

**CALIFORNIA COASTAL COMMISSION**

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Filed: 8/17/01  
 49th Day: 10/5/01  
 180th Day: 2/13/02  
 Staff: AJP-LB  
 Staff Report: 10/23/01  
 Hearing Date: 11/13-16/01  
 Commission Action:

**Tu 13c****RECORD PACKET COPY****STAFF REPORT: REGULAR CALENDAR****APPLICATION NUMBER:** 5-01-209**APPLICANT:** City of Santa Monica, Redevelopment Agency**PROJECT LOCATION:** 1700 Main Street, 1663 and 1711 Ocean Avenue, Santa Monica**PROJECT DESCRIPTION:** Demolition of a two and five story, 295,000 square foot institutional use building, and two vacant and former apartment buildings. Following the removal of the apartment buildings the apartment building sites will be improved as temporary parking for use by the RAND Corporation.**LOCAL APPROVALS RECEIVED:** Approval in Concept; Development Agreement between the City of Santa Monica and RAND Corporation**SUBSTANTIVE FILE DOCUMENTS:** Development Agreement between the City of Santa Monica and RAND Corporation; RAND Corporation Headquarters Building, Final Environmental Impact Report, August 2000.**SUMMARY OF STAFF RECOMMENDATION:**

Staff recommends approval with special conditions on the basis that the project, as conditioned conforms with the public access and resource protection policies of the Coastal Act. Special Conditions include complying with the City's water quality standards for urban runoff, and a special condition placing the applicant on notice that the Development Agreement needs Commission approval to be effective in the Coastal Zone.

**STAFF RECOMMENDATION:****I. MOTION, STAFF RECOMMENDATION AND RESOLUTION FOR 5-01-209:**

Staff recommends that the Commission make the following motion and adopt the following resolution:

**MOTION:** *I move that the Commission approve Coastal Development Permit #5-01-209 pursuant to the staff recommendation.*

**STAFF RECOMMENDATION OF APPROVAL:**

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

**RESOLUTION TO APPROVE THE PERMIT:**

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

**II. STANDARD CONDITIONS:**

1. Notice of Receipt and Acknowledgment. The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. Expiration. If development has not commenced, the permit will expire two years from the date this permit is reported to the Commission. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.

3. 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.

### III. SPECIAL CONDITIONS

#### 1. Water Quality Standards

With the acceptance of this permit the applicant agrees to comply with all applicable City of Santa Monica water quality requirements as required under the City's Municipal Code that are in effect at the time of approval of this permit.

#### 2. Development Agreement

With the acceptance of this permit, the applicant is placed on notice that the Development Agreement is an agreement between the applicant and the City, and is not effective in the Coastal Zone, until the Development Agreement is formally submitted and approved by the Coastal Commission.

### IV. FINDINGS AND DECLARATIONS:

The Commission hereby finds and declares:

#### A. Project Description and Location

The applicant proposes to demolish a two and five story, 295,000 square foot institutional use building, located between Main Street and Ocean Avenue, and two vacant apartment buildings, located on Ocean Avenue; and construct temporary parking lots in place of the demolished apartment buildings, for use by the RAND Corporation during construction of their new building.

The demolition will be done in two phases. The first phase will involve the demolition of the two apartment buildings. The lots will then be converted to temporary parking lots. Phase two will involve the demolition of the 295,000 square foot RAND building. Phase two will commence after RAND completes construction and occupies their new building (construction of the new building is estimated to take approximately two years). RAND

has submitted a separate permit application (CDP application No. 5-01-196) for the construction of a new 320,409 square foot building. The application for the new building is concurrently before the Commission at this hearing.

All debris from the demolition will be removed and disposed of at a disposal site outside of the coastal zone.

The proposed project is located on the west side of Main Street, north of the intersection of Main Street and Pico Boulevard, and south of the Santa Monica Freeway (Interstate 10) in the City of Santa Monica (see Exhibit No 1).

The surrounding area is developed with the existing two to five-story RAND Corporation building to the north, a multi-story hotel to the south, the Santa Monica Civic Auditorium and County Courthouse to the east, and two vacant three-story apartment buildings to the west.

The RAND Corporation and the City of Santa Monica have entered into a Development Agreement, which in part, requires RAND to demolish the old buildings once the new building has been constructed and occupied by RAND.

In August 1992, the Commission certified, with suggested modifications, the land use plan portion of the City of Santa Monica's Local Coastal Program, excluding the area west of Ocean Avenue and Neilson way (Beach Overlay District), and the Civic Center/RAND area. On September 15, 1992, the City of Santa Monica accepted the LUP with suggested modifications.

