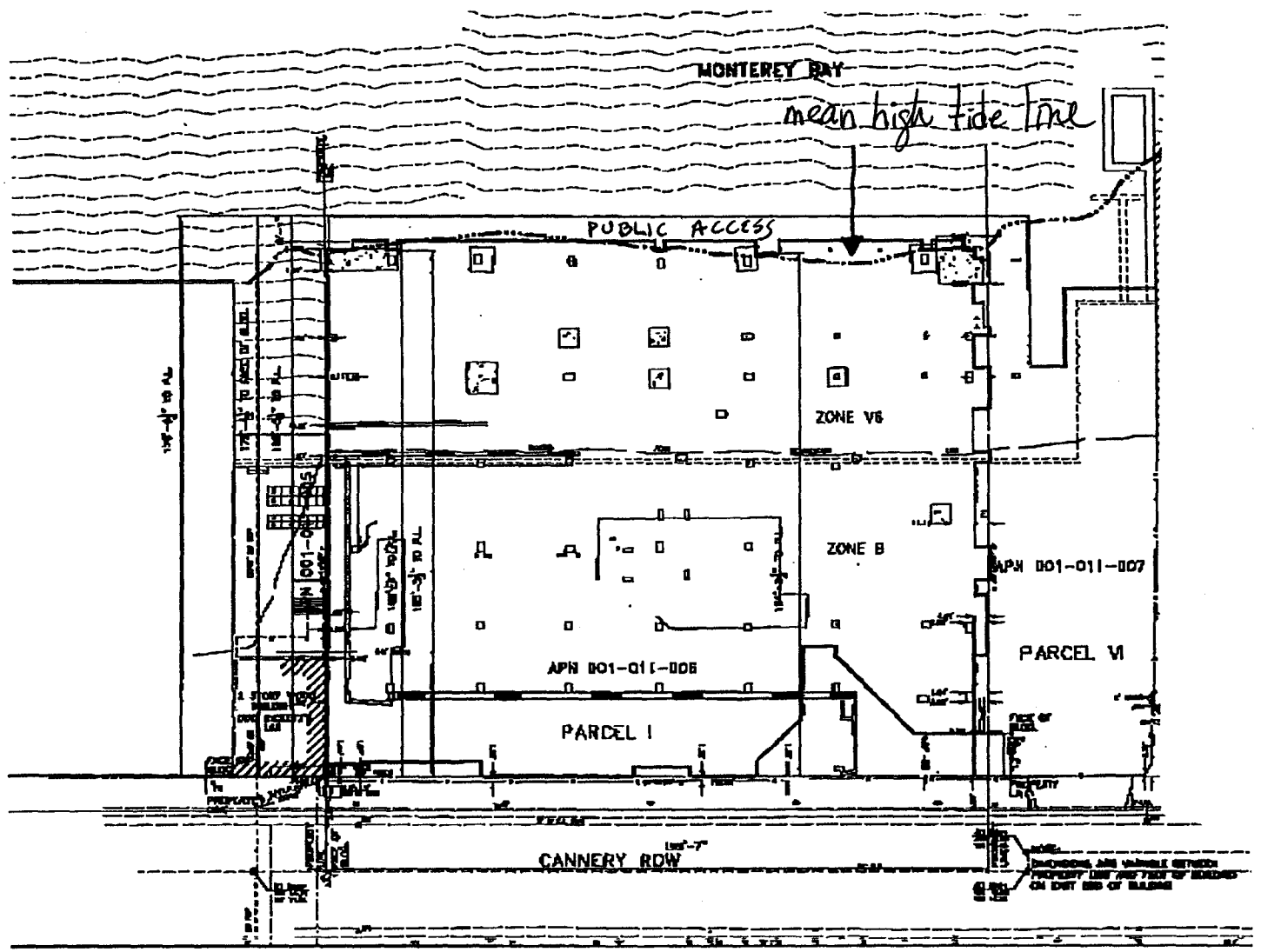
Figure 28

DEVELOPMENT POLICIES

Height Limits, Floor Area Ratios, and Development Over the Water

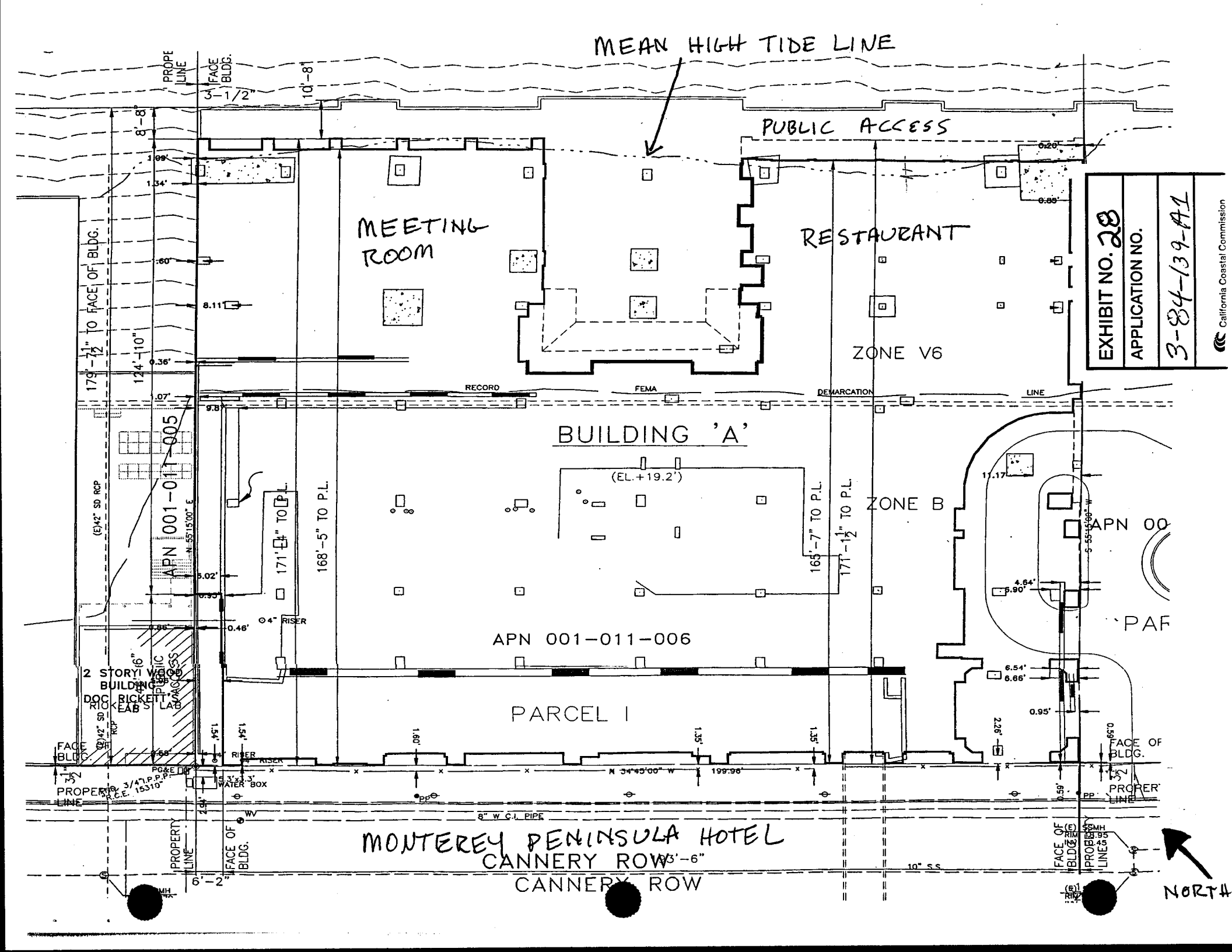
EXHIBIT NO. 26
APPLICATION NO. 3-84-139-A4
California Coastal Commission

EXHIBIT NO. 27
APPLICATION NO. 3-84-132-A1
California Coastal Commission



1 DIMENSION CLARIFICATIONS - GIN WONG PLAN

GIN WONG PLAN


MEAN HIGH TIDE LINE
PUBLIC ACCESS
MEETING ROOM
RESTAURANT
ZONE V6
RECORD
FEMA
DEMARCATION
LINE
BUILDING 'A'
(EL.+19.2')
ZONE B
APN 001-011-005
APN 001-011-006
PARCEL I
2 STORY WOOD BUILDING
DOC RICKETT'S
RICKETT'S LAB
MONTEREY PENINSULA HOTEL
CANNERY ROW
CANNERY ROW
NORTH
EXHIBIT NO. 28
APPLICATION NO.
3-84-139-A1
California Coastal Commission