## **B. RAND Property History**

Since the early 1950's the RAND Corporation has owned and occupied approximately 15 acres located between Ocean Avenue to the west, Main Street to the east, the 101 Freeway to the north and Pico Boulevard to the south. The existing RAND building is a two and five story, 295,000 square foot building along Ocean Avenue and Main Street. The building covers approximately 40 percent of the 15 acre site. The remaining property is comprised of surface parking lots and several dilapidated and abandoned buildings.

Two of the buildings along Ocean Avenue, which will be demolished and the sites used for parking, have been used in the past as apartments. The building at 1663 Ocean Avenue, provided 19 units and was purchased by RAND in 1977 and vacated in 1986. The second apartment building is located at 1711 Ocean Avenue. This building consists of 12 units and was purchased by RAND in 1977 and continued to operate as apartments until it was vacated in 1992.

In early 2000, RAND and the City of Santa Monica entered into a Development Agreement (DA). As part of the DA, RAND sold 11.3 acres of the 15 acres to the City

(Santa Monica Redevelopment Agency) and retained 3.7 acres for the construction of the new RAND building. RAND has leased back from the City most of the 11.3 acres through mid 2004, and will occupy the existing building until its new facility is completed. RAND is a nonprofit national and international "think Tank" institution that assists policy and decision making through research and analysis. It was created in 1946, by their original client, the U.S. Air Force (then the Army Air Forces). Today, RAND's work involves assisting all branches of the U.S. military community, and applying expertise to social and international issues.

### C. Development

Section 30250 of the Coastal Act states in part that:

*(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 a significant adverse effects, either individually or cumulatively, on coastal resources.*

Section 30251 of the Coastal Act states in part that:

*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 landforms, to be visually compatible with the character surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas.*

The general vicinity is developed with residential, office, and retail uses. Land uses immediately surrounding the area, include City Hall, a Los Angeles County Court facility, and the Santa Monica Civic Auditorium, all located east of Main Street. To the west of Main Street, land uses include RAND, Chez Jay restaurant, Ocean Lodge Motel, and several vacant parcels that are either used as surface parking lots or that support vacant buildings along Ocean Avenue. To the southwest is the Pacific Shores Hotel.

The demolition of the main RAND building and the two vacant buildings located along Ocean Avenue, and use of the sites as temporary parking, is consistent with the surrounding development and will not adversely impact views to or along the coast. Moreover, the removal of the two vacant and dilapidated structures along Ocean Avenue will improve the aesthetics of the area. Therefore, as proposed, the project is consistent with Sections 30250 and 30251 of the Coastal Act.

**D. Control of Polluted Runoff**

Section 30230 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 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.*

The proposed project poses a potential source of pollution due to contaminated runoff from the proposed parking lot. The City, to mitigate potential impacts caused by urban runoff, has adopted an Urban Runoff Ordinance. The ordinance requires projects to incorporate best management practices with extensive recommendations and measures to reduce or prevent contaminants from running off the site. The City requires all new development to achieve twenty-percent reduction of the projected runoff for the site and the use of oil and water separators or clarifiers to remove petroleum-based contaminants and other pollutants. Furthermore, the City has a new state-of-the-art stormwater treatment facility that treats all dry weather storm runoff. Runoff from all new development is directed to existing stormdrains, which direct stormwater to the treatment facility.

Coastal Commission water quality staff has previously reviewed the City of Santa Monica's water quality standards for similar projects and have determined that the City's standards are consistent with standards imposed by the Commission. To ensure that the development complies with the City requirements, a special condition is necessary that requires the applicant to agree to comply with all applicable water quality requirements of the City's Urban Runoff Ordinance. The Commission, therefore, finds that, as conditioned, the development will be consistent with Section 30230 and 30231 of the Coastal Act.

**E. Local Coastal Program**

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

In August 1992, the Commission certified, with suggested modifications, the land use plan portion of the City of Santa Monica's Local Coastal Program, excluding the area west of Ocean Avenue and Neilson way (Beach Overlay District), and the Civic Center/RAND area. On September 15, 1992, the City of Santa Monica accepted the LUP with suggested modifications.

The certified Land Use Plan designated the proposed site as Main Street Commercial. Under the City's current zoning the proposed new use is a permitted use. As conditioned the project will not adversely impact coastal resources and beach access. The Commission, therefore, finds that the proposed project will be consistent with the Chapter 3 policies of the Coastal Act and will not prejudice the ability of the City to prepare a Local Coastal Program consistent with the policies of Chapter 3 of the Coastal Act as required by Section 30604(a).

#### **F. Development Agreement**

California Government Code Section 65869 stipulates that development agreements shall not be applicable to development in the coastal zone unless, prior to certification of the local coastal program ("LCP") for the jurisdiction in which the development is located, the Commission, through formal action, approves the development agreement.

Since the LCP for the City of Santa Monica has not been certified, the Commission will have to approve the development agreement before the agreement can be effective. The Development Agreement is currently not before the Commission. The applicant has submitted the Development Agreement as a background document as part of the application for the Coastal Development Permit. Therefore, a special condition is necessary placing the applicant on notice that the development agreement is an agreement between the applicant and the City, and is not effective in the Coastal Zone.

#### **G. California Environmental Quality Act**

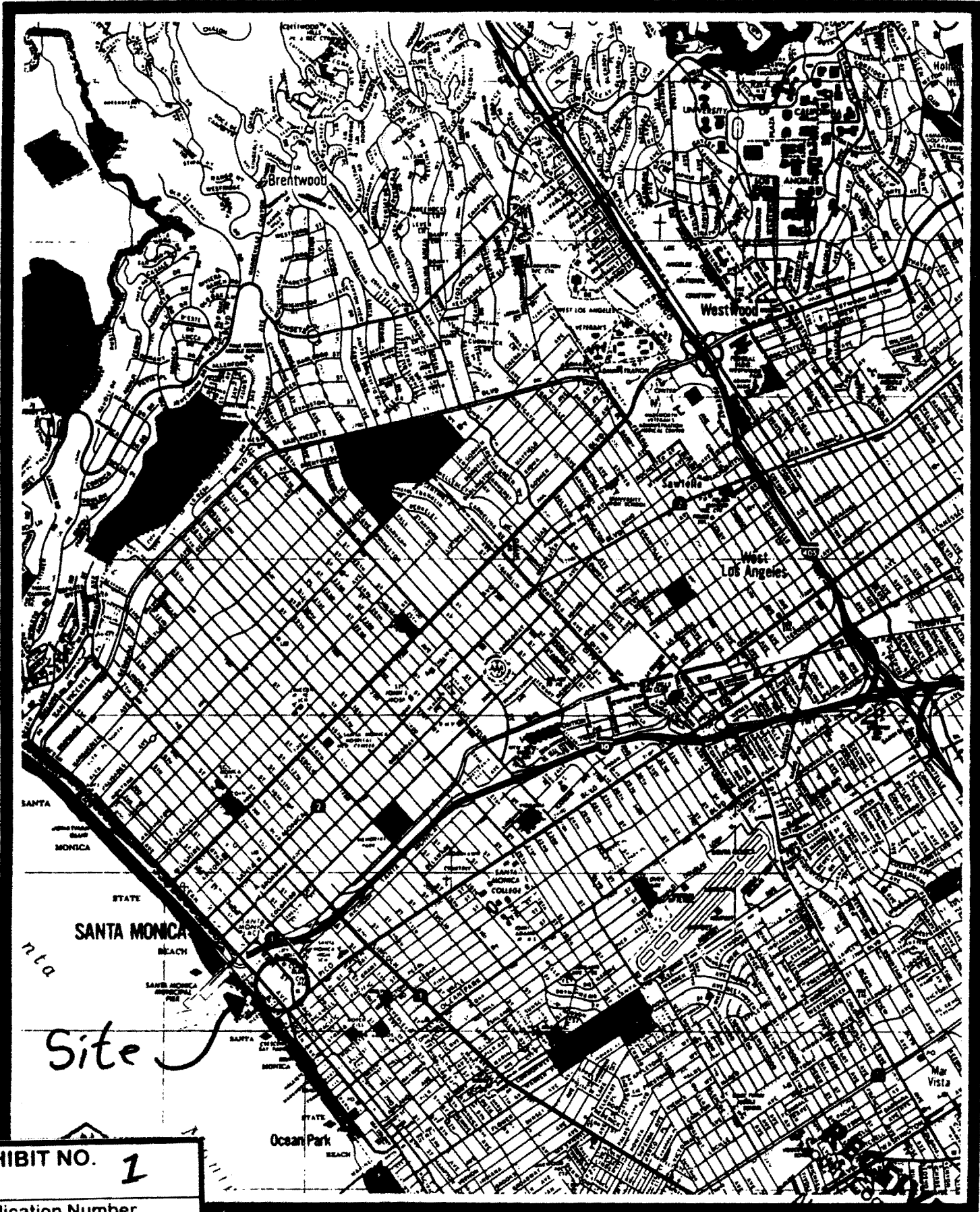
Section 13096 of the Commission's administrative regulations requires Commission approval of Coastal Development Permit applications to be supported by a finding showing the application, as conditioned by any conditions of approval, to be consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(A) of CEQA prohibits a proposed development from being approved if there are feasible alternatives or feasible mitigation measures available which would

substantially lessen any significant adverse effect which the activity may have on the environment.

As conditioned, all potential adverse impacts have been adequately mitigated. There are no feasible alternatives or mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment.

Therefore, the proposed project is found consistent with CEQA and the policies of the Coastal Act.