Enclosure 4

MONTEREY PENINSULA
WATER MANAGEMENT DISTRICT

5 HARRIS COURT, BLDG. G
POST OFFICE BOX 85
MONTEREY, CA 93942-0085 • (831) 658-5600
FAX (831) 644-9560 • http://www.mpwmd.dst.ca.us

April 28, 2000

Mr. Bill Fell, Chief of Planning
City of Monterey
City Hall
Monterey, California 93940

Subject: **Negative Declaration and Initial Study for Monterey Peninsula Hotel, 750 Cannery Row, Monterey, Dated March 13, 2000**

Dear Mr. Fell:

The Monterey Peninsula Water Management District (District), as a permitting agency, has reviewed the above-referenced document. Please add the District to the list of Permitting Agencies. The District would like to comment on the statement in the Initial Study on page 13 regarding adequacy of water supply and the suggestion that, since the proposed project has an active water permit, "no further water resources are required for the project".

The District issued a water permit for a 212-room hotel at this site on June 18, 1997. The 1997 permit was issued subsequent to a permit issued in 1992 that was revoked by the District for nonpayment of fees. The 1997 permit projected annual water demand for 212 standard hotel rooms, 16,173 square-feet of retail and office space, 7,298 square-feet of meeting rooms, 130 restaurant/bar seats and four public toilets. The total projected water demand was 29.072 acre-feet annually.

The District has two hotel classifications for the purposes of projecting annual water demand: "standard" and "luxury". Standard hotels include the Bay Breeze Inn, Sand Dollar Inn, Travelodge, and Colton Inn in Monterey and typically have more amenities than motels, but are not in the same class as luxury hotels. Most standard hotels have swimming pools and spas. Luxury hotels include the Monterey Plaza, Casa Munras, Monterey Mariott, Hyatt Regency, and Doubletree Hotel in Monterey and typically contain a mixture of on-site uses that have an impact on water use. The uses include restaurants, lounges, conference facilities, swimming pools and spas, retail space, offices, and health club facilities. At the request of the City of Monterey in 1997, the District did not classify this hotel as a "luxury" hotel for the purpose of calculating the projected water demand and permit fees. Accordingly, the "standard" hotel factor was used (Enclosure 1).

Based on a review of the preliminary plans attached to the March 2000 Initial Study, it appears that there are a number of uses not accounted for in the 1997 water permit, such as storage space, additional public toilets, water features (fountain) and nonstandard hotel rooms (suites). Because the project currently under consideration differs from the project that the District originally reviewed, the District will need to reexamine and adjust the water permit based on the final and approved construction drawings for the project when they are available. At that time, an adjustment may also be made to the water demand estimate for the project.

Exhibit 29
3-84-139-A1

Based upon the preliminary drawings and the project description in the Draft Final Report Monterey Peninsula Hotel Traffic and Parking Evaluation attached to the Initial Study, it appears that the District's "luxury hotel" water use category is more appropriate considering the type of hotel the applicant is proposing. According to the project description in this study, "The applicant proposes a high-quality full-service hotel using, in part, the Monterey Plaza Hotel as the program model." The Monterey Plaza Hotel, as a comparison, is clearly a "luxury" hotel according to the District's commercial water use factors, and its actual water use agrees with the "luxury" hotel factor. This characterization is also consistent with the statements made by the project's developer, Bill Hooper, to the City's Architecture Review Committee on April 27, 2000, as reported in the Monterey County Herald. As reported, the developers promised an "elegant, first-class facility" If the "luxury" hotel factor is applied to the information contained in the Monterey Peninsula Hotel preliminary drawings and project description, the preliminary total calculated water use will be 43.68 acre-feet annually (0.21 acre-feet per room per year x 208 rooms). Depending on the specifics contained within the final plans and use proposals, and based on the District's current water use knowledge, the total calculated water use may be determined to be higher or lower.

According, it is possible that this project will require additional water from the City of Monterey's water allocation. Adjustments to the applicant's estimated water demand will take place following formal analysis by the District of the approved construction drawings. If additional water is required for a project, the applicant will be informed. Similarly, if the District's calculation of the demand is less than calculated on the 1997 water permit, the jurisdiction's allocation will be credited. It should also be noted that the District plans to update its commercial water use factors during the coming fiscal year. Any change in the commercial water use factors could alter the final water use projection for the proposed project if the amended permit is not obtained before the survey is finalized.

Finally, the District will review the project again upon completion to determine that the proper water use factors were applied and that an appropriate amount of water was set aside for the project. At that time, the connection charge and water allocation will be finally adjusted. Any change in use after the District's final inspection will require an application for a new water permit.