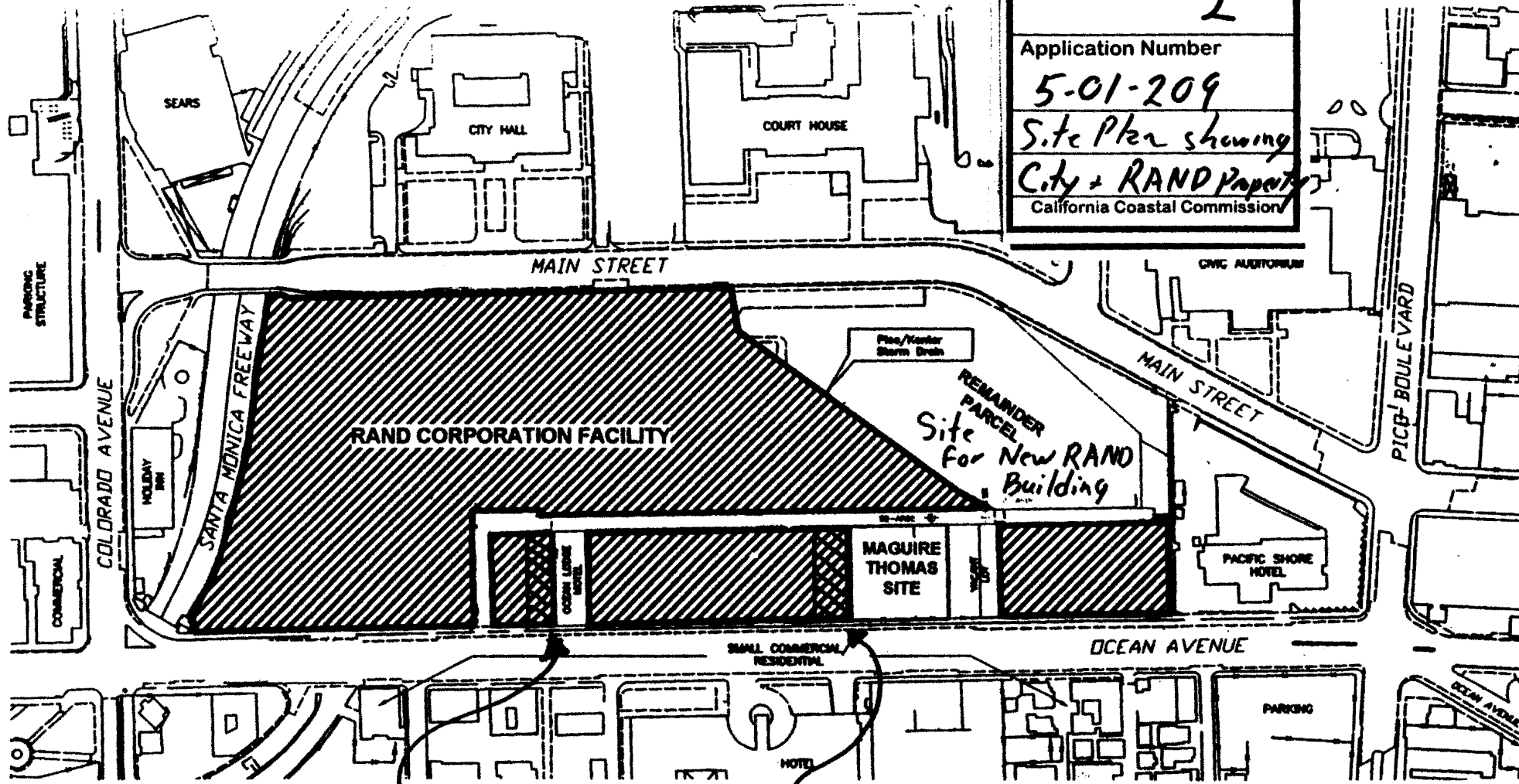
**EXHIBIT NO. 1**  
 Application Number  
 5-01-209  
*Vicinity Map*  
 California Coastal Commission

**Location Map**

CALIFORNIA  
 COASTAL COMMISSION  
 Region

RAND Corporation Headquarters Building EIR  
 Section 2.0 Project Description

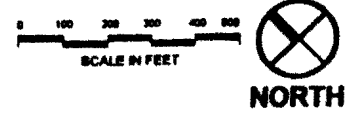
EXHIBIT NO. 2  
 Application Number  
 5-01-209  
*Site Plan showing  
 City + RAND Property*  
 California Coastal Commission



 CITY PROPERTY

*1663 Ocean Avenue  
 (City property)*

*1711 Ocean Avenue  
 (City property)*



Agency and Remainder Parcels

Figure 2-6  
 City of Santa Monica



EXHIBIT NO.	3
Application Number	5-01-209
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	California Coastal Commission