Thank you for the opportunity to review the Initial Study for the Monterey Peninsula Hotel. If you have any questions, please contact Stephanie Pintar, Water Demand Manager, at 658-5601.

Sincerely,

Darby W. Fuerst

Darby W. Fuerst
General Manager

Enclosure

cc: Stephanie Pintar
Henrietta Stern

EXHIBIT NO. 29
APPLICATION NO.
3-84-139-A2
Pg. 2 of 2
California Coastal Commission

MONTEREY PENINSULA
WATER MANAGEMENT DISTRICT

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November 24, 2000

Susan Craig, Coastal Program Analyst
California Coastal Commission
Central Coast District Office
725 Front Street, Suite 300
Santa Cruz, California 950600

Subject: Monterey Peninsula Hotel, 750 Cannery Row, Monterey

Dear Ms. Craig:

This letter is in response to your fax dated November 16, 2000, in which you requested a letter summarizing the November 9, 2000 meeting among Water Management District staff, City of Monterey staff, and the applicant for the proposed Monterey Peninsula Hotel. The meeting was held at the request of the applicant for the purpose of clarifying the District's position on water availability for the proposed Monterey Peninsula Hotel at 750 Cannery Row in Monterey. The meeting focused on (1) the water permit that has been issued by the District for a hotel at the site, (2) when a final determination regarding water use by the presently proposed hotel would occur, and (3) consequences if the proposed hotel uses more or less than the permitted 29.072 acre-feet per year. Each of these topics is discussed below.

Water Permit: The District issued a water permit for a proposed hotel at 750 Cannery Row in June 1997 (**Enclosure 1**). The 1997 permit was issued based on information provided in 1992 for an earlier hotel proposal on the same site and utilized a "standard" hotel water use factor. The permit allows a maximum of 29.072 acre-feet of annual water use capacity to be constructed on the site. The water use capacity for the proposed hotel was calculated using commercial water use factors specified in District Rule 24 (**Enclosure 2**).

Final Determination: The final determination regarding the maximum water use capacity that can be constructed on the site will be made prior to use or occupancy of the project, as specified in District Rule 21-B (**Enclosure 3**). As indicated in Rule 21-B, the applicant is required to submit architectural contract drawings for each change in the project made prior to use or occupancy that may affect the project's capacity to use water. The drawings should be of sufficient detail to reflect water use pursuant to Table 2 of Rule 24.

In this regard, the District has requested that the applicant provide construction drawings for the hotel that is presently proposed for the site. The District has also requested that the drawings be accompanied by a breakdown of all commercial areas and proposed types of use for the site. The applicant, however, has indicated that the drawings and breakdown cannot be completed until the

Exhibit 30
3-84-139-A1

Coastal Commission has acted with respect to the pending application and its actions have become final. Once this information is provided, the District will review the architectural contract drawings and analysis of associated water uses for the revised project to determine if the existing water permit fully and fairly accounts for the various uses on the site. In addition, as shown on the permit, a final inspection by the District is required to insure that the permit reflects as-built conditions.

Special Circumstances: Under normal circumstances, once the quantity of water use capacity that can be constructed on a site is determined, no additional monitoring or adjustments to the water permit are required. However, if there is substantial uncertainty regarding the projected water use capacity, the District Board of Directors may find that special circumstances exist pursuant to District Rule 24-G and may amend the permit subject to certain conditions (**Enclosure 4**). Under "special circumstances", actual water use on the site would be monitored for a reasonable number of years. If actual use exceeded the projected use, the City of Monterey's water allocation would be debited and additional connection charges would be collected or the applicant could implement other options such as acquiring water use credits to offset the additional use. If actual use was less than projected use, the City's water allocation would be credited and a portion of the connection charge would be refunded.

Lastly, it should be noted that staff determinations under District Rules 23 and 24 may be appealed to the District Board. I trust that this letter answers your questions. If you need any additional information, please let me know.

Sincerely,

Darby W. Fuerst

Darby W. Fuerst
General Manager

Enclosures

cc:

MPWMD Board	
David Laredo	MPWMD Counsel
Stephanie Pintar	MPWMD
Bill Wojtkowski	City of Monterey
Bill Hooper	Woodside Hotels and Resorts
Frank Donangelo	Cannery Row Company
Michael Zimmerman	Cannery Row Company

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